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BEFORE THE  
CALIFORNIA GAMBLING CONTROL COMMISSION

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

ANTHONY GREEN

Respondent.

BGC Case No. BGC-HQ2021-00043SL

CGCC Case No. CGCC-2021-1216-12C

**DECISION AND ORDER**

Hearing Date: September 20, 2022

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, via Zoom video conference, on September 20, 2022.

Respondent Anthony Green (Green) appeared on his own behalf during the evidentiary hearing.

Ronald Giusso, Deputy Attorney General, State of California (DAG Giusso), represented complainant Yolanda Morrow, Director of the Bureau of Gambling Control (Bureau), Department of Justice, State of California.

During the evidentiary hearing, Presiding Officer Paras Modha (PO Modha), Attorney III of the Commission, took official notice of the following documents: the Commission’s Notice and Agenda of Commission Hearing; the Commission’s Conclusion of Prehearing Conference letter; the Commission’s Notice of Hearing with attachments (A) Green’s Application, and (B) the Bureau’s background investigation report; the Bureau’s Statement of Reasons; and Green’s signed Notice of Defense.

During the evidentiary hearing, PO Modha accepted into evidence Exhibits 1-4, Bates Nos. BGC 0001-0147, offered by the Bureau and identified on the Bureau’s Evidentiary Exhibit Index, pursuant to a stipulation between the parties.

PO Modha closed the administrative record and the matter was submitted for decision on September 20, 2022.

FINDINGS OF FACT

**Procedural History**

1. In May 2021, Green starting working as a third-party proposition player for Qualified Player Services, LLC (QPS), a licensed third-party provider of proposition player services.

2. On or about May 3, 2021, the Bureau received an Application for Third-Party Proposition Player Services Worker License and Supplemental Information form (Supplemental) (collectively, Application) from Green.

3. On or about May 12, 2021, the Commission issued third-party worker temporary license registration number TPWK-001034 to Green for his employment as a third-party proposition player for QPS.

4. On or about October 1, 2021, the Commission received a Third-Party Worker Initial Background Investigation Report on Green from the Bureau. In this report, the Bureau alleges that Green was convicted of a misdemeanor offense and failed to disclose the conviction on his Application. Based on the foregoing, the Bureau recommends that the Commission deny Green's Application.

5. On or about December 16, 2021, the Commission voted to refer the consideration of Green's Application to a Gambling Control Act (Act) evidentiary hearing pursuant to CCR section 12060(a).

6. On or about December 16, 2021, the Commission sent a letter, via regular and certified mail, to Green notifying him that the Commission referred the consideration of his Application to an evidentiary hearing.

7. On or about January 3, 2022, the Commission received a signed Notice of Defense from Green requesting an evidentiary hearing on the consideration of his Application.

8. On or about May 13, 2022, the Commission sent a Notice of Hearing, via e-mail, to Green and DAG Giusso. The hearing was set for September 20, 2022 at 10:00 a.m.

9. On or about August 3, 2022, the Bureau sent a Statement of Reasons to Green and the Commission. In the Statement of Reasons, the Bureau alleges the following cause for denial:

1 Green failed to disclose a criminal conviction on his Application and provided inaccurate and  
2 misleading information to the Bureau regarding his background. Based on the foregoing, the  
3 Bureau requests that the Commission deny Green’s Application.

4 10. On or about August 15, 2022, the noticed Prehearing Conference was held before  
5 PO Modha. Green attended on his own behalf. DAG Giusso attended on behalf of the Bureau.

6 11. On or about August 15, 2022, PO Modha sent a Conclusion of Prehearing  
7 Conference letter, via e-mail, to Green and DAG Giusso.

8 12. The Commission heard this matter via Zoom video conference on September 20,  
9 2022. PO Modha closed the administrative record on September 20, 2022.

10 **Green’s Employment History in Controlled Gambling**

11 13. Green has worked as a third-party proposition player for QPS from May 2021 to the  
12 present. There was no evidence presented of any derogatory information relating to Green’s work  
13 history for QPS.

14 **Green’s Criminal History**

15 14. On or about April 21, 2011, Green was convicted by the San Diego County Superior  
16 Court of violating Penal Code section 594(b)(2)(a), vandalism less than \$400, a misdemeanor, in  
17 the case *People v. Green*, Case Number C309138. Green was sentenced to three years of  
18 probation and ordered to pay a fine.

