#### BEFORE THE

# CALIFORNIA GAMBLING CONTROL COMMISSION

In the Matter of the Application for Approval of Initial Gambling Establishment Key Employee License Regarding:

**CAMERON AUSTIN CLEM** 

Applicant.

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CGCC Case No. CGCC-2014-0710-6AKE

DEFAULT DECISION AND ORDER

Hearing Date: November 19, 2015

Time: 1:30 p.m.

- This matter was scheduled for hearing before the California Gambling Control Commission (Commission) pursuant to Business and Professions Code sections 19870 and 19871 and Title 4, California Code of Regulations (CCR) section 12060, in Sacramento, California, on November 19, 2015.
- Cameron Austin Clem (Applicant) failed to appear and was not represented at the hearing.

## FINDINGS OF FACT

- On or about January 2, 2013, the Commission received an Application for Gambling Establishment Key Employee License from Applicant.
  - 4. Applicant was issued an Interim Key Employee License on November 29, 2012.
- 5. On or about May 29, 2014, the Bureau issued its Cardroom Key Employee Background Investigation Report (Bureau Report) in which in which it concluded that Applicant was unqualified for licensure pursuant to Business and Profession Code section 19857 and disqualified for licensure pursuant to Business and Profession Code section 19859. The Bureau recommended that the Commission deny Applicant's application
- Based on the Bureau Recommendation of denial, the Commission cancelled Applicant's interim key employee license pursuant to Title 4, CCR section 12354, subdivision (e)(5) on July 10, 2014.
  - 7. On or about July 10, 2014, the Commission considered Applicant's application

and voted to refer the matter to an evidentiary hearing pursuant to Title 4, CCR section 12050, subdivision (b).

- 8. Applicant received notice of Commission consideration of Applicant's application in four ways. First, Commission staff mailed an evidentiary hearing referral letter via certified mail to Applicant's address of record on July 10, 2014. This letter was also sent to Applicant's designated agent Elijah Zuniga.
- 9. Second, Deputy Attorney General Ronald Diedrich with the Indian and Gaming Law Section in the Office of the Attorney General, Department of Justice on behalf of the Bureau mailed an evidentiary hearing referral letter via certified mail to Applicant's address of record on February 25, 2015. This letter included a blank Notice of Defense form with instructions to return within 15 days of receipt or else the Commission may issue a default decision. This letter was also sent to Applicant's designated agent Elijah Zuniga. On April 7, 2015, Deputy Attorney General Ronald Diedrich sent the Commission a letter indicating it had received no response from Cameron Clem. (Exhibit A)
- 10. Third, Applicant further received notice of the hearing through a hearing notice sent certified mail on July 10, 2015 to Applicant's address of record which included Exhibit A and stated that the hearing was set to occur on Thursday, November 19, 2015 at 1:30 a.m. A copy of the letter was mailed to Applicant's Designated Agent Elijah Zuniga. Commission staff received the notice of hearing package back unable to deliver as addressed and unable to forward.
- 11. Fourth, Applicant received notice of the hearing through an amended hearing notice sent certified mail on August 10, 2015 to Applicant's address of record which included Exhibit A and stated that the hearing was set to occur on Thursday, November 19, 2015 at 1:30 pm. in conjunction with Applicant's Initial Regular Work Permit/Temporary Work Permit Application. Commission staff received the package back unclaimed.

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#### DETERMINATION OF ISSUES

- 12. An application to receive a license constitutes a request for a determination of the applicant's general character, integrity, and ability to participate in, engage in, or be associated with, controlled gambling. (Bus. & Prof. Code § 19856, subd. (b).)
- 13. In addition, the burden of proving Applicant's qualifications to receive any license from the Commission is on the applicant. (Bus. & Prof. Code § 19856, subd. (a).)
- 14. At an evidentiary hearing pursuant to Business and Professions Code sections 19870 and 19871 and Title 4, CCR section 12060 the burden of proof rests with the applicant to demonstrate why a license should be issued. (Cal. Code Regs., tit. 4, § 12060, subd. (i).)
  - 15. Title 4, CCR section 12052, subdivision (c), provides in pertinent part:
    - (c) An applicant for any license, permit, finding of suitability, renewal, or other approval shall be given notice of the meeting at which the application is scheduled to be heard. Notice shall be given pursuant to Section 12006.

\* \* \*

(2) If the application is to be scheduled at an evidentiary hearing, pursuant to subsections (a) or (b) of Section 12060, the notice of hearing shall inform the applicant of the following:

\* \* \*

- (F) The waiver of an evidentiary hearing, or failure of the applicant to submit a Notice of Defense, or failure of an applicant to appear at an evidentiary hearing, may result in:
- 1. A default decision being issued by the Commission based upon the Bureau report, any supplemental reports by the Bureau and any other documents or testimony already provided or which might be provided to the Commission . . . .
- 16. The Commission takes official notice of the Bureau Report, any supplemental reports by the Bureau and any other documents or testimony already provided to it in this matter as required by Business and Professions Code section 19870, subdivision (a) and Title 4, CCR section 12052, subdivision (c)(2)(F)(1).
  - 17. The Commission has jurisdiction to adjudicate this case by default.
  - 18. The Commission may deny Applicant's application based upon the Bureau report,

any supplemental reports by the Bureau and any other documents or testimony already provided to it, pursuant to CCR section 12052, subdivision (c)(2)(F)(1), and Business and Professions Code sections 19857 and 19859.

