

AMENDED IN ASSEMBLY SEPTEMBER 10, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 1437

Introduced by Assembly Member Gray

February 27, 2015

An act to ~~amend Section 19954~~ add Chapter 4.7 (commencing with Section 19750) to Division 8 of the Business and Professions Code, and to amend Section 337a of the Penal Code, relating to ~~gaming, and~~ gambling, and declaring the urgency thereof, to take effect immediately. *gambling, and making an appropriation therefor.*

LEGISLATIVE COUNSEL'S DIGEST

AB 1437, as amended, Gray. ~~Gambling addiction. Gambling: Internet Fantasy Sports Game Protection Act.~~

Existing law, the Gambling Control Act, provides for the licensure and regulation of various legalized gambling activities and establishments by the California Gambling Control Commission and the investigation and enforcement of those activities and establishments by the Department of Justice. Existing law prohibits a person, whether or not for gain, hire, or reward, from making a betting pool or placing a bet or wager on the result of any contest or event, including a sporting event, as specified.

This bill would enact the Internet Fantasy Sports Games Consumer Protection Act, which would require a person or entity to apply for, and receive, a license from the department prior to offering an Internet fantasy sports game for play in California. The bill would require the department to issue a license to a person or entity that applies for a license if the person or entity satisfies specified requirements, including, among others, that the applicant is of good character, honesty, and

integrity. The bill would also require a person to register with a “licensed operator” prior to participating in an “Internet fantasy sports game” on an “authorized Internet Web site,” as those terms are defined.

The bill would require a licensed operator, among other things, to ensure that a registered player is eligible to play on an authorized Internet Web site, and to implement appropriate data security standards to prevent access by a person whose age and location have not been verified. The bill would authorize the department to assess a civil penalty against a licensed operator that violates these provisions according to a specified schedule depending on the number of violations. The bill would require the department to develop an online self-exclusion form on or before July 1, 2017, and to deliver that form to each licensed operator, and would require each licensed operator to make that form available to its registered players.

The bill would require a licensed operator to pay an annual regulatory fee, for deposit into the Fantasy Sports Fund, which the bill would establish in the State Treasury. The bill would continuously appropriate the Fantasy Sports Fund to the department for the reasonable costs of license oversight, consumer protection, state regulation, and other purposes related to the bill. The bill would require each licensed operator to pay a one-time license fee into the General Fund in an unspecified amount. The license fee would be credited against quarterly fees equivalent to an unspecified percentage of the licensed operator’s gross income that is attributable to the operation of an authorized Internet Web site in California.

The bill would make proprietary information provided by a licensed operator confidential in order to protect the licensed operator and to protect the security of an authorized Internet Web site. The bill would also prohibit a city, county, or city and county from regulating, taxing, or entering into a contract with respect to, any matter governed to the bill’s provisions, and would make conforming changes.

Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest.

This bill would make legislative findings to that effect.

This bill would include a change in state statute that would result in a taxpayer paying a higher tax within the meaning of Section 3 of Article

XIIIA of the California Constitution, and thus would require for passage the approval of 2/3 of the membership of each house of the Legislature.

~~Existing law, the Gambling Control Act, provides for the licensure and regulation of various legalized gambling activities and establishments by the California Gambling Control Commission and the investigation and enforcement of those activities and establishments by the Department of Justice. Existing law establishes the Gambling Control Fund within the State Treasury for the receipt and deposit of fees and revenue collected pursuant to the act. Under the act, specified licensing fees are required to be paid for the issuance or renewal of a state gambling license, as specified. Existing law requires each licensee to pay an additional \$100 for each table for which it is licensed to the State Department of Public Health for deposit in the Gambling Addiction Program Fund, and requires these funds to be available, upon appropriation by the Legislature, to community-based organizations that directly provide aid and assistance to those persons with a gambling addiction problem.~~

~~This bill would instead require each licensee to pay an additional \$150 for each table for which it is licensed to the State Department of Public Health for deposit in the Gambling Addiction Program Fund.~~

~~This bill would declare that it is to take effect immediately as an urgency statute.~~

~~Vote: 2/3. Appropriation: no-yes. Fiscal committee: no-yes. State-mandated local program: no.~~

The people of the State of California do enact as follows:

1 *SECTION 1. Chapter 4.7 (commencing with Section 19750)*
2 *is added to Division 8 of the Business and Professions Code, to*
3 *read:*

