

1 CALIFORNIA GAMBLING CONTROL COMMISSION  
2 FINAL TEXT OF PROPOSED REGULATIONS  
3 PORTABLE PERSONAL KEY EMPLOYEE LICENSES  
4 CGCC-GCA-2009-08-R  
5

6 CALIFORNIA CODE OF REGULATIONS  
7 TITLE 4. BUSINESS REGULATIONS.  
8 DIVISION 18. CALIFORNIA GAMBLING CONTROL COMMISSION.  
9

10 CHAPTER 1. GENERAL PROVISIONS.  
11

12 **Section 12008. Registration Fees; License Fees.**

13 Every application for a registration or license issued pursuant to this division shall be  
14 accompanied by a fee that is authorized by Business and Professions Code section 19951(a).  
15 Every application for a work permit issued pursuant to Chapter 2 of this division shall be  
16 accompanied by a fee that is authorized by Business and Professions Code section 19915. The  
17 fee for the initial application and renewal of registrations, licenses or work permits issued  
18 pursuant to this division is as follows:

19 (a) For an initial and renewal Gambling License issued pursuant to Chapter 6, the fee is one  
20 thousand dollars (\$1000).

21 (b) For ~~an initial and renewal~~ a Gambling Establishment Key Employee License issued  
22 pursuant to Chapter 6, the fee is ~~seven hundred and fifty dollars (\$750)~~. as follows:

23 (1) For an interim key employee license, the fee is twenty-five dollars (\$25).

24 (2) For an initial and renewal license, the fee is seven hundred and fifty dollars (\$750).

25 (3) For a replacement license, the fee is twenty-five dollars (\$25).

26 (c) For an initial and renewal Work Permit issued pursuant to Chapter 2, the fee is as follows:

27 (1) For a Regular Work Permit, the fee is two hundred and fifty dollars (\$250).

28 (2) For a Temporary Work Permit, the fee is twenty-five dollars (\$25), in addition to the  
29 regular work permit fee in paragraph (1) of this subsection.

30 (d) For a Third-Party Proposition Player Services registration or license issued pursuant to  
31 Chapter 2.1, the fee is as follows:

Underline denotes new text. ~~Strikeout~~ denotes deleted text.

1 (1) For an initial and renewal registration of all registration types, the fee is five hundred  
2 dollars (\$500).

3 (2) For a temporary player registration, the fee is twenty-five dollars (\$25), in addition to the  
4 regular player registration fee specified in paragraph (1) of this subsection.

5 (3) For an initial and renewal license as a primary owner or owner, the fee is one thousand  
6 dollars (\$1000).

7 (4) For an initial and renewal license as a supervisor, the fee is seven hundred and fifty  
8 dollars (\$750).

9 (5) For an initial and renewal license as a player or other employee, the fee is five hundred  
10 dollars (\$500).

11 (e) For a Gambling Business registration or license issued pursuant to Chapter 2.2, the fee is  
12 as follows:

13 (1) For an initial and renewal registration for all registration types, the fee is five hundred  
14 dollars (\$500).

15 (2) For an initial and renewal license as a primary owner or owner, the fee is one thousand  
16 dollars (\$1000).

17 (3) For an initial and renewal license as a supervisor, the fee is seven hundred and fifty  
18 dollars (\$750).

19 (4) For an initial and renewal license as a player or other employee, the fee is five hundred  
20 dollars (\$500).

21 (f) For a Gambling Equipment Manufacturer or Distributor Registration issued pursuant to  
22 Chapter 4, the fee is as follows:

23 (1) For an initial and renewal registration as a Class A Equipment Manufacturer or  
24 Distributor, the fee is five hundred dollars (\$500).

25 (2) For an initial and renewal registration as an “antique collector”, within the meaning of  
26 Sections 12300(b)(1) and 12301(b)(10)(B), the fee is forty dollars (\$40).

27 (3) For a Class B Equipment Manufacturer or Distributor Registration, no fee is required.

28 Note: Authority cited: Sections 19811, 19824, 19840, 19841, 19853(a)(3), ~~19854~~, 19915, 19951(a) and 19984,  
29 Business and Professions Code. Reference: Sections 19915, 19841, 19853(a)(3), 19951(a) and 19984(b), Business  
30 and Professions Code.

31

32

1     **CHAPTER 6. STATE GAMBLING LICENSES AND APPROVALS FOR GAMBLING**  
 2             **ESTABLISHMENTS AND OWNERS;~~;~~ AND PORTABLE PERSONAL KEY**  
 3                     **EMPLOYEES LICENSES.**

4  
 5             **ARTICLE 1. DEFINITIONS AND GENERAL PROVISIONS.**

6     **Section 12335. Definitions.**

7             (a) Except as otherwise provided in section 12002(b) of these regulations, the definitions in  
 8 Business and Professions Code section 19805 shall govern the construction of this chapter.

9             (b) As used in this chapter:

10            (1) “Table Fee” means the fee established by Business and Professions Code, section  
 11 19951(b)(2).

12            (2) “Portable Personal Key Employee License” or “Key Employee License” means a license  
 13 which authorizes the holder to be associated with any gambling enterprise as a key employee,  
 14 provided the key employee terminates employment with one gambling enterprise before  
 15 commencing work for another, as provided in Business and Professions Code sections 19805,  
 16 subdivisions (w) and (x), and 19854, subdivision (c).

