

BEFORE THE
CALIFORNIA GAMBLING CONTROL COMMISSION

In the Matter of the Application for Approval
of Initial Key Employee License and Initial
Regular Work Permit Regarding:

SAI FO SAECHAO

Applicant.

CGCC Case No. CGCC-2018-0111-8C &
CGCC Case No. CGCC-2018-0111-10B
BGC Case No. BGC-HQ2018-00006SL

DECISION AND ORDER

Hearing Dates: September 24, 2018
Time: 10:00 a.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, in Sacramento, California, on September 24, 2018.

Deputy Attorney General William Williams (Williams), Department of Justice, Attorney General's Office, State of California, represented complainant Stephanie Shimazu, Chief of the Bureau of Gambling Control (Bureau), Department of Justice, State of California (Complainant).

Applicant Sai Fo Saechao was present on his own behalf (Applicant).

During the administrative hearing, Presiding Officer Russell Johnson took official notice of the Conclusion of Prehearing Conference Letter, the Complainant's Statement of Reasons, Applicant's signed Notice of Defense, and the Notice of Hearing and Prehearing Conference which enclosed Applicant's Application for Key Employee License, Applicant's Application for Work Permit, and the Bureau's Reports for each application.

During the administrative hearing, Presiding Officer Russell Johnson accepted into evidence the following exhibits offered by the Complainant:

- (1) Copies of Statement to Respondent; Statement of Reasons; Letter dated March 30, 2018, re Notice of Hearing and Prehearing Conference, without enclosures; Business and Professions Code Sections 19870 and 19871; California Code of Regulations, title 4, section 12060; and Declaration of Service by Certified Mail, Bates Nos. 001-026;

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- (2) Notice of Defense dated January 21, 2018 (GEKE-002177 & GEWP-001461), Bates Nos. 027-028;
- (3) Returned Service of Document Letter to Sai Fo Saechao on July 27, 2018, Bates Nos. 029-030;
- (4) California Gambling Control Commission Documents, Bates Nos. 031-078;
 - a. January 17, 2018 Letter of Referral of Initial Gambling Establishment Work Permit License Application and Initial Gambling Establishment Key Employee License Application to an Evidentiary Hearing for Sai Fo Saechao
 - b. March 30, 2018 Letter re Notice of Hearing
- (5) Key Employee Supplemental Background Investigation Information dated February 9, 2016, Bates Nos. 0079-0091;
- (6) Application for Gambling Establishment Key Employee License (GEKE-002177) received on February 17, 2016, Bates Nos. 092-0097;
- (7) Application for Interim Key Employee License dated February 17, 2016, Bates No. 098-103;
- (8) Letter from California Gambling Control Commission to Sai Fo Saechao regarding Interim Key Employee License dated February 23, 2016, Bates No. 0104-0105;
- (9) Letter from Bureau of Gambling Control to Sai Fo Saechao re: Recommendation for Denial of Application for a Cardroom Key Employee License dated September 14, 2017, Bates Nos. 0106-0107;
- (10) Bureau of Gambling Control Cardroom Key Employee Background Investigation Report Level III dated December 2017 (GEKE002177), Bates Nos. 0108-0143;
- (11) Letters of Recommendation sent from Sai Fo Saechao by email to Katherine Varecha dated December 20, 2017, Bates Nos. 0144-051;

