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BEFORE THE  
CALIFORNIA GAMBLING CONTROL COMMISSION

In the Matter of the Application for Third-Party  
Proposition Player Services License  
Regarding:  
  
ALICE MEJIA CATAPIA  
  
Respondent.

BGC Case No. BGC-HQ2017-00001  
CGCC Case No. CGCC-2017-1116-13A

**DECISION AND ORDER**

Hearing Date: August 28, 2018  
Time: 1:30 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, in Sacramento, California, on August 28, 2018.

Ron Diedrich, Deputy Attorney General, State of California (DAG Diedrich), represented complainant Stephanie Shimazu, Director of the Bureau of Gambling Control (Bureau), Department of Justice, State of California.

Respondent Alice Catapia (Catapia) appeared on her own behalf.

During the evidentiary hearing, Presiding Officer Jason Pope took official notice of the Notice of Hearing, with enclosures, sent by the Commission to Catapia and DAG Diedrich, via certified mail, on January 31, 2018. Presiding Officer Jason Pope also took official notice of the Notice of Continued Hearing, the Commission’s Conclusion of Prehearing Conference letter, the Bureau’s Statement of Reasons, and Catapia’s signed Notice of Defense.

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

- (1) Statement of Reasons; Statement to Respondent; copies of Bus. & Prof. Code, §§ 19870 & 19871; copy of Cal. Code. Regs., tit. 4, § 12060; February 14, 2018, Declaration of Service by Certified Mail Service; and Notice of Defense, dated December 2, 2017, Bates Nos. 001-024;
- (2) California Gambling Control Commission Notices and Communications:

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- a. November 20, 2017, Referral of Initial Third-Party Proposition Player Services License Application to an Evidentiary Hearing for Alice Catapia, Bates Nos. 025-026;
  - b. January 31, 2018, Notice of Hearing, with attachments and proof of service, Bates Nos. 027-048;
  - c. April 19, 2018, Conclusion of Prehearing Conference, Bates Nos. 049-053;
  - d. May 23, 2018, email correspondence regarding the denial of Alice Catapia's request for a telephone hearing, Bates Nos. 054-055;
  - e. May 23, 2018 thru May 25, 2018, email correspondence regarding the granting of Alice Catapia's request for a continuance, Bates Nos. 056-065; and
  - f. June 1, 2018, Notice of Continued Hearing, Bates Nos. 066-068;
- (3) Redacted copies of Alice Mejia Catapia's Application for Third-Party Player Services License for Supervisor, Player or Other Employee and Level 1 Supplemental Information (collectively, Application), Bates Nos. 069-084;
  - (4) A redacted copy of the Bureau's October 2017, Third-Party Player Background Investigation Report regarding Alice Mejia Catapia, Bates Nos. 085-100;
  - (5) Redacted copies of the documentation provided by the Sycuan Band of Mission Indians Gaming Commission regarding Alice Mejia's [sic] Catapia's employment history at the Sycuan Casino, Bates Nos. 101-118;
  - (6) Copies of written statements sent by Alice Mejia Catapia to the Bureau, Bates Nos. 119-122;
  - (7) Registration history of Alice Mejia Catapia's registration, no. TPPL-012761, for her employment as a prop-player for L. E. Gaming, Inc., Bates

1 Nos. 123-128; and

- 2 (8) Registration history of Alice Mejia Catapia's registration, no. TPPL-  
3 010285, for her employment as a prop-player for Global Player Services,  
4 Inc., Bates Nos. 129-132.

5 During the evidentiary hearing, Presiding Officer Jason Pope also accepted into evidence  
6 the following exhibit offered by Catapia:

7 (A) Seven letters of recommendation as follows:

- 8 a. Monica Gaerlan;  
9 b. Mark English;  
10 c. Michael LeBlanc;  
11 d. Galilea Dean;  
12 e. William Dizon, Jr.;  
13 f. Alan Casas; and  
14 g. Jesse Reynoso.

