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*Attorneys for Complainant*

10  
11 **BEFORE THE**  
12 **CALIFORNIA GAMBLING CONTROL COMMISSION**  
13 **STATE OF CALIFORNIA**  
14

15  
16 **In the Matter of the First Amended  
Accusation Against:**

17 **Sacramento Casino Royale, LLC,**  
license no. GEOW-003186,  
18 dba: **Casino Royale,**  
license no. GEGE-001295,  
19 500 Leisure Lane  
20 Sacramento, California 95815

21 and

22 **James Kouretas, Managing Member,**  
license no. GEOW-003185

23 [REDACTED]

24 and

25 **William Blanas, Member,**  
license no. GEOW-003187

26 [REDACTED]

27 and  
28

**BGC No.: BGC-HQ2014-00001AC**

**OAH No. 2014110146**

**STIPULATED SETTLEMENT;  
DECISION AND ORDER**

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**Faye E. Stearns Living Trust, Member,**  
License no. GEOW-003391  
**Faye E. Stearns, Trustor, Trustee, Beneficiary,**  
license no. GEOW-003392  
[REDACTED]  
**Stanley Parrish, Trustee,**  
license no. GEOW-003393  
[REDACTED]

**Respondents.**

**STIPULATED SETTLEMENT**

**PURPOSE OF THIS STIPULATED SETTLEMENT**

This Stipulated Settlement resolves the First Amended Accusation in the above-titled matter, as it pertains to respondent William Blanas (Settling Respondent), who is a member and an owner of Sacramento Casino Royale, LLC (LLC). The LLC is a limited liability company that does business as Casino Royale, a licensed gambling establishment. This Stipulated Settlement does not resolve any of the allegations in the First Amended Accusation as they pertain to any other respondent. The First Amended Accusation seeks to discipline Settling Respondent's license for violations of, and lack of suitability for continued licensing under, the Gambling Control Act (Act) (Bus. & Prof. Code, § 19800 et seq.) and the regulations promulgated thereunder.

**PARTIES**

1. Wayne J. Quint, Jr. (Complainant) brought the original Accusation and the First Amended Accusation solely in his official capacity as the Chief of the California Department of Justice, Bureau of Gambling Control (Bureau).
2. On or about April 28, 2010, the California Gambling Control Commission (Commission) issued a state gambling license to the LLC. Settling Respondent is endorsed on that license and was issued license number GEOW-003187. His license will expire on April 30, 2016, unless renewed or extended.

1 **JURISDICTION**

2 3. On November 3, 2014, Settling Respondent was served with the original  
3 Accusation,<sup>1</sup> as well as a Statement to Respondent (Gov. Code, § 11505, subd. (b)), Request  
4 for Discovery (Gov. Code, § 11597.6), copies of Government Code sections 11507.5, 11507.6  
5 and 11507.7, and two copies of the Notice of Defense form (Gov. Code, §§ 11505 & 11506).

6 4. Settling Respondent filed a timely Notice of Defense.

7 5. On November 26, 2014, Settling Respondent was served with the First Amended  
8 Accusation.

9 **ADVISEMENT AND WAIVERS**

10 6. Settling Respondent has carefully reviewed, and has discussed with counsel, the  
11 legal and factual allegations in the First Amended Accusation. Settling Respondent has also  
12 carefully reviewed, and has discussed with counsel, this Stipulated Settlement. Settling  
13 Respondent fully understands the terms and conditions contained within this Stipulated  
14 Settlement and the effects thereof.

15 7. Settling Respondent is fully aware of his legal rights in this matter, including: the  
16 right to a hearing on all the allegations in the First Amended Accusation; the right to be  
17 represented by counsel of his choice at his own expense; the right to confront and cross-  
18 examine the witnesses against him; the right to present evidence and testify on his own behalf;  
19 the right to the issuance of subpoenas to compel the attendance of witnesses and the production  
20 of documents; the right to apply for reconsideration and court review of an adverse decision;  
21 and all other rights afforded by the California Administrative Procedure Act (Gov. Code, §  
22 11370 et seq.), the Act, and all other applicable laws.

23 8. Settling Respondent voluntarily, knowingly, and intelligently waives and gives up  
24 each and every right set forth in paragraph 7 above, withdraws his request for a hearing on the  
25 First Amended Accusation, and agrees to be bound by this Stipulated Settlement.

26 <sup>1</sup> On November 3, 2014, Complainant issued an emergency order that, among other  
27 things, ordered the LLC to suspend and cease any and all gambling related activities at, and  
28 close, the gambling establishment. On December 22, 2014, Complainant issued a modified  
emergency order, which remains in effect.

