

BEFORE THE  
CALIFORNIA GAMBLING CONTROL COMMISSION

In the Matter of the Application for Approval  
of Third-Party Player Services License for  
Supervisor, Player or Other Employee  
Regarding:  
  
AARON ANTONIO ROBLES  
  
Applicant.

BGC Case No. BGC-HQ2019-00037SL  
CGCC Case No. CGCC-2019-1024-11B

**DECISION AND ORDER**

Hearing Date: August 28, 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(b), in Sacramento, California, on August 28, 2020.

Colin Wood, Deputy Attorney General, State of California, represented complainant Stephanie K. Shimazu, Director of the Bureau of Gambling Control (Bureau), Department of Justice, State of California.

Applicant Aaron Antonio Robles was present at the hearing on his own behalf without representation.

During the administrative hearing, Presiding Officer Jason Pope took official notice of the Commission's Notice of Hearing and Prehearing Conference letter with attachments, the Bureau's Report, the Bureau's Statement of Reasons, Applicant's signed Notice of Defense, the Commission's Continued Notice of Hearing, and the Commission's Conclusion of Prehearing Conference letter.

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

(1) Statement to Applicant; Statement of Reasons; Excerpts from the California Business and Professions Code and California Code of Regulations; Declaration of Service, Notice of Defense dated November 14, 2019, Bates Nos. 001-027;

(2) Procedural documents, notices and letters:

- a. October 25, 2019, Referral of Third-Party proposition Players Services License to an Evidentiary Hearing for Aaron Robles, Bates Nos. 028-030;
- b. February 12, 2020, Notice of Hearing, with attachments and proof of service for Aaron Antonio Robles, Bates Nos. 031-047;
- c. April 3, 2020, Conclusion of Prehearing Conference, Bates Nos. 048-054;
- d. April 21, 2020, Notice of Continued Hearing, Bates Nos. 055-056;
- e. July 2, 2020, Scheduling Hearing through Zoom video web conferences, Bates Nos. 057-058.

(3) Application for Third-Party Proposition Player Services License received June 2, 2019, for Aaron Robles, Bates Nos. 059-063;

(4) Bureau's Third-Party Provider of Proposition Plyer Services Level III Player Renewal Report for Aaron Antonio Robles, Knighted Ventures, LLC, with attachments, dated July, 2019, Bates Nos. 064-072;

(5) Bureau's Third-Party Player Background Investigation Report, Level II, for Aaron Antonio Robles, Knighted Ventures, LLC, with attachments, dated June 2017, Bates Nos. 0073-0078;

(6) Commission Correspondence dated August 19, 2019, and October 11, 2019, to Aaron Roble re Notification of Scheduled Commission Meetings on August 29, 2019 and October 24, 2019; Commission Licensing Division Memoranda dated August 8, 2019, and September 23, 2019, for meetings, with attachments, Bates Nos. 079-090;

(7) Registration and License History for Aaron Robles, Bates Nos. 091;

(8) Certificate of Official Records for License Number: TPPL-019508, dated November 7, 2019, Bates Nos. 092;

(9) Court Documents regarding Aaron Robles for conviction dates: April 6, 2018, November 12, 2010, and September 15, 2003, Bates Nos. 093-120;

(10) Correspondence, e-mails and phone contact sheets between the Bureau, Knighted Ventures, LLC, and Aaron Robles, Bates Nos. 121-143;

1 (11) Criminal records from fingerprint submission of Aaron Antonio Robles dated April 5,  
2 2017, Bates Nos. 144-146.

3 The matter was submitted on August 28, 2020.

4 FINDINGS OF FACT

5 1. In approximately March 2017, Applicant began working as a third-party  
6 proposition player for Knighted Ventures, LLC (Knighted), a third-party provider of proposition  
7 player services.

8 2. On April 13, 2017, the Commission issued Applicant registration number TPPL-  
9 019508 to allow for his work as a third-party proposition player for Knighted.

10 3. On August 28, 2017, the Commission approved Applicant's application to convert  
11 his Registration, number TPPL-019508 to a Third-Party Proposition Player Services License for  
12 Supervisor, Player or Other Employee.

13 4. On or about June 3, 2019, the Bureau received a renewal application for Third-  
14 Party Proposition Player Services License for Supervisor, Player or Other Employee, signed on  
15 May 22, 2019 to allow for his continued employment as a third-party proposition player for  
16 Knighted. The Initial Application was missing certain information and, after the Bureau requested  
17 the missing information, Applicant submitted a resubmitted application (Application) that was  
18 signed on June 10, 2019.