17 Note: Authority cited: Sections 19811(b), 19823, 19824, 19840 and 19841, Business and Professions Code.  
 18 Reference: Sections 19800, 19805 (w), 19805 (x), ~~19805(d) and (e)~~, 19811, 19854 and 19951(b)(2), Business and  
 19 Professions Code.

20  
 21             **ARTICLE 2. LICENSING GAMBLING LICENSES.**

22     **Section 12340. Gambling Licenses and Key Employee License.**

23             (a) No person may conduct a gambling operation without a current valid gambling license  
 24 issued by the Commission.

25             ~~(b) Except as provided in Business and Professions Code Section 19883 and Section 12347,~~  
 26 ~~no person may be a key employee of a gambling operation without a current valid key employee~~  
 27 ~~license issued by the Commission.~~

28             ~~(e)~~ (b) A ~~state gambling license and key employee license~~ shall be valid for a period of two (2)  
 29 years.

30 Note: Authority cited: Sections 19811(b), 19823, 19824, 19840, 19841, 19850, 19851, 19852, 19853, ~~19854~~ and  
 31 19876(a), Business and Professions Code. Reference: Sections 19850, 19851, ~~19854~~ and 19876(a), Business and  
 32 Professions Code.

1 **Section 12342. Initial Gambling License Applications; Required Forms; Processing Times.**

2 (a) Any person applying for a ~~state~~ gambling license ~~or key employee license~~ shall, as  
3 appropriate, complete the following forms, which are hereby incorporated by reference:

4 (1) Application for State Gambling License, CGCC-030 (Rev. 05/08).

5 ~~(2) Application for Gambling Establishment Key Employee License, CGCC-031 (Rev.~~  
6 ~~05/08).~~

7 ~~(3)~~ Gambling Establishment Owner Applicant-Individual Supplemental Background  
8 Investigation Information, BGC-APP-015A (Rev. 04/08).

9 ~~(4)~~ Gambling Establishment Owner Entity Supplemental Information for State Gambling  
10 License, BGC-APP-015B (Rev. 04/08).

11 ~~(5)~~ Gambling Establishment Supplemental Information for State Gambling License, BGC-  
12 APP-015C (Rev. 04/08).

13 ~~(6) Gambling Establishment Key Employee Supplemental Background Investigation~~  
14 ~~Information, BGC-APP-016A (Rev. 04/08).~~

15 ~~(7)~~ Cardroom Applicant's Spouse Supplemental Background Information for State  
16 Gambling License, BGC-APP-009A (Rev. 11-07).

17 ~~(8)~~ Trust Supplemental Background Investigation Information, BGC-APP-143 (Rev.  
18 05/08).

19 ~~(9)~~ Declaration of Full Disclosure, BGC-APP-005 (Rev. 11/07).

20 ~~(10)~~ Authorization to Release Information, BGC-APP-006 (Rev. 04/08).

21 ~~(11)~~ Applicant's Declaration, Acknowledgment and Agreement (Community Property  
22 Interest), BGC-APP-011 (Rev. 11/07).

23 ~~(12)~~ Applicant's Declaration, Acknowledgment and Agreement (Sole and Separate  
24 Property), BGC-APP-012 (Rev. 11/07).

25 ~~(13)~~ Spouse's Declaration, Acknowledgment and Agreement (Community Property  
26 Interest), BGC-APP-013 (Rev. 11/07).

27 ~~(14)~~ Spouse's Declaration, Acknowledgment and Agreement (Sole and Separate Property),  
28 BGC-APP-014 (Rev. 11/07).

29 ~~(15)~~ Appointment of Designated Agent, BGC-APP-008 (Rev. 11/07).

30 ~~(16)~~ Key Employee Report, BGC-LIC-101 (Rev. 11/07).

31 ~~(17)~~ Instructions to Applicant's Spouse, BGC-APP-010 (Rev. 05/08).

Underline denotes new text. ~~Strikeout~~ denotes deleted text.

1       ~~(1816)~~ Notice to Applicants, BGC-APP-001 (Rev. 11/07).

2       ~~(1917)~~ Request for Live Scan Service (California Department of Justice Form BCII 8016,  
3       ~~(Rev. 4/01 03/07)~~).

4       ~~(2018)~~ Request for Copy of Personal Income Tax or Fiduciary Return, FTB-3516C1 (Rev.  
5       06/03 side 1-PIT).

6       ~~(2119)~~ Request for Copy of Corporation, Exempt Organization, Partnership, or Limited  
7       Liability Company Return FTB-3516C1 (Rev. 06/03 side 2-CORP).

8       ~~(2220)~~ Request for Transcript of Tax Return IRS 4506-T, ~~(Rev. April 2006 01/08)~~.

9       Note: Authority cited: Sections 19811, 19824, 19840, and 19841, Business and Professions Code. Reference:  
10       Sections 19850, 19851, 19852, 19854, 19855, 19856, 19857, 19864, 19865, 19866, 19867, 19880, 19881, 19883,  
11       19890, 19893, 19951 and 19982, Business and Professions Code.