19 **Green’s Application**

20 15. Green’s Application consists of two parts. The first part is three pages and contains  
21 four sections, including applicant information. Green signed the first part of the Application on or  
22 about April 27, 2021.

23 16. The second part of the Application is the Supplemental, which is eight pages and  
24 contains nine sections. The Supplemental requires that the applicant disclose, among other things,  
25 their criminal history information.

26 17. Section (4) of the Supplemental required Green to disclose his criminal history  
27 information. The instructions under Section (4) state:

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**“You are required to disclose any and all criminal convictions** regardless of:

- 1) The date of the conviction, i.e. **it must be disclosed no matter how old** the conviction is;
- 2) The degree of the conviction, i.e. **it must be disclosed whether it was a felony or misdemeanor, which includes traffic violations** charged as misdemeanors or felonies, including driving under the influence, driving on a suspended license, etc.;
- 3) The status of the conviction, i.e. **it must be disclosed regardless of whether you had the conviction reduced, dismissed, or expunged**, or whether you are on or off probation . . .” [Emphasis in original.]

18. Green checked the box marked “no” to Question A) in Section 4 of the Supplemental, which asked, “Have you ever been convicted or pled guilty or nolo contendere (no contest) to a misdemeanor or felony?” [Emphasis in original.] Green’s answer was inaccurate because he had been convicted of a misdemeanor. An affirmative answer to Question A) requires the applicant to provide certain details regarding the conviction, including the approximate date of the conviction, the arresting agency, the court location, the criminal conviction, and an explanation of the factual circumstances that led to the conviction. Since Green had been convicted of a misdemeanor, Green was required to provide details regarding his conviction on the Supplemental. However, by answering Question A) in the negative, Green did not provide any details regarding his conviction on the Supplemental. The fact of, and details regarding, Green’s criminal conviction were discovered by the Bureau during its background investigation.

19. Section (9) of the Supplemental is a Declaration, signed by Green on or about April 27, 2021, in which Green declared under penalty of perjury that the information provided in the Supplemental was “true, accurate, and complete.” However, the Supplemental contained information that was not true or correct because Green had inaccurately stated that he had not been convicted of a misdemeanor. Additionally, the Supplemental was not complete because Green failed to provide the details regarding his misdemeanor conviction on the Supplemental.

**Green's and QPS's Communications with the Bureau**

20. On or about August 4, 2021, in response to a Bureau inquiry during its background investigation, Green wrote a letter to the Bureau regarding the circumstances surrounding his misdemeanor conviction.

21. On or about August 5, 2021, the Bureau sent an e-mail to Green asking for the reason he failed to disclose his criminal conviction on the Supplemental. On or about August 5, 2021, Green responded via e-mail to the Bureau and stated that he disclosed his misdemeanor vandalism charge when filling out the criminal history profile, and that he "turned all the information over to my employer for submittance."

22. On or about August 27, 2021, the Bureau sent an e-mail to Michael Hill, the General Manager and Designated Agent for QPS (DA Hill) seeking confirmation that Green disclosed his misdemeanor conviction to QPS upon hire. DA Hill responded via e-mail on or about September 6, 2021 and stated that Green told him about his misdemeanor conviction when he was collecting Green's paperwork. DA Hill stated that he did not have any documentation of Green's misdemeanor conviction because it was a verbal conversation. DA Hill also stated that he does not remember if Green's conviction was listed on his Supplemental.

23. On or about September 13, 2021, the Bureau sent an e-mail to Green asking why he marked "no" to the question on the Application "Have you ever been convicted or pled guilty or nolo contendere (no contest) to a misdemeanor or felony?" On or about September 13, 2021, Green responded via e-mail to the Bureau and stated that he disclosed his misdemeanor conviction to his employer (QPS) but "honestly marked the question 'no' not understanding the question."

**Kathi Hegelein's Testimony During the Evidentiary Hearing**

24. Kathi Hegelein (Hegelein) is a Staff Services Manager I for the Bureau. During the evidentiary hearing, Hegelein testified that she supervises the conduct of background investigations and preparation of background investigation reports. Hegelein testified that the Bureau depends on truthful and honest information from the applicant to make a legitimate and

1 informed recommendation on the applicant’s suitability.

