

AMENDED IN SENATE JUNE 15, 2015

SENATE BILL

No. 278

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~~, *gambling, and declaring the urgency thereof, to take effect immediately.*

LEGISLATIVE COUNSEL'S DIGEST

SB 278, as amended, 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.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: ~~majority~~^{2/3}. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

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

SECTION 1. The Legislature finds and declares both of the following:

(a) In October 2006, the United States Congress passed the *federal* Unlawful Internet Gambling Enforcement Act of 2006 (UIGEA) (31 U.S.C.—~~Sees:~~ *Sec.* 5361 et seq.), which generally prohibits the use of banking instruments, including credit cards, checks, and fund transfers, for interstate Internet gambling.

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

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

CHAPTER 5.2. AUTHORIZED INTRASTATE INTERNET POKER

Article 1. General Provisions

19990.101. An Internet poker Web site authorized pursuant to this chapter may be operated within the borders of the state in accordance with all applicable laws and regulations, including, but not limited to, the *federal* Unlawful Internet Gambling Enforcement Act of 2006 (31 U.S.C.—~~Sees:~~ *Sec.* 5361 et seq.).

Article 2. Definitions

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

(a) “Commission” means the California Gambling Control Commission.

(b) “Department” means the Department of Justice.

Article 3. Administration

19990.301. The commission, in consultation with the department, shall promulgate regulations for intrastate Internet

1 poker. These regulations shall include, but not be limited to, both
2 of the following:

3 (a) A licensing process for an individual or entity to become an
4 operator of an Internet poker Web site.

5 (b) Rules for the operation of an Internet poker Web site.

6 *SEC. 3. This act is an urgency statute necessary for the*
7 *immediate preservation of the public peace, health, or safety within*
8 *the meaning of Article IV of the Constitution and shall go into*
9 *immediate effect. The facts constituting the necessity are:*

10 *In order to, at the earliest possible time, authorize the operation*
11 *of Internet poker Web sites in California, create a licensing process*
12 *for operators of those Web sites, and establish rules for the*
13 *operation of those Web sites, it is necessary that this act take effect*
14 *immediately.*