12

13       **~~Section 12343. Processing Times—Initial Applications.~~**

14       ~~(a)~~ Except as provided in subsection ~~(b)~~, initial gambling ~~or key employee~~ license  
15       applications submitted pursuant to this chapter shall be processed within the following  
16       timeframes:

17       (1) The maximum time within which the Commission shall notify the applicant in writing  
18       that an application or a resubmitted application is complete and accepted for initial processing by  
19       the Commission, or that an application or a resubmitted application is deficient and identifying  
20       what specific additional information is required, is 20 days after receipt of the application. For  
21       the purposes of this section, "application" means the Application for State Gambling License,  
22       CGCC-030 ~~(Rev. 05/08)~~ and the ~~Application for Gambling Establishment Key Employee~~  
23       ~~License, CGCC 031 (Rev. 05/08), as referenced referred to in paragraph (1) of subsection (a) of~~  
24       ~~this Section 12342.~~ An application is not complete unless accompanied by the fee specified in  
25       subsection (a) of Section 12008 for a gambling license ~~or subsection (b) of Section 12008 for a~~  
26       ~~key employee license.~~ In addition, an applicant shall submit with the application, any  
27       supplemental information required in paragraph (a) of this section ~~by Section 12342~~ for review  
28       by the Bureau pursuant to paragraph (3) of this subsection. The Commission shall not review the  
29       supplemental information for completeness.

30       (2) An application for a gambling license and the supplemental information shall be  
31       forwarded by the Commission to the Bureau within 10 days of the date that the Commission  
32       determines that the application is complete.

Underline denotes new text. ~~Strikeout~~ denotes deleted text.

1 (3) The Bureau shall review the supplemental information submitted for completeness and  
2 notify the applicant of any deficiencies in the supplemental information, or that the supplemental  
3 information is complete, within 30 days of the date that the application and supplemental  
4 information are received by the Bureau from the Commission. Notwithstanding this subsection,  
5 subsequent to acceptance of the supplemental information as complete, the Bureau may pursuant  
6 to Business and Professions Code section 19866 require the applicant to submit additional  
7 information.

8 (4) Pursuant to Business and Professions Code section 19868, the Bureau shall, to the extent  
9 practicable, submit its recommendation to the Commission within 180 days after the date the  
10 Bureau is in receipt of both the completed application pursuant to paragraph (2) of this  
11 subsection and the completed supplemental information pursuant to paragraph (3) of this  
12 subsection. If the Bureau has not concluded its investigation within 180 days, then it shall  
13 inform the applicant and the Commission in writing of the status of the investigation and shall  
14 also provide the applicant and the Commission with an estimated date on which the investigation  
15 may reasonably be expected to be concluded.

16 (5) The Commission shall grant or deny the application within 120 days after receipt of the  
17 final written recommendation of the Bureau concerning the application, except that the  
18 Commission may notify the applicant in writing that additional time, not to exceed 30 days, is  
19 needed.

20 (~~b~~c) The processing times specified in subsection (~~a~~b) may be exceeded in any of the  
21 following instances:

22 (1) The applicant has agreed to extension of the time.

23 (2) The number of licenses to be processed exceeds by 15 percent the number processed in  
24 the same calendar quarter the preceding year.

25 (3) The Commission must rely on another public or private entity for all or part of the  
26 processing and the delay is caused by that other entity.

27 Note: Authority cited: Sections 19811, 19824, 19840 and 19841, Business and Professions Code. Reference:  
28 Sections 19841, 19850, 19851, 19852, 19855, 19856, 19857, 19864, 19865, 19866, 19867, ~~and~~ 19868, 19880,  
29 19881, 19883, 19890, 19893, 19951, and 19982, Business and Professions Code.

30

31 **Section 123445. License Renewals; Processing Times.**

32 (a) Each application for renewal of a ~~state~~ gambling license ~~or for renewal of a key employee~~

Underline denotes new text. ~~Strikeout~~ denotes deleted text.

1 license shall be accompanied by all of the following:

2 ~~(1) A completed application:~~

3 ~~(A1) Applicants for a state gambling license shall use the form~~ A completed "Application for  
4 State Gambling License, CGCC-030 (Rev. 05/08)." as referred to in paragraph (1) of subsection  
5 (a) of Section 12342.

6 ~~(B) Applicants for a key employee license shall use the form "Application for Gambling~~  
7 ~~Establishment Key Employee License, CGCC 031 (Rev. 05/08)."~~

8 (2) A nonrefundable application fee in the amount specified in subsection (a) of Section  
9 12008 for a gambling license ~~or subsection (b) of Section 12008 for a key employee license.~~

10 (b) Each ~~key employee or other~~ person whose name is required to be endorsed upon the  
11 license shall submit a separate application for renewal of that person's license, together with the  
12 application fee specified in subsection ~~(b)~~ (a) of Section 12008.

13 (c) All applications for renewal of ~~state gambling licenses and key employee licenses~~ for a  
14 particular gambling ~~establishment~~ enterprise shall be submitted together as a single package to  
15 the California Gambling Control Commission.

16 (d) If, after a review of an application for renewal of a ~~state gambling license or a key~~  
17 ~~employee license~~, the Bureau determines that further investigation is needed, the applicant shall  
18 submit an additional sum of money that, in the judgment of the Chief of the Bureau, will be  
19 adequate to pay the anticipated investigation and processing costs, in accordance with Business  
20 and Professions Code section 19867.

21 ~~Note: Authority cited: Sections 19811, 19824, 19840, 19841, 19851, 19854 and 19951, Business and Professions~~  
22 ~~Code. Reference: Sections 19851, 19876, 19854 and 19951, Business and Professions Code.~~

23 **~~Section 12345. Processing Times — Renewal Applications.~~**

24 ~~(a)~~ (e) Except as provided in subsection ~~(b)~~ (f), renewal gambling ~~or key employee license~~  
25 applications submitted pursuant to subsection (a) of this Section 12344 shall be processed  
26 within the following timeframes:

27 (1) An application for renewal of a gambling license ~~or key employee license~~ shall be filed  
28 by the owner licensee ~~or the key employee~~ with the Commission no later than 120 days prior to  
29 the expiration of the current license.

