

AMENDED IN SENATE SEPTEMBER 11, 2003

AMENDED IN SENATE SEPTEMBER 8, 2003

AMENDED IN SENATE AUGUST 21, 2003

AMENDED IN SENATE JULY 15, 2003

AMENDED IN SENATE JULY 2, 2003

AMENDED IN ASSEMBLY MAY 6, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 278

Introduced by Assembly Member Bermudez

February 5, 2003

An act to amend Section 337j of the Penal Code, relating to gaming.

LEGISLATIVE COUNSEL'S DIGEST

AB 278, as amended, Bermudez. Gambling Control Act.

(1) Existing law makes it a misdemeanor to operate a controlled game, as defined, without the licenses required by law. These provisions also regulate the collection of player's fees in licensed gambling establishments.

This bill would revise the definition of controlled game to apply to poker, Pai Gow, and any *other* game played with cards ~~and~~ or tiles ~~and~~, or both, that is approved by the Division of Gambling Control. The bill would impose a state-mandated local program by expanding the definition of a crime. The bill would also revise the regulation of provisions relating to player's fees with respect to the waiver of the collection of a fee or portion of the fee by a gambling establishment.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

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

1 SECTION 1. Section 337j of the Penal Code is amended to
2 read:

3 337j. (a) It is unlawful for any person, as owner, lessee, or
4 employee, whether for hire or not, either solely or in conjunction
5 with others, to do any of the following without having first
6 procured and thereafter maintained in effect all federal, state, and
7 local licenses required by law:

8 (1) To deal, operate, carry on, conduct, maintain, or expose for
9 play in this state any controlled game.

10 (2) To receive, directly or indirectly, any compensation or
11 reward or any percentage or share of the revenue, for keeping,
12 running, or carrying on any controlled game.

13 (3) To manufacture, distribute, or repair any gambling
14 equipment within the boundaries of this state, or to receive,
15 directly or indirectly, any compensation or reward for the
16 manufacture, distribution, or repair of any gambling equipment
17 within the boundaries of this state.

18 (b) It is unlawful for any person to knowingly permit any
19 controlled game to be conducted, operated, dealt, or carried on in
20 any house or building or other premises that he or she owns or
21 leases, in whole or in part, if that activity is undertaken by a person
22 who is not licensed as required by state law, or by an employee of
23 that person.

24 (c) It is unlawful for any person to knowingly permit any
25 gambling equipment to be manufactured, stored, or repaired in any
26 house or building or other premises that the person owns or leases,
27 in whole or in part, if that activity is undertaken by a person who
28 is not licensed as required by state law, or by an employee of that
29 person.



1 (d) Any person who violates, attempts to violate, or conspires
2 to violate this section shall be punished by imprisonment in a
3 county jail for not more than one year, or by a fine of not more than
4 five thousand dollars (\$5,000), or by both that imprisonment and
5 fine.

6 (e) (1) As used in this section, “controlled game” means any
7 poker or Pai Gow game, and any *other* other game played with
8 cards ~~and tiles~~ or tiles, or both, and approved by the Division of
9 Gambling Control, and any game of chance, including any
10 gambling device, played for currency, check, credit, or any other
11 thing of value that is not prohibited and made unlawful by statute
12 or local ordinance.

13 (2) As used in this section, “controlled game” does not include
14 any of the following:

15 (A) The game of bingo conducted pursuant to Section 326.5.

16 (B) Parimutuel racing on horse races regulated by the
17 California Horse Racing Board.

18 (C) Any lottery game conducted by the California State
19 Lottery.

20 (D) Games played with cards in private homes or residences,
21 in which no person makes money for operating the game, except
22 as a player.

23 (f) This subdivision is intended to be dispositive of the law
24 relating to the collection of player fees in gambling
25 establishments. A fee may not be calculated as a fraction or
26 percentage of wagers made or winnings earned. The amount of
27 fees charged for all wagers shall be determined prior to the start of
28 play of any hand or round. However, the gambling establishment
29 may waive collection of the fee or portion of the fee in any hand
30 or round of play after the hand or round has begun pursuant to the
31 published rules of the game and the notice provided to the public.
32 The actual collection of the fee may occur before or after the start
33 of play. Ample notice shall be provided to the patrons of gambling
34 establishments relating to the assessment of fees. Flat fees on each
35 wager may be assessed at different collection rates, but no more
36 than three collection rates may be established per table. However,
37 if the gambling establishment waives its collection fee, this fee
38 does not constitute one of the three collection rates.

39 SEC. 2. No reimbursement is required by this act pursuant to
40 Section 6 of Article XIII B of the California Constitution because



1 the only costs that may be incurred by a local agency or school
2 district will be incurred because this act creates a new crime or
3 infraction, eliminates a crime or infraction, or changes the penalty
4 for a crime or infraction, within the meaning of Section 17556 of
5 the Government Code, or changes the definition of a crime within
6 the meaning of Section 6 of Article XIII B of the California
7 Constitution.

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