15 The record was left open until September 28, 2018, to have the parties submit additional  
16 documentation regarding Catapia's employment history at Sycuan Casino. The documents were  
17 timely received. Catapia's employment records at Sycuan Casino were marked as the Bureau's  
18 Exhibit 9, Bates Nos. 133-139, and without objection from Catapia, were admitted into evidence.

19 The record was closed and the matter was submitted on September 28, 2018.

20 **FINDINGS OF FACT**

21 1. On or about March 3, 2015, the Bureau received an Application for Third-Party  
22 Proposition Player Services License for Player and Level I Supplemental Information form  
23 (Supplemental) (collectively, Application) from Catapia.

24 2. On or about September 27, 2017, the Bureau submitted a Third-Party Player  
25 Background Investigation Report on Catapia to the Commission. In this report, the Bureau  
26 recommends that the Commission deny Catapia's Application.

27 3. At its November 16, 2017 meeting, the Commission voted to refer the consideration of  
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1 Catapia's Application to a Gambling Control Act evidentiary hearing.

2 4. On or about December 2, 2017, Catapia submitted a signed Notice of Defense to the  
3 Commission requesting an evidentiary hearing on the consideration of her Application.

4 5. On or about January 31, 2018, the Commission sent a Notice of Hearing, via certified  
5 mail, to Catapia and DAG Diedrich.

6 6. On or about February 14, 2018, the Bureau sent a Statement of Reasons via certified  
7 mail to Catapia, and via US mail to Gary Cauley, Designated Agent for L.E. Gaming, Inc. In the  
8 Statement of Reasons, the Bureau recommends that the Commission deny Catapia's Application.

9 7. On or about April 19, 2018, the noticed Prehearing Conference was held before  
10 Presiding Officer Jason Pope, Attorney III of the Commission. DAG Diedrich attended on behalf  
11 of the Bureau. Catapia attended on her own behalf.

12 8. Also on or about April 19, 2018, the Commission sent a Conclusion of Prehearing  
13 Conference letter to Catapia and DAG Diedrich.

14 9. On or about June 1, 2018, the Commission sent a Notice of Continued Hearing, via  
15 certified mail, to Catapia and DAG Diedrich.

16 10. The Commission heard CGCC Case No. CGCC-2017-1116-13A on August 28, 2018.  
17 The Bureau was represented throughout the hearing by DAG Diedrich. Respondent Catapia  
18 appeared on her own behalf.

19 **Catapia's Employment History**

20 11. Catapia has been employed as a third-party proposition player with L.E. Gaming, Inc.  
21 (L.E. Gaming), a third-party provider of proposition player services, from September 2013 to the  
22 present. Catapia's duties as a third-party proposition player include monitoring and preventing  
23 any mistakes during the play of gambling games. Catapia was previously employed as a third-  
24 party proposition player with Global Player Services, Inc. (Global Player Services) from March  
25 2012 to September 2013.

26 12. Catapia was previously employed with Sycuan Casino on the following dates:

27 a. 1993 to November 4, 1995;

- b. March 28, 1996 to July 18, 1996;
- c. September 27, 1999 to April 19, 2000; and
- d. July 6, 2000 to February 28, 2009.

13. Catapia resigned from her employment at Sycuan Casino on November 4, 1995 and July 18, 1996. On April 19, 2000, Catapia was terminated for violating the policies and procedures of Sycuan Casino. On February 28, 2009, Catapia was terminated for excessive absences.

### **The Jackpot Incident**

14. The circumstances surrounding Catapia's termination on April 19, 2000 are as follows: On April 12, 2000, a jackpot was won on US games machine #1048 in the amount of \$11,640.57. Catapia, who was working as a Video Pull Tabs Clerk, identified the jackpot winner as Mr. Imus (Imus). Catapia accompanied Imus to the Video Pull Tabs office where documentation was prepared by the office clerk. Catapia was given the appropriate documentation and proceeded with Imus to the cash cage and retrieved the money for the jackpot. Catapia returned to the Video Pull Tabs office with \$10,000 in cash, which was provided to Imus. The jackpot balance of \$1,640.57 was to be paid to Imus in the form of a check at a later date.