4
5 *CHAPTER 4.7. THE INTERNET FANTASY SPORTS GAMES*
6 *CONSUMER PROTECTION ACT*

7
8 *Article 1. Preliminary Provisions*

9
10 *19750. This chapter shall be known and may be cited as the*
11 *Internet Fantasy Sports Games Consumer Protection Act.*

12 *19752. The Legislature finds and declares all of the following:*

1 (a) *The Internet is an integral tool in the everyday lives of*
2 *Californians. Commerce, communication, and entertainment are*
3 *just some of the areas in which this technological aid thrives.*

4 (b) *Participating in Internet fantasy sports games, including*
5 *those of the daily variety, is a very popular activity in California,*
6 *and with the Internet as a technological aid, participation in these*
7 *games can be conducted in a virtual environment and played from*
8 *the privacy of one's own computer or mobile device. Despite a*
9 *lack of regulation, participation in Internet fantasy sports games*
10 *still remains popular with California residents.*

11 (c) *Californians participate in Internet fantasy sports games on*
12 *a daily basis on unregulated Internet Web sites. Neither federal*
13 *nor California laws provide any consumer protections for*
14 *California players. California players assume all risks, any*
15 *negative social or financial impacts are borne by the citizens of*
16 *California, and the revenues generated from these games are being*
17 *realized by unlicensed operators and do not provide any benefits*
18 *to the citizens of California.*

19 (d) *To better protect the people of California from potential*
20 *risks from, and to maintain oversight of the systems used to carry*
21 *out, Internet fantasy sports games, the Legislature finds it to be in*
22 *the interest of the people to establish a regulatory framework by*
23 *which entities, as authorized by the Department of Justice, may*
24 *facilitate Internet fantasy sports games to players within California.*

25 (e) *State authorization to operate Internet fantasy sports games*
26 *consistent with federal law, and heightened regulation and*
27 *enforcement regarding this activity, will provide California with*
28 *the means to protect its citizens and consumers under certain*
29 *conditions by providing a framework to ensure that, among other*
30 *things, the state is not subject to an unnecessary and unprecedented*
31 *expansion of gambling, minors are prevented from gambling,*
32 *residents participating in these games are protected, and the state*
33 *is not deprived of revenues to which it would otherwise be entitled*
34 *from these activities.*

35 19754. *It is the intent of the Legislature to create a licensing*
36 *and regulatory framework and enforcement mechanisms for*
37 *Internet fantasy sports games to do all of the following:*

38 (a) *Ensure that Internet fantasy sports games of any duration*
39 *are offered for play only in a manner that is consistent with federal*
40 *and state law.*

1 (b) Ensure the state possesses sufficient resources to enforce
2 prohibitions of illegal gambling activity, in part, by establishing
3 a regulatory enforcement fund.

4 (c) Ensure that the state is able to collect income tax revenues
5 from registered players participating in authorized Internet fantasy
6 sports games in the state.

7 (d) Create systems to protect each registered player's private
8 information and prevent fraud and identity theft.

9 (e) Ensure that a registered player is able to have his or her
10 financial transactions processed in a secure, timely, and
11 transparent fashion.

12 (f) Require that each licensed operator's Internet Web site
13 contains information relating to problem gambling, including a
14 telephone number that an individual may call to seek information
15 and assistance for a potential gambling addiction.

16 (g) Ensure that each licensed operator maintains responsibility
17 for the Internet fantasy sports games business and is not serving
18 as a facade for an entity not eligible to be a licensed operator, and
19 that each Internet fantasy sports games Web site identifies who is
20 the actual licensed operator to ensure protection of players.

21 (h) Deposit regulatory fees collected by the state from each
22 licensed operator into the Fantasy Sports Fund, as established in
23 Section 19780.

24

25

Article 2. Definitions

26

27 19760. For purposes of this chapter, all of the following
28 definitions apply:

29 (a) "Authorized Internet Web site" means an Internet Web site
30 operated by a licensed operator.

31 (b) "Department" means the Department of Justice.

32 (c) "Fund" means the Fantasy Sports Fund established by
33 Section 19780.

34 (d) "Internet fantasy sports game" means a game of any
35 duration conducted on the Internet in which a registered player
36 does all of the following:

37 (1) Competes against other registered players or a target score
38 as the owner or manager of an imaginary or simulated team of
39 athletes in an imaginary or simulated game.

