

Introduced by Senator Hall
(Principal coauthor: Assembly Member Gray)

February 19, 2015

An act to add Chapter 5.2 (commencing with Section 19990.101) to Division 8 of the Business and Professions Code, relating to gambling.

LEGISLATIVE COUNSEL'S DIGEST

SB 278, as introduced, Hall. Gambling: Internet poker.

Existing law, the Gambling Control Act, provides for the licensure and regulation of various legalized gambling activities and establishments by the California Gambling Control Commission and the investigation and enforcement of those activities and establishments by the Department of Justice.

This bill would authorize the operation of an Internet poker Web site within the borders of the state. The bill would require the commission, in consultation with the department, to promulgate regulations for intrastate Internet poker. The bill would require those regulations to include, but not be limited to, a licensing process for an individual or entity to become an operator of an Internet poker Web site and rules for the operation of an Internet poker Web site.

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. The Legislature finds and declares both of the
- 2 following:
- 3 (a) In October 2006, the United States Congress passed the
- 4 Unlawful Internet Gambling Enforcement Act of 2006 (UIGEA)

1 (31 U.S.C. Secs. 5361 et seq.), which generally prohibits the use
2 of banking instruments, including credit cards, checks, and fund
3 transfers, for interstate Internet gambling.

4 (b) UIGEA essentially prohibits online gambling by United
5 States citizens, but includes exceptions that permit individual states
6 to create a regulatory framework to enable intrastate Internet
7 gambling, if the bets or wagers are made exclusively within a
8 single state under certain circumstances.

9 SEC. 2. Chapter 5.2 (commencing with Section 19990.101) is
10 added to Division 8 of the Business and Professions Code, to read:

11
12 CHAPTER 5.2. AUTHORIZED INTRASTATE INTERNET POKER

13
14 Article 1. General Provisions

15
16 19990.101. An Internet poker Web site authorized pursuant to
17 this chapter may be operated within the borders of the state in
18 accordance with all applicable laws and regulations, including,
19 but not limited to, the Unlawful Internet Gambling Enforcement
20 Act of 2006 (31 U.S.C. Secs. 5361 et seq.).

21
22 Article 2. Definitions

23
24 19990.201. For purposes of this chapter, the following
25 definitions apply:

- 26 (a) "Commission" means the California Gambling Control
27 Commission.
28 (b) "Department" means the Department of Justice.

29
30 Article 3. Administration

31
32 19990.301. The commission, in consultation with the
33 department, shall promulgate regulations for intrastate Internet
34 poker. These regulations shall include, but not be limited to, both
35 of the following:

- 36 (a) A licensing process for an individual or entity to become an
37 operator of an Internet poker Web site.
38 (b) Rules for the operation of an Internet poker Web site.

O