

MULTI-OWNER TYPE LICENSES

CGCC-GCA-2025-03-R

COMMENTS AND RESPONSES FOR PROPOSED REGULATIONS

I. 45-DAY WRITTEN COMMENTS

The Commission received the following written comments/objections/recommendations regarding the text of the proposed action during the 45-day written comment period that commenced September 12, 2025, and ended on October 27, 2025.

A. COMMENTS MADE ON THE PROPOSAL IN GENERAL.

These comments are made on the proposed action and are not directed at any specific regulatory section.

1. **Kyle Kirkland, on behalf of the California Gaming Association:** Mr. Kirkland suggested that the Commission adopt a “one person, one license, one renewal packet” model and a clear transition process for existing multi-establishment licensees that allows for a single license and renewal process, consistent with Business and Professions Code section 19851.

Recommended Response: This comment was considered but was not incorporated. While Business and Professions Code section 19851 does create a process whereby a single person can utilize a single license that allows for a person to be endorsed on the license certificate of multiple gambling enterprises, it does not wholly replace the existing system. For example, Business and Professions Code section 19851(d)(3) discusses that a person should be allowed to renew “*all of their endorsements on license certificates of multiple gambling enterprise with a single application for renewal.*” (emphasis added) It clearly contemplates that each endorsement, as provided in Business and Professions Code section 19852 and other provisions, still independently exist but are only allowed to be tied together with a single application. The proposal by the Commission follows the requirements of Business and Professions Code section 19851 by creating a new process that ties all endorsements into a single license application but still acknowledges the independent nature of each endorsement.

The Commission would like to note that there is an advantage to both the licensees and Commission in maintaining separate endorsements. If the Commission only issued one license for all current endorsements and it was conditioned, revoked, referred to a hearing, etc. those consequences would apply across to all endorsements. But, by keeping the endorsements separate, it is still possible for an individual endorsement in relation to one business to be referred to a hearing without it having an impact on any other endorsement connected to the multi-owner license.

B. AMEND SECTION 12002. GENERAL DEFINITIONS.

This section provides general definitions for overall use in Division 18.

1. **Alan Titus, on behalf of Artichoke Joe's**: Mr. Titus expressed concern that the definition of “cardroom multi-owner license” in subsection (n) is not really a definition.

Recommended Response: This comment was considered but was not incorporated. The definition provides a term for the regulations to refer to the license that allows for the grouping of cardroom endorsee licenses under a single renewal timeline and application process.

2. **Kyle Kirkland, on behalf of the California Gaming Association, Baro Covell, on behalf of The Commerce Casino and Hotel, and Heather U. Guerena, on behalf of King's Casino Management Corp. and Stones South Bay Corp.**: Mr. Kirkland, Ms. Covell, and Ms. Guerena suggested that the definition of “good standing” in subsection (ac) should be defined based on final Commission action, such as suspension, revocation, or denial, rather than any pending or unresolved matters.

Mr. Kirkland expressed concern that treating a referral or ongoing hearing as disqualifying would undermine the process and penalize a licensee before a final determination is made.

Ms. Covell and Ms. Guerena expressed concern that by treating unresolved allegations as proven violations, the Commission is violating the principles of administrative due process. Ms. Covell and Ms. Guerena opined that a person should only be disqualified from good standing after the Commission has affirmatively identified an issue that should disqualify a person. Ms. Covell and Ms. Guerena made the following suggestions:

(ac) “Good Standing” means a status for a renewal cardroom endorsee license or renewal TPPPS¹ endorsee license, which does not have an excluding condition, ~~does not have a pending accusation or pending evidentiary hearing (unless otherwise determined pursuant to Section 12054)~~, has not had any current renewal application denied pursuant to paragraph (3) of subsection (a) of Section 12054, and has not been revoked or suspended pursuant to Section 12554. For purposes of this definition “excluding condition” means:

(1) ~~A condition imposed~~ Final determination on the renewal cardroom endorsee license or renewal TPPPS endorsee license expressly preventing good standing pursuant to paragraph (2) of subsection (a) of Section 12054, paragraph (4) of subsection (b) of Section 12066, or paragraph (4) of subsection (d) of Section 12554; or,