1 (2) *Uses the statistics accumulated by the athletes in real-world*
2 *sporting events to determine the scores of the imaginary or*
3 *simulated game.*

4 (3) *Plays for a predetermined prize.*

5 (4) *Pays a charge to the licensed operator providing the game*
6 *in order to participate.*

7 (e) *“Licensed operator” means a person or entity licensed*
8 *pursuant to this chapter to offer Internet fantasy sports games for*
9 *play on an authorized Internet Web site.*

10 (f) *“Registered player” means a person registered pursuant to*
11 *this chapter to participate in an Internet fantasy sports game on*
12 *an authorized Internet Web site.*

13

14 *Article 3. Licensed Operators and Registered Players*

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16 19770. (a) *A person or entity shall apply for and receive a*
17 *license from the department prior to offering an Internet fantasy*
18 *sports game for play in California.*

19 (b) *The department shall issue a license to a person or entity*
20 *to operate an authorized Internet Web site if the applicant satisfies*
21 *all of the following:*

22 (1) *The applicant is of good character, honesty, and integrity.*

23 (2) *The applicant’s prior activities, criminal record, if any,*
24 *reputation, habits, and associations do not pose a threat to the*
25 *public interest of the state, or to the effective regulation and control*
26 *of Internet fantasy sports games, or create or enhance the dangers*
27 *of unsuitable, unfair, or illegal practices, methods, and activities*
28 *in the conduct of Internet fantasy sports games or in the carrying*
29 *on of the business and financial arrangements incidental to those*
30 *games.*

31 (3) *The applicant is in all other respects qualified to be licensed*
32 *as provided in this chapter, including, but not limited to, providing*
33 *documentation establishing that the applicant is capable of paying*
34 *the one-time license fee described in Section 19782 through its*
35 *own net position or through credit directly available to the*
36 *applicant.*

37 (c) *The department may promulgate regulations to implement*
38 *this section.*

1 19772. (a) In order to ensure the protection of registered
2 players, an authorized Internet Web site shall identify the person
3 or entity that is the licensed operator.

4 (b) A licensed operator shall ensure that an Internet fantasy
5 sports game on its authorized Internet Web site complies with all
6 of the following:

7 (1) An imaginary or simulated sports team in the game shall
8 not be based on the current membership of an actual team that is
9 a member of an amateur or professional sports organization.

10 (2) A prize or award offered to the winning registered player
11 or players shall be established and made known to the participating
12 registered players in advance of the contest.

13 (3) The value of a prize or award offered to the winning
14 registered player or players shall not be determined by the number
15 of participating registered players or the amount of any charges
16 paid by those participating registered players to the licensed
17 operator.

18 (4) The winning outcome of the game shall not be either of the
19 following:

20 (A) Based on the score, point spread, or performance of any
21 single real-world team or any combination of real-world teams.

22 (B) Based solely on the single performance of an individual
23 athlete in a single real-world sporting event.

24 19774. (a) A person shall register with a licensed operator
25 prior to participating in an Internet fantasy sports game on an
26 authorized Internet Web site.

27 (b) A licensed operator shall ensure that a registered player is
28 eligible to play on an authorized Internet Web site, and implement
29 appropriate data security standards to prevent access by a person
30 whose age and location have not been verified in accordance with
31 this chapter.

32 (c) A licensed operator shall ensure that a registered player is
33 physically located within the State of California at the time of
34 participating in an Internet fantasy sports game on an authorized
35 Internet Web site.

36 (d) A licensed operator shall ensure that a registered player is
37 at least 21 years of age.

38 (e) (1) Each licensed operator shall, prior to registering and
39 permitting a person to participate in an Internet fantasy sports

1 *game on an authorized Internet Web site, verify that the person is*
2 *21 years of age or older by doing both of the following:*

3 *(A) Attempting to match the name, address, and date of birth*
4 *provided by the person to information contained in records in a*
5 *database of individuals who have been verified to be 21 years of*
6 *age or older by reference to an appropriate database of*
7 *government records.*

8 *(B) Verifying that the name and physical billing address on the*
9 *check or credit card offered for payment by the person seeking to*
10 *be a registered player matches the name and address listed in the*
11 *database described in subparagraph (A).*

