

## ADVISORY NOTICE

### APPROVED REGULATIONS REGARDING: PORTABLE PERSONAL KEY EMPLOYEE LICENSES

(CGCC-GCA-2009-08-R)

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On April 13, 2010, the Office of Administrative Law approved regulations that formally establish the system for issuance of portable personal key employee licenses. These regulations were filed with the Secretary of State on April 13, 2010, and will become effective May 13, 2010.

The California Gambling Control Commission (Commission) in adopting the subject regulations has fully implemented specific provisions of Senate Bill 730 by Senator Florez (SB 730)<sup>1</sup> as they relate to establishing portable personal key employee licenses. Under the provisions of SB 730, a key employee license entitles the holder to work as a key employee in **any** key employee position at **any** gambling establishment, provided the key employee terminates employment with one gambling enterprise before commencing work for another. SB 730 also required the Commission's schedule of fees to distinguish between initial and renewal licenses with respect to costs and charges.

Prior to the enactment of SB 730, the Gambling Control Act (Act)<sup>2</sup> required that licenses issued to key employees be for specified positions only and that those licenses be endorsed on the owner's gambling license.<sup>3</sup> Key employee renewal applications were also required to be included with those of the gambling establishment, in a single package. In addition, the Act required that the key employee's license application fee be assessed against the gambling license issued to the owner of the gambling establishment.<sup>4</sup> SB 730 provided that key employee licenses are independent of the gambling establishment employer's license by creating a portable key employee license that can be used from job-to-job. As a result, key employees are responsible for maintaining their own licenses.

This regulatory action amends regulations in Chapters 1 and 6 of Division 18 of Title 4 of the California Code of Regulations to separate the key employee license requirements from the gambling license requirements for owner-licensees. This regulatory action also creates a new Article 3, entitled "Portable Personal Key Employee License" which includes new Sections 12350, 12351, 12352, 12353, 12354, and 12355, describing the requirements for interim, initial, renewal, and replacement portable personal key employee licenses, including the required forms, documentation, and processing times. The application fees are included in Section 12008. Several existing sections have been combined and renumbered to provide consistency and to allow for additional sections for future regulations. Other sections were renumbered and amended to conform to the separation of key employee license requirements from the gambling license requirements.

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<sup>1</sup> Chapter 438, Statutes of 2007.

<sup>2</sup> Business and Professions Code, section 19800 et seq.

<sup>3</sup> Business and Professions Code, section 19951, subdivision (a), as written prior to SB 730.

<sup>4</sup> Business and Professions Code, section 19951, subdivision (b), as written prior to SB 730.

April 22, 2010

A copy of the recently approved regulations is attached. For additional information, please see the Commission's Web site at:

[http://www.cgcc.ca.gov/?pageID=2009\\_proposed\\_gambling\\_control\\_act\\_regulations](http://www.cgcc.ca.gov/?pageID=2009_proposed_gambling_control_act_regulations).

**Questions, Concerns, Suggestions**

Please contact the Commission's Licensing Division at (916) 263-0700 with any inquiries concerning the licensing process. Inquiries concerning the rulemaking process for the adoption of these regulations may be directed to [lawsandregs@cgcc.ca.gov](mailto:lawsandregs@cgcc.ca.gov).