30 (2) The maximum time within which the Commission shall notify the applicant in writing  
31 that an application or a resubmitted application is complete and accepted for initial processing by

1 the Commission, or that an application or a resubmitted application is deficient and identifying  
2 what specific additional information is required, is 10 days after receipt of the application. For  
3 the purposes of this section, "application" means the Application for State Gambling License,  
4 CGCC-030 (Rev. 05/08) and the ~~Application for Gambling Establishment Key Employee~~  
5 ~~License, CGCC 031 (Rev. 05/08), referenced~~ referred to in paragraph (1) of subsection (a) of  
6 Section 12342. An application is not complete unless accompanied by the fee specified in  
7 subsection (a) of Section 12008 for a gambling license ~~or subsection (b) of Section 12008 for a~~  
8 ~~key employee license.~~

9 (3) An application for a gambling license shall be forwarded by the Commission to the  
10 Bureau for processing within five days of the date that the Commission determines that the  
11 application is complete.

12 (4) The Bureau shall submit its ~~written recommendation~~ report concerning the renewal  
13 application, which may include a recommendation pursuant to Business and Professions Code  
14 section 19826, subdivision (a), to the Commission no later than 45 days prior to the expiration of  
15 the current license.

16 (~~b~~) The processing times specified in paragraphs (2) through and including (4) of subsection  
17 (~~a~~) may be exceeded in any of the following instances:

18 (1) The applicant has agreed to extension of the time.

19 (2) The number of licenses to be processed exceeds by 15 percent the number processed in  
20 the same calendar quarter the preceding year.

21 (3) The Commission must rely on another public or private entity for all or part of the  
22 processing and the delay is caused by that other entity.

23 Note: Authority cited: Sections 19811, 19824, 19840, ~~and~~ 19841, and 19951, Business and Professions Code.  
24 Reference: Sections 19826, 19851, 19868, and 19876, and 19951, Business and Professions Code.

25

26 **~~Section 12347. Interim Key Employee Status While Application Pending.~~**

27 (~~a~~) ~~Unless given 30 days after hiring to file an application for key employee licensure pursuant to~~  
28 ~~Business and Professions Code section 19883 (corporate owner licensee exemption for key~~  
29 ~~employees), gambling establishment employees holding a valid work permit or license for any~~  
30 ~~gambling establishment may begin work as an interim key employee provided that written notice is~~  
31 ~~given to the Commission and Bureau within ten days of the employee's assumption of key employee~~



1 ~~duties, accompanied by a description of the key employee duties the employee will perform and a~~  
2 ~~copy of the employee's current work permit or license for any licensed gambling establishment.~~

3 ~~(b) An interim key employee shall, within 30 days of assuming a key employee position,~~  
4 ~~submit the following:~~

5 ~~(1) The Commission's key employee license application, CGCC-031, as referenced in~~  
6 ~~Section 12342,~~

7 ~~(2) The Bureau's key employee supplemental application, BGC APP-016A, as referenced in~~  
8 ~~Section 12342, and~~

9 ~~(3) All applicable fees and deposits due for a key employee license.~~

10 ~~(e) An applicant for key employee licensure currently working as an interim key employee~~  
11 ~~shall cease working in a key employee position if the application for key employee licensure is~~  
12 ~~abandoned or denied, if the employee's work permit is revoked or cancelled before the key~~  
13 ~~employee license is approved, or if the Executive Director notifies the applicant and gambling~~  
14 ~~establishment that the interim status is cancelled pursuant to subsection (d), below.~~

15 ~~(d) With ten day's advance written notice to the interim key employee and to the gambling~~  
16 ~~establishment, the Executive Director shall cancel the interim key employee status based upon~~  
17 ~~the following:~~

18 ~~(1) Evidence showing that the applicant has sustained any disqualifying criminal convictions;~~

19 ~~(2) Evidence showing that the applicant is statutorily ineligible for a key employee license~~  
20 ~~under the Act;~~

21 ~~(3) Evidence which discloses that having the applicant serve as a interim key employee~~  
22 ~~pending determination of their application may in the judgment of the Executive Director present~~  
23 ~~a danger to the public or to the reputation of controlled gambling in this state;~~

24 ~~(4) A determination by the Executive Director that the applicant has failed to reveal any fact~~  
25 ~~that is material to, or supplied materially untrue or misleading information on, the applicant's~~  
26 ~~key employee license application;~~

27 ~~(5) A Bureau recommendation of denial of the applicant's key employee application;~~

28 ~~(6) Referral by the Commission of the applicant to an evidentiary hearing with direction to~~  
29 ~~the Executive Director to cancel the interim key employee status; or~~

30 ~~(7) A determination by the Executive Director that the gambling establishment using the~~  
31 ~~interim key employee procedure has shown a pattern or practice of hiring or promoting persons~~

Underline denotes new text. ~~Strikeout~~ denotes deleted text.