15. Sometime after Imus was provided with \$10,000 in cash, the Cash Cage Supervisor notified the Floor Supervisor that she had overheard a conversation between a Cash Cage Cashier and an unknown female that the jackpot winner did not win the jackpot. A friend of the jackpot winner had actually won the jackpot and the two friends switched machines when the jackpot was won so that the actual winner would not have to pay taxes or give any type of identification. Mr. Laysa (Laysa) was later identified as the actual winner of the jackpot. This series of events is hereinafter referred to as the Jackpot Incident.

16. The Sycuan Band of Mission Indians Gaming Commission (Sycuan Gaming Commission) started an investigation into the Jackpot Incident. Imus was interviewed. After initially denying any wrongdoing, Imus later admitted to switching seats and stated that he had given Laysa all of the jackpot money.

1           17. Catapia was questioned regarding the Jackpot Incident. Catapia stated that she had no  
2 knowledge of the two patrons switching seats. Catapia later told the Floor Supervisor that she was  
3 promised a \$500 tip by the actual winner of the jackpot, Laysa. The surveillance tape review  
4 showed that Catapia was present when Laysa won the jackpot and that she was aware that Laysa  
5 and Imus had switched seats so that Imus could claim the jackpot.

6           18. The Director of Compliance for the Sycuan Gaming Commission prepared a report of  
7 the investigation into the Jackpot Incident (Investigation Report). The Investigation Report  
8 contained the following conclusions:

- 9           a. According to Catapia, Laysa had previously promised her a \$500 tip if he won  
10 a jackpot. This may account for a motive as to why Catapia didn't advise  
11 anyone else that Laysa was the actual winner of the jackpot.
- 12           b. According to the tape review, Catapia initially observed Laysa sitting at the  
13 winning machine while the jackpot was going off. She gave him a high five  
14 while he was sitting in this seat. She later came back and observed Imus seated  
15 at the same winning machine and Laysa standing next to the machine. She lied  
16 to the Gaming Commission during her interview regarding these facts.
- 17           c. Catapia had actual knowledge of who actually won the jackpot, but never  
18 advised the VPT Floor Supervisor of this fact and the jackpot was paid to  
19 someone else with Catapia's knowledge.
- 20           d. Catapia never advised the VPT Office Clerk that Imus was not the actual  
21 winner.
- 22           e. Catapia paid Imus \$10,000 from the jackpot, in cash, knowing that Imus did  
23 not win the jackpot.

24           19. During the evidentiary hearing, Catapia admitted that each of the five conclusions  
25 contained in the Investigation Report is accurate. Catapia testified that she saw Laysa win the  
26 jackpot; that she actively paid the wrong person (Imus); that she never told the Floor Supervisor  
27 that she paid the wrong person; and that she lied to the Sycuan Gaming Commission during its  
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1 investigation.

2 20. During the evidentiary hearing, Catapia expressed remorse for her actions during the  
3 Jackpot Incident. She testified that she had made a mistake and regretted the Jackpot Incident;  
4 that she knew her actions regarding the Jackpot Incident were wrong; and that the Jackpot  
5 Incident happened a long time ago and that she is a changed person. Catapia further testified that  
6 she wants to feel proud and respected; that she is trustworthy and likes to help people; and that  
7 she needs a second chance.

8 **The Revocation and Reinstatement of Catapia's Tribal Gaming License and her**  
9 **Termination and Rehiring by Sycuan Casino**

10 21. On or about April 19, 2000, Catapia was terminated for violating the policies and  
11 procedures of Sycuan Casino for allowing someone other than the actual winner to claim a  
12 jackpot.