(2) A condition imposed on the renewal cardroom endorsee license or renewal TPPPS endorsee license prior to [the effective date of this regulation], which includes:

¹ Third Party Proposition Player Services

(A) *Failure to comply with A*ny condition that requires the reporting on and/or resolution of debt(s);

Recommended Response: These comments were considered but were not incorporated. As discussed in the Initial Statement of Reasons, if it has been determined that the suitability of an individual requires further discussion, such as a referral to an evidentiary hearing, it would not be appropriate to generally waive other requirements related to determining an individual's suitability. However, the Commission does acknowledge that in some cases an evidentiary hearing might be held for reasons that do not immediately affect good standing. To account for these situations, the Commission has proposed an amendment to Section 12054(a)(4) which would allow the Commission, when electing to hold an evidentiary hearing on an application, to determine that the evidentiary hearing does not prevent an individual license's good standing.

Additionally, the Commission disagrees that there is a due process issue related to good standing. A person's eligibility to apply for a license is not impacted by good standing or the lack thereof. While having good standing may allow for the waiver of some upfront application requirements, it does not prevent the later requirement of information for a background investigation or associated deposits, as provided in Section 12116(a)(2). The requirement to submit or not submit a specific form is not a due process issue, and either way (good standing or not), an application for a license may be submitted and considered by the Commission.

The proposed change to Section (ac)(1) is unnecessary. The Commission's proposed language is more specific, as a condition being imposed is the part of the final decision that would prevent good standing; a final decision without a condition would not prevent good standing unless it was a denial, which is otherwise covered.

Finally, the purpose of 12002(ac)(2) is to retroactively capture conditions that were placed on licenses prior to the adoption of these regulations, since at that time the Commission could not consider good standing. This proposal would invalidate that intent by requiring a new formal hearing process to determine that the licensee was out of compliance with the condition.

3. **David Fried, on behalf of the Oaks Card Club and California Grand Casino:** Mr. Fried suggested an amendment to the limitation on good standing for existing licensees with conditions related to the reporting and/or resolution of debts in Section 12002(ac)(2)(A). Mr. Fried noted that many persons with disputed or delinquent debt are required to report its status periodically to the Bureau; however, this does not mean the person lacks the appropriate character for "good standing" and that this limitation should be limited to only those out of compliance. Mr. Fried suggested the following amendment:

(A) Any condition that requires the reporting on and/or resolution of debts(s) *where the applicant is not in compliance with the condition;*

Recommended Response: This comment was considered but was not incorporated. The purpose of 12002(ac)(2) is to retroactively capture conditions that were placed on licenses prior to the adoption of these regulations, since at the time the Commission could not consider good standing. This proposal would invalidate that intent by requiring a new formal hearing process to determine that the licensee was out of compliance with the condition.

4. **Alan Titus, on behalf of Artichoke Joe's**: Mr. Titus expressed concern that the definition of “multi-owner type license” in subsection (al) is not really a definition but instead only identifies two other license types. Mr. Titus suggested that the definition should instead be:

(al) “Multi-Owner Type License” means a *license issued to a person who (1) holds owner licenses either at more than one gambling establishment or more than one TPPPS, or (2) holds more than one owner license at a single gambling establishment or single TPPPS* ~~cardroom multi-owner type license or TPPPS multi-owner type license. 22.~~

Recommended Response: This comment was considered but was not incorporated. While the Commission agrees that a multi-owner type license is generally a license designed to consolidate multiple endorsements in a single industry, either cardroom or TPPPS, and that it covers both when an individual is endorsed multiple times on a single business’ license or is endorsed on multiple businesses licensees within the same industry, the proposed amendment fails to reorganize the specific needs of the Commission’s regulations. Specifically, the Commission does not issue licenses that cover either the cardroom or TPPPS industry, as this definition would allow. The Commission issues specific licenses for both industries, in this case a cardroom multi-owner license or TPPPS multi-owner license. However, as the Commission also seeks to establish equal requirements for similar license types, the term “multi-owner type license” has been proposed to allow for an easy reference to both actual licenses being issued by the Commission.

