

Date of Hearing: March 18, 2025

ASSEMBLY COMMITTEE ON GOVERNMENTAL ORGANIZATION

Blanca Rubio, Chair

AB 1719 (Ward) – As Introduced February 4, 2026

SUBJECT: Gaming: work permits: suspension.

SUMMARY: The bill would alter the work-permit suspension process by giving a person whose gaming work permit is summarily suspended and the California Gambling Control Commission (CGCC or Commission) the option to agree to hold the suspension hearing after the current 30-day deadline. Specifically, **this bill:**

1) Provides that a person whose work permit is summarily suspended has a right to a hearing to commence no later than 30 calendar days from the date of service of the suspension but also allows that time period to be extended by mutual agreement.

EXISTING LAW:

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

2) Establishes the CGCC and grants the CGCC jurisdiction and supervision over gambling establishments, as defined, in the State of California and over all persons or things having to do with the operations of gambling establishments. (Bus. & Prof. Code, §§ 19811, subd. (b), 19850.). Specifies that the CGCC consists of five members appointed by the Governor, subject to confirmation by the Senate.

3) Provides the CGCC has all powers necessary and proper to fully and effectually carry out the policies and purposes of the Act including, without limitation, the power to deny for any cause it deems reasonable any application for license or approval. (Bus. & Prof. Code, § 19824, subd. (b).)

4) Requires the Bureau to investigate the qualification of applicants before any license or other approval is issued and, if necessary, recommends the denial or limitation, conditioning, or restriction of any license or other approval.

5) Requires the BGC to monitor the conduct of all licenses and other persons having a material involvement, directly or indirectly, with a gambling operation or its holding company, for the purpose of ensuring that licenses are not issued or held by, and that there is no direct or indirect material involvement with a gambling operation or holding company by ineligible, unqualified, disqualified, or unsuitable persons, or persons whose operations are conducted in a manner that is adverse to the public health, safety or welfare. (California Business and Professions Code § 19826)

6) Requires specified employees of a gambling enterprise to apply for and obtain a work permit from the commission or from a city, county, or city and county.

7) Authorizes the CGCC to issue an order summarily suspending a person's work permit upon a finding that the suspension is necessary for the immediate preservation of the public peace, health, safety, or general welfare, and provides for a hearing within 30 calendar days after the date of service of the suspension.

FISCAL EFFECT: This bill is keyed fiscal by Legislative Counsel

COMMENTS:

Purpose of the bill. According to the author's office, "Any worker whose permit is suspended by the CGCC for public safety, health, or welfare reasons has the right to a hearing. Scheduling conflicts like family obligations and administrative backlogs should not inhibit this process. By allowing an extension of the 30-day limit provided there is mutual consent from the involved parties, this bill aims to ensure fair access to a gaming work permit suspension hearing."

Background.

This bill would amend California Business and Professions Code § 19913, which governs summary suspensions of gambling work permits under the Act. Under current law, when the CGCC summarily suspends a person's work permit, the affected person has a right to a hearing that must start no later than 30 calendar days from the date the suspension was served. This bill would allow for that 30-day time limit to be extended by mutual agreement between the person and the Commission, allowing the hearing to occur later than 30 days if both sides agree. This bill doesn't change how or when the CGCC can suspend a permit but simply allows flexibility to schedule the required hearing beyond the standard 30-day period if both parties consent.

Gambling Control Act. The Act (Bus. & Prof. Code, § 19800 et seq.) provides the CGCC jurisdiction over the operation and concentration of gambling establishments and all persons and things having to do with operation of gambling establishments. 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 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. (Bus. & Prof. Code, § 19824, subd. (b).)

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. There are over 4,400 licenses processed per year, mainly license renewals and employee transfers.

As of April 2023, the CGCC reports that there are 82 licensed card clubs in California. These gaming establishments vary in size, from businesses with just a few gaming tables to large establishments with over 350 gaming tables. Card clubs offer poker and other table games to the public. Card clubs differ from tribal casinos in the way they generate revenue and the specific types of games they can offer.

Types of gaming licenses. For the purpose of processing, approving, and otherwise regulating gaming licenses for card rooms and related businesses—as well as for their owners and

employees, the Bureau and the CGCC carry out these responsibilities. Every gaming position in a card room, with the exception of the player, requires a specific type of license.

Many licenses go to individuals who work in the gaming industry, such as card dealers and floor supervisors. Licenses are required for workers in non-gaming positions like food service. The licenses held by business owners—individuals who partially or fully own card rooms or who provide players for specific types of games, as specified—are typically those that are the subject of the most thorough review. Although state law does not allow the licensure of new card rooms, individuals may buy existing card rooms, which require these individuals to apply for licenses.

CGCC Work Permit. The Act requires that anyone working as a gambling enterprise employee must have a valid work permit. If the local city or county does not issue work permits—or does not require them—the individual must apply to the CGCC. When the state issues the permit, applicants must undergo fingerprinting and a standard criminal background check by the Bureau. This process is simpler and less intensive than the background investigation required for key employee licenses or other higher-level state gambling licenses.

Work permit suspension. Current law authorizes the CGCC to issue an order summarily suspending a person's work permit upon finding that the suspension is necessary for the immediate preservation of the public peace, health, safety, or general welfare. An order is required to be signed by at least three members of the CGCC. A person whose work permit is immediately suspended has the right to a hearing within 30 calendar days of the date of suspension. This bill simply states that a hearing may be held more than 30 days from the date of service, by mutual agreement.

A decision of the CGCC may be reviewed by petition pursuant to Section 1085 of the Code of Civil Procedure. Existing law prohibits a court from issuing a temporary injunction or other provisional order to restrain, stay, or otherwise interfere with any action by the DOJ or the CGCC, except upon a finding by the court, based on clear and convincing evidence, that the public interest will not be prejudiced. Existing law prohibits an order from being effective for more than 15 days and a preliminary order from being effective for more than 45 days, except by stipulation of the DOJ or the CGCC.

Prior legislation. AB 2886 (Aguiar-Curry) of 2024. This bill extends the effective time of a temporary injunction or other provisional order to restrain, stay, or otherwise interfere with an action by the DOJ or CGCC. (Died on Senate Inactive File)

AB 1271 (Gipson), Chapter 302, Statutes of 2023. Modified provisions relating to key employees working at different gambling establishments, as specified. The bill also authorized the CGCC to adopt regulations, for any applicant who possesses a state gambling license in good standing, as specified. Additionally, this bill provided that a work permit entitles the holder to work for any gambling enterprise, as specified.

AB 1082 (Low), Chapter 122, Statutes of 2020. Removed from the definition of applicant, a person who is about to apply for a state gambling license, or other specified licenses, permits, or approvals.

SB 730 (Florez), Chapter 438, Statutes of 2007. Made various changes to the licensing and regulatory processes related to key employees for gambling establishments under the Act.

AB 1753 (Governmental Organization Committee), Chapter 546, Statutes of 2005. Deleted the residency requirement for key employees of California card rooms and revised the penalties for violations of California's gambling related laws.

SB 8 (Lockyer), Chapter 867, Statutes of 1997. Repealed the Gaming Regulation Act, and instead enacted the Act, which provided for DOJ to investigate and enforce controlled gambling in the state. It also established the CGCC to regulate gambling in this state to issue, suspend, or revoke gambling licenses.

REGISTERED SUPPORT / OPPOSITION:

Support

None on file

Opposition

None on file

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