13 22. On or about May 24, 2000, the Sycuan Gaming Commission sent a letter to Catapia  
14 informing her that she was not eligible for a tribal gaming license with the Sycuan Band of  
15 Mission Indians and that her tribal gaming license has been revoked. The letter provides that  
16 Catapia may appeal this action to the Sycuan Gaming Commission within 30 days of the notice.

17 23. On or about June 14, 2000, Catapia requested an informal hearing before the Sycuan  
18 Gaming Commission to discuss the revocation of her tribal gaming license.

19 24. On or about June 21, 2000, the Sycuan Gaming Commission sent a letter to Catapia  
20 informing her that it was in receipt of her June 14, 2000 letter and that a hearing has been  
21 scheduled for June 28, 2000.

22 25. The informal hearing before the Sycuan Gaming Commission took place on June 28,  
23 2000. Following the hearing, the Sycuan Gaming Commission sent a letter to Catapia informing  
24 her that her tribal gaming license will be reinstated immediately, but that the hearing dealt only  
25 with the tribal gaming license and not with the status of her employment with Sycuan Casino.

26 26. Catapia was rehired by Sycuan Casino on July 6, 2000. Catapia did not work for  
27 Sycuan Casino from April 19, 2000 to July 6, 2000 as she had been terminated and her tribal  
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1 gaming license had been revoked.

2 **Catapia's Application**

3 27. Catapia filled out the Supplemental as part of her Application. The Supplemental  
4 consists of nine pages and requests that the applicant disclose, among other things, personal  
5 information, employment history, licensing history information, and criminal history information.  
6 The information disclosed by the applicant is relied upon by the Bureau in conducting its  
7 background investigation of the applicant, and is considered by the Bureau in making a  
8 recommendation as to the applicant's suitability for licensure. The Commission also considers the  
9 applicant's disclosures in making its determination whether to approve or disapprove a license  
10 application.

11 28. The Supplemental contains a Declaration, to be signed by the applicant under the  
12 penalty of perjury, that the statements contained therein are true and correct and contain a full and  
13 true account of the information requested. An applicant's signature on the Declaration includes an  
14 acknowledgment that the applicant "executes this declaration with the knowledge that any  
15 misrepresentation or failure to reveal information requested may be deemed sufficient cause for  
16 denial of an application or revocation of a state license, finding or permit." Catapia signed the  
17 Declaration on February 15, 2015.

18 29. Section 3 of the Supplemental pertains to Licensing History Information. Question (3)  
19 under Section 3 of the Supplemental asks the applicant "Have you ever been questioned about  
20 your participation in any gambling offense, in or outside of California, or by any law enforcement  
21 agency?" Catapia checked the box marked "No" despite the Sycuan Gaming Commission's  
22 investigation and interview of her as a result of the Jackpot Incident. Catapia misrepresented facts  
23 on her Application by marking "No" to Question (3) under Section (3) of the Supplemental.

24 30. During the evidentiary hearing, Catapia testified that she checked the box marked  
25 "No" to Question (3) under Section (3) of the Supplemental because she did not remember the  
26 Jackpot Incident. Catapia testified that her memory of the incident was refreshed only after it was  
27 brought to her attention by the Bureau. Catapia testified that she understood the questions on the  
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1 Supplemental. Catapia acknowledged that she made a mistake and should have checked the box  
2 marked “Yes” to Question (3) under Section (3) of the Supplemental.

3 31. Question (2) under Section 3 of the Supplemental asks the applicant “Have you ever  
4 been denied a gambling establishment work permit or license by any law enforcement agency, or  
5 had any such permit or license revoked or suspended?” Catapia checked the box marked “No”  
6 despite having had her tribal gaming license revoked by the Sycuan Gaming Commission.  
7 Catapia misrepresented facts on her Application by marking “No” to Question (2) under Section  
8 (3) of the Supplemental.