12 *(2) If the licensed operator is unable to verify that the person*
13 *is 21 years of age or older pursuant to paragraph (1), the licensed*
14 *operator shall require the person to submit age-verification*
15 *documents consisting of an attestation signed by the person that*
16 *he or she is 21 years of age or older and a copy of a valid form of*
17 *government identification, either electronically or by mail. For*
18 *the purposes of this paragraph, a valid form of government*
19 *identification includes a driver's license, state identification card,*
20 *passport, official naturalization or immigration document,*
21 *including an alien registration receipt card or an immigrant visa,*
22 *or United States military identification. The licensed operator*
23 *shall verify that the physical billing address on the check or credit*
24 *card provided by the person matches the address listed on his or*
25 *her government identification.*

26 *(3) A licensed operator is not in violation of this section if the*
27 *operator complies with the requirements of paragraphs (1) and*
28 *(2), and a person under 21 years of age participates in an Internet*
29 *fantasy sports game on the operator's authorized Internet Web*
30 *site.*

31 *(f) The department may assess a civil penalty against a licensed*
32 *operator that violates this section according to the following*
33 *schedule:*

34 *(1) Not less than one thousand dollars (\$1,000), and not more*
35 *than two thousand dollars (\$2,000), for the first violation.*

36 *(2) Not less than two thousand five hundred dollars (\$2,500),*
37 *and not more than three thousand five hundred dollars (\$3,500),*
38 *for the second violation.*

39 *(3) Not less than four thousand dollars (\$4,000), and not more*
40 *than five thousand dollars (\$5,000), for the third violation.*

1 (4) Not less than five thousand five hundred dollars (\$5,500),
2 and not more than six thousand five hundred dollars (\$6,500), for
3 the fourth violation.

4 (5) Ten thousand dollars (\$10,000) for a fifth or subsequent
5 violation.

6 (g) (1) The department shall, by regulation, provide a process
7 for a licensed operator to exclude from play any person who has
8 filled out an online self-exclusion form.

9 (2) The department shall develop an online self-exclusion form
10 on or before July 1, 2017.

11 (3) The department shall deliver the form described in
12 paragraph (2) to each licensed operator.

13 (4) A licensed operator shall prominently display a link to the
14 department's Responsible Gambling Internet Web page and the
15 online self-exclusion form described in paragraph (2) when either
16 of the following occurs:

17 (A) A person registers as a registered player.

18 (B) Each time a registered player accesses the authorized
19 Internet Web site prior to playing.

20 (5) A licensed operator shall retain each online self-exclusion
21 form submitted to it by a registered player to identify persons who
22 want to be excluded from play. A licensed operator shall exclude
23 those persons from play.

24 (6) A licensed operator that has made commercially reasonable
25 efforts to comply with this subdivision is not in violation of this
26 section if a person who has filled out an online self-exclusion form
27 thereafter participates in an Internet fantasy sports game on the
28 operator's authorized Internet Web site.

29 19776. (a) A licensed operator shall facilitate the collection
30 by the Franchise Tax Board of personal income taxes from
31 registered players and shall be responsible for providing current
32 and accurate documentation on a timely basis to all state agencies.

33 (b) The state and its agencies shall treat the proprietary
34 information provided by a licensed operator as confidential in
35 order to protect the licensed operator and to protect the security
36 of an authorized Internet Web site.

37 (c) Proprietary information supplied by a licensed operator to
38 a state agency is exempt from public disclosure, consistent with
39 subdivision (b) of Section 6253 of the Government Code.

Article 4. Fees and Financial Provisions

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2
3 19780. (a) The Fantasy Sports Fund is hereby created in the
4 State Treasury, to be administered by the department.
5 Notwithstanding Section 13340 of the Government Code, all
6 moneys in the fund are continuously appropriated to the
7 department, without regard to fiscal years, in the amounts
8 necessary for the department to perform its duties under this
9 chapter.

10 (b) Each licensed operator shall pay an annual regulatory fee,
11 to be deposited in the Fantasy Sports Fund, in an amount to be
12 determined by the department, for the reasonable costs of license
13 oversight, consumer protection, state regulation, problem gambling
14 programs, and other regulatory purposes related to this chapter,
15 including, but not limited to, enforcement efforts related to illegal
16 Internet gambling activities.

17 19782. (a) Prior to operating its authorized Internet Web site,
18 a licensed operator shall remit to the Treasurer a one-time license
19 fee in the amount of ____ (\$____), to be deposited into the General
20 Fund and credited against charges imposed pursuant to subdivision

21 (b). Upon depletion of the license fee balance, the department shall
22 notify the licensed operator to commence quarterly payments to
23 the state in accordance with subdivision (b).