19 5. On or about August 8, 2019, the Bureau submitted to the Commission a Third-  
20 Party Player Background Investigation Report, recommending that the Application be denied on  
21 the basis that Applicant has six misdemeanor convictions stemming from four incidents of driving  
22 under the influence of alcohol (DUI).

23 6. At its October 24, 2019 meeting, the Commission referred consideration of  
24 Applicant's Application to an evidentiary hearing to be held pursuant to California Code of  
25 Regulations, title 4, section 12060. The Commission issued Applicant an Interim Renewal  
26 License pursuant to California Code of Regulations, title 4, section 12035, subdivision (a)(3)  
27 valid through August 31, 2021.  
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1           7.       The evidentiary hearing on Applicant’s renewal Application proceeded on August  
2 28, 2020. At the hearing, evidence was admitted establishing that Applicant was convicted of  
3 misdemeanor driving under the influence (DUI) on September 15, 2003, April 13, 2006,  
4 November 12, 2010, and April 6, 2018.

5           8.       Applicant testified at the hearing that after the November 12, 2010 DUI  
6 conviction, he began treatment for alcohol abuse. However, Applicant ultimately relapsed after  
7 having back surgery and taking pain medication and in July 2017 he was arrested for DUI, which  
8 led to his April 2018 conviction. Applicant testified that he realizes now that he cannot take mind  
9 altering medications and that he no longer takes such substances.

10          9.       Applicant testified regarding his relapse and subsequent DUI arrest in July 2017.  
11 He testified to taking sobriety very seriously and has not had a drink since January of 2018.  
12 Applicant still speaks with the counselor from his court ordered class and is in daily contact with  
13 a support system through his AA program. Applicant testified that he moved out of a house that  
14 was heavily influenced by alcohol. In addition to the aforementioned positive steps, Applicant  
15 testified that when he completes his court ordered DUI class in October, he intends to continue  
16 participating in Alcoholics Anonymous (AA).

17          10.      Applicant began attending AA meetings in January 2018. When in-person AA  
18 classes were cancelled due to COVID-19, Applicant began attending daily classes through Zoom

19          11.      At the hearing, a letter by Teresa Arellano, Program Coordinator for Ia’Tik  
20 Recovery Center dated August 7, 2019 was admitted into evidence. In the letter, Ms. Arellano  
21 states that Applicant has been enrolled in a DUI program since April 19, 2018 and has good  
22 attendance and has been an active participant in the Recovery Center’s groups. Ms. Arellano  
23 wrote that Applicant is current with his payments and takes responsibility for his actions. Ms.  
24 Arellano also confirmed that Applicant stopped drinking and stated that as his counselor, she has  
25 witnessed a great deal of personal growth since Applicant enrolled in the program.

26          12.      Applicant has worked for Knighted Ventures for almost three years providing  
27 proposition player services at Napa Valley Casino. No evidence was admitted to indicate that  
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1 Applicant has been unsuccessful in his employment in the industry or has faced any derogatory  
2 employment action during this time.

3 13. Applicant's testimony was credible, candid, and honest. Applicant acknowledges  
4 that he has a problem and is actively working to maintain sobriety by not drinking or taking any  
5 mind altering substances, attending counseling sessions, and participating in AA. Applicant has  
6 made several changes that are more conducive to a sober lifestyle, including moving to a new  
7 residence. Further, the fact that Applicant has persisted with his sobriety through stressful events  
8 caused by COVID-19, such as being placed on furlough from work and cancellation of his in-  
9 person AA meetings, indicates to the Commission that Applicant is committed to sobriety.

10 14. Applicant has paid all fines and satisfied the court ordered requirements related to  
11 his first three DUI cases. However, Applicant is still completing a class and testified that he has a  
12 final payment to make relating to his April 6, 2018 DUI conviction. Applicant testified that he  
13 obtained an extension of time to make payments to avoid going to the courthouse due to his  
14 concern of exposure to COVID-19. Therefore, as a condition to licensure, Applicant must update  
15 the Bureau every 90 days on his progress in completing all court ordered requirements stemming  
16 from his April 2018 DUI conviction.

17 15. While testifying before the Commission, Applicant offered to comply with any  
18 conditions placed on his license, including undergoing regular drug and alcohol testing. Given the  
19 tremendous progress Applicant has made in achieving sobriety and the fact that the Commission  
20 will be able to review Applicant's progress when his license is up for renewal in two years, the  
21 Commission is satisfied that additional conditions are not necessary.