9 32. In a written response to a Bureau inquiry, Catapia wrote that she had no knowledge  
10 that her badge was revoked because she “was still working that time with the same casino.” In a  
11 separate written statement dated March 24, 2017, Catapia wrote that her tribal gaming license was  
12 “never revoked in year 2000” because she was continuously working at Sycuan Casino. During  
13 the evidentiary hearing, Catapia testified that she did not know her tribal gaming license was  
14 revoked, which is consistent with one of her written statements. Catapia testified that she had  
15 called the Sycuan Gaming Commission and asked if her tribal gaming license had been revoked,  
16 and that she was told that her license had been reinstated. Catapia acknowledged that she made a  
17 mistake and should have checked the box marked “Yes” to Question (2) under Section (3) of the  
18 Supplemental.

### 19 **Catapia’s Letters of Reference**

20 33. Catapia submitted seven letters of reference in support of her Application:

- 21 a. Monica Gaerlan (Gaerlan) is a Game Attendant in the Table Games  
22 Department at Seven Mile Casino. Gaerlan states that Catapia is a hardworking  
23 and trustworthy person and an honest and reliable employee; that no matter  
24 what Catapia does, she does it well; that it has been a pleasure to work with  
25 her; and that Catapia has a very easygoing personality and makes everyone feel  
26 comfortable when she walks in the door.
- 27 b. Mark English (English) is an owner of L.E. Gaming. English states that  
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1 Catapia has been employed with L.E. Gaming since November 2013; that  
2 Catapia has been reliable and a model employee; that she has learned all the  
3 games they have and has been willing to work overtime whenever necessary;  
4 that she has always exemplified great ethics and has the complete respect of  
5 her peers and coworkers; and that she represents L.E. Gaming and the third  
6 party proposition industry as a whole in a professional manner. English also  
7 states that he has interacted with Catapia almost every week and cannot think  
8 of a better employee at L.E. Gaming. English states that he is in complete  
9 support of Catapia getting her license.

- 10 c. Michael LeBlanc (LeBlanc) is an owner and President of L.E. Gaming.  
11 LeBlanc states that Catapia has been a model employee for all of her five years  
12 with the company; that she has proven over the years to be reliable,  
13 trustworthy, and a hard worker; that she has never had a negative write up or  
14 evaluation; that she has great attendance and reviews from her supervisors; and  
15 that she is a valued employee.
- 16 d. Galilea Dean (Dean) has known Catapia since 2015. Dean states that Catapia  
17 brings a happy and positive attitude with her every day to work; that she is an  
18 honest and trustworthy individual; that she is a hard worker; and that Dean has  
19 never heard any negative or derogatory information about her.
- 20 e. William Dizon, Jr. (Dizon) is a Gaming Supervisor with L.E. Gaming. Dizon  
21 states that he has worked with Catapia for over 5 years and that she has always  
22 been an asset to the company; that she always shows up to work early in case  
23 they need her to clock in before her scheduled time; that she is always willing  
24 to come in on her day off to help out when they need someone to fill in and do  
25 overtime with no questions asked; that her integrity cannot be questioned  
26 because she is always by the book; and that she is trustworthy and loyal.
- 27 f. Alan Casas (Casas) is a co-worker and supervisor of Catapia. Casas states that  
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1 he has been working with Catapia for approximately the past 8 years; that he  
2 has seen many examples of Catapia's hard work and has been impressed by her  
3 strong and diligent work ethic; that she is admired and respected by her co-  
4 workers; that she continues to show up early to her scheduled shift every day  
5 and is not only willing to work overtime if asked but does so with a smile; and  
6 that he strongly recommends her for licensure.

7 g. Jesse Reynoso (Reynoso) is the senior supervisor for L.E. Gaming. Reynoso  
8 states that Catapia is one of the hardest workers in the company; that she is  
9 always willing to stay overtime if needed and is available to work an extra day  
10 if they are short on her days off; that in the three years working with her,  
11 Catapia has only missed two days of work and is always reliable; that she  
12 received compliments from customers and fellow coworkers because of her  
13 work ethic; that she is always willing to help others if they have questions  
14 regarding any of the games; and that her knowledge goes a long way in the  
15 business.