5. **Yolanda Morrow, on behalf of the Department of Justice, Bureau of Gambling Control (Bureau)**: Ms. Morrow requested clarification on whether the definition of “pending evidentiary hearing” in subsection (ao) includes situations where an application is referred to evidentiary hearing to provide additional time for the Bureau to complete a pending background investigation.

Recommended Response: This comment was considered but was not incorporated. The situation suggested by Ms. Morrow, that being the Commission’s election to refer an application to an evidentiary hearing, would be considered a “pending evidentiary hearing” under the definition proposed in subsection (ao); however, that does not mean that the election would have an impact on a license’s eligibility for good standing. Specifically, the amendment proposed in Section 12054(a)(4) allows the Commission, when electing to hold an evidentiary hearing on an application, may determine that the evidentiary hearing does not prevent an individual licensee’s good standing.

6. **Alan Titus, on behalf of Artichoke Joe's**: Mr. Titus expressed concern that the definition of "TPPPS multi-owner license" in subsection (n) is not really a definition.

Recommended Response: This comment was considered but was not incorporated. The definition provided provides a term for the regulations to refer to the license that allows for the grouping of TPPPS endorsee licenses under a single renewal timeline and application process.

C. AMEND SECTION 12054. CONSIDERATION AT A COMMISSION MEETING.

Section 12054 provides a limited list of the possible actions that could be taken by the Commission at a Commission meeting.

1. **Alan Titus, on behalf of Artichoke Joe's and Baro Covell, on behalf of The Commerce Casino and Hotel**: Mr. Titus and Ms. Covell commented that not all referrals to an evidentiary hearing are for suitability concerns and recommended that the presumption be removed and instead each qualification of an owner license for multi-owner license be determined on a case-by-case basis.

Additionally, Ms. Covell proposed the following amendment:

(4) Elect to hold or retract an evidentiary hearing in accordance with Section 12056 and, for a renewal application, issue an interim renewal license pursuant to Section 12035. The Commission will identify those issues for which it requires additional information or consideration related to the applicant's suitability. Unless otherwise determined by the Commission, an election to hold an evidentiary hearing will *not* prevent an owner category license's good standing.

Recommended Response: These comments were considered but were not incorporated. The Commission agrees that there are reasons the Commission might elect to hold an evidentiary hearing on an application that does not immediately affect good standing. That is why the proposed amendment includes a way for the Commission to designate their decision as not preventing an owner category licensee's good standing. However, the provision has been proposed as it is so that it provides clarity that in most situations an election to hold an evidentiary hearing would result in the prevention of good standing.

D. AMEND SECTION 12080. REQUIREMENTS.

Section 12080 provides regulations for the appointment of designated agents. A designated agent is a person who is authorized to assist an applicant or licensee on a specified set of issues and may appear before the Commission on behalf of an applicant or licensee, if so designated.

- Yolanda Morrow, on behalf of the Bureau:** Ms. Morrow suggested two amendments to Section 2 of the Commission’s Application for Appointment of Designated Agent Form, CGCC-CH1-04, which is attached to Appendix A through this section.

SECTION 2: DESIGNATED AGENT INFORMATION					
If no designated agent is being appointed, indicate N/A.					
NAME OF DESIGNATED AGENT				<input type="checkbox"/> YES	<input type="checkbox"/> NO
RELATIONSHIP TO APPLICANT					
<input type="checkbox"/> PROVIDED BY EMPLOYER <input type="checkbox"/> EMPLOYEE <input type="checkbox"/> ATTORNEY <input type="checkbox"/> CERTIFIED PUBLIC ACCOUNTANT <input checked="" type="checkbox"/> OTHER					
MAILING ADDRESS (STREET, CITY, STATE, ZIP CODE)					
PRIMARY TELEPHONE NUMBER	ALTERNATE TELEPHONE NUMBER	FAX NUMBER	EMAIL ADDRESS	COMMISSION LICENSE NUMBER(S), IF APPLICABLE	

Recommended Response: This comment was accepted, in part. The Commission agrees that the missing selection box for “other” is likely an oversight. Its addition is a non-substantive change as currently “other” can be selected but without the selection box the form lacks clarity. However, the inclusion of the “yes/no” selection is unnecessary, as the form already provides direction that “N/A” should be indicated if no designated agent is being appointed.

