

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

BEFORE THE
CALIFORNIA GAMBLING CONTROL COMMISSION

In the Matter of the Application for Third-Party
Proposition Player Services License
Regarding:

VALERIE CHAVEZ

Respondent.

BGC Case No. BGC-HQ2019-00023SL
CGCC Case No. CGCC-2019-0613-6Ci

DECISION AND ORDER

Hearing Date: February 5, 2020
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 February 5, 2020.

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

Respondent Valerie Chavez (Chavez) appeared on her own behalf.

During the evidentiary hearing, Presiding Officer Kate Patterson took official notice of the Notice of Hearing, with enclosures, sent by the Commission to Chavez, Designated Agent Michelle Fernandez of Blackstone Gaming, LLC (DA Fernandez), and DAG Hickey, via certified mail, on August 16, 2019.

Presiding Officer Kate Patterson also took official notice of the Commission's second Notice of Hearing sent by the Commission to Chavez, DA Fernandez, and DAG Hickey, via certified mail, on December 10, 2019, the Notice and Agenda of Commission Hearing, the Conclusion of Prehearing Conference letter, the Bureau's Statement of Reasons, and Chavez's signed Notice of Defense.

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

- (1) Copies of Statement to Respondent, Statement of Reasons, Business and

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Professions Code sections 19870 and 19871, California Code of Regulations section 12060, Declaration of Service by Certified Mail and Return Receipt, dated October 22, 2019, Bates Nos. BGC0001-0026;

(2) Bureau of Gambling Control Documents:

- a. Application for Third-Party Proposition Player Services License for Supervisor, Player or Other Employee, dated May 10, 2017, Bates Nos. BGC0027-0028;
- b. Level I Supplemental Information, dated May 10, 2017, Bates Nos. BGC0029-0038; and
- c. Third-Party Player Initial Background Investigation Report, Level III, with attachments, dated February 2019, Bates Nos. BGC0039-0051;

(3) California Gambling Control Commission Documents:

- a. Notice of Scheduled Commission Meeting letter to Respondent (App No. 95890), dated May 17, 2019, Bates No. BGC0052;
- b. California Gambling Control Commission letter to Respondent re: No Action taken on Application for Third-Party Proposition Player Services License, dated May 30, 2019, Bates No. BGC0053;
- c. California Gambling Control Commission letter to Respondent re: Notice of Scheduled Commission Meeting (App No. 95890), dated May 31, 2019, Bates Nos. BGC0054-0055;
- d. Referral of Third-Party Proposition Player Services License application to an Evidentiary Hearing to Respondent with attached blank Notice of Defense, dated June 17, 2019, Bates Nos. BGC0056-0061;
- e. California Gambling Control Commission’s Notice of Hearing letter, dated August 16, 2019, Bates Nos. BGC0062-0081; and
- f. California Gambling Control Commission’s Conclusion of Pre-Hearing Conference, dated October 29, 2019, Bates Nos. BGC0082-0088;

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

- (4) Bureau of Gambling Control Registration History for Valerie Chavez for dates 03/10/2017 through 05/03/2019 with attached Certificate of Official Records (Evidence Code section 1280) signed by Kathi Hegelein, Manager I, Bureau of Gambling Control, Department of Justice, dated June 25, 2019, Bates Nos. BGC0089-0090;
- (5) Certified copies of Los Angeles County Superior Court Case No. COM0CP1006101 documents including:
 - a. Misdemeanor Complaint for Vehicle Code section 14601.1(a), dated October 20, 2010, Bates Nos. BGC0091-0093; and
 - b. Electronic Docket on File with the Los Angeles Superior Court re: Case No. COM0CP1006101, Bates Nos. BGC0094-0098;
- (6) Certified copies of Los Angeles County Superior Court Case No. ING2IG03235 documents including:
 - a. Misdemeanor Complaint for Vehicle Code sections 23152(a), 23152(b), 14601.1(a), and 16028(a), dated October 20, 2010, Bates Nos. BGC0099-0102;
 - b. DUI Advisement of Rights, Waiver and Plea form, file-endorsed July 16, 2012, Bates Nos. BGC0103-0106; and
 - c. Electronic Docket on File with the Los Angeles Superior Court re: Case No. ING2IG03235, Bates Nos. BGC0107-0116;
- (7) Certified copies of Orange County Superior Court Case No. 12NM10678 documents including:
 - a. Complaint for Vehicle Code sections 14601.2(a) and 23247(e) w/ prior convictions, dated August 18, 2012, Bates Nos. BGC0117-0120;
 - b. Superior Court of California, County of Orange Vehicle Code Misdemeanor Plea Form, dated June 27, 2013, Bates Nos. BGC0121-0126; and

