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BEFORE THE
CALIFORNIA GAMBLING CONTROL COMMISSION

In the Matter of the Statement of Reasons for
Denial of Work Permit Application Regarding:

Farm Tong Saetern
Work Permit No. GEWP-001733

Respondent.

BGC Case No. BGC-HQ2013-00006AC
CGCC Case No. CGCC-2013-0516-1

DECISION AND ORDER

Hearing Date: October 14, 2015
Time: 2:00 p.m.

This matter was heard by 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(b), in Sacramento, California, on October 14, 2015.

Jennifer Henderson (Henderson), Deputy Attorney General, State of California, represented complainant Wayne J. Quint, Jr., Chief of the Bureau of Gambling Control (Bureau), Department of Justice, State of California.

Respondent Farm Tong Saetern (Saetern) represented herself.

During the administrative hearing, Presiding Officer Jason Pope took official notice of the Notice of Hearing and Prehearing Conference, with enclosures, sent by the Commission to Saetern and Henderson on May 1, 2015.

During the administrative hearing, Presiding Officer Jason Pope accepted into evidence the following exhibits offered by the Bureau:

- (1) Copies of the Statement of Reasons; Statement to Respondent; Business and Professions Code sections 19870 and 19871; CCR section 12060; and April 23, 2015, Certificate of Service by Certified Mail Service, with signed Receipt for Certified Mail, Bates Nos. 001-019;
- (2) Copy of the Notice of Defense, Bates Nos. 020-021;
- (3) Copies of the following Notices from the Commission:
 - a. June 20, 2013, Referral of Initial Work Permit Application to an

1 Evidentiary Hearing – Farm Saetern, Bates Nos. 022-023;

2 b. May 1, 2015, Notice of Hearing and Prehearing Conference, with
3 Attachments A & B, Bates Nos. 024-037;

4 c. August 5, 2015, Request for Cancellation of Work Permit, Bates No.
5 038;

6 d. August 10, 2015, Notice of Cancellation of Temporary Work Permit,
7 Bates Nos. 039-040; and

8 e. September 2, 2015, Conclusion of Prehearing Conference, dated 041-
9 043;

10 (4) Certified copy of Application for Initial Regular Work Permit/Temporary
11 Work Permit, dated August 16, 2011, with Work Permit Questionnaire,
12 copy of California Driver's License, and Request for Live Scan Service, for
13 Farm Saetern; Work Permit Employee Background Investigation Report,
14 dated April 3, 2012; Correspondence, Bates Nos. 044-068;

15 (5) Copy of the Unofficial Transcripts of the California Gambling Control
16 Commission's May 16, 2013 meeting, Bates Nos. 069-080;

17 (6) Copies of the following documents, provided by Farm Saetern, responding
18 to the Gambling Control Commission's inquiry:

19 a. Verification from Michel T. Henderson, LMFT, of Farm Saetern's
20 attendance, Bates Nos. 081-082; and

21 b. Bank statements, Bates Nos. 083-353;

22 (7) Copy of the Bureau of Gambling Control verification of exclusion, Bates
23 No. 354; and

24 (8) Copy of the arresting and police report regarding incident dated December
25 10, 2014, Bates Nos. 355-365.

26 The matter was submitted on October 14, 2015.

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FINDINGS OF FACT

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2 1. On or about August 17, 2011, Saetern submitted an Application for Initial Regular
3 Work Permit/Temporary Work Permit and Work Permit Questionnaire (collectively, Application)
4 to the Commission.

5 2. On or about August 22, 2011, the Commission granted Saetern a Temporary Work
6 Permit (GEWP-001733).

7 3. At its May 16, 2013 meeting, the Commission voted to refer the consideration of
8 Saetern's Application to an evidentiary hearing and requested that Saetern provide supplemental
9 information relevant to her Application. The Executive Director of the Commission referred
10 consideration of Saetern's Application to an evidentiary hearing pursuant to CCR section
11 12050(b)(2).

12 4. On or about March 9, 2015, Saetern submitted a Notice of Defense to the Commission
13 requesting an evidentiary hearing.

14 5. On or about May 1, 2015, the Commission served a Notice of Hearing and Prehearing
15 Conference on Saetern and Henderson.

16 6. On or about August 5, 2015, the Bureau sent a letter to the Commission
17 recommending denial of Saetern's Application and requesting cancellation of her temporary work
18 permit.