24 (b) In consideration of the substantial value of each license, a
25 licensed operator shall remit to the Treasurer on a quarterly basis
26 for deposit in the General Fund an amount equal to ____ percent
27 of its gross income that is attributable to the operation of an
28 authorized Internet Web site in California.

29 (1) Each quarterly payment shall be due on the 10th day of the
30 month following the end of each quarter.

31 (2) A licensed operator shall make all electronic and written
32 financial records available to the Treasurer and the department
33 on an electronic basis.

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Article 5. Preemption of Local Regulation

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37 19790. A city, county, or city and county shall not regulate,
38 tax, or enter into a contract with respect to any matter governed
39 by this chapter. This section does not prohibit or limit the
40 investigation and prosecution of any violation of this chapter.

1 *SEC. 2. Section 337a of the Penal Code is amended to read:*

2 337a. (a) Except as provided in Section ~~336.9~~, 336.9 and as
3 *authorized pursuant to Chapter 4.7 (commencing with Section*
4 *19750) of Division 8 of the Business and Professions Code, every*
5 person who engages in one of the following ~~offenses~~, *offenses*
6 shall be punished for a first offense by imprisonment in a county
7 jail for a period of not more than one year or in the state prison,
8 or by a fine not to exceed five thousand dollars (\$5,000), or by
9 both imprisonment and fine:

10 (1) Pool selling or bookmaking, with or without writing, at any
11 time or place.

12 (2) Whether for gain, hire, reward, or gratuitously, or otherwise,
13 keeps or occupies, for any period of time whatsoever, any room,
14 shed, tenement, tent, booth, building, float, vessel, place, stand or
15 enclosure, of any kind, or any part thereof, with a book or books,
16 paper or papers, apparatus, device or paraphernalia, for the purpose
17 of recording or registering any bet or bets, any purported bet or
18 bets, wager or wagers, any purported wager or wagers, selling
19 pools, or purported pools, upon the result, or purported result, of
20 any trial, purported trial, contest, or purported contest, of skill,
21 speed or power of endurance of person or animal, or between
22 persons, animals, or mechanical apparatus, or upon the result, or
23 purported result, of any lot, chance, casualty, unknown or
24 contingent event whatsoever.

25 (3) Whether for gain, hire, reward, or gratuitously, or otherwise,
26 receives, holds, or forwards, or purports or pretends to receive,
27 hold, or forward, in any manner whatsoever, any money, thing or
28 consideration of value, or the equivalent or memorandum thereof,
29 staked, pledged, bet or wagered, or to be staked, pledged, bet or
30 wagered, or offered for the purpose of being staked, pledged, bet
31 or wagered, upon the result, or purported result, of any trial, or
32 purported trial, or contest, or purported contest, of skill, ~~speed~~
33 *speed*, or power of endurance of person or animal, or between
34 persons, animals, or mechanical apparatus, or upon the result, or
35 purported result, of any lot, chance, casualty, unknown or
36 contingent event whatsoever.

37 (4) Whether for gain, hire, reward, or gratuitously, or otherwise,
38 at any time or place, records, or registers any bet or bets, wager
39 or wagers, upon the result, or purported result, of any trial, or
40 purported trial, or contest, or purported contest, of skill, ~~speed~~

1 *speed*, or power of endurance of person or animal, or between
2 persons, animals, or mechanical apparatus, or upon the result, or
3 purported result, of any lot, chance, casualty, unknown or
4 contingent event whatsoever.

5 (5) Being the owner, lessee or occupant of any room, shed,
6 tenement, tent, booth, building, float, vessel, place, stand, enclosure
7 or grounds, or any part thereof, whether for gain, hire, reward, or
8 gratuitously, or otherwise, permits that space to be used or occupied
9 for any purpose, or in any manner prohibited by paragraph (1),
10 (2), (3), or (4).

11 (6) Lays, makes, offers or accepts any bet or bets, or wager or
12 wagers, upon the result, or purported result, of any trial, or
13 purported trial, or contest, or purported contest, of skill, speed or
14 power of endurance of person or animal, or between persons,
15 animals, or mechanical apparatus.

