

BEFORE THE  
CALIFORNIA GAMBLING CONTROL COMMISSION

In the Matter of the Application for Approval  
of Initial Work Permit Regarding:

JARED WATSON

Applicant.

CGCC Case No. CGCC-2014-1120-7B

**DEFAULT DECISION AND ORDER**

Hearing Date: July 30, 2015

Time: 1:30 p.m.

1. 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 July 30, 2015.

2. Jared Watson (Applicant) failed to appear and was not represented at the hearing.

**FINDINGS OF FACT**

3. On or about June 12, 2013, the Commission received an Initial Regular Work Permit/Temporary Work Permit Application from Applicant.

4. On or about October 16, 2014, the Bureau of Gambling Control (Bureau) issued its Work Permit Employee Background Investigation Report 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.

5. On or about November 20, 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).

6. Applicant received notice of Commission consideration of Applicant's application in three ways. First, Commission staff mailed an evidentiary hearing referral letter via certified mail to Applicant's address of record on November 20, 2014. This letter indicated that the

1 Applicant would be contacted by a representative with the Attorney General's office on behalf of  
2 the Bureau. The letter also informed the Applicant that the Applicant's Temporary work permit  
3 had been cancelled on October 21, 2014, and that pursuant to Title 4, CCR section 12354,  
4 subdivision (c)(5)(B), Applicant's Interim Key Employee License was also cancelled. A copy of  
5 the letter was mailed to Applicant's Designated Agent Monica Dreher.

6 7. Second, Applicant further received notice of the hearing through a letter mailed by  
7 Deputy Attorney General Ronald Diedrich on February 25, 2015. This letter included a Notice of  
8 Defense form with instructions to return it within 15 days or else the Commission may issue a  
9 default decision. Deputy Attorney General Ronald Diedrich sent the Commission a letter on  
10 April 7, 2015 which indicated that he had not received the Notice of Form and had had no  
11 Communication with Applicant. (Exhibit A) Copies of both letters were mailed to Applicant's  
12 Designated Agent Monica Dreher.

13 8. Third, Applicant further received notice of the hearing through a hearing notice  
14 sent certified mail on April 24, 2015 to Applicant's address of record which included Exhibit A  
15 and stated that the hearing was set to occur on Thursday, July 30, 2015 at 1:30 p.m. Commission  
16 staff received the certified mail receipt signed for by "Shirley Crase."

#### 17 DETERMINATION OF ISSUES

18 9. An application to receive a license constitutes a request for a determination of the  
19 applicant's general character, integrity, and ability to participate in, engage in, or be associated  
20 with, controlled gambling. (Bus. & Prof. Code § 19856, subd. (b).)

21 10. In addition, the burden of proving Applicant's qualifications to receive any license  
22 from the Commission is on the applicant. (Bus. & Prof. Code § 19856, subd. (a).)

23 11. At an evidentiary hearing pursuant to Business and Professions Code sections  
24 19870 and 19871 and Title 4, CCR section 12060 the burden of proof rests with the applicant to  
25 demonstrate why a license or other approval should be issued. (Cal. Code Regs., tit. 4, § 12060,  
26 subd. (i).)

27 12. Title 4, CCR section 12052, subdivision (c), provides in pertinent part:  
28

1 (c) An applicant for any license, permit, finding of suitability,  
2 renewal, or other approval shall be given notice of the meeting at which the  
3 application is scheduled to be heard. Notice shall be given pursuant to  
4 Section 12006.

5 \* \* \*

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

9 \* \* \*

10 (F) The waiver of an evidentiary hearing, or failure of  
11 the applicant to submit a Notice of Defense, or failure of an  
12 applicant to appear at an evidentiary hearing, may result in:

13 1. A default decision being issued by the  
14 Commission based upon the Bureau report, any  
15 supplemental reports by the Bureau and any other  
16 documents or testimony already provided or which might  
17 be provided to the Commission . . . .

18 13. The Commission takes official notice of the Bureau report, any supplemental  
19 reports by the Bureau and any other documents or testimony already provided to it in this matter  
20 as required by Business and Professions Code section 19870, subdivision (a) and Title 4, CCR  
21 section 12052, subdivision (c)(2)(F)(1).

22 14. The Commission has jurisdiction to adjudicate this case by default.

23 15. The Commission may deny Applicant's application based upon the Bureau report,  
24 any supplemental reports by the Bureau and any other documents or testimony already provided  
25 to it, pursuant to CCR section 12052, subdivision (c)(2)(F)(1), and Business and Professions  
26 Code sections 19857 and 19859.