19 7. On or about August 6, 2015, the Bureau filed a Statement of Reasons with the
20 Commission and served the Statement of Reasons on Saetern via certified mail. In its Statement
21 of Reasons, the Bureau recommends the denial of Saetern's Application.

22 8. On or about August 10, 2015, the Commission cancelled Saetern's Temporary Work
23 Permit pursuant to CCR section 12128(b)(2).

24 9. On or about September 1, 2015, the noticed Prehearing Conference was held before
25 Presiding Officer Jason Pope, Attorney III of the Commission. Jennifer Henderson, Deputy
26 Attorney General, attended on behalf of the Bureau. Saetern attended on her own behalf.

27 10. On or about September 2, 2015, the Commission served a Conclusion of Prehearing
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1 Conference letter on Saetern and Henderson.

2 11. The Commission heard Case No. CGCC-2013-0516-1 on October 14, 2015. The
3 Bureau was represented throughout the hearing by Deputy Attorney General Jennifer Henderson.
4 Respondent Farm Saetern represented herself throughout the hearing.

5 12. Saetern was employed as a dealer by Cache Creek Casino from August 2000 to
6 October 2006. In October 2006, Saetern's employment with Cache Creek Casino was terminated
7 due to unsatisfactory job performance.

8 13. Saetern was employed as a dealer by Capitol Casino from January 2009 to June 2010.
9 In June 2010, Saetern's employment was terminated after she was unable to repay a debt of
10 \$5,000 she accrued by gambling on her breaks with money from her dealer tray.

11 14. During the hearing, Saetern testified that she still owes \$5,000 to the individual who
12 covered her debt to Capitol Casino. She also owes \$700 of a \$1,000 debt she accrued directly to
13 Capitol Casino.

14 15. Saetern was employed as a dealer by the Shingle Springs Tribal Gaming Commission
15 at Red Hawk Casino from August 2010 to September 2010.

16 16. On her gaming license application to the Shingle Springs Tribal Gaming Commission,
17 Saetern stated that she left her employment with Cache Creek Casino and Capitol Casino because
18 of "scheduling conflicts."

19 17. During the hearing, Saetern admitted that she was terminated from Cache Creek
20 Casino for unsatisfactory job performance. She also admitted that she was terminated from
21 Capitol Casino after she was unable to repay a debt of \$5,000 she accrued by gambling on her
22 breaks with money from her dealer tray. Saetern was not sure why she put "scheduling conflicts"
23 as the reasons she left her employment with Cache Creek Casino and Capitol Casino.

24 18. On or about September 2, 2010, Saetern's temporary tribal gaming license was
25 revoked by the Shingle Springs Tribal Gaming Commission after it found that Saetern
26 intentionally omitted the true reasons that her employment was terminated from Cache Creek
27 Casino and Capitol Casino. Saetern was dishonest by intentionally misrepresenting the reasons
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1 she left her employment with Cache Creek Casino and Capitol Casino on her gaming license
2 application to the Shingle Springs Tribal Gaming Commission.

3 19. On her Application, Saetern checked the box marked "no" to the question "Have you
4 ever been denied a gambling establishment work permit or license by any law enforcement
5 agency, or had any such permit or license revoked or suspended?"

6 20. Given that Saetern knew that her temporary tribal gaming license had been revoked by
7 the Shingle Springs Tribal Gaming Commission on or about September 2, 2010, Saetern was
8 dishonest when she checked the box marked "no" on her Application to the question of whether
9 she has ever had a gambling establishment work permit or license revoked.

10 21. Saetern's bank statements identify multiple cash withdrawals at various gambling
11 establishments in California and Nevada from June 2010 to March 2013. During the hearing,
12 Saetern testified that she provided her debit card and PIN to friends and family who made the
13 withdrawals or that she gave the money from the withdrawals to her friends and family. Saetern
14 testified that the money was used for groceries, food and other items and also for her friends and
15 family to gamble, but that she did not gamble at the times of the withdrawals.

16 22. Given her history with gambling, Saetern's testimony that the numerous withdrawals
17 made at various gambling establishments in California and Nevada from June 2010 to March
18 2013 were solely for other things, and not for her to gamble, is not credible.

19 23. By intentionally misrepresenting the reasons she left her employment with Cache
20 Creek Casino and Capitol Casino on her gaming license application to the Shingle Springs Tribal
21 Gaming Commission, and dishonestly checking the box marked "no" on her Application to the
22 question of whether she has ever had a gambling establishment work permit or license revoked,
23 Saetern has demonstrated a lack of good character, honesty and integrity.