- 1 (12) Employee Verification Information dated February 23, 2017, Bates Nos.
2 0152-0161;
- 3 (13) California Gambling Control Commission Recommendation Memorandum
4 dated January 11, 2018, Bates Nos.0162-0165;
- 5 (14) California Gambling Control Commission January 11, 208 Minutes from
6 Commission Meeting, Bates Nos. 0166-0185;
- 7 (15) Work Permit Application and Report of Findings dated August 15, 2000,
8 Bates No. 186;
- 9 (16) Bureau of Gambling Control Work Permit Background Investigation Report
10 Level II dated October 15, 2009, Bates Nos. 0187-0195;
- 11 (17) Bureau of Gambling Control Work Permit Background Investigation Report
12 Level I dated July 8, 2011, Bates Nos. 0196-0199;
- 13 (18) Work Permit Renewal Information dated October 10, 2013 (GEWP001461),
14 Bates Nos. 0200-0201;
- 15 (19) Work Permit Renewal Information dated May 15, 2015 (GEWP001461),
16 Bates Nos. 0202-0204;
- 17 (20) Telephone Contact Sheet re: Employment History dated February 23, 2017,
18 Bates Nos. 0205-0219;
- 19 (21) Application for Initial Regular Work Permit received May 30, 2017, Bates
20 Nos. 0220-0230;
- 21 (22) Miscellaneous emails within Bureau of Gambling Control regarding Sai Fo
22 Saechao – October 4, 2017; May 3, 2017, Bates Nos. 0231-0235;
- 23 (23) Emails from Sai Fo Saechao to Bureau of Gambling Control regarding
24 additional verifications and supporting documents for application dated
25 November 2, 2017, Bates Nos. 0236-246;
- 26 (24) Bureau of Gambling Control Work Permit Employee Background
27 Investigation Report Level III dated December 2017(GEWP002603), Bates
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Nos. 0247-0251;

- (25) DOJ/FBI Fingerprint Response dated 1/30/2017, Bates Nos. 0252-0253;
- (26) Data Inquiries dated July 11, 2017, Bates Nos. 0254-0259;
- (27) Criminal History from Merced Police Department, Bates Nos. 0260-0263;
- (28) Bureau of Gambling Control Spreadsheet of Cash Deposits vs. Cash Withdrawals, Bates Nos. 0264-0272;
- (29) Foreclosure Records, Bates Nos. 0273-0275;
- (30) Bankruptcy Documents, Bates Nos. 0276-0277.

During the administrative hearing, Presiding Officer Russell Johnson accepted into evidence the following exhibits offered by Applicant:

(A) Account Information

After the conclusion of the hearing but before the record closed, the Commissioners requested additional information from the parties concerning Applicant's bank statements and gambling records. Presiding Officer Russell Johnson accepted into evidence the following exhibits offered by the Complainant:

- (31) Bureau of Gambling Control Inquiries regarding Finances and Saechao Responses, Bates Nos. 0278-0383;
- (32) Bureau of Gambling Control June 22, 2017 Telephone Interview with Sai Saechao re Financial Evaluation, Bates Nos. 0384-0385.

Presiding Officer Russell Johnson accepted into evidence the following exhibits offered by the Applicant:

- (B) Applicant's gambling activity records for Black Oak Casino and Chicken Ranch Casino for the years 2017 and 2018.

The record was thereafter closed and the matter was submitted on October 22, 2018.

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1 **FINDINGS OF FACT**

2 1. On or about February 17, 2016, the Bureau received an Application for Gambling
3 Establishment Key Employee License and an interim key employee license, with attachments,
4 dated February 9, 2016, as well as a Key Employee Supplemental Background Investigation
5 Information Form, with attached schedules, dated February 9, 2016, from Applicant.

6 2. On February 23, 2016, the California Gambling Control Commission (Commission)
7 issued an interim key employee license, number GEKE-002177, to Applicant which was valid
8 until February 28, 2018. This interim key employee license allowed Applicant to work as a key
9 employee, while his application for an initial key employee license was being investigated by the
10 Bureau.

11 3. On or about May 30, 2017, the Bureau received an Application for Initial Regular
12 Work Permit/Temporary Work Permit, (collectively referred to herein with Applicant's Key
13 Employee License Application as Applications) from Applicant. On June 2, 2017, the
14 Commission issued Applicant a temporary work permit.

15 4. On or about December 5, 2017, the Bureau submitted a Cardroom Key Employee
16 Background Investigation Report and its Work Permit Employee Background Investigation
17 Report (Bureau Reports) to the Commission recommending the Commission deny Applicant's
18 Applications.

19 5. On or about December 15, 2017, Applicant's temporary work permit was cancelled by
20 the Commission pursuant to CCR section 12128, subdivision (b)(2), because, the Bureau
21 recommended denial of Applicant's Work Permit Application.