1 **STIPULATED AGREEMENT OF SETTLEMENT**

2 9. For the purposes of resolving the First Amended Accusation and for any other  
3 matter now and in the future involving the Commission or the Bureau, Settling Respondent  
4 admits that all the factual and legal allegations in the First Amended Accusation are true,  
5 accurate, and complete, and that such allegations provide a sufficient legal and factual basis to  
6 discipline his license.

7 10. Settling Respondent understands and agrees that the admissions made in paragraph  
8 9 above may be entered into evidence in any legal proceeding brought or prosecuted by the  
9 Commission or the Bureau, including the First Amended Accusation to the extent that it is  
10 pending, as if those admissions were made under oath and penalty of perjury. The admissions  
11 made by Settling Respondent herein are only for the purposes of this proceeding, or any future  
12 proceedings in which the Bureau, the Commission, or any successor agency is involved  
13 regarding gambling activities, and shall not be otherwise admissible in any criminal, civil, or  
14 unrelated administrative proceeding.

15 11. Settling Respondent warrants and represents that the LLC's members have entered  
16 into a definitive agreement pursuant to which the LLC's other members will transfer to Settling  
17 Respondent all of their right, title, and interest in the LLC (Membership Sale). Settling  
18 Respondent further warrants and represents that the LLC has entered into a definitive agreement  
19 for the sale of its assets (Asset Sale). Settling Respondent acknowledges and understands that  
20 both the Membership Sale and the Asset Sale must be, and cannot be closed until each is,  
21 approved by the Commission.

22 12. Settling Respondent agrees to pay to the Bureau a fine in the amount of  
23 \$228,980 (Fine) for the violations alleged in the First Amended Accusation. The Fine shall be  
24 paid, and will be deposited, in accordance with Business and Professions Code section 19950,  
25 subdivision (a). Settling Respondent understands and agrees that a default in timely paying the  
26 full amount of the Fine shall constitute a sufficient basis, in and of itself, to revoke his state  
27 gambling licensing.

1           13.     Settling Respondent also agrees to pay the Bureau the sum of \$146,020 (Cost  
2 Recovery) as the reasonable costs of investigation and prosecution of this matter as provided for  
3 in Business and Professions Code section 19930. The Cost Recovery shall be paid, and will be  
4 deposited, in accordance with Business and Professions Code sections 19930, subdivision (f),  
5 and 19950, subdivision (b). Settling Respondent understands and agrees that a default in timely  
6 paying the full amount of the Cost Recovery shall constitute a sufficient basis, in and of itself,  
7 to revoke his state gambling license.

8           14.     Unless extended for good cause as determined in writing by the Bureau in its  
9 sole discretion, Settling Respondent shall pay the Fine and Cost Recovery on or before the  
10 earlier of (a) the close of escrow with respect to the Asset Sale, or (b) the 180th calendar day  
11 after the date the Commission issues the Decision and Order adopting this Stipulated  
12 Settlement. If, after any extension, Settling Respondent fails to pay the Fine and Cost Recovery  
13 as provided in this paragraph, his state gambling license shall be automatically revoked without  
14 hearing or any right to appeal. Settling Respondent expressly waives any right to appeal, or to  
15 contest, such revocation. Settling Respondent further expressly waives any right to hearing on  
16 such revocation. Upon finality of such revocation, Settling Respondent shall have no further  
17 obligation to pay, or liability for, the Fine or Cost Recovery.

18           15.     Settling Respondent acknowledges and agrees that the LLC also has entered into  
19 a stipulated settlement with the Bureau, providing, in part, that the LLC's state gambling license  
20 will be suspended in accordance with the Commission's decision and order for that stipulated  
21 settlement. As an LLC member, Settling Respondent agrees to assure that the LLC will  
22 continue to suspend all gambling related activities at, and keep closed, the gambling  
23 establishment. Settling Respondent acknowledges, understands, and agrees that the LLC's state  
24 gambling license shall remain effective solely to preserve its existence for purposes of Business  
25 and Professions Code sections 19962 and 19963.

26           16.     The parties agree that this Stipulated Settlement fully resolves their dispute  
27 concerning the First Amended Accusation, and that, except upon default, no further discipline,  
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1 including revocation or suspension, shall be sought against Settling Respondent based solely  
2 upon the allegations contained within the First Amended Accusation.