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

- c. Superior Court of California, County of Orange Docket on File for Date Range(s) June 27, 2013 through June 07, 2017, Bates Nos. BGC-0127-0139;
- (8) Miscellaneous Bureau of Gambling Control Correspondence, E-mails and Responses:
 - a. June 05, 2017 – E-mail to Michelle Fernandez (Blackstone) from Annelis Barrett (BGC) w-attached letter to Blackstone Gaming, LLC re Additional Information and/or Documentation Required – Valerie Chavez – Application Number 95890, Bates Nos. BGC0140-0142;
 - b. June 14, 2018—E-mail exchanges between Annelis Barrett (BGC) and Nina Hamamura (Blackstone) re Ms. Chavez’s attached response to the Bureau’s June 5, 2017 request for additional information, Bates Nos. BGC0143-0144;
 - c. August 09, 2018—E-mail to Jennifer Zehnder (BGC) from Nina Hamamura (Blackstone) re Ms. Chavez’s attached response to the Bureau’s August 2, 2018 letter to Michelle Fernandez, Designated Agent, Blackstone Gaming, LLC from Kathi Hegelein (BGC) re Additional Information and/or Documentation Required – Valerie Chavez – Application Number 95890, Bates Nos. BGC0145-0149;
 - d. August 16, 2018 – Completed Authorization to Release Information and Response from Valerie Chavez re Criminal History, Bates Nos. BGC0150-0151;
 - e. August 20-21, 2018 – E-mail exchanges between Jennifer Zehnder (BGC) and Valerie Chavez requesting a detailed signed and dated statement from Ms. Chavez re failure to disclose convictions, Bates Nos. BGC0152-0153;
 - f. August 15, 2018 – E-mail from Licensing Department (Blackstone) to

1 Valerie Chavez re Request for Additional Information from the Bureau
2 of Gambling Control, Bates Nos. BGC0154-0155; and
3 g. Miscellaneous email exchanges between Jennifer Zehnder (BGC), Nina
4 Hamamura (Blackstone), Michelle Fernandez re Additional
5 Information still required, Bates Nos. BGC0156-0176;
6 (9) Appointment of Designated Agent for Owners and Proposition Players,
7 dated May 10, 2017, Bates No. BGC0177; and
8 (10) Notice of Defense, dated June 30, 2019, Bates Nos. BGC0178-0179.

9 The record was closed and the matter was submitted on February 5, 2020.

10 FINDINGS OF FACT

11 **Procedural History**

12 1. On or about May 22, 2017, the Bureau received an Application for Third-Party
13 Proposition Player Services License for Player and a Level I Supplemental Information form
14 (Supplemental) (collectively, Application) from Chavez.

15 2. On or about February 25, 2019, the Commission received a Third-Party Player Initial
16 Background Investigation Report on Chavez from the Bureau. In this report, the Bureau
17 recommends that the Commission deny Chavez’s Application.

18 3. At its June 13, 2019 meeting, the Commission voted to refer the consideration of
19 Chavez’s Application to a Gambling Control Act evidentiary hearing pursuant to CCR sections
20 12056(a) and 12060.

21 4. On or about July 19, 2019, the Commission received from Chavez a signed notice of
22 defense requesting an evidentiary hearing on the consideration of her Application.

23 5. On or about August 16, 2019, the Commission sent a Notice of Hearing, via certified
24 mail, to Chavez, DA Fernandez, and DAG Hickey.

25 6. On or about October 22, 2019, the Bureau sent a Statement of Reasons to Chavez and
26 DA Fernandez via certified mail. In the Statement of Reasons, the Bureau recommends that the
27 Commission deny Chavez’s Application.

28

1 7. On or about October 29, 2019, the noticed Prehearing Conference was held before
2 Presiding Officer Kate Patterson, Attorney III of the Commission. DAG Hickey attended on
3 behalf of the Bureau. Chavez did not attend the Prehearing Conference.

4 8. On or about October 29, 2019, the Commission sent a Conclusion of Prehearing
5 Conference letter to Chavez, DA Fernandez, and DAG Hickey.