22 6. On January 11, 2018, pursuant to CCR section 12054, subdivision (a)(2), the
23 Commission considered Applicant's Applications and elected to refer consideration of
24 Applicant's Applications to an evidentiary hearing to be held pursuant to CCR section 12060 with
25 the Bureau to serve as Complainant.

26 7. On or about January 24, 2018, Applicant submitted a signed Notice of Defense, dated
27 January 21, 2018 which requested an evidentiary hearing.
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1 8. On or about March 30, 2018, the Commission sent a Notice of Hearing and Prehearing
2 Conference, via certified mail, to Applicant and Complainant.

3 9. On or about July 25, 2018, the Complainant filed a Statement of Reasons with the
4 Commission and served it on Applicant via certified mail. In its Statement of Reasons,
5 Complainant recommended that the Commission deny Applicant's Applications.

6 10. On or about August 14, 2018, the noticed Prehearing Conference was held before
7 Presiding Officer Russell Johnson. Deputy Attorney General Williams attended on behalf of the
8 Complainant. Applicant appeared on his own behalf.

9 11. On or about August 15, 2018, the Commission sent a Conclusion of Prehearing
10 Conference letter to Applicant and Complainant.

11 12. The Commission heard CGCC Case Nos. CGCC-2018-0111-8C & CGCC Case No.
12 CGCC-2018-0111-10B on September 24, 2018. The Complainant was represented throughout the
13 hearing by Deputy Attorney General Williams. Applicant appeared on his own behalf.

14 13. Applicant has worked at Poker Flats Casino from June 2009 to present. Applicant
15 started working in a non-key employee capacity and continued there until February 9, 2016,
16 where he was promoted to a compliance analyst with various duties and responsibilities which
17 necessitated an application for an interim key employee license and a key employee license.

18 Financial Documentation

19 14. As part of its standard background investigation, the Bureau reviewed Applicant's
20 financial history and learned Applicant sustained a bankruptcy that occurred in 2003 and a
21 foreclosure in 2007. The Applicant stated the bankruptcy was caused by him living beyond his
22 means but no gambling debt was discharged. The foreclosure was explained as resulting from his
23 mortgage payment being too high.

24 15. During this review, the Bureau also looked at bank statements from February 2016 to
25 February 2017 including Applicant's savings and checking accounts. The Bureau learned that
26 Applicant had a large number of deposits that greatly exceeded his stated income on his 2016
27 federal income taxes. Applicant attempted at the time of the Bureau's investigation to explain that
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1 the deposits were from gifts from friends and family, gambling winnings for him and his wife,
2 proceeds from an employment settlement, and disability insurance benefits.

3 16. At the hearing, Jeanine Velasquez, a Manager with the Bureau, testified about the
4 Bureau's background investigation into Applicant. She stated that the Bureau reviewed
5 Applicant's financial information and ultimately requested assistance of the Bureau's Audit and
6 Compliance Section (ACCS) staff. Ms. Velasquez testified that she received information from
7 Applicant concerning these sums following the pre-denial meeting but that the information was
8 insufficient to explain the deposits for the Bureau's purposes. She stated that not knowing the
9 source of Applicants' funds such as these deposits raises the risk of unsuitable persons or illegal
10 activity occurring in a cardroom.

11 17. John Galvin, an investigative auditor supervisor in the ACCS, testified about the
12 Bureau's evaluation of Applicant's financial information. The financial review supplemented the
13 efforts undertaken by Ms. Velasquez and her staff. As part of this review, ACCS looked at
14 Applicant's financial information including tax returns from 2013 through 2016, bank statements
15 from January 2015 through February 2017, and conducted a phone interview of Applicant. Mr.
16 Galvin testified that the number of withdrawals and deposits for Applicant's accounts was
17 unusual. The Bureau's ACCS submitted a report on or around August 30, 2017 which determined
18 the following financial Applicant information:

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Year	Wages	Expenses	Unexplained Deposits
20 2013	\$75,871	\$23,676.00	N/A
21 2014	\$47,218	\$23,676.00	N/A
22 2015	\$24,796	\$23,676.00	\$52,454.57
23 2016	\$21,983	\$23,676.00	\$74,581.66

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25 18. The review concluded that Applicant's deposits exceeded his wages for 2015 and his
26 expenses and deposits each exceed his wages for 2016. While Applicant's wages decreased in
27 2015 and 2016, the cash and check deposits actually increased. The Bureau was very concerned
28 with the source of funds for \$52,454.57 in 2015 and \$74,581.66 in 2016. When presented with

1 these concerns at a pre-denial meeting with the Bureau, Applicant stated he could provide
2 additional information. The Bureau gave Applicant additional time to provide support.