1 ~~to key employee positions in violation of subsection (a) above or that the gambling establishment~~  
2 ~~has acted in bad faith, with actual knowledge that the persons hired or promoted would be~~  
3 ~~ineligible for licensure.~~

4 ~~(e) Within ten days of the date of notice of a cancellation of interim status pursuant to this~~  
5 ~~section, the gambling establishment shall notify the Commission in writing of the effective date~~  
6 ~~of the position change for or suspension of the employee, and shall describe the employee's~~  
7 ~~revised job duties, if any.~~

8 ~~(f) Judicial review of a cancellation of interim status shall be by petition pursuant to section~~  
9 ~~1085 of the Code of Civil Procedure.~~

10 ~~Note: Authority cited: Sections 19823, 19824, 19840 and 19841, Business and Professions Code. Reference:~~  
11 ~~Sections 19805(w), 19805(x), 19850, 19855, 19856, 19857, 19859, 19866, 19870 and 19883, Business and~~  
12 ~~Professions Code.~~

13

14 **Section 123486. Mandatory and Discretionary Grounds for Denial of Application for a**  
15 **State Gambling License or Key Employee license.**

16 (a) An application for a ~~state~~ gambling license ~~or key employee license~~ shall be denied by the  
17 Commission if any of the following apply:

18 (1) The Commission finds that the applicant is ineligible, unqualified, disqualified, or  
19 unsuitable pursuant to the criteria set forth in the Act or other applicable law or that granting the  
20 license would be inimical to public health, safety, welfare, or would undermine the public trust  
21 that gambling operations are free from criminal or dishonest elements.

22 (2) The Commission finds that the local ordinance does not conform to the requirements of  
23 Business and Professions Code section 19860.

24 (b) An application for a ~~state~~ gambling license may be denied if:

25 (1) The Commission finds that the applicant meets any of the criteria for license denial set  
26 forth in Business and Professions Code section 19862, subdivision (a).

27 (2) The Commission finds that an applicant has attempted to communicate or has  
28 communicated ex parte, as that term is defined in Business and Professions Code section 19872,  
29 subdivision (e), with one or more Commissioners, through direct or indirect means, regarding the  
30 merits of the application while the application is pending disposition at the Bureau or the  
31 Commission.

32 (3) The Commission finds that the applicant's past behavior calls into question the

1 applicant's qualification requirements and considerations outlined in Business and Professions  
 2 Code section 19856. Examples of past behavior that may be considered include, but are not  
 3 limited to:

4 (A) Convictions which demonstrate a pattern of disregard for the law,

5 (B) A conviction involving gambling or gambling-related activities,

6 (C) A final administrative decision concluding that there was a violation of law involving  
 7 gambling or gambling-related activities, or

8 (D) A conviction regarding or final administrative decision concluding that there was a  
 9 violation of campaign finance disclosure or contribution limitations applicable to an election  
 10 conducted pursuant to Business and Professions Code section 19960.

11 (4) The Commission finds that the applicant has, within ten years immediately preceding the  
 12 submission of the application, willfully or persistently violated any of the following:

13 (A) Any regulation adopted by the Commission or Bureau.

14 (B) Any condition, limitation, or directive imposed on a previously held ~~state~~ gambling or  
 15 ~~key employee~~ license.

16 (c) The grounds for denial set forth in this section apply in addition to any grounds prescribed  
 17 by statute or any grounds that would support revocation under chapter 10 of these regulations.

18 Note: Authority cited: Sections 19811, 19823, 19824, 19840, 19841, 19850, ~~19854~~, 19861, 19870, 19872, 19880,  
 19 19890 and 19982, Business and Professions Code. Reference: Sections 19850, 19851, 19852, 19857, 19858,  
 20 19859, 19860, 19862, 19863 and 19960, Business and Professions Code.

21

22 **ARTICLE 3. PORTABLE PERSONAL KEY EMPLOYEE LICENSE.**

23 **Section 12350. Initial Licenses; Required Forms; Processing Times.**

24 (a) Except as provided in Business and Professions Code section 19883 and Section 12354,  
 25 no person may be associated with a gambling enterprise as a key employee without a valid key  
 26 employee license issued by the Commission.

27 (b) A key employee license, including an interim key employee license, shall be valid for a  
 28 period of two (2) years. If an interim key employee license is issued pursuant to Section 12354,  
 29 the term of the subsequently issued initial key employee license shall be for the remaining  
 30 unexpired term of the interim license.

31 (c) Any person applying for a key employee license shall submit the following:

32 (1) A completed "Application for Gambling Establishment Key Employee License CGCC-

1 031 (Rev. 08/09),” which is attached in Appendix A to this chapter.

2 (2) A nonrefundable application fee in the amount specified in subsection (b) of Section  
3 12008 for a key employee license.

4 (3) A two by two inch color passport-style photograph taken no more than 30 days before  
5 submission to the Commission of the key employee application.

6 (4) Key Employee Supplemental Background Investigation Information, BGC-APP-016A  
7 (Rev. 08/09), which is hereby incorporated by reference.

8 (5) Authorization to Release Information, BCG-APP-006, as referred to in paragraph (8),  
9 subsection (a) of Section 12342.

10 (6) Request for Live Scan Service, BCII 8016, as referred to in paragraph (17), subsection (a)  
11 of section 12342.