SECTION 2: DESIGNATED AGENT INFORMATION					
If no designated agent is being appointed, indicate N/A.					
NAME OF DESIGNATED AGENT				<input type="checkbox"/> YES	<input type="checkbox"/> NO
RELATIONSHIP TO APPLICANT					
<input type="checkbox"/> PROVIDED BY EMPLOYER <input type="checkbox"/> EMPLOYEE <input type="checkbox"/> ATTORNEY <input type="checkbox"/> CERTIFIED PUBLIC ACCOUNTANT <input checked="" type="checkbox"/> OTHER					
MAILING ADDRESS (STREET, CITY, STATE, ZIP CODE)					
PRIMARY TELEPHONE NUMBER	ALTERNATE TELEPHONE NUMBER	FAX NUMBER	EMAIL ADDRESS	COMMISSION LICENSE NUMBER(S), IF APPLICABLE	

E. AMEND SECTION 12090. SCHEDULE OF FEES REQUIRED FOR APPLICATIONS, APPROVALS, AND REGISTRATIONS.

This section provides a repository of fees associated with the Commission’s various forms.

- Kyle Kirkland, on behalf of the California Gaming Association and Heather U. Guerena, on behalf of King’s Casino Management Corp. and Stones South Bay Corp.:** Mr. Kirkland and Ms. Guerena expressed concern about the proposed additional fee for multi-owner type license applications.

Mr. Kirkland suggested that proposed Multi-Owner Type License fee should reflect actual administrative workload and should not exceed the total currently paid for separate applications. Mr. Kirkland stated that a consolidated license should save time and money, not cost more.

Ms. Guerena noted that the total of \$821 (one application at \$164 with one additional fee of \$657) exceeded the application costs of three separate applications. Ms. Guerena noted that the purpose of the legislation was to reduce paperwork and processing time and that there is no basis for concluding that there will be additional administrative work when there will be less paperwork to process.

Recommended Response: These comments were considered but were not incorporated. As discussed in the Initial Statement of Reasons, there are costs associated with the preparation of an application for review by the Commission. Currently, those costs are spread between the business licensee and each of its endorsees since they submit all applications at once to be processed, reviewed and considered together. These costs include, in part, the preparation of the Bureau’s report, review of the Bureau’s report by Commission staff, and preparation of the documentation for Commission review at a Commission meeting. However, once an endorsement becomes part of a multi-owner license, the multi-owner licensee must bear the full costs the Bureau and Commission will incur as a result of the application and each individual endorsement that is a part of it.

- 2. Baro Covell, on behalf of The Commerce Casino and Hotel:** Ms. Covell suggested that the addition of the multi-owner type license fee as an additional fee may be confusing to an applicant and recommended that instead a new fee be adopted that replaces the normal application fee.

Form Number	Form Name	Fee Type and Amount
...
CGCC-CH2-05	Application for Owner Category License	Initial Application: <ul style="list-style-type: none"> • Cardroom Business License: \$164 • Cardroom Endorsee License: \$164 • TPPPS Business License: \$164 • TPPPS Endorsee License: \$164 • Temporary Owner Category License (additional fee): \$30 • Multi-Owner Type License (additional fee): \$821 657 • Background investigation deposit as required in Title 11, CCR, Section 2037
...

Recommended Response: This comment was considered but was not incorporated. The Commission has crafted the multi-owner type license fee as an additional fee because an application for a multi-owner type license is not distinct from a request for an initial or renewal license but is instead a request for an initial or renewal license with the modification that it be a multi-owner type license. Therefore, as the applicant is applying

for an initial or renewal license, that appropriate fee should be paid with the additional request warranting the additional fee.

