

CALIFORNIA GAMBLING CONTROL COMMISSION

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Initial Statement of Reasons

Chapter 1. General Provisions

The Gambling Control Act¹ provides the California Gambling Control Commission (hereafter, "Commission") jurisdiction over the Commission's regulated community. This includes work permit holders, holders of findings of suitability or approvals, key employee licensees, registrants, licensees, and owner licensees of gambling establishments. While the Commission has certain chapters within title 4 of the California Code of Regulations dedicated to certain groups (Work Permit holders, Manufacturers/Distributors, Proposition Players, etc.), the Commission has determined that one general chapter may reduce duplicity for common regulatory items, such as definitions and changes of address.

12002. Definitions.

In order to avoid duplication and to provide greater clarity to Division 18 of Title 4 of the California Code of Regulations, redundant chapter definitions are gathered into a single section. Once adopted, the duplicative definitions will be deleted in a separate rulemaking package.

The Gambling Control Act is referenced for definitions, as are the Penal Code sections which deal with gambling. For instance, *banking game*, *controlled game*, *drop box*, and *cheat* are defined terms in the Penal Code.

- (a) – Bureau – this subsection would replace identical definitions in sections 12100, 12200, and 12220.
- (b) – California Games – this subsection is new, although the term is well-known and used throughout the industry.
- (c) – Commission – this subsection would replace identical definitions in sections 12100, 12200, 12220, and 12300.
- (d) – Conviction – this subsection is new. "The term 'convicted' has no uniform or unambiguous meaning in California." *People v. Mendoza* (2003) 106 Cal.App.4th 1030, 1033; 131 Cal. Rptr. 2d 375. Therefore, it is necessary to

¹ Business and Professions Code, section 19800 et seq.

make clear that the conviction means a judgment or verdict of guilty, including any no contest pleas, notwithstanding expungements. Some people believe that an expunged conviction under Penal Code 1203.4 does not need to be listed when applying for a license, although this is not the case. Many agencies have included such a definition of conviction in their authorizing statutes or regulations, as the Commission is doing here.

- (e) – Deadly Weapon – this subsection would replace identical definitions in sections 12100, 12200, and 12220.
- (f) – Division – this subsection would replace identical first sentences in sections 12100, 2200, 12220, and 12300. To reduce confusion, a second sentence has been added which clarifies that any paperwork to be filed with the Division shall be sent to the Sacramento office.
- (g) – Drop – this subsection is new. While the Penal Code defines “drop box” as the repository for cash, chips, tokens, or other wagering instruments, the term “drop” itself was not defined. Term is used regularly in the industry.
- (h) – Executive Director – this subsection would replace identical definitions in sections 12100, 12200, 12220, and 12300.
- (i) – Gambling Control Act – this subsection would replace identical definitions in sections 12100, 12200, and 12220.
- (j) – Registrant – this subsection would replace identical definitions in sections 12200 and 12220.

12004. Change of Address.

This regulation requires a registrant or licensee to notify the Commission within ten days of a change in address and provides a form on which to do so. The form allows for both business address and mailing address, in case one uses a P.O. Box, for example.