3 17. This Stipulated Settlement shall be subject to adoption by the Commission.  
4 Settling Respondent understands and specifically agrees that counsel for the Complainant, and  
5 the Bureau's staff, may communicate directly with the Commission regarding this Stipulated  
6 Settlement, without notice to, or participation by, Settling Respondent or his counsel, and that  
7 no such communication shall be deemed a prohibited ex parte communication. Settling  
8 Respondent specifically acknowledges and agrees that such communications are permissible  
9 pursuant Government Code section 11430.30, subdivision (b).

10 18. By signing this Stipulated Settlement, Settling Respondent understands and agrees  
11 that he may not withdraw his agreement or seek to rescind the Stipulated Settlement prior to the  
12 time the Commission considers and acts upon it. If the Commission fails to adopt this  
13 Stipulated Settlement as its Decision and Order, this Stipulated Settlement shall be of no force  
14 or effect, and, except for actions taken pursuant to this paragraph and paragraph 17 above, it  
15 shall be inadmissible in any legal action between the parties. The Commission's consideration  
16 of this Stipulated Settlement shall not disqualify it from any further action regarding Settling  
17 Respondent's licensure, including, but not limited to, disposition of the First Amended  
18 Accusation by a decision and order following a hearing on the merits.

19 19. The parties agree that a photocopy, facsimile or electronic copy of this Stipulated  
20 Settlement, including copies with signatures thereon, shall have the same force and effect as an  
21 original.

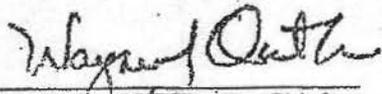
22 20. In consideration of the above admissions and stipulations, the parties agree that the  
23 Commission may, without further notice or formal proceeding, issue and enter the Decision and  
24 Order adopting this Stipulated Settlement.



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COMPLAINANT'S ACCEPTANCE

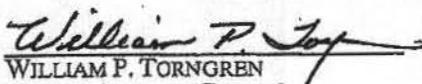
Dated: February 19, 2016

  
\_\_\_\_\_  
WAYNE J. QUINT, JR., Chief  
Bureau of Gambling Control  
California Department of Justice

The foregoing Stipulated Settlement is hereby respectfully submitted for consideration by  
the California Gambling Control Commission.

Dated: February 19, 2016

KAMALA D. HARRIS  
Attorney General of California  
SARA J. DRAKE  
Senior Assistant Attorney General  
RONALD L. DIEDRICH  
Deputy Attorney General

  
\_\_\_\_\_  
WILLIAM P. TORNGREN  
Deputy Attorney General  
*Attorneys for the Complainant*

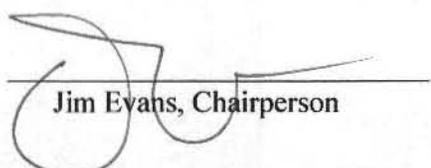
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**DECISION AND ORDER OF THE COMMISSION**

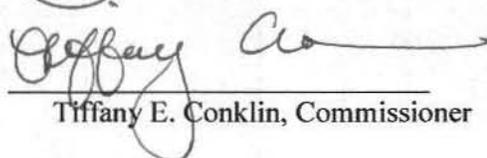
The California Gambling Control Commission hereby adopts the foregoing Stipulated Settlement of the parties as it pertains to respondent William Blanas for the case of *In the Matter of the First Amended Accusation Against: Sacramento Casino Royale, LLC, et al.*, BGC Case No. HQ2014-00001AC, as its final Decision and Order in this matter to be effective upon execution below by its members.

**IT IS SO ORDERED**

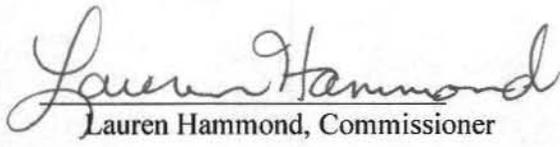
Dated: 4/14/16

  
Jim Evans, Chairperson

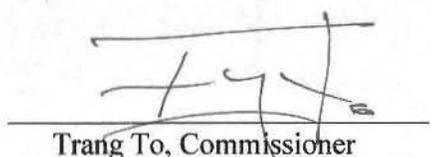
Dated: 4/14/2016

  
Tiffany E. Conklin, Commissioner

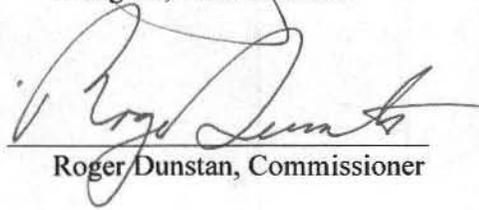
Dated: 4/14/2016

  
Lauren Hammond, Commissioner

Dated: 4/14/16

  
Trang To, Commissioner

Dated: 4/14/16

  
Roger Dunstan, Commissioner