F. AMEND SECTION 12112. INITIAL LICENSE APPLICATIONS; REQUIRED FORMS.

Section 12112 provides what must be submitted to the Bureau for an initial application to be considered complete. This section includes the application forms Application for Employee Category License, CGCC-CH2-04 and Application for Owner Category License, CGCC-CH2-05, along with any relevant supplemental or additional forms that must be provided.

1. **Yolanda Morrow, on behalf of the Bureau**: Ms. Morrow expressed concern on the Commission's Application for Owner Category License, CGCC-CH2-05, which is attached to Appendix A through this section, that including the Multi-Owner Type License application inside the Owner Category License application might cause confusion to applicants. Additionally, Ms. Morrow requested that the Bureau be provided notice in advance of new forms because the Bureau will need a minimum of three months to digitize the new form after the effective date of the regulation.

Recommended Response: This comment was considered but was not incorporated. Business and Professions Code section 19851(d)(3) requires an applicant to only submit a single application. As such, the application needs to allow for the applicant to indicate all relevant endorsements for which the application applies.

The portion of the comment pertaining to digitizing the Commission's form is outside the scope of the proposed action.

2. **Alan Titus, on behalf of Artichoke Joe's**: Mr. Titus recommended that general partners be included in the list of endorsee types provided in Section 1 on the Commission's Application for Owner Category License, CGCC-CH2-05, which is attached to Appendix A through this section.

Recommended Response: This comment was accepted. While this list is not intended to be exhaustive, the addition of general partner makes sense as it is a common license type. Additional language to clarify that the list is not exhaustive has also been added.

SECTION 1: APPLICATION	
A) LICENSE TYPE REQUESTED (CHECK ONE BOX)	
<input type="checkbox"/> CARDROOM BUSINESS LICENSE The person (natural or non-natural) that operates the gambling operation and is required to be licensed pursuant to Business and Professions Code section 19851(a), including but not limited to a sole proprietor, corporation, publicly traded or qualified racing association, partnership, trust, limited liability company, or other business organization.	<input type="checkbox"/> TPPPS BUSINESS LICENSE The person (natural or non-natural) that provides proposition player services at gambling establishments and is required to be licensed pursuant to Business and Professions Code section 19984(b), including but not limited to a sole proprietor, corporation, partnership, trust, limited liability company, or other business organization.
<input type="checkbox"/> CARDROOM ENDORSEE LICENSE An endorsed license is a license for any other natural or non-natural person, such as a corporation, publicly traded or qualified racing association, partnership, trust, limited liability company, or other business organization, and any natural person required by law to be licensed, such as <i>but not limited to</i> a community property interest holder, director, <i>general partner</i> , limited partner, member, officer, owner, shareholder, trustee, as applicable, to a licensed non-natural person, any person who receives any percentage share of the revenues earned, or any funding source, as required to be licensed pursuant to Business and Professions Code section 19851(b).	<input type="checkbox"/> TPPPS ENDORSEE LICENSE An endorsed license is a license for any other natural or non-natural person, such as a corporation, publicly traded or qualified racing association, partnership, trust, limited liability company, or other business organization, and any natural person required by law to be licensed, such as <i>but not limited to</i> a community property interest holder, director, <i>general partner</i> , limited partner, member, officer, owner, shareholder, trustee, as applicable, to a licensed non-natural person, any person who receives any percentage share of the revenues earned, or any funding source, as required to be licensed pursuant to Business and Professions Code section 19984(b).

3. **Yolanda Morrow, on behalf of the Bureau:** Ms. Morrow recommended the following amendment to question IV in Section 1(B) on the Commission’s Application for Owner Category License, CGCC-CH2-05, which is attached to Appendix A through this section:

Is your license in good standing as defined in CCR, Section 12002? Do you believe you hold a renewal cardroom business license or renewal TPPPS business license, as applicable, currently in good standing?

Recommended Response: This comment was considered but was not incorporated. As provided, in part, in the Initial Statement of Reasons, “The reason the question is written to allow for the applicant to indicate their “belief” instead of asking for a factual response, is because the determination of good standing is ultimately a Commission decision and while the applicant is required to accurately complete the form, it is not the intent of this question to provide a purpose for denial.” While the comment states that its recommendation is to avoid misinterpretation, the proposed amendment would make the question factual, which would make any possible incorrect answer a violation of Business and Professions Code section 19859(b) and is contrary to the Commission’s stated intent.

