

INDUSTRY MATTERS

**NEW LEGISLATION IMPACTING THE COMMISSION AND THE GAMING INDUSTRY IN CALIFORNIA**

Volume 11, Issue 4  
October 2024

The end of the legislative session is here, and the Governor will begin signing or vetoing bills. The Commission’s Legislative and Regulatory Affairs Division has been tracking several bills that impact the Commission and the gaming industry in the state.

**SB 1519 – Gambling Control Act**

Existing law prohibits a licensee from contracting with or employing a person who has been denied a license. Existing law also prohibits a person who has been denied a license from retaining an interest in or receiving profits from a licensed gambling entity, and requires that person to divest themselves of any such interest at fair market value and within a specified time period.

This bill would authorize the Commission to not apply these provisions to a person whose license was denied solely because the person failed to clearly establish eligibility and qualification for licensure.

Existing law also requires the Commission to deny a license application if the applicant has a felony conviction, or a misdemeanor conviction involving dishonesty or moral turpitude within 10 years of the application, if that conviction has not been expunged.

This bill would clarify that an applicant with an out-of-state conviction for a misdemeanor involving dishonesty or moral turpitude within 10 years of the application may also be considered for licensure if the conviction has been expunged under the laws of the state in which the conviction occurred.

This bill was signed by the Governor on July 15, and contains two of the Commission's proposed legislative requests. However, this bill does not contain an urgency clause, which means the Commission cannot authorize any changes until after January 1, 2025. The changes will not require a rulemaking action, and the Commission will keep its stakeholders updated on the changes in the new year.

*Continued on Page 2...*

*Inside this issue:*

Legislation cont...	2
Coolbear Resolution	2
Regulations Update	3
GCA Hearings	3
Stakeholder Survey	3
GPAC Vacancies	3
Modernization	4
Contact Info	4
Hail and Farewell	4

**CGCC Calendar**

**Upcoming Licensing Meetings**

*October 10*  
*October 22*  
*November 7*  
*November 21*  
*December 5*  
*December 19*

**Upcoming State Holidays**

**(Office Closed)**  
*November 11*  
*(Veterans Day)*  
*November 28-29*  
*(Thanksgiving)*  
*December 25 (Christmas)*  
*January 1 (New Year's)*

## NEW LEGISLATION CONTINUED...

### [AB 1935 – Indian Gaming Special Distribution Fund](#)

Signed by the Governor on July 15, this bill suspends the payment or collection of any quarterly payments required to be made by any gaming tribe to the Special Distribution Fund (SDF) pursuant to a tribal gaming compact for a two-year period (from July 1, 2023, through June 30, 2025).

The bill also requires the Commission, at the discretion of the Legislature, to refund any quarterly payment due during that time period that was already made.

The bill contains an urgency clause, which means it took immediate effect upon its signing on July 15. Any required quarterly payments to the SDF are suspended until June 30, 2025.

On August 22, the Commission approved the refund of all SDF payments received after July 1, 2023 and prior to the hearing. The Commission sent the refund checks out on September 3, and will refund any additional SDF payments received, as needed. However, tribes must still submit their Quarterly Contribution Reports.

### [SB 549 – Tribal Nations Access to Justice](#)

Signed by the Governor on September 28, this bill offers a California tribe with a ratified tribal-state gaming compact or secretarial procedures a limited period of time to file a lawsuit to seek a declaratory judgment regarding the legality of certain gaming activities offered by card clubs.

This bill does not contain an urgency clause, which means it will go into effect on January 1, 2025. An action as a result of this bill must be filed in the Superior Court of California, County of Sacramento, no later than April 1, 2025. If multiple actions are commenced under this section, they will be consolidated to avoid the risk of inconsistent declarations.

## STATE LEGISLATOR HONORS COMMISSION DEPUTY DIRECTOR IAN COOLBEAR FOR OUTSTANDING PUBLIC SERVICE

On June 11, Assemblymember Jim Patterson introduced a resolution on the Assembly floor recognizing Commission Deputy Director Ian Coolbear for his many contributions while serving on Assemblymember Patterson's staff.

Deputy Director Coolbear worked for Assemblymember Patterson since 2017, most recently as his Legislative Director. In that time, Deputy Director Coolbear researched and analyzed legislation, coordinated communications efforts, and worked with community leaders on developing projects that helped the constituents of the 8th District.

The resolution reads:

“As a result of his professionalism and legislative experience, Ian Coolbear has been an invaluable asset to the office of Assembly Member Patterson and the constituents he represents, and his efforts have earned him the high esteem of his associates and the appreciation of the public...”

The Commission thanks Assemblymember Patterson for his efforts and warm wishes, and congratulates Deputy Director Coolbear on such an honor.



*Pictured left-to-right: Assemblymember Jim Patterson, Deputy Director Ian Coolbear, and Executive Director Lisa Wardall*

## REGULATIONS UPDATE: COMMISSION BEGINS FORMAL RULEMAKING PROCESS FOR MULTI-OWNER TYPE LICENSE REGULATIONS

By Ian Coolbear, Josh Rosenstein, Alex Hunter, and Doris Pires  
*Legislative and Regulatory Affairs Division*

At the August 1, 2024 Regulations Hearing, Commission staff presented proposed regulations to implement Assembly Bill (AB) 1271. The Commission approved making specified changes to the [draft modified regulation text](#) and to commence the formal rulemaking process. Commission staff is drafting an economic and fiscal impact survey, which will be sent to industry representatives, the Bureau, and all rulemaking list recipients.