6 9. On or about December 10, 2019, the Commission sent a second Notice of Hearing, via
7 certified mail, to Chavez, DA Fernandez, and DAG Hickey.

8 10. The Commission heard this matter on February 5, 2020. The Bureau was represented
9 throughout the hearing by DAG Hickey. Chavez appeared on her own behalf.

10 **Chavez's Employment History in Controlled Gambling**

11 11. From approximately March 2017 to March 2019, Chavez was employed as a third-
12 party proposition player with Blackstone Gaming, LLC, a third party provider of proposition
13 player services. Chavez resigned from her employment with Blackstone Gaming on or about
14 March 8, 2019.

15 12. From approximately May 2019 to August 2019, Chavez was employed as a third-party
16 proposition player with Halcyon Gaming, LLC, a third party provider of proposition player
17 services. Chavez has not worked in controlled gambling since leaving Halcyon Gaming in August
18 2019.

19 13. There was no evidence presented during the evidentiary hearing that Chavez has
20 had any employment-related issues during her approximately two and a half years in controlled
21 gambling.

22 **Chavez's Criminal History**

23 14. On or about January 21, 2011, Chavez was convicted by the Los Angeles County
24 Superior Court of violating California Vehicle Code section 14601.1(a), driving while license is
25 suspended, a misdemeanor, in the case of *People v. Chavez* (Super. Ct. Los Angeles County,
26 2011, No. 0CP10061). Chavez was sentenced to 10 days in jail and two years of probation, and
27 ordered to pay fines and restitution in the amount of \$174. When Chavez failed to pay the fines
28

1 and restitution as required, Chavez was also ordered to pay a civil assessment in the amount of
2 \$300.

3 15. On or about July 16, 2012, Chavez was convicted by the Los Angeles County Superior
4 Court of violating California Vehicle Code section 23152(b), driving while under the influence of
5 alcohol with a blood alcohol level of .08 percent or higher (DUI), a misdemeanor, and California
6 Vehicle Code section 14601.1(a), driving while license is suspended, a misdemeanor, in the case
7 of *People v. Chavez* (Super. Ct. Los Angeles County, 2012, No. 2IG03235). Chavez was
8 sentenced to 13 days in jail and three years of probation, and ordered to complete a three month
9 first offender DUI program, perform 13 days of community labor in lieu of fines, and pay
10 \$23,230 in restitution.

11 16. On or about June 27, 2013, Chavez was convicted by the Orange County Superior
12 Court of violating California Vehicle Code section 14601.2(a), driving while license is suspended
13 for DUI, a misdemeanor, in the case of *People v. Chavez* (Super. Ct. Orange County, 2013, No.
14 12NM10678). Chavez was sentenced to 45 days in jail and three years of probation, and ordered
15 to complete five days of community service with the California Department of Transportation and
16 pay fines in the amount of \$1,425.

17 17. Chavez's Motion to Terminate Probation was granted on April 13, 2017.

18 18. Chavez has not had any criminal convictions since June 27, 2013, a period of
19 approximately seven years.

20 **Chavez's Application**

21 19. Applications for licensure by the Commission are submitted on forms furnished by the
22 Bureau. An applicant for licensing shall make full and true disclosure of all information to the
23 Bureau and Commission as necessary to carry out the policies of this state relating to licensing,
24 registration, and control of gambling.

25 20. An application consists of two parts. The first part is two pages and consists of four
26 sections, including application type and applicant information.

27 21. The second part of an application is the Supplemental, which consists of 9 pages. The
28

1 Supplemental contains 4 sections and requires that the applicant disclose, among other things,
2 employment history, licensing history, and criminal history. All of the information requested on
3 the Application and Supplemental has been considered through the legislative and regulatory
4 processes and determined necessary in order for the Commission to discharge its duties properly.
5 An applicant is neither expected, nor permitted, to determine the importance of the information
6 requested, and instead is required to simply provide full and complete information as requested.

7 22. The Bureau relies, in large part, on the applicant's disclosures while conducting a
8 background investigation. The failure to honestly and accurately disclose information on an
9 application subverts the Bureau's efforts to conduct a thorough and complete investigation.

10 23. Both the substance of an applicant's disclosures, and the truthfulness and
11 thoroughness of an applicant's disclosures, are considered by the Bureau in making a
12 recommendation as to the applicant's suitability for licensure, and by the Commission in making
13 a determination whether to approve or deny a license application.