- 19. The Commission may further also deny Applicant's application based upon Applicant's failure to prove to the Commission Applicant is qualified to receive a license or other approval as required by Business and Professions Code section 19856, subdivision (a) and Title 4, CCR section 12060, subdivision (i).
- 20. Therefore, as the Applicant failed to return a Notice of Defense form, did not attend the default hearing, and did not submit any information or evidence in favor of granting Applicant's Application, Applicant did not meet Applicant's burden of demonstrating why a license should be issued pursuant to Business and Professions Code section 19856(a) and Title 4, CCR section 12060 subdivision (i). The Commission further finds that pursuant to California Code of Regulations, Title 4, section 12052, subdivision (c)(2)(F)(1), Applicant's Application is subject to denial.

#### NOTICE OF APPLICANT'S APPEAL RIGHTS

Applicant has the following appeal rights available under state law:

Title 4, CCR section 12064, subdivision (a) and (b) provide, in part:

- (a) After the Commission issues a decision following a GCA hearing conducted pursuant to Section 12060, an applicant denied a license, permit, registration, or finding of suitability, or whose license, permit, registration, or finding of suitability has had conditions, restrictions, or limitations imposed upon it, may request reconsideration by the Commission within 30 calendar days of service of the decision, or before the effective date specified in the decision, whichever is later.
- (b) A request for reconsideration shall be made in writing to the Commission, copied to the Bureau, and shall state the reasons for the request, which must be based upon either:
  - (1) Newly discovered evidence or legal authorities that could not reasonably have been presented before the Commission's issuance of the decision or at the hearing on the matter; or,
  - (2) Other good cause which the Commission may decide, in its sole discretion, merits reconsideration.

Business and Professions Code section 19870, subdivision (e) provides:

A decision of the commission denying a license or approval, or imposing any condition or restriction on the grant of a license or approval may be reviewed by petition pursuant to Section 1085 of the Code of Civil Procedure. Section 1094.5 of the Code of Civil Procedure shall not apply to any judicial proceeding described in the foregoing sentence, and the court may grant the petition only if the court finds that the action of the commission was arbitrary and capricious, or that the action exceeded the commission's jurisdiction.

Title 4, CCR section 12066, subdivision (c) provides:

A decision of the Commission denying an application or imposing conditions on a license shall be subject to judicial review as provided in Business and Professions Code section 19870, subdivision (e). Neither the right to petition for judicial review nor the time for filing the petition shall be affected by failure to seek reconsideration.

## <u>ORDER</u>

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 Cameron Austin Clem's Application for Gambling Establishment Key Employee License is DENIED.

2. Cameron Austin Clem may not apply to the Commission or the Bureau for any type of license, registration or work permit for one (1) year after the effective date of this Order.

This Order is effective on <u>December</u> 21, 2015

: 11/19/15

Dated: 19, 2015

Dated: 11/19/15

Dated: 11-19-15

Dated: 11-19-15

Signature: \_\_

Jim Evans, Chairman

Signature:

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Tiffany E. Conklin, Commissioner

Signature:

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Roger Dunstan, Commissioner

Signature:

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Lauren Hammond, Commissioner

Signature:

Trang To, Commissioner

KAMALA D. HARRIS Attorney General

# State of California DEPARTMENT OF JUSTICE



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April 7, 2015

Todd Vlaanderen Chief Counsel California Gambling Control Commission 2399 Gateway Oaks Drive, Suite 100 Sacramento, CA 95833-4231

RE: In the Matter of the Statement of Reasons Against: Cameron Clem
CGCC Case No. CGCC-2014-0710-6A / BGC Case No. BGC-HQ2014-00013SL

Dear Mr. Vlaanderen:

The Bureau of Gambling Control requests that the Commission issue a default decision denying Cameron Clem's application for a Key Employee License and Work Permit pursuant to California Code of Regulations, title 4, section 12052, subdivision (c)(2)(F)(1). Enclosed for consideration by the Commission are:

- A February 25, 2015 letter to Cameron Clem, with enclosed Notice of Defense form, a copy of California Code of Regulations, title 4, section 12052, and a Declaration of Service;
- A Notice of Defense has NOT been received and we have had no communications as of this date with Respondent, Cameron Clem.

Todd Vlaanderen April 7, 2015 Page 2

If you have any questions or if you require any further information, please do not hesitate to contact me.

Sincerely,

RONALD DIEDRICH Deputy Attorney General

For KAMALA D. HARRIS
Attorney General

RLD:lit Enclosures

cc: Cameron Clem

Elijah Zuniga, Designated Agent Stacey Luna Baxter, Assistant Bureau Chief, Bureau

Tina Littleton, Executive Director, Commission