12 (d) Except as provided in subsection (e), initial key employee license applications submitted  
13 pursuant to this chapter shall be processed within the following timeframes:

14 (1) The maximum time within which the Commission shall notify the applicant in writing  
15 that an application or a resubmitted application is complete and accepted for initial processing by  
16 the Commission, or that an application or a resubmitted application is deficient and identifying  
17 what specific additional information is required, is five working days after receipt of the  
18 application. For the purposes of this section, "application" means the Application for Gambling  
19 Establishment Key Employee License, CGCC-031, referred to in paragraph (1) of subsection (c)  
20 of Section 12350. An application is not complete unless accompanied by the fee specified in  
21 subsection (b) of Section 12008. In addition, an applicant shall submit with the application, any  
22 supplemental information required by subsection (c) of this section for review by the Bureau  
23 pursuant to paragraph (3) of this subsection. The Commission shall not review the supplemental  
24 information for completeness.

25 (2) An application for a key employee license and the supplemental information shall be  
26 forwarded by the Commission to the Bureau within five working days of the date that the  
27 Commission determines that the application is complete.

28 (3) The Bureau shall review the supplemental information submitted for completeness and  
29 notify the applicant of any deficiencies in the supplemental information, or that the supplemental  
30 information is complete, within 30 days of the date that the application and supplemental  
31 information are received by the Bureau from the Commission. Notwithstanding this subsection,

1 subsequent to acceptance of the supplemental information as complete, the Bureau may pursuant  
2 to Business and Professions Code section 19866 require the applicant to submit additional  
3 information.

4 (4) Pursuant to Business and Professions Code section 19868, the Bureau shall, to the extent  
5 practicable, submit its recommendation to the Commission within 180 days after the date the  
6 Bureau is in receipt of both the completed application pursuant to paragraph (2) of this  
7 subsection and the completed supplemental information pursuant to paragraph (3) of this  
8 subsection. If the Bureau has not concluded its investigation within 180 days, then it shall  
9 inform the applicant and the Commission in writing of the status of the investigation and shall  
10 also provide the applicant and the Commission with an estimated date on which the investigation  
11 may reasonably be expected to be concluded.

12 (5) The Commission shall grant or deny the application within 120 days after receipt of the  
13 final recommendation of the Bureau concerning the application, except that the Commission may  
14 notify the applicant in writing that additional time, not to exceed 30 days, is needed.

15 (e) The processing times specified in subsection (d) may be exceeded in any of the following  
16 instances:

17 (1) The applicant has agreed to the extension of the time.

18 (2) The Commission must rely on another public or private entity for all or part of the  
19 processing and the delay is caused by that other entity.

20 Note: Authority cited: Sections 19811, 19823, 19824, 19840, 19841 and 19876(a), Business and Professions Code.  
21 Reference: Sections 19850, 19851, 19852, 19854, 19855, 19856, 19857, 19864, 19865, 19866, 19867, 19876(a),  
22 19880, 19881, 19883, 19890, 19893, 19951 and 19982, Business and Professions Code.

23

#### 24 **Section 12351. License Renewals; Required Forms; Processing Times.**

25 (a) Each application for renewal of a portable personal key employee license shall be  
26 accompanied by all of the following:

27 (1) A completed "Application for Gambling Establishment Key Employee License, CGCC-  
28 031," as referred to in paragraph (1) of subsection (c) of Section 12350.

29 (2) A nonrefundable application fee in the amount specified in subsection (b) of Section  
30 12008 for a key employee license.

31 (3) A two inch by two inch color passport-style photograph taken no more than 30 days  
32 before submission to the Commission of the key employee renewal application.

Underline denotes new text. ~~Strikeout~~ denotes deleted text.

1        (b) If, after a review of an application for renewal of a key employee license, the Bureau  
2 determines that further investigation is needed, the applicant shall submit a sum of money that, in  
3 the judgment of the Chief of the Bureau, will be adequate to pay the anticipated investigation and  
4 processing costs, in accordance with Business and Professions Code section 19867.

5        (c) Except as provided in subsection (d), key employee renewal license applications shall be  
6 processed within the following timeframes:

7        (1) An application for renewal of a key employee license shall be filed by the key employee  
8 with the Commission no later than 120 days prior to the expiration of the current license.

9        (2) The maximum time within which the Commission shall notify the applicant in writing  
10 that an application or a resubmitted application is complete and accepted for initial processing by  
11 the Commission, or that an application or a resubmitted application is deficient and identifying  
12 what specific additional information is required, is five working days after receipt of the  
13 application. For the purposes of this section, “application” means the Application for Gambling  
14 Establishment Key Employee License, CGCC-031, as referred to in paragraph (1) of subsection  
15 (c) of Section 12350. An application is not complete unless accompanied by the fee as specified  
16 in subsection (b) of Section 12008 for a key employee license.

17        (3) A renewal application for a key employee license shall be forwarded by the Commission  
18 to the Bureau for processing within five days of the date that the Commission determines that the  
19 application is complete.

20        (4) If the Bureau conducts an investigation, it shall submit a written report concerning the  
21 renewal application, which may include a recommendation pursuant to Business and Professions  
22 Code section 19826, subdivision (a), to the Commission no later than 45 days prior to the  
23 expiration of the current license, unless that application is filed with the Commission less than  
24 120 days prior to the expiration of the current license.

25        (d) The processing times specified in subsection (c) may be exceeded in any of the following  
26 instances:

27        (1) The applicant has agreed to the extension of the time.

28        (2) The Commission must rely on another public or private entity for all or part of the  
29 processing and the delay is caused by that other entity.

30 Note: Authority cited: Sections 19811, 19823, 19824, 19840, 19841, 19851, 19854 and 19951, Business and  
31 Professions Code. Reference: Sections 19826, 19850, 19851, 19852, 19854, 19855, 19856, 19857, 19864, 19865,  
32 19866 and 19867, Business and Professions Code.