3 19. In response, Applicant provided win/loss summaries from 2015 and 2016 for Chicken
4 Ranch Casino, Table Mountain Casino, and the Black Oak Casino. The win/loss summaries
5 reflect hundreds of thousands of dollars in play with nearly all of them reflecting even greater
6 amounts in losses. The only statement that reflected winnings was from Table Mountain Casino
7 and then only \$430.74.

8 20. Applicant also supplied four signed statements from individuals who gave monetary
9 gifts to Applicant. These gifts totaled \$42,500 over the years January 2015 through December
10 2016 in the following amounts:

Name	Amount Given
C. Logan McKechnie	\$13,700
John Ly	\$11,300
Joe Chavez	\$13,500
Tom M. K. Tran	\$4,000

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17 21. If taken as true, these four gifts potentially explained part of the \$127,036.23 in
18 deposits, but still left \$84,536.23 in deposits unaccounted for. Neither the ACCS staff nor Ms.
19 Velasquez' staff were able to discern the source of Applicant's additional funds.

20 Applicant's Testimony

21 22. Applicant testified on his own behalf at the hearing. Applicant stated that he believes
22 the discrepancy in the income could be explained by the bank statements. He stated he provided
23 all the information the Bureau requested of him. He believed that the Bureau analysts simply did
24 not understand a gambler's lifestyle with frequent withdrawals and deposits of money used for
25 gambling. Beyond providing what he had already provided, Applicant was uncertain how he
26 could prove that the income was as he stated to the Bureau.

27 23. Under cross examination, Applicant was asked about his withdrawals and deposits. He
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1 stated the deposits were numerous but limited in size so as to control his gambling. However,
2 Applicant testified he didn't know how much he had gambled. When asked about whether he had
3 a gambling problem, Applicant stated that he believed he might and that he has changed his
4 lifestyle in the last year by limiting gambling to some degree. As for the large gifts, Applicant
5 stated that these were close friends trying to help him out following an accident. Also three of the
6 large gifts were from friends who were also gamblers. Applicant did not provide these letters to
7 the Bureau until the Bureau informed him that they were going to recommend denying him a
8 license.

9 24. Applicant provided testimony about the statements of wins and losses obtained from
10 various tribal casinos that totaled in the hundreds of thousands of dollars in gambling activity.
11 Applicant stated that this was the nature of money going in and out and cycled through the slot
12 machines. Essentially \$10 dollars can turn into \$100 in play. Applicant also stated that he would
13 take money out on multiple days from his bank accounts and then deposit it back into the account
14 after a few days or longer.

15 25. When asked about the monies he had in 2015, he stated he had a starting balance on
16 his account in 2015 of about \$2,000 or \$3,000. He also received a settlement with Merced County
17 for an employment issue as well as insurance proceeds following injuries sustained by him and
18 his spouse in a vehicle collision in October 2016 which totaled \$15,000 for him and \$15,000 for
19 his spouse, but only \$6,000 to \$8,000 after fees.

20 26. Ultimately, Applicant's explanation for the unexplained deposits in his financial
21 information was not compelling. Even if all the deposits from known sources were cumulated and
22 taken as true, and his explanation for the large amounts in the win/loss summaries believed,
23 Applicant still had deposits far greater than withdrawals.

24 Applicant's Witnesses

25 27. Martin Espinoza testified on behalf of Applicant and stated that he thought very highly
26 of Applicant. He believed Applicant to be honest. Mr. Espinoza also testified in support of
27 Applicant's assertion that gamblers routinely cycle money in and out of bank accounts for the
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1 purposes of gambling. In regards to the large gifts received by Applicant, Mr. Espinoza stated that
2 he had received gifts in small increments but never in amounts like \$15,000.