2 **Green’s Testimony During the Evidentiary Hearing**

3 25. During the evidentiary hearing, Green testified that QPS did not know about his  
4 misdemeanor conviction when he applied, but that after he realized he made a mistake he  
5 mentioned the conviction to QPS. Green testified that he disclosed the misdemeanor conviction to  
6 QPS verbally but not in writing.

7 26. Green admitted that he incorrectly answered “no” to the question asking whether he  
8 had a criminal conviction. Green testified that he realized that he did not answer the question  
9 correctly after receiving an email from the Bureau during its background investigation.

10 27. Green testified that he read the Application prior to filling it out, but did not take the  
11 time to read it properly. Green testified that he did not read it completely or correctly. He testified  
12 that when he filled out the Application he thought the criminal conviction question only asked  
13 about felonies and not misdemeanors. He testified that he rushed through the Application and  
14 went through it too fast, and put “no” in response to the criminal conviction question because he  
15 did not have a felony conviction. Green also testified that it was just a misunderstanding and that  
16 he was not trying to be dishonest on his Application.

17 Assessment of Green’s Suitability for Licensure

18 28. For the reasons provided below, the Commission finds that Green is disqualified from  
19 licensure. Therefore, cause exists to deny Green’s Application.

20 *Green Failed to Provide Information Required by the Act*

21 29. All of the information requested on the Application has been considered through the  
22 legislative and regulatory processes and determined necessary in order for the Commission to  
23 discharge its duties properly. An applicant is neither expected, nor permitted, to determine the  
24 importance of the information requested, and instead is required to provide true, accurate, and  
25 complete information as requested.

26 30. Green was required to disclose his misdemeanor conviction in Section (4) of the  
27 Supplemental. Since Green had been convicted of a misdemeanor, Green was also required to  
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1 provide details regarding that misdemeanor conviction, including the approximate date of the  
2 conviction, the arresting agency, the court location, the criminal conviction, and an explanation of  
3 the factual circumstances that led to the conviction. The Bureau only determined that Green had a  
4 misdemeanor conviction through conducting its background investigation.

5 31. By failing to disclose his misdemeanor conviction and provide any details of his  
6 misdemeanor conviction on his Supplemental, Green has failed to provide information required  
7 by the Act. By failing to provide information required by the Act on his Supplemental, Green's  
8 Application is subject to denial pursuant to Business and Professions Code section 19859(b) and  
9 CCR section 12040(a)(2).

10 *Green Failed to Reveal Facts Material to Qualification*

11 32. The existence of, and details regarding, an applicant's criminal conviction are facts  
12 material to the qualification for licensure of an applicant. For instance, they may affect the  
13 assessment of the applicant's general character, honesty, integrity, and/or ability to participate in  
14 controlled gambling. They may lead to a finding that the issuance of a license to such an applicant  
15 would be inimical to public health, safety, or welfare, or undermine public trust that the gambling  
16 operations with respect to which the license would be issued are free from criminal and dishonest  
17 elements, and would be conducted honestly. An applicant's criminal record may be sufficient to  
18 support a factual finding and legal conclusion that the applicant poses a threat to the public  
19 interest of this state, to the effective regulation and control of controlled gambling, or creates or  
20 enhances the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the  
21 conduct of controlled gambling or in the carrying on of the business and financial arrangements  
22 thereto. Finally, the existence of, and details regarding, an applicant's criminal conviction may  
23 reveal that the applicant is disqualified from licensure for conviction of a certain felony or a  
24 misdemeanor involving dishonesty and/or moral turpitude.

25 33. Green failed to disclose his misdemeanor conviction on his Supplemental.  
26 Additionally, and as a direct result of failing to disclose his misdemeanor conviction, Green failed  
27 to disclose the required details of the conviction including the approximate date of the conviction,  
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1 the arresting agency, the court location, the criminal conviction, and an explanation of the factual  
2 circumstances that led to the conviction. As provided above, these details are facts material to  
3 Green's qualifications for licensure. By failing to disclose his misdemeanor conviction and details  
4 regarding the conviction on his Supplemental, Green failed to reveal facts material to his  
5 qualifications for licensure. By failing to reveal facts material to his qualifications for licensure,  
6 Green's Application is subject to denial pursuant to Business and Professions Code section  
7 19859(b) and CCR section 12040(a)(2).

