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BEFORE THE  
CALIFORNIA GAMBLING CONTROL COMMISSION

CGCC Case No. CGCC-2018-0906-7Ai

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

STEVE HODGE

Applicant.

**DEFAULT DECISION AND ORDER**

Hearing Date: Thursday, May 30, 2019  
Time: 10:00 a.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 Thursday, May 30, 2019 at 10:00 a.m.

2. Steve Hodge (Applicant) failed to appear and was not represented at the hearing.

**FINDINGS OF FACT**

3. On or about July 24, 2017, the Bureau of Gambling Control (Bureau) received an Application for Initial Regular Work Permit (Application) from Applicant.

4. On or about July 13, 2018, the Bureau issued its Work Permit Employee Background Investigation Report in which it concluded that Applicant was unqualified for licensure pursuant to Business and Professions Code section 19857 and disqualified for licensure pursuant to Business and Professions Code section 19859. The Bureau recommended that the Commission deny Applicant's Application.

5. On or about September 6, 2018, the Commission considered Applicant's Application and voted to refer the matter to an evidentiary hearing pursuant to CCR section 12060(b).

6. Applicant received notice of the Commission's consideration of Applicant's Application when Commission staff mailed an evidentiary hearing referral letter via certified mail to Applicant's address of record on September 7, 2018, which included a blank Notice of Defense

1 form with instructions to return it to the Commission within 15 days of receipt or the Commission  
2 may issue a default decision.

3 7. Applicant timely submitted a signed Notice of Defense requesting an evidentiary  
4 hearing on the consideration of his Application.

5 8. Applicant thereafter received notice of the hearing through a hearing notice sent  
6 via certified mail on February 12, 2019 to Applicant's address of record which stated that the  
7 hearing was set to occur on Wednesday, May 1, 2019 at 1:30 p.m.

8 9. Applicant submitted a written statement waiving his right to an evidentiary hearing  
9 on the consideration of his Application on April 18, 2019. The Commission then removed the  
10 evidentiary hearing on Applicant's Application from the May 1, 2019 calendar and set a default  
11 hearing on Applicant's Application for Thursday, May 30, 2019 at 10:00 a.m.

12 **DETERMINATION OF ISSUES**

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

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

18 12. At an evidentiary hearing pursuant to Business and Professions Code sections  
19 19870 and 19871 and CCR section 12060 the burden of proof rests with the applicant to  
20 demonstrate why a license should be issued. (Cal. Code Regs., tit. 4, § 12060, subd. (i).)

21 13. CCR section 12052, subdivision (c), provides in pertinent part:

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

25 \* \* \*

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

28 \* \* \*

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

4 1. A default decision being issued by the  
5 Commission based upon the Bureau report, any supplemental reports  
6 by the Bureau and any other documents or testimony already  
7 provided or which might be provided to the Commission . . . .

8 14. The Commission takes official notice of the Bureau report, any supplemental  
9 reports by the Bureau and any other documents or testimony already provided to it in this matter  
10 as required by Business and Professions Code section 19870(a) and CCR section  
11 12052(c)(2)(F)(1).

12 15. The Commission has jurisdiction to adjudicate this case by default.

13 16. The Commission may deny Applicant's Application based upon the Bureau report,  
14 any supplemental reports by the Bureau and any other documents or testimony already provided  
15 to it, pursuant to CCR section 12052(c)(2)(F)(1) and Business and Professions Code sections  
16 19857 and 19859.

17 17. The Commission may also deny Applicant's Application based upon Applicant's  
18 failure to prove to the Commission that Applicant is qualified to receive a license or other  
19 approval as required by Business and Profession Code section 19856(a) and CCR section  
20 12060(i).

21 18. Therefore, as the Applicant submitted a written waiver of his right to an  
22 evidentiary hearing, did not attend the default hearing, and did not submit any information or  
23 evidence in favor of granting Applicant's Application, Applicant did not meet his burden of  
24 demonstrating why a license should be issued pursuant to Business and Professions Code section  
25 19856(a) and CCR section 12060(i). The Commission further finds that pursuant to CCR section  
26 12052(c)(2)(F)(1), Applicant's Application is subject to denial.

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NOTICE OF APPLICANT’S APPEAL RIGHTS

Applicant has the following appeal rights available under state law:

Title 4, CCR section 12064, subsections (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, 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.

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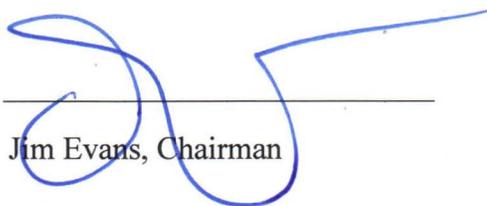
**ORDER**

1  
2 1. STEVE HODGE'S Application for Approval of Initial Regular Work Permit is  
3 DENIED.

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

6 This Order is effective on May 30, 2019.

7  
8 Dated: 5/30/19

Signature:   
Jim Evans, Chairman

9  
10  
11 Dated: 5/30/19

Signature:   
Paula LaBrie, Commissioner

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14 Dated: 5/30/19

Signature:   
Gareth Lacy, Commissioner

15  
16  
17 Dated: 5/30/19

Signature:   
Trang To, Commissioner

**Mathauser, Pamela**

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**From:** Karyn Hodge <shodge3131@gmail.com>  
**Sent:** Thursday, April 18, 2019 9:24 AM  
**To:** Mathauser, Pamela  
**Subject:** Re: Steve Hodge Evidentiary Hearing - Case No. CGCC-2018-0906-7Ai

I waive my right to a hearing I will not be attending the hearing sincerely Steve hodge

On Mon, Apr 15, 2019, 7:44 PM Mathauser, Pamela <[pmathauser@cgcc.ca.gov](mailto:pmathauser@cgcc.ca.gov)> wrote:

Dear Mr. Hodge,

Mr. Waian's email indicates that you wish to withdraw your request for an evidentiary hearing. A withdrawal of your request for an evidentiary hearing must be in writing. You can accomplish this by sending me an email stating that you are withdrawing your request for an evidentiary hearing. Please be sure to copy Mr. Waian and Mr. Russell in your email correspondence.

Withdrawal of your request for a hearing is a waiver of your rights associated with the hearing and will almost certainly result in the Commission issuing a default decision or other written decision denying your application.

Please contact me if you have any questions.

Sincerely,

**Pam Mathauser**

Senior Legal Analyst

California Gambling Control Commission

[pmathauser@cgcc.ca.gov](mailto:pmathauser@cgcc.ca.gov)

(916) 263-8111