#### 16 **Assessment of Catapia's Suitability for Licensure**

17 34. Catapia demonstrated a significant lack of good character, honesty, and integrity by  
18 intentionally awarding a jackpot in excess of \$10,000 to the wrong person. By paying the jackpot  
19 to the wrong person, Catapia also assisted the actual winner in avoiding the reporting of the  
20 gambling win to the Internal Revenue Service.

21 35. Catapia demonstrated a further lack of good character, honesty, and integrity by telling  
22 the investigator with the Sycuan Gaming Commission that she did not have any personal  
23 knowledge that the two patrons switched seats, and later failing to advise her supervisor that she  
24 provided the jackpot to the wrong person.

25 36. Catapia's actions were especially egregious given the significant amount of money  
26 involved (\$10,000 in cash) and the fact that they took place in a controlled gambling  
27 environment. It is clear that Catapia's actions regarding the Jackpot Incident were inimical to the  
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1 public health, safety, and welfare, and directly undermined the public trust that gambling  
2 operations are free from criminal and dishonest elements and are conducted honestly.

3 37. Catapia expressed remorse for her actions regarding the Jackpot Incident. The Jackpot  
4 Incident took place 18 years ago and there was no evidence presented of any similar incidents  
5 during the remainder of her employment at Sycuan Casino, or while she was employed as a third-  
6 party proposition player at Global Player Services and L.E. Gaming. The length of time since the  
7 jackpot incident without any subsequent incidents demonstrates some rehabilitation. Catapia's  
8 letters of reference were individualized and credible. The collective testimony in the letters of  
9 reference provides that Catapia is hardworking, diligent, helpful, trustworthy, and reliable. These  
10 factors all reflect positively on Catapia's character.

11 38. However, given the serious and egregiously dishonest nature of her actions during the  
12 Jackpot Incident, the positive factors referenced above are insufficient for Catapia to meet her  
13 burden of demonstrating that she is a person of good character, honesty, and integrity.

14 39. Catapia's misrepresentations on her Supplemental regarding her Licensing History are  
15 also extremely problematic. Catapia wrongly checked "No" to the questions on the Supplemental  
16 asking her if she had ever been questioned about her participation in a gambling offense and if  
17 she had ever had a gambling license revoked. By marking "No" to both questions, Catapia failed  
18 to provide the Bureau with important background information regarding her gambling licensing  
19 history. The Bureau and the Commission rely upon the applicant to honestly and accurately  
20 disclose information specifically requested on the Application. The Bureau relies, in large part, on  
21 the applicant's disclosures while conducting a background investigation. Catapia's failure to  
22 honestly and accurately disclose information on the Supplemental subverts the Bureau's efforts to  
23 conduct a thorough and complete investigation.

24 40. Catapia's explanation for marking "No" to both licensing history questions fails to  
25 convince. Catapia testified that she did not remember the Jackpot Incident at the time she filled  
26 out her Application, and that her memory was only refreshed when it was brought to her attention  
27 by the Bureau. While the Jackpot Incident took place 18 years ago, the circumstances surrounding  
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1 the incident (including the significant amount of money involved; being interviewed by an  
2 investigator; being terminated and having her tribal gaming license revoked following the  
3 investigation; participating in an informal appeal hearing) support having some memory of the  
4 incident, even if the exact circumstances could not be recalled with specific detail given the  
5 amount of time that has elapsed. Given that Catapia testified that she understood the questions at  
6 the time she filled out her Application, Catapia fails to convince that she simply forgot about the  
7 Jackpot Incident rather than having intentionally failed to disclose that she was questioned about  
8 her participation in a gambling offense. Further, given that the Jackpot Incident supports findings  
9 that Catapia demonstrated a lack of good character, honesty, and integrity, and directly and  
10 intentionally undermined the public trust that gambling would be conducted honestly and without  
11 criminal or corruptive elements, Catapia's misrepresentation on her Supplemental regarding  
12 having never been questioned about her participation in any gambling offense reflects negatively  
13 on her character, honesty, and integrity, and poses a threat to the effective regulation and control  
14 of controlled gambling.

