

Date of Hearing: March 30, 2022

ASSEMBLY COMMITTEE ON GOVERNMENTAL ORGANIZATION

Miguel Santiago, Chair

AB 2870 (Santiago) – As Introduced February 18, 2022

**SUBJECT:** Gambling Control Act

**SUMMARY:** Makes minor modifications to an existing provision of the Gambling Control Act pertaining to the Gaming Policy Advisory Committee (GPAC). Additionally, this bill requires a public record of every vote of the California Gambling Control Commission (CGCC) be posted on the commission's internet web site no later than 48 hours after the vote is taken. Specifically, **this bill:**

- 1) Requires the executive director of the California Gambling Control Commission (CGCC) to convene the GPAC, at least once annually, rather than from time to time, for the purpose of discussing those gambling policy matters and any other gambling-related issue.
- 2) Makes it explicit that the GPAC shall not advise the CGCC on matters pertaining to Indian gaming.
- 3) Requires the CGCC to post a public record of every vote on the commission's internet website no later than the close of business of the 2nd business day after the meeting at which the vote was taken.

**EXISTING LAW:**

- 1) Establishes within the Act a regulatory framework for gaming in California, creating the CGCC with the authority to approve, deny, revoke, or suspend gambling licenses and permits for reasonable cause.
- 2) Establishes a 10-member GPAC, composed of representatives of controlled gambling licensees and members of the general public in equal numbers.
- 3) Requires the executive director of the CGCC to convene the GPAC, from time to time, for the purpose of discussing matters of controlled gambling regulatory policy and any other relevant gambling-related issue.
- 4) Provides that the GPAC may not advise the CGCC on Indian gaming.
- 5) Requires the CGCC to establish and maintain a general office for the transaction of its business in Sacramento, but authorizes the commission to hold meetings at any place within the state when the interests of the public may be better served. Existing law also requires the CGCC to maintain a public record of every vote at its principal office.

**FISCAL EFFECT:** Unknown

**COMMENTS:**

Purpose of the bill. This measure seeks to revitalize the GPAC by ensuring that the committee holds periodic meetings, rather than from time to time. This bill will reiterate in statute the path of communication for card club operators to discuss pertinent gambling policy matters and any other relevant gambling-related issue.

AB 2870 will make the GPAC more relevant to the CGCC, gaming industry, and the public at large. The CGCC is responsible for appointing and constituting the GPAC. Yet, under current law, there is no requirement that the GPAC meet. This bill would make it easier for the CGCC to constitute the committee and provide that it meets at least twice a year.

According to the author's office, "current law requires that votes of the CGCC be maintained at its principal office, but there is currently no requirement that votes be taken by members of the commission be made available to the public on its website. By requiring these votes to be posted on the CGCC's Internet Web site, it will ensure that the public is fully aware of the decisions that are being made by the commission at each public meeting, to further promote greater accountability and transparency in government."

**Background.**

GPAC Mission Statement. The stated mission statement for GPAC is to provide advisory recommendations to the CGCC on matters of controlled gaming regulatory policy and other relevant gambling related issues, with special attention to guaranteeing the integrity of gambling operations and to deal effectively with problem gambling. The committee may not advise the commission on Indian gaming.

Current make-up of GPAC. One member is a representative of DOJ, one member is a representative of the problem gambling field, one member is a representative of a licensed or registered Third Party Provider of Proposition Player Services, two members are a representative of larger (25 tables or more) licensed gambling establishments, two members are a representative of small (less than 25 tables) licensed gambling establishments, one member is a law enforcement officer/investigator from local government where an approved ordinance allows controlled gaming, one member is a professional with an accounting background and one member is a member of the general public at large.

It should be noted, that the CGCC is responsible for appointing and constituting GPAC yet, under current law, there is no requirement that GPAC meet.

Gambling Control Act. The Act provides the CGCC with jurisdiction over the operation of gambling establishments in California. The Act requires every owner, lessee, or employee of a gambling establishment to obtain and maintain a valid state gambling license. The Act assigns the CGCC the responsibility of ensuring that gambling licenses are not issued to, or held by, unqualified or disqualified persons, or by persons whose operations are conducted in a manner that is harmful to the public health, safety, or welfare.

The Act directs the CGCC to issue licenses only to those persons of good character, honesty and integrity, whose prior activities, criminal record, if any; reputation, habits, and associations do

not pose a threat to the public interest of this state. The DOJ conducts background and field investigations and enforces the provisions of the Act in this regard.

Related legislation. AB 1834 (Gipson) of 2022. Would require the CGCC and the Department of Justice to make its records of all proceedings at its regular and special meetings as well as records of all applications for licenses under the Act, open to public inspection during normal business hours. (Pending in the Assembly Governmental Organization Committee)

**REGISTERED SUPPORT / OPPOSITION:**

**Support**

None on file

**Opposition**

None on file

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