

ADVISORY NOTICE

APPROVED REGULATIONS REGARDING: SPOUSAL FORM UPDATE

(CGCC-GCA-2022-02-R)

On June 22, 2023, the Office of Administrative Law approved regulations, which clarify when the Spousal Information Form is necessary, and makes clarifying changes to other forms. The approved regulations were filed with the Secretary of State on June 22, 2023, and will be effective on October 1, 2023.

Approved Regulations

This proposed action will make changes within the California Code of Regulations, Title 4, Division 18 as follows:

CHAPTER 1 GENERAL PROVISIONS

ARTICLE 3. DESIGNATED AGENT

Amend 12080. Requirements.

Section 12080 provides the process by which an applicant, licensee, or holder of a Commission work permit may designate a natural person(s) to serve as their designated agent(s).

Subsection (a) provides the application form Appointment of Designated Agent, CGCC-CH1-04. The section-specific instructions are modified to be consistent with the primary instructions, to require the indication of “N/A.”

CHAPTER 2 LICENSES AND WORK PERMITS

ARTICLE 2. INITIAL AND RENEWAL LICENSES AND WORK PERMITS

Amend 12112. Initial License Applications; Required Forms.

Section 12112 provides the documents a person applying for an initial Commission approval must submit to the Bureau of Gambling Control (Bureau).

Subsection (a) provides the application forms that are required for all applications. Application for Owner Category License, CGCC-CH2-05, provides the application for third-party providers of proposition player services (TPPPS) and cardroom business and endorsee licensees. Section 4 of the form requires a list of items that are required as attachments to the application. The Spousal Information form is added to these requirements.

Subsection (b) provides the supplemental forms that can be required of an applicant, depending on the specific application that is being requested.

- Paragraph (2) provides the Individual Owner/Principal: Supplemental Information form, CGCC-CH2-07.

- Section 10, question H) requires in some cases that Trust: Supplemental Information, CGCC-CH2-09 is sometimes required. The revision date for the Trust: Supplemental Information form has been repealed.
- Section 11 of the form requires a list of items that are required as attachments to the application. Two forms are proposed to be removed from these requirements.
 1. The Spousal Information form is no longer necessary to be submitted alongside the Individual Owner/Principal: Supplemental Information form.
 2. The Internal Revenue Service Request for Transcript of Tax Return, 4506-T, is no longer required.
 3. The requirement to provide Schedules A through J from the Supplemental Information Schedules, CGCC-CH2-11, is revised to require Schedules A through K.
- Paragraph (3) provides the Key Employee or TPPPS Supervisor: Supplemental Information, CGCC-CH2-08. Section 11 of the form requires a list of items that are required as attachments to the application. The requirement to provide Schedules A through J from the Supplemental Information Schedules, CGCC-CH2-11, is revised to require Schedules A through K.
- Paragraph (5) provides the Commission Work Permit or TPPPS Worker: Supplemental Information, CGCC-CH2-10. Section 8 of the form requires a list of items that are required as attachments to the application. One form is proposed to be removed from these requirements, the Request for Copy of Personal Income or Fiduciary Tax Return, FTB-3516C1 PAGE 1.
- Paragraph (7) provides the Spousal Information form, CGCC-CH2-12. Because subsection (b) has the condition of “as applicable” and this proposed action would require the form in all cases, it has been moved out of subsection (b) and to subsection (f). Paragraphs (8) and (9) are renumbered accordingly.

Subsection (e) provides a reference to the form Appointment of Designated Agent, CGCC-CH1-04, which is attached to Appendix A in Section 12080. The revision date for the Appointment of Designated Agent form has been repealed.

Subsection (f) is proposed to provide the Spousal Information form, CGCC-CH2-12. Subsection (f) requires the form in all cases with the submittal of the Application for Owner Category License if the applicant is a natural person, as a non-natural person cannot have a spouse or a registered domestic partner and so requiring the form in conjunction with those applications is not necessary.

The form (CGCC-CH2-12) is amended as follows:

- The Spousal Information form provides instructions on how to complete the form. The instructions are amended in two ways:
 - Two check boxes are added to indicate whether or not the applicant is either married or has a registered domestic partner. The response provides direction on how to complete this form.

- A third check box is added. It instructs that if an applicant’s spouse or registered domestic partner is licensed or applied for a license with the associated owner category licensee, the applicant can skip to Section 5 of the form.
- Section 1 requires contact information for the applicant’s spouse. Currently, the form requires providing a mailing address if different than the current residence; however, the form did not request the current residence. The form has been amended to request current residence information.
- Section 2 requires information related to the relationship of the spouse to the business.
 - Currently, the form includes a note after item 4, which applies to “The above items.” The note has been modified to specify “items 1) through 4).”
 - Additionally, a new option 6 is added, “The applicant is not an ownership interest holder.”
- Section 3 requires specific statements be initialed by both the applicant and their spouse in order for the spouse to not be required to be licensed. The instructions for this section clarify that Section 3 only needs to be filled out if item 5 of section 2 is selected and items 2 through 4 of section 2 are not selected.
- Section 4 indicates any additional items that are required to be submitted alongside the spousal information form.
 - The instructions of the form are amended to provide that spouses of applicants who are not interest owners are not required to submit any additional documentation except any documentation that may be required by the Bureau under its own statutory or regulatory authority.
 - The first item, which requires the submittal of either a Request for Live Scan Service or two Applicant Fingerprint Cards is amended to clarify that the spouse is the person required to submit the form.

Chapter 3 Conditions of Operation for TPPPS Businesses
Article 3. TPPPS Contract

Amend 12272. Review and Approval of TPPPS Contracts.

Section 12272 provides the process by which the Bureau reviews and approves a TPPPS contract.

Subsection (a), paragraph (2), subparagraph (B), includes a non-substantive change.

Amend 12274. Expedited Review and Approval of TPPPS Contracts.

Section 12274 provides the process by which the Bureau reviews and approves a TPPPS contract on an expedited basis.

Subsection (a), paragraph (2), includes a non-substantive change.

Regulation Text

A copy of the recently approved regulations is attached. That document is also available on the Commission’s Web site under “Regulations/Recently Approved Regulations” at <http://www.cgcc.ca.gov/>.

Questions, Concerns, Suggestions

For any questions, concerns, or suggestions regarding the adoption of this regulation, please contact lawsandregs@cgcc.ca.gov.