15 41. Regarding her failure to disclose that her tribal gaming license was revoked, Catapia  
16 provides conflicting statements. In her March 24, 2017 written statement, Catapia states that her  
17 tribal gaming license was never revoked. In another written statement, Catapia states that she has  
18 no knowledge that her tribal gaming license was revoked because she "was still working at that  
19 time with the same casino." During the evidentiary hearing, Catapia testified that she was  
20 continuously employed and not aware that her tribal gaming license was revoked. Her statements  
21 are belied by the fact that her employment records with Sycuan Casino clearly provide that she  
22 did not work for Sycuan Casino from April 19, 2000 to July 6, 2000. Further, Catapia had actual  
23 notice that her tribal gaming license had been revoked because she requested an informal hearing  
24 before the Sycuan Gaming Commission to discuss the revocation of her tribal gaming license.  
25 Following the informal hearing, Catapia received notice that while her tribal gaming license was  
26 reinstated, the hearing dealt only with her gaming license and "not with the status of your  
27 employment with the Sycuan Gaming Center." (Emphasis in original.) Additionally, Catapia  
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1 testified that she remembered an individual named “Tucker” helped her go back to work; that she  
2 reapplied to Sycuan Casino for a cashier position; that she submitted an application to human  
3 resources; that she provided a character reference; and that she was told she could start working.  
4 None of these facts would have occurred if she had not had her tribal gaming license revoked and  
5 been terminated from her employment with Sycuan Casino. As a result, while Catapia’s  
6 termination and the revocation of her tribal gaming license occurred 18 years ago, Catapia’s  
7 conflicting and inaccurate statements to the Bureau, and her ability to remember several details  
8 regarding the rehiring process, contradict Catapia’s claimed lack of memory. Catapia’s  
9 explanations are insufficient to excuse her misrepresentation on the Supplemental that she never  
10 had a gambling license revoked. Further, given that a gambling license revocation would likely  
11 reveal facts that directly affect the suitability of an applicant,<sup>1</sup> Catapia’s misrepresentation on her  
12 Supplemental regarding having never had a gambling license revoked reflects negatively on her  
13 character, honesty, and integrity, and poses a threat to the effective regulation and control of  
14 controlled gambling.

15 42. Based on the foregoing, Catapia has failed to meet her burden of proving that she is a  
16 person of good character, honesty, and integrity.

17 43. Catapia has also failed to meet her burden of demonstrating that she is a person whose  
18 prior activities, criminal record, if any, reputation, habits, and associations do not pose a threat to  
19 the public interest of this state, or to the effective regulation and control of controlled gambling,  
20 or create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities  
21 in the conduct of controlled gambling or in the carrying on of the business and financial  
22 arrangements incidental thereto.

23 44. All documentary and testimonial evidence submitted by the parties that is not  
24 specifically addressed in this Decision and Order was considered but not used by the Commission  
25 in making its determination on Catapia’s Application.

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26 <sup>1</sup> There is a strong likelihood that facts surrounding the revocation of an applicant’s gambling license by  
27 another jurisdiction will reveal actions of the applicant that would show a lack of good character, honesty, and  
28 integrity.

1 45. The matter was submitted for Commission consideration on September 28, 2018.

2 LEGAL CONCLUSIONS

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

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

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

14 49. An “unqualified person” means a person who is found to be unqualified pursuant to  
15 the criteria set forth in Section 19857, and “disqualified person” means a person who is found to  
16 be disqualified pursuant to the criteria set forth in Section 19859. Business and Professions Code  
17 section 19823(b).

18 50. The Commission has the power to deny any application for a license, permit, or  
19 approval for any cause deemed reasonable by the Commission. Business and Professions Code  
20 section 19824(b).

