#### SENATE RULES COMMITTEE

Office of Senate Floor Analyses

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## THIRD READING

Bill No: AB 1393

Author: Blanca Rubio (D)

Introduced: 2/21/25

Vote: 21

SENATE GOVERNMENTAL ORG. COMMITTEE: 15-0, 7/8/25

AYES: Padilla, Valladares, Archuleta, Ashby, Blakespear, Cervantes, Dahle, Hurtado, Jones, Ochoa Bogh, Richardson, Rubio, Smallwood-Cuevas, Wahab, Weber Pierson

ASSEMBLY FLOOR: 67-0, 4/10/25 (Consent) - See last page for vote

**SUBJECT:** California Gambling Control Commission

**SOURCE:** Author

**DIGEST:** This bill modifies the requirement that one member of the California Gambling Control Commission (Commission) be an attorney and a member of the State Bar of California with regulatory law experience, to instead require that one member of the Commission be an attorney and a member of the State Bar of California with regulatory or gaming law experience.

## **ANALYSIS:**

## Existing law:

1) Provides, under the Gambling Control Act (Act), for the licensure and regulation of various legalized gambling activities and establishments by the Commission and the investigation and enforcement of those activities and establishments by the Bureau of Gambling Control (Bureau), under the California Department of Justice (DOJ).

- 2) Provides that the Commission is composed of five members who are appointed by the Governor, subject to confirmation by the Senate.
- 3) Prohibits the appointment of an individual to the Commission if, within two years prior to appointment, the person was employed by or derived substantial income from, any gambling establishment.
- 4) Prohibits a member of the Commission from engaging in any other business, vocation, or employment.
- 5) Requires one member of the Commission to be a certified public accountant or a person with experience in banking or finance, one member to be an attorney and a member of the State Bar or California with regulatory law experience, one member to have a background in law enforcement and criminal investigation, and one member to have a background in business with at least five years of business experience or five years of governmental experience, and one member be from the public.
- 6) Requires the Governor to fill any vacancies on the Commission, subject to confirmation, within 60 days of the date of the vacancy.

#### This bill:

- 1) Modifies the requirement that one member of the Commission be an attorney and a member of the State Bar or California with regulatory law experience, to instead require that one member of the Commission be an attorney and a member of the State Bar of California with regulatory *or gaming* law experience.
- 2) Makes various technical, non-substantive changes.

# **Background**

Author Statement. According to the author's office, "gaming laws are often complex, covering a range of issues such as licensing, taxation, consumer protection, responsible gambling, and anti-money laundering. An expert in gaming law can help navigate these complexities and ensure the laws and regulations are applied correctly."

The author points out that "one of the main roles of regulatory bodies is to protect consumers and ensure fair play. Someone with expertise in gaming law can help the Commission further create policies that safeguard players from unfair practices and ensure their rights are respected. In addition, the gaming industry is evolving quickly with new technologies, such as sports betting, online gaming, e-sports, and mobile platforms. A gaming law expert would help the Commission stay ahead of these trends while making sure new practices are compliant with existing laws or can be properly regulated."

Gambling Control Act. The Act provides the Commission 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 Commission the responsibility of assuring 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 Commission 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.

Current law requires the Commission to be comprised of five members. One member is required to be from the public at large, the other four members are required to have the following career backgrounds:

- Certified public accountant or a person with experience in banking or finance.
- Attorney and a member of the State Bar of California with regulatory law experience.
- Background in law enforcement and criminal investigation.
- Background in business with at least five years of business experience or alternatively five years of governmental experience.

This bill maintains that one member of the Commission, among other qualifications, would still have to be an attorney. However, they could have experience in either regulatory or gaming law. Current law excludes gaming law experience, which, the author argues, not only limits the pool of qualified candidates but also prevents individuals with extensive knowledge of gaming laws and overall gambling from applying.

## **Prior/Related Legislation**

SB 864 (Governmental Organization Committee, 2025) requires the Commission to post a public record of every vote on its Internet Web site no later than two business days after the meeting at which the vote was taken. This bill is pending on the Assembly Floor.

AB 77 (Aguiar-Curry, 2025) increases from 10 to 12 members, the membership of the Gaming Policy Advisory Committee and would require the additional members to include representative of academia who possesses knowledge on matter related to gaming and on representative from the Bureau. Additionally, the bill requires the executive director of the Commission, to convene the GPAC at least twice a year, rather than from time to time. This bill is pending on the Senate Inactive File.

SB 1524 (Governmental Organization Committee, 2024) would have reduced the time by which the Governor must fill a vacancy of the Commission from 60 to 45 days. This bill was gutted and Amended to an Unrelated Issue.

AB 2084 (Lackey, 2024) would have reduced the time by which the Governor must fill a vacancy on the Commission from 60 to 45 days. This bill was never heard in the Assembly Governmental Organization Committee.

AB 1167 (Bigelow, 2021) would have reduced the time by which the Governor must fill a vacancy on the Commission from 60 to 45 days. The bill would have also required the Governor to notify the Legislature of the removal of a member of the Commission. This bill was never heard in the Senate Appropriations Committee.

AB 2097 (Gallagher, 2019) would have reduced the time by which the Governor must fill a vacancy on the Commission from 60 to 45 days. The bill would have also required the Governor to notify the Legislature of the removal of a member of the Commission. This bill was never heard in the Senate Governmental Organization Committee.

SB 1313 (Vidak, 2018) would have modified the membership of the Commission by eliminating the requirement that Commission members have specified career backgrounds. This bill was never heard in the Assembly Governmental Organization Committee.

SB 666 (Vidak, Chapter 245, Statutes of 2017) prohibits a member of the Commission, the executive director, the chief, and any employee of the Commission or the department designated by regulation, for a period of three years after leaving office or terminating employment, for compensation, from acting as an agent or attorney for any other person before the Commission or the DOJ, if the appearance or communication is for the purpose of influencing administrative actions, as specified.

FISCAL EFFECT: Appropriation: No Fiscal Com.: No Local: No

**SUPPORT:** (Verified 7/10/25)

None received

**OPPOSITION:** (Verified 7/10/25)

None received

ASSEMBLY FLOOR: 67-0, 4/10/25

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bennett, Berman, Boerner, Bonta, Bryan, Caloza, Castillo, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Irwin, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Patel, Patterson, Pellerin, Ramos, Ransom, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

NO VOTE RECORDED: Bauer-Kahan, Calderon, Carrillo, Chen, Gallagher, Garcia, Hoover, Jackson, Papan, Petrie-Norris, Quirk-Silva, Celeste Rodriguez

Prepared by: Felipe Lopez / G.O. / (916) 651-1530 7/10/25 15:52:56

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