27 16. The Commission may further also deny Applicant's application based upon  
28 Applicant's failure to prove to the Commission Applicant is qualified to receive either a work  
permit, as required by Business and Profession Code section 19856(a) and Title 4, CCR section  
12060, subdivision (i).

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 work

1 permit should be issued pursuant to Business and Professions Code section 19856(a) and Title 4,  
2 CCR section 12060(i). The Commission further finds that pursuant to California Code of  
3 Regulations, Title 4, section 12052, subdivision (c)(2)(F)(1), Applicant's Application is subject to  
4 denial.

5  
6 NOTICE OF APPLICANT'S APPEAL RIGHTS

7 Applicant has the following appeal rights available under state law:

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

9 (a) After the Commission issues a decision following a GCA hearing conducted  
10 pursuant to Section 12060, an applicant denied a license, permit, registration, or  
11 finding of suitability, or whose license, permit, registration, or finding of  
12 suitability has had conditions, restrictions, or limitations imposed upon it, may  
13 request reconsideration by the Commission within 30 calendar days of service of  
14 the decision, or before the effective date specified in the decision, whichever is  
15 later.

16 (b) A request for reconsideration shall be made in writing to the Commission,  
17 copied to the Bureau, and shall state the reasons for the request, which must be  
18 based upon either:

- 19 (1) Newly discovered evidence or legal authorities that could not  
20 reasonably have been presented before the Commission's issuance of the  
21 decision or at the hearing on the matter; or,  
22 (2) Other good cause which the Commission may decide, in its sole  
23 discretion, merits reconsideration.

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

25 A decision of the commission denying a license or approval, or imposing any  
26 condition or restriction on the grant of a license or approval may be reviewed by  
27 petition pursuant to Section 1085 of the Code of Civil Procedure. Section 1094.5  
28 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, subsection (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.

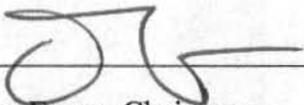
**ORDER**

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2  
3 1. Jared Watson's Application for Initial Regular Work Permit/Temporary Work  
4 Permit is DENIED.

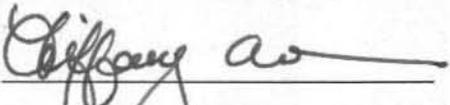
5 2. Jared Watson may not apply to the Commission or the Bureau for any type of  
6 license, registration or work permit for one (1) year after the effective date of this Order.

7  
8 This Order is effective on September 14, 2015

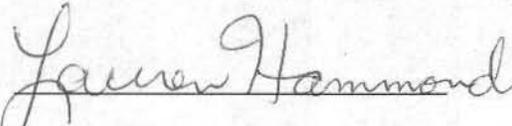
9  
10  
11 Dated: 8-13-15

Signature:   
Jim Evans, Chairman

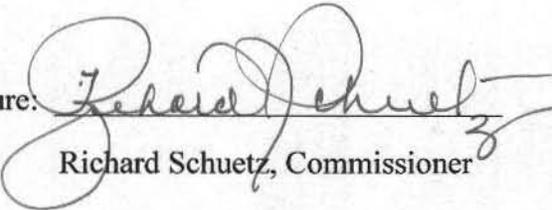
12  
13  
14 Dated: Aug. 13, 2015

Signature:   
Tiffany E. Conklin, Commissioner

15  
16  
17 Dated: 8-13-15

Signature:   
Lauren Hammond, Commissioner

18  
19  
20 Dated: Aug 13, 2015

Signature:   
Richard Schuetz, 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: Jared Watson*  
CGCC Case No. CGCC-2014-1120-7B / BGC Case No. BGC-HQ2014-00018SL

Dear Mr. Vlaanderen:

The Bureau of Gambling Control requests that the Commission issue a default decision denying Jared Watson's application for a Work Permit pursuant to California Code of Regulations, title 4, section 12052, subdivision (c)(2)(F)(1).

Enclosed for consideration by the Commission is a February 25, 2015 letter to Jared Watson, with enclosed Notice of Defense form, a copy of California Code of Regulations, title 4, section 12052, and a Declaration of Service;

Also, a Notice of Defense has not been received and we have had no communications as of this date with Mr. Watson.

Todd Vlaanderen  
April 7, 2015  
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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: Jared Watson  
Monica Dreher, Designated Agent  
Stacey Luna Baxter, Assistant Bureau Chief, Bureau  
Tina Littleton, Executive Director, Commission