3 28. Joe Chavez testified on behalf of Applicant. Mr. Chavez also thought highly of
4 Applicant and believed him to be honest and dependable. Mr. Chavez also testified that he would
5 go to the casinos with Applicant regularly and would give Applicant \$500 to \$1,000 at a time.
6 The number he provided in the statement to Applicant which totaled \$13,500 was merely an
7 estimate of all the monies Chavez provided Applicant during the relevant time period.

8 29. Applicant's character witnesses weigh in favor of Applicant's character, honesty, and
9 integrity. They also provide some helpful background concerning the volume of deposits and
10 cycling of money into Applicant's account. Ultimately though, these opinions do not provide any
11 conclusive explanation as to the source of Applicant's funds and leave doubt as to whether
12 Applicant is a person of good character, honesty, and integrity and whether his licensing would be
13 detrimental to the effective regulation and control of controlled gambling.

14 Additional Documents

15 30. Subsequent to the hearing, but before the record was closed, the Commission sought
16 additional documentation from Applicant to justify these deposits and his statements about
17 changing his gambling lifestyle. The Commission was provided Applicant's bank statements as
18 well as additional win/loss statements from various casinos. The bank statements reflect large
19 numbers of deposits and withdrawals over the course of 2015 and 2016 consistent with the
20 testimony of Mr. Galvin and in the Bureau's financial reports. In general, the deposits exceeded
21 the withdrawals. In addition, the win/loss statements do reflect less activity for 2017 and 2018
22 than prior win/loss statements for 2015 and 2016 which supports Applicant's testimony for
23 changing his behavior as of late.

24 31. Simply put though, Applicant's deposits into his accounts have to come from
25 somewhere, and Applicant should know and be able to provide a basis to the Bureau and
26 Commission. Absent other sources of income, the numbers should balance out. Applicant's
27 wages, gifts, remaining money from withdrawals, and gambling winnings should be reflected as
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1 deposits and balanced out by his withdrawals for gambling and other expenses, or reflect a
2 shrinking balance. The evidence however reflects the opposite: an increasing balance. While there
3 was evidence from Applicant and Mr. Espinoza that the “life of a gambler” involves taking
4 money out and then depositing it at frequent intervals, the “life of a gambler” does not explain
5 away the presence of unexplained deposits greater than withdrawals. While the Commission does
6 not hazard to guess where these funds came from, the fact that Applicant cannot provide any
7 documentation, let alone a compelling reason, cuts against his character honesty and integrity.
8 Additionally, Key Employees are empowered with a tremendous level of responsibility over
9 cardroom operations which are primarily a cash business. The fact that Applicant cannot provide
10 a basis for these deposits cuts against his licensure as it poses a threat to the effective regulation
11 of controlled gambling.

12 32. All documentary and testimonial evidence submitted by the parties that is not
13 specifically addressed in this Decision and Order was considered but not used by the Commission
14 in making its determination on Applicant’s Application.

15 33. The matter was submitted for Commission consideration on August 8, 2017.

16 **LEGAL CONCLUSIONS**

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

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

24 36. A “finding of suitability” means a finding that a person meets the qualification criteria
25 described in subdivisions (a) and (b) of Section 19857, and that the person would not be
26 disqualified from holding a state gambling license on any of the grounds specified in Section
27 19859. Business and Professions Code section 19805(j).

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

5 38. An “unqualified person” means a person who is found to be unqualified pursuant to
6 the criteria set forth in Section 19857, and “disqualified person” means a person who is found to
7 be disqualified pursuant to the criteria set forth in Section 19859. Business and Professions Code
8 section 19823(b).

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

12 40. The Commission has the power to take actions deemed to be reasonable to ensure that
13 no ineligible, unqualified, disqualified, or unsuitable persons are associated with controlled
14 gambling activities. Business and Professions Code section 19824(d).

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

17 42. An application to receive a license constitutes a request for a determination of the
18 applicant’s general character, integrity, and ability to participate in, engage in, or be associated
19 with, controlled gambling. Business and Professions Code section 19856(b).