4. **Alan Titus, on behalf of Artichoke Joe’s:** Mr. Titus expressed a concern in reference to question 5 in Section 2 on the Commission’s Application for Owner Category License, CGCC-CH2-05, which is attached to Appendix A through this section, to “stocks, inheritance, or interest earned” is not very clear. Mr. Titus recommended that the question be refined to not be so arbitrary. Specifically, Mr. Titus notes that the question does not discuss income from a real estate investment nor income from inherited real estate. Additionally, Mr. Titus expresses concern about the \$25,000 threshold and notes that for a person with significant income, \$25,000 may not be a significant increase.

Recommended Response: This comment was considered but was not incorporated. The proposed language discusses income earned from any source, which would include real estate, including income earned from inherited real estate. While the question does not require the disclosure of one-time receipt of an inheritance, once inherited, should an

asset provide income and that income increase by more than \$25,000 a year, then that source would need to be disclosed.

Part of a full initial background investigation includes the disclosure of all assets and income of the applicant. In the renewal process, or in the situation of good standing, the full background investigation does not automatically occur and is replaced by the questions in Section 2 of this form. These questions are designed to provide the Bureau with basic information about areas that may be worth investigating, including a source of income that has significantly increased from the income provided by it in previous years. Without some threshold, the Bureau must choose to not examine any information or require a full submittal of all information with every renewal application or application in good standing. The Commission has chosen a threshold in order to require only the submittal of a minimal amount of information (source, frequency, and amount) instead requiring all information all the time.

While the Commission has not accepted the comment, upon reexamination of the question, has provided the following proposed amendment:

5. Has your annual source of income increased more than \$25,000 per year from any one source since last filing a license application? If yes, please identify the source of income, how frequently the income is received, and approximate annual amount of income. Do not include income solely derived from stocks, inheritance , or interest earned <u>from an account held by a federal and/or state regulated bank, savings association or lending institution, or due to the one-time receipt of an inheritance (real property, life insurance, trust distributions etc.)</u> .	<input type="checkbox"/> Yes <input type="checkbox"/> No
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5. **Yolanda Morrow, on behalf of the Bureau**: Ms. Morrow recommended the following amendment to Section 7 on the Commission’s Application for Owner Category License, CGCC-CH2-05, which is attached to Appendix A through this section:

Note: initial applicants must also attach a completed supplemental background information form, as indicated below:

Cardroom business license or TPPPS business license: Business Entity: Supplemental Information, CGCC-CH2-06 in addition to any other form required below

Individual Applicants: Individual Owner/Principal: Supplemental Information, CGCC-CH2-07

Entity Applicants: Business Entity: Supplemental Information, CGCC-CH2-06

*Trust Applicants: Trust: Supplemental Information, CGCC-CH2-09

*Current beneficiaries do not need to submit an application if the beneficiary is less than 21 years of age. Contingent beneficiaries do not need to submit an application if benefits are contingent upon a specific future event or circumstance.

*A completed Supplemental Background Information Form is not required if the applicant is a multi-owner licensee.

Recommended Response: This comment was accepted, in part. As provided in Section 12112(g), the waiver of supplemental information forms is not related to the applicant’s status of multi-owner type license, but is instead related to their status of good standing. As such, the following amendment is proposed:

Note: initial applicants must also attach a completed supplemental background information form, as indicated below:

Cardroom business license or TPPPS business license: Business Entity: Supplemental Information, CGCC-CH2-06 in addition to any other form required below

Individual Applicants: Individual Owner/Principal: Supplemental Information, CGCC-CH2-07

Entity Applicants: Business Entity: Supplemental Information, CGCC-CH2-06

*Trust Applicants: Trust: Supplemental Information, CGCC-CH2-09

*Current beneficiaries do not need to submit an application if the beneficiary is less than 21 years of age. Contingent beneficiaries do not need to submit an application if benefits are contingent upon a specific future event or circumstance.