8 *Green Supplied Information that is Untrue or Misleading as to a Material Fact Pertaining to the*  
9 *Qualification Criteria*

10 34. As stated previously, the existence of, and details regarding, an applicant's criminal  
11 conviction are facts material to the qualification for licensure of an applicant.

12 35. On his Supplemental, Green checked the box marked "no" to Question A) which  
13 asked, "Have you **ever** been convicted or pled guilty or nolo contendere (no contest) to a  
14 misdemeanor or felony?" [Emphasis in original.] Green's response on the Supplemental that he  
15 had never been convicted of a misdemeanor was untrue. By supplying untrue information on his  
16 Supplemental regarding his criminal history, and more specifically stating that he had not been  
17 previously convicted of a misdemeanor, Green supplied information that is untrue regarding a  
18 material fact pertaining to the qualification criteria for licensure. As a result, Green's Application  
19 is subject to denial pursuant to Business and Professions Code section 19859(b) and CCR section  
20 12040(a)(2).

21 *Green's Explanations are Insufficient to Excuse his Failure to Disclose his Misdemeanor*  
22 *Conviction and Details Regarding his Conviction on his Supplemental*

23 36. Green admitted that he failed to disclose his misdemeanor conviction on his  
24 Application. Green also admitted that he read the Application prior to filling it out. Green's  
25 explanations for failing to disclose his misdemeanor conviction on his Application are that he  
26 rushed through completing the Application, did not understand the question asking if he had a  
27 criminal conviction, and thought that the question only asked for felony convictions.  
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1           37. An applicant is required to fill out the application in full and submits the application  
2 with a signed declaration that the information contained therein is “true, accurate, and complete.”  
3 To address any issues in completing the application, and to ensure that the information disclosed  
4 on an application is “true, accurate, and complete,” the burden is on the applicant to carefully and  
5 thoroughly read the application, and to seek assistance in filling out the application if necessary.  
6 The applicant is responsible for both the information they disclose, and for failing to disclose  
7 required information, on the application. The applicant maintains this burden even if the applicant  
8 rushes through completing the application or does not understand a question on the application.  
9 As a result, Green’s explanations that he rushed through completing the application and did not  
10 understand the question asking if he had a criminal conviction are insufficient to excuse his  
11 failure to disclose his misdemeanor conviction and provide details regarding the conviction on his  
12 Supplemental.

13           38. Additionally, the detailed and highlighted instructions on the Supplemental regarding  
14 the applicant’s criminal history information expressly provide that the applicant is required to  
15 disclose “any and all” criminal convictions, including “whether it was a felony or misdemeanor.”  
16 The specific question A) in Section 4 of the Supplemental asks whether the applicant has ever  
17 been convicted of a “misdemeanor or felony,” so that in reading the question the first term the  
18 applicant reads is “misdemeanor.” To read the question in such a manner that it refers only to  
19 felony convictions would require the applicant to disregard the “**any and all criminal**  
20 **convictions**” and “whether it was a felony **or misdemeanor**” language in the instructions, and the  
21 “**misdemeanor or felony**” language in the question. [Emphasis added.] Thus, the plain language  
22 of Question A) in Section 4, supported by detailed and highlighted instructions, is sufficiently  
23 clear and unambiguous that the question is not only asking for felony convictions. As a result,  
24 Green’s explanation that he thought the question only asked for felony convictions is insufficient  
25 to excuse his failure to disclose his misdemeanor conviction and provide details regarding the  
26 conviction on his Supplemental.

27           39. Based on the foregoing, and because the burden is on the applicant to disclose their  
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1 criminal history on the Supplemental, Green's explanations are insufficient to excuse his failure  
2 to disclose his misdemeanor conviction and provide details regarding the misdemeanor conviction  
3 on his Supplemental.

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

#### 7 LEGAL CONCLUSIONS

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

11 42. The Act is an exercise of the police power of the state for the protection of the health,  
12 safety, and welfare of the people of the State of California, and shall be liberally construed to  
13 effectuate those purposes. Business and Professions Code section 19971.

