

1 CALIFORNIA GAMBLING CONTROL COMMISSION
2 SPECIFIC LANGUAGE OF PROPOSED REGULATIONS
3 UPDATE TO ANNUAL FEES
4 CGCC-GCA-2023-03-R
5

6 Title 4. Business Regulations.
7 Division 18. California Gambling Control Commission.
8

9 CHAPTER 3. CONDITIONS OF OPERATION FOR TPPPS BUSINESSES

10 ARTICLE 1. GENERAL PROVISIONS

11 § 12252. TPPPS Business Licensee Annual Fee.

12 (a) The Bureau will provide each TPPPS business licensee an invoice, pursuant to Section 12006, by
13 October ~~5~~, 2024~~2~~, and each October ~~5~~ thereafter, of their annual fee, as provided in Section 12252.2.

14 (b) The annual fee may be paid in installments. The TPPPS business licensee must submit a written
15 request to the Bureau to make installment payments within 30 calendar days from the date the invoice
16 was served.
17

18 (c) A request for installment payments will be considered approved, unless within 14 calendar days of
19 the request being received, the Bureau provides notification, pursuant to Section 12006, that the request
20 has been disapproved. The Bureau will disapprove the request if the TPPPS business licensee has a
21 history of failing to make installment payments as required or has not submitted the request pursuant to
22 subsection (b). Installment payments must be made in the year following the request pursuant to
23 subsection (b) as follows: one-third of the annual fee to be submitted no later than January ~~+~~5, one-third
24 no later than April ~~+~~5, and the balance no later than June 30. If installment payments were not requested
25 or a request for installment payments was disapproved, the entire amount of the annual fee must be
26 submitted no later than January ~~+~~5.

27 (d) The TPPPS license certificate will not be issued until the Bureau has received the annual fee or
28 has approved the TPPPS business licensee for installment payments.

29 (e) Any application for a renewal TPPPS business license will not be approved by the Commission
30 until any delinquent annual fees have been paid in full.

31 (f) No application for a TPPPS contract may be approved by the Bureau until any delinquent annual
32 fees have been paid in full.

33 (g)(1) Upon the first issuance of a TPPPS business license, as either a temporary TPPPS business
34 license or an initial TPPPS business license, whichever occurs first, the Bureau will issue an invoice,
35 pursuant to Section 12006, in the annual fee amount required of an active licensee with a gross revenue

1 under \$1,500,000, as provided in Section 12252.2, divided by 12, multiplied by the number of whole
2 months remaining in the current calendar year. The TPPPS business licensee must submit to the Bureau
3 the annual fee within 30 calendar days of service.

4 (2) For the first full calendar year of licensure, the Bureau will invoice, pursuant to Section 12006, the
5 TPPPS business licensee the unadjusted annual fee required of an active licensee with a gross revenue
6 under \$1,500,000, as provided in Section 12252.2 for the following calendar year. If the license is
7 approved after October ~~15~~, this invoice will be issued at the same time as the invoice required in
8 paragraph (1).

9 (h) If three years of gross revenue data is unavailable to calculate the 3-year average gross revenue
10 required to determine an active TPPPS business licensee’s annual fee pursuant to Section 12252.2, the
11 Commission will utilize the available gross revenue data for that purpose, as follows:

12 (1) If only one year of gross revenue data is available within the previous three years, that year’s
13 gross revenue will serve as the 3-year average gross revenue to determine the TPPPS business licensee’s
14 annual fee pursuant to Section 12252.2.

15 (2) If only two years of gross revenue data are available within the previous three years, the average
16 of those two years’ gross revenue will serve as the 3-year average gross revenue to determine the TPPPS
17 business licensee’s annual fee pursuant to Section 12252.2.

18 Note: Authority cited: Sections 19823, 19824, 19826, 19840, 19841 and 19984, Business and Professions Code.
19 Reference: Sections 19841 and 19984, Business and Professions Code.

21 **§ 12252.2. TPPPS Business Licensee Annual Fee Amounts.**

Type of TPPPS Business Licensee	Annual Fee
Surrendered or Revoked Licensee	\$0
Non-Operational Licensee	\$2,412,035
Active Licensee – 3-Year Average Gross Revenue Under \$1.5M	\$4,823,069
Active Licensee – 3-Year Average Gross Revenue of \$1.5M or More	1.48154% of the 3- Y year Average Gross Revenue

22 Note: Authority cited: Sections 19823, 19824, 19826, 19840, 19841 and 19984, Business and Professions Code.
23 Reference: Sections 19826, 19841, 19867 and 19984, Business and Professions Code.

