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BUSINESS AND PROFESSIONS CODE - BPC

DIVISION 8. SPECIAL BUSINESS REGULATIONS [18400 - 22949.92.2] (*Division 8 added by Stats. 1941, Ch. 44.)*

CHAPTER 5. The Gambling Control Act [19800 - 19987] (*Chapter 5 repealed and added by Stats. 1997, Ch. 867, Sec. 3.*

)

ARTICLE 16. Additional Contracts: Proposition Players [19984- 19984.] (*Article 16 heading added by Stats. 2002, Ch. 738, Sec. 126.)*

19984. Notwithstanding any other law, a licensed gambling enterprise may contract with a third party for the purpose of providing proposition player services at a gambling establishment, subject to the following conditions:

(a) Any agreement, contract, or arrangement between a gambling enterprise and a third-party provider of proposition player services shall be approved in advance by the department, and in no event shall a gambling enterprise or the house have any interest, whether direct or indirect, in funds wagered, lost, or won.

(b) (1) The commission shall establish reasonable criteria for, and require the licensure and registration of, any person or entity that provides proposition player services at gambling establishments pursuant to this section, including owners, supervisors, and players. The commission may impose licensing requirements, disclosures, approvals, conditions, or limitations as it deems necessary to protect the integrity of controlled gambling in this state, and may assess, and the department may collect, reasonable fees and deposits as necessary to defray the costs of providing this regulation and oversight.

(2) A person who owns or is employed by a third-party provider of proposition player services, including, but not limited to, an owner, supervisor, observer, or player, shall wear a badge that clearly identifies them as providing proposition player services, in a location that allows for public view, at all times while in a gambling establishment for which their third-party proposition player services company has a current contract.

(c) The department, pursuant to regulations of the commission, is empowered to perform background checks, financial audits, and other investigatory services as needed to assist the commission in regulating third-party providers of proposition player services, and may assess and collect reasonable fees and deposits as necessary to defray the costs of providing this regulation and oversight. The department may adopt emergency regulations in order to implement this subdivision.

(d) No agreement or contract between a licensed gambling enterprise and a third party concerning the provision of proposition player services shall be invalidated or prohibited by the department pursuant to this section until the commission establishes criteria for, and makes determinations regarding the licensure or registration of, the provision of these services pursuant to subdivision (b).

(Amended by Stats. 2021, Ch. 553, Sec. 5. (SB 819) Effective January 1, 2022.)