24 24. Nai Saetern, the sister of Farm Saetern, testified during the hearing that she does not
25 believe Saetern has a gambling problem. She further testified that she (Nai Saetern) has a
26 gambling problem and uses Saetern's debit card to gamble.

27 25. Saetern has associations with individuals, including her sister, who frequently gamble
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1 and are potentially addicted to gambling. These associations pose a threat to the effective
2 regulation and control of controlled gambling, and create or enhance the dangers of unsuitable,
3 unfair, or illegal practices, methods, and activities in the conduct of controlled gambling, or in the
4 carrying on of the business and financial arrangements incidental thereto.

5 26. Saetern participated in four treatment sessions for problem gambling from May 2013
6 to June 2013. She has not attended any treatment sessions or meetings for problem gambling
7 since June 2013.

8 27. During the hearing, Saetern testified that she currently gambles and feels that she is
9 addicted to gambling.

10 28. Saetern is not currently seeking treatment for her gambling addiction.

11 29. Saetern's gambling addiction, and her prior activities and habits of gambling,
12 including with chips from her dealer tray, and incurring gambling debts without having
13 reimbursed the lenders for her losses, pose a threat to the effective regulation and control of
14 controlled gambling, and create or enhance the dangers of unsuitable, unfair, or illegal practices,
15 methods, and activities in the conduct of controlled gambling, or in the carrying on of the
16 business and financial arrangements incidental thereto.

17 30. All documentary and testimonial evidence submitted by the parties that is not
18 specifically addressed in this Decision and Order was considered but not used by the Commission
19 in making its determination on Saetern's Application.

20 31. The matter was submitted for Commission consideration on October 14, 2015.

21 LEGAL CONCLUSIONS

22 32. Division 1.5 of the Business and Professions Code, the provisions of which govern the
23 denial of licenses on various grounds, does not apply to licensure decisions made by the
24 Commission under the Gambling Control Act. Business and Professions Code section 476(a).

25 33. Public trust and confidence can only be maintained by strict and comprehensive
26 regulation of all persons, locations, practices, associations, and activities related to the operation
27 of lawful gambling establishments and the manufacture and distribution of permissible gambling
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1 equipment. Business and Professions Code section 19801(h).

2 34. At an evidentiary hearing pursuant to Business and Professions Code sections 19870
3 and 19871 and CCR section 12060(b), the burden of proof rests with the applicant to prove his or
4 her qualifications to receive any license under the Gambling Control Act. CCR section 12060(i).

5 35. The Commission has the responsibility of assuring that licenses, approvals, and
6 permits are not issued to, or held by, unqualified or disqualified persons, or by persons whose
7 operations are conducted in a manner that is inimical to the public health, safety, or welfare.
8 Business and Professions Code section 19823(a)(1).

9 36. An “unqualified person” means a person who is found to be unqualified pursuant to
10 the criteria set forth in Section 19857. Business and Professions Code section 19823(b).

11 37. The Commission has the power to deny any application for a license, permit, or
12 approval for any cause deemed reasonable by the Commission. Business and Professions Code
13 section 19824(b).

14 38. The burden of proving his or her qualifications to receive any license from the
15 Commission is on the applicant. Business and Professions Code section 19856(a).

16 39. No gambling license shall be issued unless, based on all of the information and
17 documents submitted, the commission is satisfied that the applicant is a person of good character,
18 honesty, and integrity. Business and Professions Code section 19857(a).

19 40. No gambling license shall be issued unless, based on all of the information and
20 documents submitted, the commission is satisfied that the applicant is a person whose prior
21 activities and criminal record, if any, reputation, habits, and associations do not pose a threat to
22 the public interest of this state, or to the effective regulation and control of controlled gambling,
23 or create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities
24 in the conduct of controlled gambling or in the carrying on of the business and financial
25 arrangements incidental thereto. Business and Professions Code section 19857(b).

26 41. No gambling license shall be issued unless, based on all of the information and
27 documents submitted, the commission is satisfied that the applicant is a person that is in all other
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1 respects qualified to be licensed as provided in this chapter. Business and Professions Code
2 section 19857(c).

3 42. The Commission may revoke a work permit if the Commission finds, after a hearing,
4 that the employee has been refused the issuance of any license, permit, or approval to engage in
5 or be involved with gambling or pari-mutuel wagering in any jurisdiction, or had the license,
6 permit, or approval revoked or suspended. Business and Professions Code section 19914(a)(7).

