

AMENDED IN SENATE JUNE 17, 2010

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 2596

Introduced by Assembly Member Portantino

February 19, 2010

An act to amend Section 19876 of, *and to add Section 19955 to*, the Business and Professions Code, relating to gambling.

LEGISLATIVE COUNSEL'S DIGEST

AB 2596, as amended, Portantino. Gambling: licenses.

The Gambling Control Act provides for the licensure of certain individuals and establishments involved in various gambling activities, and for the regulation of those activities, by the California Gambling Control Commission. Existing law provides for the enforcement of those activities by the Department of Justice. Existing law also requires that an application for renewal of a license application be filed with the commission no later than 120 days prior to expiration of the current license, as provided.

This bill would allow the commission to assess reasonable late penalties in order to expedite the processing of a renewal application that is not filed in a timely manner. ~~This bill would also provide that where a complete renewal application has not been submitted within 30 days of the expiration of the existing license and notice has been given to the licensee, the commission may determine that the license has been abandoned.~~ *This bill would also provide that if an owner licensee has submitted an application for renewal, as provided, and the commission is unable to act on the application prior to the expiration date, the commission can extend the current license for up to 180 days. The bill would allow the commission to assess reasonable late penalties,*

not to exceed 3 times the application fee, when a renewal application is submitted after the deadline, as specified, but before the expiration date of the license.

Under existing law, the fee for the renewal of a state gambling license is determined pursuant to specified schedules.

This bill would allow the California Gambling Control Commission to order temporary closure of a gambling establishment for up to 90 days if an owner licensee fails to make timely payment of annual renewal fees, as provided.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 19876 of the Business and Professions
2 Code is amended to read:

3 19876. (a) Subject to the power of the commission to deny,
4 revoke, suspend, condition, or limit any license, as provided in
5 this chapter, a license shall be renewed ~~upon application for~~
6 ~~renewal and payment of state gambling fees as required by statute~~
7 ~~or regulation. Licenses renewed on or before July 31, 2008, shall~~
8 ~~be for the renewal period in effect at the time of the renewal but~~
9 ~~shall not expire any sooner than 15 months after the approval of~~
10 ~~the renewal application. Licenses renewed on or after August 1,~~
11 ~~2008, shall expire 24 months after the date of the approval of the~~
12 ~~renewal application or after the expiration of the prior license,~~
13 ~~whichever is later. biennially.~~

14 (b) An application for renewal of a gambling license shall be
15 filed by the owner licensee or key employee with the commission
16 no later than 120 calendar days prior to the expiration of the current
17 license. The commission shall act upon any application for renewal
18 prior to the date of expiration of the current license. Upon renewal
19 of any owner license, the commission shall issue an appropriate
20 renewal certificate or validating device or sticker.

21 (c) *Notwithstanding the provisions of subdivision (b), if an*
22 *owner licensee has submitted an application for renewal prior to*
23 *the original expiration date of the current license and the*
24 *commission is unable to act on the application prior to the*
25 *expiration date, the commission may extend the current license*
26 *for up to 180 days.*

1 (e)
 2 (d) Unless the commission determines otherwise, renewal of
 3 an owner’s gambling license shall be deemed to effectuate the
 4 renewal of every other gambling license endorsed thereon.

5 (d)
 6 (e) In addition to the penalties provided by law, any owner
 7 licensee who deals, operates, carries on, conducts, maintains, or
 8 exposes for play any gambling game after the expiration date of
 9 the gambling license is liable to the state for all license fees and
 10 penalties that would have been due upon renewal.

11 (e)
 12 (f) If an owner licensee fails to renew the gambling license as
 13 provided in this chapter, the commission may order the immediate
 14 closure of the premises and a cessation of all gambling activity
 15 therein until the license is renewed.

16 (f) (1)
 17 (g) If an owner licensee fails to apply to renew the gambling
 18 license in a timely manner as provided in this chapter, the
 19 commission may assess reasonable late penalties, in order to
 20 expedite the processing of the renewal application.

21 (2) If the owner licensee has not submitted a completed renewal
 22 application, including the payment of all required fees and deposits
 23 within 30 days of the expiration date and the commission has
 24 provided notice to the licensee, the commission may proceed to
 25 grant a hearing and determine that the license has been abandoned.
 26 submits an application for renewal of the gambling license after
 27 the deadline set in subdivision (b) but before the original expiration
 28 date of the license, the commission may assess reasonable late
 29 penalties not to exceed three times the usual application fee.

30 SEC. 2. Section 19955 is added to the Business and Professions
 31 Code, to read:

32 19955. If an owner licensee fails to make timely payment of
 33 annual fees required under subparagraph (B) of paragraph (2) of
 34 subdivision (b) of Section 19951, the commission may order the
 35 temporary closure of the gambling establishment for up to 90 days
 36 after the payment due date, after which time, if the fees, or any
 37 portion thereof, remain unpaid, the gambling establishment’s state
 38 gambling license shall be deemed surrendered.

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