Underline denotes new text. ~~Strikeout~~ denotes deleted text.

1 **Section 12352. Employment Status Notification; Replacement License; Required Forms;**  
2 **Processing Times.**

3 (a) The holder of a valid key employee license shall notify the Commission within 10 days of  
4 acceptance or termination of employment by a gambling enterprise by submitting a completed  
5 Notification of Change in Employment Status, CGCC-033 (New 08/09), which is attached in  
6 Appendix A to this chapter.

7 (b) The holder of a valid key employee license may request a replacement license in the  
8 event the license has been lost, stolen, damaged, or as needed to reflect a change of name by  
9 submitting the following:

10 (1) A completed Request for Replacement Key Employee License, CGCC-034 (New 08/09)  
11 which is attached in Appendix A to this chapter.

12 (2) A two inch by two inch color passport-style photograph taken no more than 30 days  
13 before submission to the Commission of the key employee license replacement request.

14 (3) A nonrefundable fee payable to the Commission as specified in subsection (b) of Section  
15 12008.

16 (c) The Executive Director shall issue a replacement portable personal key employee license  
17 to the holder as long as there is not any cause for revocation of the key employee license.

18 (d) A replacement key employee license issued pursuant to this section shall be valid during  
19 the unexpired term of the replaced key employee license.

20 (e) Upon issuance of the replacement key employee license, the previously issued key  
21 employee license shall become invalid and shall not be used thereafter.

22 (f) Applications submitted pursuant to subsection (b) of this section shall be processed within  
23 the following time frames:

24 (1) The maximum time within which the Executive Director shall notify the applicant in  
25 writing that an application or a resubmitted application is complete and accepted for filing, or  
26 that an application or a resubmitted application is deficient and identifying what specific  
27 additional information is required, is five working days after receipt of the application.

28 (2) A replacement key employee license shall be either issued or denied within 15 working  
29 days after the filing of a complete application.

30 Note: Authority cited: Sections 19811, 19823, 19824, 19840, 19841, and 19854, Business and Professions Code.  
31 Reference: Sections 19850, 19851, 19852, 19854, 19855, 19856, 19857, 19864, 19865, 19866 and 19867, Business  
32 and Professions Code.

1 **Section 12353. License Content; License Display and Presentation.**

2 (a) A key employee license issued by the Commission shall contain all of the following on  
3 the front of the license:

4 (1) A photograph of the licensee,

5 (2) The first name of the licensee;

6 (3) The license number; and

7 (4) The expiration date of the license.

8 (b) A key employee license issued by the Commission shall contain the full name of the  
9 licensee on the reverse side of the license.

10 (c) A key employee must wear in a visible and conspicuous manner, their key employee  
11 license at all times while on duty in the gambling establishment.

12 (d) A key employee license shall be presented upon request without delay or interference, to  
13 the employee's gambling enterprise employer or supervisor, a representative of the Commission  
14 or Bureau, or anyone requesting to verify the key employee has a valid license.

15 (e) A key employee license shall not be altered in any manner nor shall the content contained  
16 on the license be obstructed from view.

17 (f) A key employee license that has expired or is determined to be invalid pursuant to any  
18 applicable provision of the Act or this division, shall not be used to gain employment or perform  
19 any duties which require a valid key employee license. Any expired or invalid license shall be  
20 surrendered to the Commission or Bureau upon request.

21 Note: Authority cited: Sections 19811, 19823, 19824, 19826, 19827, 19840, 19841, and 19854, Business and  
22 Professions Code. Reference: Sections 19850, 19851, 19854, 19855, 19864, Business and Professions Code.

23  
24 **Section 12354. Interim Key Employee Licenses; Processing Times.**

25 (a) An individual, if holding a valid work permit for any gambling enterprise, may  
26 immediately begin to work as an interim key employee provided that the individual submit the  
27 following to the Commission within 10 days of hiring:

28 (1) An Application for Interim Key Employee License, CGCC-035 (New 08/09), which is  
29 attached in Appendix A to this chapter.

30 (2) A nonrefundable application fee pursuant to subsection (b) of Section 12008.

31 (3) A copy of the employee's valid work permit issued pursuant to section 19912 of the



1 Business and Professions Code for any gambling enterprise.

2 (4) A two inch by two inch color passport-style photograph taken no more than 30 days before  
3 submission to the Commission of the interim key employee application, which shall be in addition to  
4 the photograph submitted for the initial portable personal key employee license.

5 (b) Applications for issuance of an interim key employee license by the Executive Director  
6 shall be processed within the following timeframes:

7 (1) The maximum time within which the Executive Director shall notify the applicant in  
8 writing that an application or a resubmitted application is complete and accepted for filing, or  
9 that an application or a resubmitted application is deficient and identifying what specific  
10 additional information is required, is five working days after receipt of the application.

11 (2) An interim key employee license shall be either granted or denied within 15 working days  
12 after the filing of a complete application.

13 (c) Interim key employee license approvals are subject to the following conditions:

14 (1) An application package for an initial portable personal key employee license as required  
15 in subsection (c) of Section 12350 must be submitted to the Commission within 30 days of  
16 assuming a key employee position.

17 (2) An interim license shall be valid for a period of two years from the date it is issued.

18 (3) Issuance of an interim license does not obligate the Commission to issue a regular key  
19 employee license.