14 24. The last part of the Supplemental is a Declaration, to be signed by the applicant under
15 the penalty of perjury, that the statements contained therein are true, correct and complete.
16 Chavez signed the Declaration on May 10, 2017.

17 25. Chavez filled out the Supplemental as part of her Application. Section (4) of the
18 Supplemental asks for criminal history information. Question (2) in Section (4) asks the applicant
19 "Have you been convicted of a misdemeanor within the last 10 years?" Chavez checked the box
20 marked "Yes." This is an accurate response because Chavez had been convicted of four
21 misdemeanors within the 10 year period preceding the submission of her Application.

22 26. The Supplemental provides that if an applicant answers "Yes" to any question in
23 Section (4), the applicant must provide details regarding the conviction(s). Chavez listed only one
24 of her four misdemeanor convictions on the Supplemental. Chavez disclosed her 2012 DUI, but
25 failed to disclose her other three misdemeanor convictions on the Supplemental as follows: (1)
26 2011 conviction for driving while license is suspended; (2) 2012 conviction for driving while
27 license is suspended; and (3) 2013 conviction for driving while license is suspended for DUI.
28

1 **Chavez's Communications with the Bureau**

2 27. On or about June 14, 2017, Chavez wrote a letter to the Bureau regarding her criminal
3 history and failure to disclose all of her misdemeanor convictions on her Application. Chavez
4 states that she was involved in a vehicle collision that led to her DUI on May 20, 2012. She made
5 an arrangement to pay restitution to the victim of the vehicle collision in the amount of \$200 per
6 month until the total of \$23,230 was paid. Chavez states that she failed to disclose her 2011
7 conviction for driving while license is suspended because she thought it was an infraction. She
8 provided details regarding her DUI, her 2011 conviction for driving while license was suspended,
9 and her 2013 conviction for driving while license was suspended for DUI.

10 28. On or about August 16, 2018, Chavez wrote a second letter to the Bureau regarding
11 her criminal history and failure to disclose all of her misdemeanor convictions on her Application.

12 a. Regarding her 2011 misdemeanor conviction for driving while license is
13 suspended, Chavez states that she had let traffic tickets pile up and did not
14 have enough money to pay them off. As a result, the debt incurred for the
15 traffic tickets went to collections and her license was suspended. She was
16 convicted of driving while her license was suspended because she was young
17 and naïve and did not think much about the consequences at that time. She
18 found it easy to drive to work rather than find another way to commute. She
19 did not provide any information regarding her failure to disclose this
20 conviction on her Application.

21 b. Regarding her 2012 convictions for DUI and driving while her license was
22 suspended, Chavez states that she went out with friends and got drunk, and
23 then attempted to drive home. She blacked out while driving and crashed her
24 vehicle into a parked vehicle. Highway Patrol responded and she was arrested
25 for DUI and driving while her license was suspended. She acknowledged that
26 she failed to disclose the 2012 conviction for driving while her license was
27 suspended on her Application. She states that her failure to disclose was a
28

1 mistake and that she thought she had mentioned it on the Application.

2 c. Regarding her 2013 conviction for driving while her license was suspended for
3 DUI, Chavez states that she disclosed the conviction on her Application by
4 stating on the Supplemental that she “violated [her] probation by driving when
5 I was not supposed to.”

6 29. On or about August 21, 2018, Chavez wrote a third letter to the Bureau. Chavez was
7 asked to provide a detailed and signed statement explaining the reason she failed to disclose her
8 2013 conviction for driving while license is suspended for DUI. Chavez states that she failed to
9 disclose the conviction by mistake. She states that she was sure she had disclosed the conviction
10 and that her intention was not to keep that information in the dark.

11 30. On or about October 29, 2018, Chavez wrote a fourth letter to the Bureau. Chavez
12 states that prior to July 16, 2012, her license was suspended because she had pending court fees.
13 She states that she remembers that she was very reckless at that time of her life.

14 **Chavez’s Testimony During the Evidentiary Hearing**

15 31. Chavez testified regarding the circumstances surrounding her criminal convictions
16 during the evidentiary hearing. Chavez testified that she had received some vehicle citations
17 (infractions) prior to 2011. She did not have current registration on her vehicle and did not pay off
18 the vehicle citations. As a result, the citations went to collections, which resulted in her driver’s
19 license being suspended. She continued to drive even though her license was suspended. She was
20 then arrested and convicted for driving on a suspended license.