20 43. In reviewing an application for any license, the commission shall consider whether
21 issuance of the license is inimical to public health, safety, or welfare, and whether issuance of the
22 license will undermine public trust that the gambling operations with respect to which the license
23 would be issued are free from criminal and dishonest elements and would be conducted honestly.
24 Business and Professions Code section 19856(c).

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

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

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

11 47. The commission shall deny a license to any applicant who is disqualified for failure of
12 the applicant to provide information, documentation, and assurances required by this chapter or
13 requested by the chief, or failure of the applicant to reveal any fact material to qualification, or the
14 supplying of information that is untrue or misleading as to a material fact pertaining to the
15 qualification criteria. Business and Professions Code section 19859(b).

16 48. An application for a work permit shall be denied by the Commission if the applicant is
17 found unqualified pursuant to the criterial set forth in subdivision (a) or (b) of Business and
18 Professions Code section 19857 or the applicant is disqualified for licensure under Business and
19 Professions Code section 19859. CCR section 12105(a).

20 49. Applicant has failed to meet his burden of proving that he is a person of good
21 character, honesty, and integrity. Applicant failed to provide documentation of his sources of
22 income despite repeated opportunities to the Bureau and to the Commission. As a key employee
23 applicant, Applicant stands to exert significant influence over gaming operations that necessitate
24 precise awareness of money. Gaming in California is an all cash business which necessitates
25 meticulous record keeping, honesty, and transparency.

26 50. Furthermore, Applicant submitted information to the Bureau pertaining to the sources
27 of his income that was inaccurate or at the very least incomplete in that it did not explain the
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1 sources of thousands of dollars in income. It is absolutely imperative that cardroom applicants are
2 accurate, truthful, and transparent in the application process, lest the security and safety of
3 California cardrooms suffer. The fact that Applicant is unable or perhaps unwilling to provide
4 documentation as to the true source of his income and when repeatedly prompted establishes that
5 he lacks the character, honesty, and integrity under 19857(a) to receive a key employee license.

6 51. Additionally, Applicant has failed to meet his burden of proving that he is a person
7 whose prior activities, criminal record, if any, reputation, habits, and associations do not pose a
8 threat to the public interest of this state, or to the effective regulation and control of controlled
9 gambling, or create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, and
10 activities in the conduct of controlled gambling or in the carrying on of the business and financial
11 arrangements incidental thereto. Applicant's actions in the preceding paragraphs reflect poorly on
12 his ability to work as part of a highly regulated industry and to the effective regulation and control
13 of controlled gambling. As a result, Applicant is not qualified to receive a key employee license
14 pursuant to Business and Professions Code section 19857(b).

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NOTICE OF APPLICANT’S APPEAL RIGHTS

Applicant Sai Fo Saechao has the following appeal rights available under state law:

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

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. The request 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 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 upon 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.

CCR section 12066, subsection (c) provides:

A decision of the Commission denying an application or imposing conditions on 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.

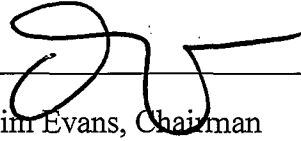
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ORDER

1. SAI FO SAECHAO'S Application for Approval of Initial Key Employee License is DENIED.
2. SAI FO SAECHAO'S Application for Approval of Work Permit is DENIED.
3. No costs are to be awarded.
4. Each side to pay its own attorneys' fees.

This Order is effective on January 11, 2019.

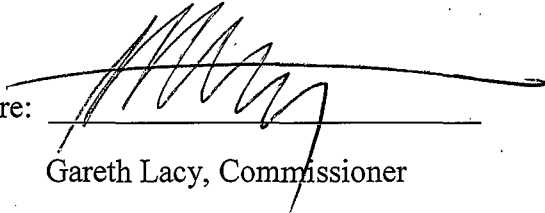
Dated: 12/12/18

Signature: 
Jim Evans, Chairman

Dated: 12/12/18

Signature: 
Paula LaBrie, Commissioner

Dated: 12/12/18

Signature: 
Gareth Lacy, Commissioner