20 (4) Issuance of an interim license has no bearing on the question of whether the holder will  
21 qualify for issuance of any Commission permit, registration, or license.

22 (5) If, during the term of the interim license any of the following occurs the interim key  
23 employee shall cease working in a key employee position:

24 (A) The application for key employee license is abandoned or denied.

25 (B) The interim key employee's work permit expires, is revoked, or is cancelled before the  
26 key employee license is approved.

27 (C) The Executive Director notifies the applicant and gambling enterprise that the interim  
28 status is cancelled pursuant to subsection (e), of this section.

29 (d) Upon issuance or denial of a regular key employee license by the Commission, the  
30 interim license previously issued shall become invalid and shall not be used thereafter.

31 (e) With ten day's advance written notice to the interim key employee and to the gambling

1 enterprise, the Executive Director shall cancel the interim key employee license based upon the  
2 following:

3 (1) Evidence showing that the applicant has sustained any disqualifying criminal convictions;

4 (2) Evidence showing that the applicant is statutorily ineligible for a key employee license  
5 under the Act;

6 (3) Evidence which discloses that having the applicant serve as an interim key employee  
7 pending determination of their application may in the judgment of the Executive Director present  
8 a danger to the public or to the reputation of controlled gambling in this state;

9 (4) A determination by the Executive Director that the applicant has failed to reveal any fact  
10 that is material to, or supplied materially untrue or misleading information on, the applicant's  
11 key employee license application;

12 (5) A Bureau recommendation of denial of the applicant's key employee application;

13 (6) Referral by the Commission of the applicant to an evidentiary hearing with direction to  
14 the Executive Director to cancel the interim key employee status; or

15 (7) A determination by the Executive Director that the gambling enterprise using the interim  
16 key employee procedure has shown a pattern or practice of hiring or promoting persons to key  
17 employee positions in violation of subsection (a) above or that the gambling enterprise has acted  
18 in bad faith, with actual knowledge that the persons hired or promoted would be ineligible for  
19 licensure.

20 (f) Within ten days of the date of notice of a cancellation of interim status pursuant to this  
21 section, the gambling enterprise shall notify the Commission in writing of the effective date of  
22 the position change for or suspension of the employee, and shall describe the employee's revised  
23 job duties, if any.

24 (g) Judicial review of a cancellation of interim status shall be by petition pursuant to section  
25 1085 of the Code of Civil Procedure.

26 (h) This section shall apply to any individual employed in the capacity of a key employee,  
27 whether employed in a gambling establishment owned by a non-corporate licensee or by a  
28 corporate licensee, as provided in Business and Professions Code section 19883.

29 Note: Authority cited: Sections 19823, 19824, 19840, 19841 and 19883, Business and Professions Code.  
30 Reference: Sections 19805(w), 19805(x), 19850, 19855, 19856, 19857, 19859, 19866, 19870 and 19883, Business  
31 and Professions Code.

32

1 **Section 12355. Mandatory and Discretionary Grounds for Denial of Application for a Key**  
2 **Employee License.**

3 (a) An application for a portable personal key employee license shall be denied by the  
4 Commission if any of the following applies:

5 (1) The Commission finds that the applicant is ineligible, unqualified, disqualified, or  
6 unsuitable pursuant to the criteria set forth in the Act or other applicable law or that granting the  
7 license would be inimical to public health, safety, welfare, or would undermine the public trust  
8 that gambling operations are free from criminal or dishonest elements.

9 (b) An application for a key employee license may be denied if:

10 (1) The Commission finds that an applicant has attempted to communicate or has  
11 communicated *ex parte*, as that term is defined in Business and Professions Code section 19872,  
12 subdivision (e), with one or more Commissioners, through direct or indirect means, regarding the  
13 merits of the application while the application is pending disposition at the Bureau or the  
14 Commission.

15 (2) The Commission finds that the applicant's past behavior calls into question the  
16 applicant's qualification requirements and considerations outlined in Business and Professions  
17 Code section 19856. Examples of past behavior that may be considered include, but are not  
18 limited to:

19 (A) Convictions which demonstrate a pattern of disregard for the law,

20 (B) A conviction involving gambling or gambling-related activities,

21 (C) A final administrative decision concluding that there was a violation of law involving  
22 gambling or gambling-related activities, or

23 (D) A conviction regarding or final administrative decision concluding that there was a  
24 violation of campaign finance disclosure or contribution limitations applicable to an election  
25 conducted pursuant to Business and Professions Code section 19960.

26 (3) The Commission finds that the applicant has, within ten years immediately preceding the  
27 submission of the application, willfully or persistently violated any of the following:

28 (A) Any regulation adopted by the Commission or Bureau.

29 (B) Any condition, limitation, or directive imposed on a previously held gambling or key  
30 employee license.

31 (c) The grounds for denial set forth in this section apply in addition to any grounds prescribed

1 by statute or any grounds that would support revocation under chapter 10 of these regulations.

2 Note: Authority cited: Sections 19811, 19823, 19824, 19840, 19841, 19850, 19854, 19859, 19870, 19872, 19890  
3 and 19982, Business and Professions Code. Reference: Sections 19850, 19851, 19852, 19854, 19856, 19857,  
4 19858 and 19859, Business and Professions Code.

5

6 **ARTICLE 34. TABLE FEE; REQUESTS FOR ADDITIONAL TABLES.**

7

\* \* \* \*

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

Underline denotes new text. ~~Strikeout~~ denotes deleted text.

# APPENDIX A