21 32. In 2012, Chavez went out for drinks for a friend’s graduation party and attempted to
22 drive. She crashed her vehicle into a parked vehicle. She was arrested and convicted of DUI and
23 driving on a suspended license. After these convictions, Chavez continued driving even though
24 her license was suspended. After being arrested and convicted of driving while license was
25 suspended for DUI in 2013, Chavez stopped driving and had her father drive her to work.

26 33. Chavez testified that she was young and reckless at the time of her criminal
27 convictions and did not care about the consequences.
28

1 34. Chavez also testified regarding her failures to disclose her three convictions for
2 driving while her license was suspended. Chavez testified that although she read the Application
3 and understood that she was not supposed to misstate or omit facts, this was the first time she had
4 to fill out an application with information related to her criminal convictions. She testified that
5 she made mistakes in filling out the Application but was not trying to conceal the criminal
6 convictions, as shown by including the most serious of her criminal convictions (the DUI). She
7 admitted that in her letter to the Bureau dated August 16, 2018, she made a mistake by writing
8 that she disclosed the 2013 conviction for driving while her license was suspended for DUI.

9 **Assessment of Chavez's Suitability for Licensure**

10 35. There are two significant issues that have a negative impact on Chavez's suitability for
11 licensure. The first issue is Chavez's four misdemeanor convictions, including a DUI and three
12 convictions for driving while her license was suspended. The second issue is Chavez's failure to
13 disclose three of her four convictions on her Application.

14 36. Chavez accumulated several driving citations and failed to pay them off. As a result,
15 Chavez's driver's license was suspended. Chavez demonstrated a lack of responsibility by
16 continuing to drive while her license was suspended. While her license was suspended, Chavez
17 drove drunk and crashed her vehicle into a parked vehicle. Chavez was then convicted of a DUI
18 and, for the second time in a year and a half, driving while her license was suspended. Chavez
19 demonstrated a continued lack of responsibility by driving while under the influence of alcohol
20 and with a suspended license. As a result of the DUI, Chavez's driver's license was suspended.¹
21 Chavez continued to drive on a suspended license and was convicted of driving while her license
22 was suspended for DUI. By continuing to drive on a suspended license, Chavez demonstrated a
23 lack of responsibility and conscious disregard of the laws of the State of California.

24 37. Chavez's actions changed after her conviction for driving while her license was
25 suspended for DUI. Chavez testified that she stopped driving and had her father drive her to

26
27 ¹ It is unclear from the record whether Chavez's first driver's license suspension for failing to pay fines was
28 restored by the time of her 2012 DUI conviction. However, it is clear from the conviction records that her driver's
license was also suspended as a result of the 2012 conviction.

1 work. Her Motion to Terminate Probation was granted in 2017. During the evidentiary hearing,
2 Chavez testified that she was young and reckless during the time period involving her criminal
3 convictions. She did not make any excuses and accepted responsibility for her actions, which
4 reflects positively on her character, honesty, and integrity. She has not had any criminal
5 convictions since June 27, 2013, a period of approximately seven years. The lack of any recent
6 criminal convictions demonstrates significantly improved behavior and rehabilitation. Overall, the
7 likelihood that Chavez will repeat the actions that led to her criminal convictions for DUI and
8 driving while license is suspended is very limited.

9 38. It is undisputed that Chavez failed to disclose three of her four misdemeanor
10 convictions on her Application. An unexcused failure to disclose information on an application,
11 particularly an applicant's criminal history,² is itself material to an applicant's qualification for
12 licensure. She testified that she made mistakes in filling out the Application but was not trying to
13 conceal the criminal convictions, which is supported by her including the most serious of her
14 criminal convictions (the DUI) on her Application. In her letters to the Bureau, Chavez provided
15 specific details regarding her convictions for DUI, driving while license is suspended (2011), and
16 driving while license is suspended for DUI (2013). She also admitted that in her letter to the
17 Bureau dated August 16, 2018, she made a mistake by writing that she disclosed the 2013
18 conviction for driving while her license was suspended for DUI. Based on the foregoing,
19 Chavez's failure to disclose her three misdemeanor convictions for driving while her license was
20 suspended was an unintentional mistake. Therefore, Chavez's failure to disclose these criminal
21 convictions on her Application is excused and does not reflect negatively upon her character,
22 honesty, or integrity.

23 39. Based on the foregoing, Chavez has met her burden of demonstrating that she is a
24 person of good character, honesty, and integrity.