* If an initial applicant has indicated “Yes” in response to Question IV in Section 1(B), no supplemental background information form is required. Note: If the Bureau determines the correct answer is “No,” the application will be deficient pursuant to Section 12116(a).

6. **David Fried, on behalf of the Oaks Card Club and California Grand Casino:** Mr. Fried recommended a change to Section 10 on the Commission’s Individual Owner/Principle: Supplemental Information, CGCC-CH2-07, which is attached to Appendix A through this section:

I) Do you have any agreements or contracts with any party <u>relating to any interest in gambling activities, with any other Commission licensed person or entity, with any person or entity denied a license by the Commission, or any agreements or contracts related to any business or investment activities not disclosed either in section 9 of this form or in schedules A-K</u> , other than a the bureau-approved TPPPS contract? If yes, provide the following details.	<input type="checkbox"/> Yes <input type="checkbox"/> No
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Mr. Fried noted that the Gaming Policy Advisory Committee had previously recommended clarification and narrowing of this question due to it encompassing many household and personal agreements, such as cell phones, health care, auto repair, renter’s or homeowner’s insurance, tuition agreements, health club agreements, credit card agreements, etc. and that taken literally would require an applicant to list every household and personal recurring service or good, and even some one-time activities. Additionally, Mr. Fried noted that if a licensee engages in other, non-gaming business activities, they may have additional unrelated contracts that would be reported.

Recommended Response: This comment was considered but was not incorporated. This suggestion is outside the scope of the proposed action, which pertains to the creation of a

multi-owner type license and the waiver of specified application requirements for applicants in good standing.

7. **Heather U. Guerena, on behalf of King’s Casino Management Corp. and Stones South Bay Corp.**: Ms. Guerena expressed a concern that the proposed regulations do not permit an owner licensee to renew all their endorsements for multiple gambling enterprises with a single application. Ms. Guerena suggested that the Application for Owner Category License, CGCC-CH2-05, include a section that allows the applicant to select that they are applying for a multi-owner type license and then list the establishments and positions the person or entity has for each of the business licensees they are associated with:

Do any of the persons required to be endorsed as licensees already have an Owner License granted by the Commission?

Yes No

If yes, list the name and license number associated with each individual or entity.

Ms. Guerena additionally suggested that if an individual has an existing license in good standing that has not reached its renewal date, then the licensee should not be required to file additional documentation.

Ms. Guerena suggested that an advantage of this proposal would be that, like most other licenses within the state, a licensee would have a single license number affiliated with them that could be attached to each gambling establishment in which they have a role. A single license number would then mean that all documentation for an individual would be kept in one location to avoid duplicative or lost records. Finally, this proposal does not eliminate the Commission’s ability to evaluate the suitability of an applicant.

Recommended Response: This comment was considered but was not incorporated. The Commission’s proposal already includes many of Ms. Guerena’s suggestions. For example, the Application for Owner Category License allows a person to apply for renewal of all endorsee licensees within the same industry (cardroom or TPPPS) on a single application. Section 6 of the form provides a space for the applicant to indicate all endorsements. This space is not limited to endorsements from a single business licensee and even provides space for affiliated endorsees.

For example, if a licensee were a trustee of Trust X and Trust X owned 30 percent of a cardroom, in Section 6 under Type of Endorsement the applicant would indicate Trustee//Trust X//Cardroom A. If they also were part of a partnership in control of another cardroom, on the next line they would indicate Limited Partner//Partnership//Cardroom B.

The duration of a license is a maximum of two years and so in applying for and converting to a multi-owner type license, an applicant will end up renewing all existing

licenses at the same time. This will result in licenses earlier in their cycle being renewed before their two-year period is over. However, this is not dissimilar to current practice. Prior to this proposed action, when an individual became an endorsee, they were granted a two-year endorsee license; however, when their associated business license's renewal period came, they were required to apply for renewal despite having had their endorsement for less than two years. This new process is similar, which is optional and focuses on the licensee.

Finally, for a discussion on why a single license number is not appropriate, see the response to comment I.A.1.