16 (b) In any accusatory pleading charging a violation of this
17 section, if the defendant has been once previously convicted of a
18 violation of any subdivision of this section, the previous conviction
19 shall be charged in the accusatory pleading, and, if the previous
20 conviction is found to be true by the jury, upon a jury trial, or by
21 the court, upon a court trial, or is admitted by the defendant, the
22 defendant shall, if he or she is not imprisoned in the state prison,
23 be imprisoned in the county jail for a period of not more than one
24 year and pay a fine of not less than one thousand dollars (\$1,000)
25 and not to exceed ten thousand dollars (\$10,000). Nothing in this
26 paragraph shall prohibit a court from placing a person subject to
27 this subdivision on probation. However, that person shall be
28 required to pay a fine of not less than one thousand dollars (\$1,000)
29 nor more than ten thousand dollars (\$10,000) or be imprisoned in
30 the county jail for a period of not more than one year, as a condition
31 thereof. In no event does the court have the power to absolve a
32 person convicted pursuant to this subdivision from either being
33 imprisoned or from paying a fine of not less than one thousand
34 dollars (\$1,000) and not more than ten thousand dollars (\$10,000).

35 (c) In any accusatory pleading charging a violation of this
36 section, if the defendant has been previously convicted two or
37 more times of a violation of any subdivision of this section, each
38 previous conviction shall be charged in the accusatory pleadings.
39 If two or more of the previous convictions are found to be true by
40 the jury, upon a jury trial, or by the court, upon a court trial, or are

1 admitted by the defendant, the defendant shall, if he or she is not
2 imprisoned in the state prison, be imprisoned in the county jail for
3 a period of not more than one year or pay a fine of not less than
4 one thousand dollars (\$1,000) nor more than fifteen thousand
5 dollars (\$15,000), or be punished by both imprisonment and fine.
6 Nothing in this paragraph shall prohibit a court from placing a
7 person subject to this subdivision on probation. However, that
8 person shall be required to pay a fine of not less than one thousand
9 dollars (\$1,000) nor more than fifteen thousand dollars (\$15,000),
10 or be imprisoned in the county jail for a period of not more than
11 one year as a condition thereof. In no event does the court have
12 the power to absolve a person convicted and subject to this
13 subdivision from either being imprisoned or from paying a fine of
14 not more than fifteen thousand dollars (\$15,000).

15 (d) Except where the existence of a previous conviction of any
16 subdivision of this section was not admitted or not found to be true
17 pursuant to this section, or the court finds that a prior conviction
18 was invalid, the court shall not strike or dismiss any prior
19 convictions alleged in the information or indictment.

20 (e) This section applies not only to persons who commit any of
21 the acts designated in paragraphs (1) to (6), inclusive, of
22 subdivision (a), as a business or occupation, but also applies to
23 every person who in a single instance engages in any one of the
24 acts specified in paragraphs (1) to (6), inclusive, of subdivision
25 (a).

26 *SEC. 3. The Legislature finds and declares that Section 1 of*
27 *this act, which adds Section 19776 to the Business and Professions*
28 *Code, imposes a limitation on the public's right of access to the*
29 *meetings of public bodies or the writings of public officials and*
30 *agencies within the meaning of Section 3 of Article I of the*
31 *California Constitution. Pursuant to that constitutional provision,*
32 *the Legislature makes the following findings to demonstrate the*
33 *interest protected by this limitation and the need for protecting*
34 *that interest:*

35 *The limitations on the people's right of access set forth in this*
36 *chapter are necessary to protect the privacy and integrity of*
37 *information submitted by registered players as well as the*
38 *proprietary information of the license applicants and licensed*
39 *operators.*

1 SECTION 1. ~~Section 19954 of the Business and Professions~~
2 ~~Code is amended to read:~~

3 ~~19954. In addition to those fees required pursuant to Section~~
4 ~~19951, each licensee shall pay an additional one hundred fifty~~
5 ~~dollars (\$150) for each table for which it is licensed to the State~~
6 ~~Department of Public Health for deposit in the Gambling Addiction~~
7 ~~Program Fund, which is hereby established to benefit those who~~
8 ~~have a gambling addiction problem. These funds shall be made~~
9 ~~available, upon appropriation by the Legislature, to~~
10 ~~community-based organizations that directly provide aid and~~
11 ~~assistance to those persons with a gambling addiction problem.~~

12 ~~SEC. 2. This act is an urgency statute necessary for the~~
13 ~~immediate preservation of the public peace, health, or safety within~~
14 ~~the meaning of Article IV of the Constitution and shall go into~~
15 ~~immediate effect. The facts constituting the necessity are:~~

16 ~~In order to protect, at the earliest possible time, the interests of~~
17 ~~Californians who have, or whose lives are affected by, a gambling~~
18 ~~addiction problem, it is necessary that this act take effect~~
19 ~~immediately.~~