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

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

26 53. An application to receive a license constitutes a request for a determination of the  
27 applicant’s general character, integrity, and ability to participate in, engage in, or be associated  
28

1 with, controlled gambling. Business and Professions Code section 19856(b).

2 54. 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 55. No gambling license shall be issued unless, based on all of the information and  
6 documents submitted, the commission is satisfied that the applicant is a person of good character,  
7 honesty, and integrity. Business and Professions Code section 19857(a).

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

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

19 58. A requester shall be ineligible for licensing if the requester has failed to meet the  
20 requirements of Business and Professions Code sections 19856 or 19857. CCR section  
21 12218.11(e).

22 59. Catapia has failed to meet her burden of proving that she is a person of good character,  
23 honesty, and integrity. Therefore, Catapia is not qualified to receive a third-party proposition  
24 player services license pursuant to Business and Professions Code section 19857(a). As a result,  
25 Catapia is ineligible for licensing as third-party proposition player pursuant to CCR section  
26 12218.11(e).

27 60. Catapia has failed to meet her burden of demonstrating that she is a person whose  
28

1 prior activities, criminal record, if any, reputation, habits, and associations do not pose a threat to  
2 the public interest of this state, or to the effective regulation and control of controlled gambling,  
3 or create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities  
4 in the conduct of controlled gambling or in the carrying on of the business and financial  
5 arrangements incidental thereto. Therefore, Catapia is not qualified to receive a third-party  
6 proposition player services license pursuant to Business and Professions Code section 19857(b).  
7 As a result, Catapia is ineligible for licensing as third-party proposition player pursuant to CCR  
8 section 12218.11(e).

#### 9 NOTICE OF APPLICANT'S APPEAL RIGHTS

10 Respondent Alice Mejia Catapia, has the following appeal rights available under state law:  
11 CCR section 12064, subsections (a) and (b) provide, in part:

12 An applicant denied a license, permit, registration, or finding of suitability,  
13 or whose license, permit, registration, or finding of suitability has had  
14 conditions, restrictions, or limitations imposed upon it, may request  
15 reconsideration by the Commission within 30 calendar days of service of the  
16 decision, or before the effective date specified in the decision, whichever is  
17 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.

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

19 A decision of the commission denying a license or approval, or imposing  
20 any condition or restriction on the grant of a license or approval may be  
21 reviewed by petition pursuant to Section 1085 of the Code of Civil  
22 Procedure. Section 1094.5 of the Code of Civil Procedure shall not apply to  
23 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.

24 CCR section 12066, subsection (c) provides:

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

//

**ORDER**

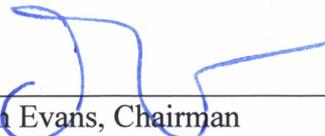
1  
2 1. Respondent Alice Mejia Catapia's Application for Third-Party Proposition Player  
3 Services License is DENIED.

4 2. No costs are to be awarded.

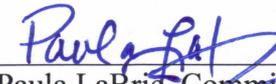
5 3. Each side to pay its own attorneys' fees.

6 This Order is effective on November 12, 2018.

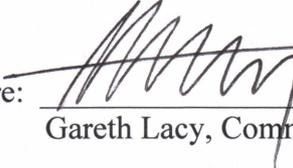
7  
8 Dated: 10/12/18

Signature:   
Jim Evans, Chairman

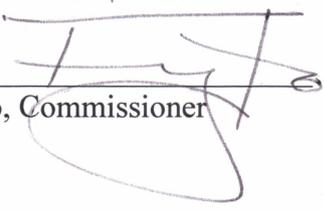
9  
10 Dated: 10/12/2018

Signature:   
Paula LaBrie, Commissioner

11  
12 Dated: 10/12/2018

Signature:   
Gareth Lacy, Commissioner

13  
14 Dated: 10/12/2018

Signature:   
Trang To, Commissioner