Assembly Bill 1271 requires the Commission to recreate a Multi-Owner Type License category that would allow a cardroom endorsee licensee or TPPPS endorsee licensee to apply for a license that would link all other existing endorsee licenses held by a person to a single renewal cycle. Additionally, AB 1271 allows for the Commission to waive specified application requirements, such as the requirement to submit supplemental forms, background deposits, or have a background investigation conducted as part of a license application, if the applicant holds a cardroom endorsee licensee or TPPPS endorsee licensee in good standing.

### **COMMISSION STAKEHOLDER SURVEY OUT NOW!**

As part of its [2024-2027 Strategic Plan](#), the Commission is continuing its 30-Second Stakeholder Surveys, which allow the Commission to receive valuable feedback from the public about the Commission's operations.

These surveys are sent out to the public every quarter, and the latest one allows respondents the opportunity to rate how well the Commission responded to their questions or concerns. The survey can be taken online [here](#).

You can sign up to receive the 30-Second Stakeholder Surveys, as well as all other Commission Correspondence/Notices, on the Commission's website [here](#). You can also sign up for the Commission's Rulemaking email list [here](#).

### **Hearing Results**

*(Decisions Effective July 1— September 31)*

#### **Cardroom Owner License**

[Central Coast Casino Grover Beach approved August 8](#)

[Eric Swallow, revoked and denied via stipulated settlement August 22](#)

#### **Key Employee License**

[Brandon Wong, denied July 22](#)

#### **Third-Party Owner License**

[Blackstone Gaming, approved via stipulated settlement July 25](#)

#### **Third-Party Worker License**

[Maribel Hernandez, denied July 22](#)

[Amanda Washington, denied July 22](#)

### **WANT TO HELP SHAPE GAMING POLICY IN THE STATE? APPLY TODAY!**

The Commission is currently accepting applications for the Gaming Policy Advisory Committee (GPAC) to fill the following seats:

- Accounting/Business background (not affiliated with a gambling entity)
- Public Member (not affiliated with a gambling entity)
- Third-Party Provider of Proposition Player Services
- Large Cardroom (25 tables or more)
- Small Cardroom (less than 25 tables)

GPAC meets on a quarterly basis and provides advisory recommendations to the Commission concerning matters of controlled gaming regulatory policy and other relevant gambling-related issues. **The deadline to apply is November 1.** For more information, visit the [Commission's website](#).

## California Gambling Control Commission

### Chair

Paula LaBrie

### Commissioners

Stacey Luna Baxter

Eric Heins

William Liu

Edward Yee

### Executive Director

Lisa Wardall

### Chief Counsel

Jason Pope

### Deputy Director, Legislative & Regulatory Affairs Division

Ian Coolbear

### Deputy Director, Licensing Division

Brian Gilleland

### Deputy Director, Operations Services

#### Division

Alana Carter

### Public Information Officer

Fred Castaño

The California Gambling Control Commission newsletter *Industry Matters* is produced by CGCC staff quarterly. Reference herein to any specific commercial products, process, or service by trade name, trademark, manufacturer, or otherwise, does not constitute or imply its endorsement, recommendation, or favoring by the Commission, and such reference shall not be used for advertising or product endorsement purposes.

*Industry Matters* may distribute content supplied by third parties. Any opinions, advice, statements, services, offers, or other information or content expressed or made available by third parties does not necessarily state or reflect those of the California Gambling Control Commission. Copyright material is only used with express permission from the copyright holder or in accordance with Fair Use provisions of copyright law.



2399 Gateway Oaks Drive #220  
Sacramento, CA 95833  
916-263-0700  
[cgcc.ca.gov](http://cgcc.ca.gov)  
[comments@cgcc.ca.gov](mailto:comments@cgcc.ca.gov)

## ONLINE APPLICATION PORTAL TO ROLL OUT MID-2025, STAY TUNED FOR UPDATES

The California Gambling Control Commission and the Bureau of Gambling Control are thrilled to announce a modernization project that will transform the application and licensing process. In mid-2025, the Commission and the Bureau will launch a new online portal, which will receive the initial and renewal applications, as well as process the associated payments.

The Bureau and Commission look forward to modernizing the application process, which will save significant time and resources for the applicants and for the regulatory bodies.

The Commission newsletter will share updates as the project progresses, so be sure to subscribe to the Commission's newsletter [here](#).

### CAN WE GET YOUR NUMBER?

We don't mean to be forward, but here at the Commission and at the Bureau of Gambling Control, we need your phone number, and your mailing address, email address, and even your fax number if you still have one. Most importantly, you need to notify the Bureau any time your contact info changes, pursuant to [California Code of Regulations, Title 4, section 12004](#).

We need this information to be up-to-date in order to make the licensing process go as smoothly as possible for all parties. The Commission relies on its licensees to keep their contact information updated, because otherwise, things such as work badges and other documentation get returned to the Commission instead of being in the hands of our licensees.

When the Commission receives returned documentation, our first step is to call the phone number on file. If the phone number is no longer current, then additional steps have to be taken, delaying you receiving your badge or other information.

So please, remember to submit this [Notice of Contact Information Change](#) form to the Bureau of Gambling Control within 10 days of the change.

### HAIL AND FAREWELL

The Commission welcomes Fred Aliyev to the Licensing Division! Fred started as the new Office Technician in the Licensing Division on August 27 and comes to us from Knighted Ventures, LLC, one of our licensed Third-Party Providers of Proposition Player Services. Welcome Fred!