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

#### 25 LEGAL CONCLUSIONS

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

2 18. At an evidentiary hearing pursuant to Business and Professions Code sections 19870  
3 and 19871 and Title 4, CCR section 12060(b), the burden of proof rests with the applicant to  
4 prove his qualifications to receive any license under the Gambling Control Act. (Title 4, CCR  
5 section 12060(i); Business and Professions Code section 19856(a).)

6 19. 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 20. An application to receive a license constitutes a request for a determination of the  
11 applicant's general character, integrity, and ability to participate in, engage in, or be associated  
12 with, controlled gambling. (Business and Professions Code section 19856(b).)

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

17 22. An "unqualified person" means a person who is found to be unqualified pursuant to  
18 the criteria set forth in Business and Professions Code section 19857, and "disqualified person"  
19 means a person who is found to be disqualified pursuant to the criteria set forth in Business and  
20 Professions Code section 19859. (Business and Professions Code section 19823(b).)

21 23. The Commission has the power to limit, condition, or restrict any license for any cause  
22 deemed reasonable by the Commission. (Bus. & Prof. Code section 10982(b).)

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

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

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

11 27. A requester shall be ineligible for licensing as a third-party proposition player if the  
12 requester has failed to meet the requirements of Business and Professions Code sections 19856,  
13 19857 or 19859, subdivisions (b), (e), or (f). (CCR section 12218.11, subdivisions (e) and (f).)

14 28. Applicant has met his burden of proving that he is a person of good character, honesty,  
15 and integrity. Therefore, Applicant is qualified to receive a third party proposition player license  
16 pursuant to Business and Professions Code section 19857(a). As a result, Applicant is not  
17 ineligible to receive a third party proposition player license pursuant to CCR section 12218.11(e).

18 29. Applicant met his burden of proving that he is a person whose prior activities, criminal  
19 record, if any, reputation, habits, and associations do not pose a threat to the public interest of this  
20 state, or to the effective regulation and control of controlled gambling, or create or enhance the  
21 dangers of unsuitable, unfair, or illegal practices, methods, and activities in the conduct of  
22 controlled gambling or in the carrying on of the business and financial arrangements incidental  
23 thereto. Therefore, Applicant is qualified to receive a third party proposition player license  
24 pursuant to Business and Professions Code section 19857(b). As a result, Applicant is not  
25 ineligible to receive a third party proposition player license pursuant to CCR section 12218.11(e).

26 30. Applicant has met his burden of proving that he is not disqualified from licensure  
27 pursuant to Business and Professions Code section 19859 nor ineligible for licensing as a third  
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1 party proposition player pursuant to CCR section 12218.11.

2 NOTICE OF APPLICANT’S APPEAL RIGHTS

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

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

5 An applicant denied a license, permit, registration, or finding of suitability, or whose  
6 license, permit, registration, or finding of suitability has had conditions, restrictions,  
7 or limitations imposed upon it, may request reconsideration by the Commission  
8 within 30 calendar days of service of the decision, or before the effective date  
9 specified in the decision, whichever is later. The request shall be made in writing to  
10 the Commission, copied to the Bureau, and shall state the reasons for the request,  
11 which must be based upon either newly discovered evidence or legal authorities that  
12 could not reasonably have been presented before the Commission’s issuance of the  
13 decision or at the hearing on the matter, or upon other good cause which the  
14 Commission may decide, in its sole discretion, merits reconsideration.

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

16 A decision of the commission denying a license or approval, or imposing any  
17 condition or restriction on the grant of a license or approval may be reviewed by  
18 petition pursuant to Section 1085 of the Code of Civil Procedure. Section 1094.5 of  
19 the Code of Civil Procedure shall not apply to any judicial proceeding described in  
20 the foregoing sentence, and the court may grant the petition only if the court finds  
21 that the action of the commission was arbitrary and capricious, or that the action  
22 exceeded the commission's jurisdiction.

23 Title 4, CCR section 12066, subsection (c) provides:

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

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ORDER

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2 1. Aaron Antonio Robles' Application for a Third-Party Proposition Player Services

3 License for Supervisor, Player or Other Employee is GRANTED with a condition that:

4 a. Every 90 days Applicant must update the Bureau on his progress in completing  
5 all court ordered requirements stemming from his April 6, 2018 DUI  
6 conviction.

7 2. No costs are to be awarded.

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

9 This Order is effective on September 10, 2020.

10 Dated: 9/10/20

Signature:   
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Jim Evans, Chairman

11 Dated: 9/10/20

Signature:   
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Paula LaBrie, Commissioner

12 Dated: 9/10/20

Signature:   
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Gareth Lacy, Commissioner

13 Dated: 9/10/20

Signature:   
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Trang To, Commissioner