25 40. Chavez has also met her burden of demonstrating that she is a person whose prior

26 ² The importance of an applicant disclosing his or her criminal history is further demonstrated by Business
27 and Professions Code section 19857(b), which specifically requires that the Commission must be satisfied that an
28 applicant's "criminal record" does not pose a threat to the public interest of this state or to the effective regulation
and control of controlled gambling before the Commission may issue a gambling license to an applicant.

1 activities, criminal record, reputation, habits, and associations do not pose a threat to the public
2 interest of this state, or to the effective regulation and control of controlled gambling, or create or
3 enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the
4 conduct of controlled gambling on in the carrying on of the business and financial arrangements
5 incidental thereto.

6 41. All documentary and testimonial evidence submitted by the parties that is not
7 specifically addressed in this Decision and Order was considered but not used by the Commission
8 in making its determination on Chavez's Application.

9 42. The matter was submitted for Commission consideration on February 5, 2020.

10 LEGAL CONCLUSIONS

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

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

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

22 46. The Commission has the power to deny any application for a license, permit, or
23 approval for any cause deemed reasonable by the Commission. Business and Professions Code
24 section 19824(b).

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

27 48. An application to receive a license constitutes a request for a determination of the
28

1 applicant's general character, integrity, and ability to participate in, engage in, or be associated
2 with, controlled gambling. Business and Professions Code section 19856(b).

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

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

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

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

20 53. A requester shall be ineligible for licensing [as a third party proposition player] if the
21 request to convert is for licensing as an owner, supervisor, or player, and the requester has failed
22 to meet the requirements of Business and Professions Code sections 19856 or 19857. CCR
23 section 12218.11(e).

24 54. A requester shall be ineligible for licensing [as a third party proposition player] if the
25 requester would be ineligible for a state gambling license under any of the criteria set forth in
26 Business and Professions Code section 19859, subdivisions (b), (e), or (f). CCR section
27 12218.11(f).

28

1 55. Chavez has met her burden of demonstrating that she that she is a person of good
2 character, honesty, and integrity. Therefore, Chavez is qualified to receive a third-party
3 proposition player license pursuant to Business and Professions Code section 19857(a).

4 56. Chavez has met her burden of demonstrating that she is a person whose prior
5 activities, criminal record, reputation, habits, and associations do not pose a threat to the public
6 interest of this state, or to the effective regulation and control of controlled gambling, or create or
7 enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the
8 conduct of controlled gambling on in the carrying on of the business and financial arrangements
9 incidental thereto. Therefore, Chavez is qualified to receive a third-party proposition player
10 license pursuant to Business and Professions Code section 19857(b).

11 57. Chavez has met her burden of proving that she is a person that is in all other respects
12 qualified to be licensed as provided in the Gambling Control Act. Therefore, Chavez is qualified
13 to receive a third-party proposition player license pursuant to Business and Professions Code
14 section 19857(c).

15 58. Chavez has met her burden of proving that she is not disqualified from licensure
16 pursuant to Business and Professions Code section 19859 and not ineligible for licensing as a
17 third-party proposition player pursuant to CCR section 12218.11.

18 ///

19 ///

20 ///

21 ///

22 ///

23 ///

24 ///

25 ///

26 ///

27 ///

28

ORDER

1
2 1. Valerie Chavez's Application for Third-Party Proposition Player License is
3 APPROVED.

4 2. No costs are to be awarded.

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

6 This Order is effective on March 26, 2020.

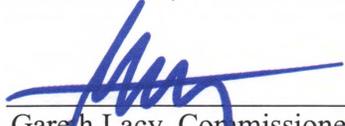
7
8 Dated: 3-26-2020

Signature: 
Jim Evans, Chairman

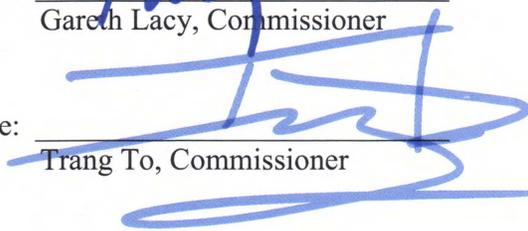
9
10 Dated: 3/26/20

Signature: 
Paula LaBrie, Commissioner

11
12 Dated: 3/26/20

Signature: 
Gareth Lacy, Commissioner

13
14 Dated: 3/26/20

Signature: 
Trang To, Commissioner