

Date of Hearing: August 19, 2021

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Lorena Gonzalez, Chair

SB 819 (Committee on Governmental Organization) – As Amended April 6, 2021

Policy Committee: Governmental Organization

Vote: 21 - 0

Urgency: No

State Mandated Local Program: No

Reimbursable: No

SUMMARY:

This bill makes various clarifying changes to the Gambling Control Act (Act). Specifically, this bill:

- 1) Excludes, from the definition of “gambling enterprise employee” and “key employee,” a person employed solely to serve or prepare food or beverages, or a person employed solely to supervise such food and beverage service, in an area of an establishment where gambling is not authorized.
- 2) Authorizes the California Gambling Control Commission (CGCC) to extend a license, work permit or finding of suitability for up to 180 days, if an applicant has submitted an application for renewal of the license, permit or finding prior to original expiration date but the CGCC is unable to act on the application prior to the expiration date.
- 3) Authorizes the CGCC to adopt regulations to provide for the extension of other approvals.
- 4) Strengthens a requirement that a provider of proposition player services wear a clearly identifiable badge.

FISCAL EFFECT:

No costs to the CGCC or the Bureau of Gambling Control (Bureau).

COMMENTS:

- 1) **Purpose.** This bill is an omnibus measure from the Senate Committee on Governmental Organization intended to make clarifying, non-controversial changes to statute. According to the author:

Requiring kitchen staff who have no interaction with any of the gambling business at a cardroom to obtain a work permit makes little sense. Not only does this create unnecessary work for local jurisdictions, the Bureau, and the [CGCC], but it also creates an unnecessary obstacle for many people. In addition, the bill includes a number of clarifying changes to the Act at the request of the CGCC to help it function more efficiently.

- 2) **Gambling Enterprise Employees and Key Employees.** Existing law requires a “gambling enterprise employee,” whose employment duties require or authorize access to restricted gambling establishment areas, to obtain a work permit from the local jurisdiction or the CGCC and requires a “key employee,” who works in a supervisory capacity or is empowered to make decisions impacting gambling operations, to obtain a key employee license from the CGCC. An applicant seeking a work permit from the CGCC must submit to a fingerprint scan and criminal history background check by the Bureau and license applicants are subject to an even deeper background investigation. This bill specifies that food and beverage workers who solely operate in areas of an establishment where gambling is prohibited are not gambling enterprise or key employees and, thus, not required to obtain a work permit or license.
- 3) **Extension of Other Approvals.** Existing law allows the CGCC to extend an owner license for 180 days if the licensee submits an application for renewal prior to the license’s expiration date and the CGCC is unable to act on the application in time. This bill expands this allowance to all licenses, work permits and findings of suitability. This bill also allows the CGCC to adopt regulations to extend other approvals in furtherance of the Act.
- 4) **Prior Legislation.** AB 779 (Burke), of the 2017-2018 Legislative Session, would have modified the definition of a “gambling enterprise employee” to exclude an employee whose duties do not involve gambling activities, including a person preparing or serving food or beverages. AB 779 was ordered to the Senate Inactive File.

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