7 43. An application for a work permit shall be denied by the Commission if the applicant is
8 found unqualified pursuant to the criteria set forth in subdivisions (a) or (b) of Business and
9 Professions Code section 19857. CCR section 12105(a)(2).

10 44. An application for a work permit may be denied by the Commission if it finds any
11 cause set forth in Business and Professions Code section 19914, subdivision (a), paragraphs (1)
12 through (9), inclusive. CCR section 12105(b)(1).

13 45. Saetern has failed to meet her burden of demonstrating that she is a person of good
14 character, honesty and integrity. Therefore, Saetern is unqualified for the issuance of a work
15 permit pursuant to Business and Professions Code section 19857(a) and CCR section 12105(a)(2).

16 46. Saetern has failed to meet her burden of demonstrating that she is a person whose prior
17 activities, habits, and associations do not pose a threat to the public interest of this state, or to the
18 effective regulation and control of controlled gambling, or create or enhance the dangers of
19 unsuitable, unfair, or illegal practices, methods, and activities in the conduct of controlled
20 gambling or in the carrying on of the business and financial arrangements incidental thereto
21 pursuant to Business and Professions Code section 19857(b) and CCR section 12105(a)(2).

22 47. Saetern has had a temporary tribal gaming license revoked. Therefore, Saetern's
23 Application is subject to denial pursuant to Business and Professions Code section 19914(a)(7)
24 and CCR section 12105(b)(1).

1 NOTICE OF APPLICANT'S APPEAL RIGHTS

2 Saetern has the following appeal rights available under state law:

3 CCR section 12064, subsections (a) and (b) provide, in part:

4 An applicant denied a license, permit, registration, or finding of suitability, or whose
5 license, permit, registration, or finding of suitability has had conditions, restrictions,
6 or limitations imposed upon it, may request reconsideration by the Commission
7 within 30 calendar days of service of the decision, or before the effective date
8 specified in the decision, whichever is later. The request shall be made in writing to
9 the Commission, copied to the Bureau, and shall state the reasons for the request,
10 which must be based upon either newly discovered evidence or legal authorities that
11 could not reasonably have been presented before the Commission's issuance of the
12 decision or at the hearing on the matter, or upon other good cause which the
13 Commission may decide, in its sole discretion, merits reconsideration.

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

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

22 CCR section 12066, subsection (c) provides:

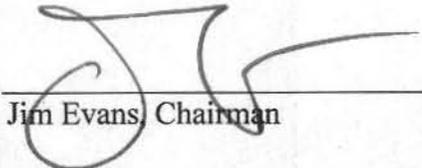
23 A decision of the Commission denying an application or imposing conditions on license
24 shall be subject to judicial review as provided in Business and Professions Code section
25 19870, subdivision (e). Neither the right to petition for judicial review nor the time for
26 filing the petition shall be affected by failure to seek reconsideration.
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ORDER

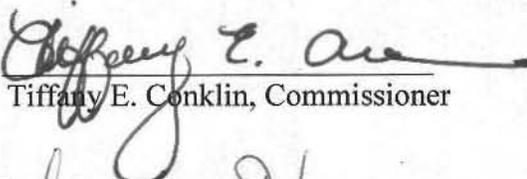
1. Farm Tong Saetern's Application for Initial Regular Work Permit is DENIED.¹
2. No costs are to be awarded.
3. Each side to pay its own attorneys' fees.

This Order is effective on December 13, 2015.

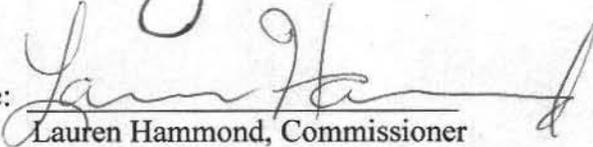
Dated: 11/17/15

Signature: 
Jim Evans, Chairman

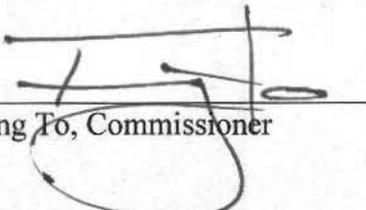
Dated: Nov. 17, 2015

Signature: 
Tiffany E. Conklin, Commissioner

Dated: 11/17/2015

Signature: 
Lauren Hammond, Commissioner

Dated: 11/17/15

Signature: 
Trang To, Commissioner

¹ Pursuant to CCR section 12128(b)(2), the Commission cancelled Saetern's temporary work permit.