14 43. Public trust that permissible gambling will not endanger public health, safety, or  
15 welfare requires that comprehensive measures be enacted to ensure that gambling is free from  
16 criminal and corruptive elements, that it is conducted honestly and competitively, and that it is  
17 conducted in suitable locations. Business and Professions Code section 19801(g).

18 44. Public trust and confidence can only be maintained by strict and comprehensive  
19 regulation of all persons, locations, practices, associations, and activities related to the operation  
20 of lawful gambling establishments. Business and Professions Code section 19801(h).

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

25 46. An "unqualified person" means a person who is found to be unqualified pursuant to  
26 the criteria set forth in Section 19857, and "disqualified person" means a person who is found to  
27 be disqualified pursuant to the criteria set forth in Section 19859. Business and Professions Code  
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1 section 19823(b).

2 47. The Commission shall have all powers necessary and proper to enable it fully and  
3 effectually to carry out the policies and purposes of this chapter. Business and Professions Code  
4 section 19824.

5 48. The Commission has the power to deny any application for a license, permit, or  
6 approval for any cause deemed reasonable by the Commission. Business and Professions Code  
7 section 19824(b).

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

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

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

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

21 53. The burden of proof is always on the applicant to prove his, her, or its  
22 qualifications to receive any license or other approval under the Gambling Control Act. CCR  
23 section 12060(j).

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

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

7 56. No gambling license shall be issued unless, based on all of the information and  
8 documents submitted, the Commission is satisfied that the applicant is a person that is in all other  
9 respects qualified to be licensed as provided in this chapter. Business and Professions Code  
10 section 19857(c).

11 57. 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 58. An application will be denied if the Commission finds that any of the provisions of  
17 Business and Professions Code section 19859 apply to the applicant. CCR section 12040(a)(2).

18 59. The hearing need not be conducted according to technical rules relating to evidence  
19 and witnesses. Any relevant evidence may be considered, and is sufficient in itself to support a  
20 finding, if it is the sort of evidence upon which reasonable persons are accustomed to rely upon in  
21 the conduct of serious affairs, regardless of the existence of any common law or statutory rule that  
22 might make improper the admission of the evidence over objection in a civil action. Business and  
23 Professions Code section 19871(a)(4) and CCR section 12060(g)(2).

24 60. An applicant for licensing or for any approval or consent required by this chapter,  
25 shall make full and true disclosure of all information to the department and the commission as  
26 necessary to carry out the policies of this state relating to licensing, registration, and control of  
27 gambling. Business and Professions Code section 19866.

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(2) Received by the Commission and Complainant within 30 calendar days of service of the decision, or before the effective date specified in the decision, whichever is earlier.

(b) A request for reconsideration must state the reasons for the request, which must be based upon either:

(1) Newly discovered evidence or legal authorities that could not reasonably have been presented before the Commission’s issuance of the decision or at the hearing on the matter; or,

(2) Other good cause which the Commission may decide, in its sole discretion, merits reconsideration.

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

A decision of the commission after an evidentiary hearing, 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 held to consider that petition, 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 or restrictions on a license after an evidentiary hearing will be subject to judicial review as provided in Business and Professions Code section 19870, subdivision (f). Neither the right to petition for judicial review nor the time for filing the petition will be affected by failure to seek reconsideration.

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**ORDER**

- 1. Anthony Green’s Application for Third-Party Proposition Player Services Player License is DENIED.
- 2. Green’s third-party worker temporary license registration number TPWK-001034 is void and cannot be used hereafter pursuant to CCR section 12122(d).
- 3. Green may reapply for licensure immediately after the effective date of this Decision and Order.
- 4. No costs are awarded.
- 5. Each side to pay its own attorneys’ fees.

This Order is effective on December 5, 2022.

Dated: 11/3/2022 Signature:   
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 Cathleen Galgiani, Commissioner

Dated: 11/3/2022 Signature:   
2B4CE9520F8845C...  
 Eric Heins, Commissioner

Dated: 11/3/2022 Signature:   
7722F4571120449...  
 William Liu, Commissioner

Dated: 11/3/2022 Signature:   
14B4AD3B90E8462  
 Edward Yee, Commissioner