24
25 **CHAPTER 7. CONDITIONS OF OPERATION FOR GAMBLING ESTABLISHMENTS**

26 **ARTICLE 1. GENERAL PROVISIONS**

27
28 **§ 12368. Cardroom Business Licensee Annual Fee.**

29 (a) The Bureau will provide each cardroom business licensee an invoice, pursuant to Section 12006,
30 by October ~~5~~¹, 2024~~2~~, and each October ~~5~~¹ thereafter, of their annual fee, as provided in Section 12368.2.

1 (b) The annual fee may be paid in installments. The cardroom business licensee must submit a written
2 request to the Bureau to make installment payments within 30 calendar days from the date the invoice
3 was served.

4 (c) A request for installment payments will be considered approved, unless within 14 calendar days of
5 the request being received, the Bureau provides notification, pursuant to Section 12006, that the request
6 has been disapproved. The Bureau will disapprove the request if the cardroom business licensee has a
7 history of failing to make installment payments as required or has not submitted the request pursuant to
8 subsection (b). Installment payments must be made in the year following the request pursuant to
9 subsection (b) as follows: one-third of the annual fee to be submitted no later than January ~~15~~, one-third
10 no later than April ~~15~~, and the balance no later than June 30. If installment payments were not requested
11 or a request for installment payments was disapproved, the entire amount of the annual fee must be
12 submitted no later than January ~~15~~.

13 (d) The cardroom business license certificate will not be issued until the Bureau has received the
14 annual fee or has approved the cardroom business licensee for installment payments.

15 (e) Any application for a renewal cardroom business license will not be approved by the Commission
16 until any delinquent annual fees have been paid in full.

17 (f) No application for a TPPPS contract with a cardroom business licensee may be approved by the
18 Bureau until any delinquent annual fees owed by that cardroom business licensee have been paid in full.

19 (g)(1) Upon the first issuance of a cardroom business license, as either a temporary cardroom
20 business license or an initial cardroom business license, whichever occurs first, the Bureau will issue an
21 invoice, pursuant to Section 12006, in the annual fee amount required of an active licensee with a gross
22 revenue under \$1,500,000, as provided in Section 12368.2, divided by 12, multiplied by the number of
23 whole months remaining in the current calendar year. The cardroom business licensee must submit to the
24 Bureau the annual fee within 30 calendar days of service.

25 (2) For the first full calendar year of licensure, the Bureau will invoice, pursuant to Section 12006, the
26 cardroom business licensee the unadjusted annual fee required of an active licensee with a gross revenue
27 under \$1,500,000, as provided in Section 12368.2 for the following calendar year. If the license is
28 approved after October ~~15~~, this invoice will be issued at the same time as the invoice required in
29 paragraph (1).

30 (h) If three years of gross revenue data is unavailable to calculate the 3-year average gross revenue
31 required to determine an active cardroom business licensee's annual fee pursuant to Section 12368.2, the
32 Commission will utilize the available gross revenue data for that purpose, as follows:

1 (1) If only one year of gross revenue data is available within the previous three years, that year's
2 gross revenue will serve as the 3-year average gross revenue to determine the cardroom business
3 licensee's annual fee pursuant to Section 12368.2.

4 (2) If only two years of gross revenue data are available within the previous three years, the average
5 of those two years' gross revenue will serve as the 3-year average gross revenue to determine the
6 cardroom business licensee's annual fee pursuant to Section 12252.2.

7 Note: Authority cited: Sections 19811(b), 19823, 19824, 19840, 19841, 19876(a), 19951 and 19955, Business and
8 Professions Code. Reference: Sections 19841, 19876(a), 19951, 19954 and 19955, Business and Professions Code.
9

10 **§ 12368.2. Cardroom Business Licensee Annual Fee Amounts.**

Type of Cardroom Business Licensee	Annual Fee
Surrendered or Revoked Licensee	\$0
Non-Operational Licensee	\$6,234 <u>5,237</u>
Active Licensee – 3-Year Average Gross Revenue Under \$1.5M	\$12,468 <u>10,473</u>
Active Licensee – 3-Year Average Gross Revenue of \$1.5M or More	<u>1.33</u> 1.29 % of the 3- <u>Y</u> ear Average Gross Revenue

11 Note: Authority cited: Sections 19811(b), 19823, 19824, 19840, 19841, 19876(a), 19951 and 19955, Business and
12 Professions Code. Reference: Sections 19826, 19841, 19876(a), 19951, 19954 and 19955, Business and Professions
13 Code.
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30

31 ///