

1 ROB BONTA
Attorney General of California
2 SARA J. DRAKE
Senior Assistant Attorney General
3 WILLIAM P. TORNGREN
Supervising Deputy Attorney General
4 PARAS H. MODHA
Deputy Attorney General
5 State Bar No. 215761
1300 I Street, Suite 125
6 P.O. Box 944255
Sacramento, CA 94244-2550
7 Telephone: (916) 210-7777
Fax: (916) 327-2319
8 E-mail: Paras.Modha@doj.ca.gov
Attorneys for the Complainant

9
10 **BEFORE THE**
11 **CALIFORNIA GAMBLING CONTROL COMMISSION**
12 **STATE OF CALIFORNIA**
13

14 **In the Matter of the Accusation Against:**

15 **Angela K. Harris**, license number GEOW-
16 001069, sole proprietor, and doing business as:
17 **Casino 99, fka Angie's Poker Club**, license
number GEGE-000438

18 175 East 20th Street, Suite 150
19 Chico, California 95928

20 and

21 **Gary Harris**, license number GEOW-001070,
community property interest holder in **Casino 99**

22 175 East 20th Street, Suite 150
23 Chico, California 95928

24 **Respondents**

BGC Case No. HQ2020-00001AC
BGC Case No. HQ2021-00022SL

OAH No. 2020110401

**STIPULATED SETTLEMENT,
DECISION AND ORDER**

**In the Matter of the Statement of Issues
Against:**

Angela K. Harris, license number GEOW-001069, sole proprietor, and doing business as:
Casino 99, fka Angie's Poker Club,
(GEGE-000438)
175 East 20th Street, Suite 150
Chico, California 95928

and

Gary Harris, license number GEOW-001070,
community property interest holder in **Casino
99**

175 East 20th Street, Suite 150
Chico, California 95928

Respondents.

**In the Matter of the Statement of Issues
Against:**

Casino 99, LLC, No. GEOW-004058

And its Managing Members:

Angela Kaye Harris, No. GEOW-004059

and

Gary Lee Harris, No. GEOW-004047

175 East 20th Street, Suite 150
Chico, California 95928

Respondents.

1 **PURPOSE OF THIS STIPULATED SETTLEMENT**

2 This Stipulated Settlement resolves three pending matters: (1) the Accusation
3 (Accusation) filed March 16, 2020, which seeks to discipline the licenses of Angela Kaye Harris
4 (Ms. Harris) and Gary Lee Harris (Mr. Harris), doing business as Casino 99 (Card Room); (2) the
5 Statement of Issues filed June 9, 2020, which seeks to deny the renewal license applications of
6 Ms. Harris and Mr. Harris; and (3) the Statement of Issues filed June 17, 2021, which seeks to
7 deny the license applications of Casino 99, LLC (LLC) and its managing members, Ms. Harris
8 and Mr. Harris.¹ These pleadings are referred to, collectively, as the Operative Pleadings. The
9 Operative Pleadings allege violations of, and lack of suitability for licensing under, the Gambling
10 Control Act (Act) (Bus. & Prof. Code, § 19800 et seq.) and the regulations promulgated
11 thereunder.

12 **PARTIES AND ISSUED LICENSES**

13 1. Stephanie Shimazu and Nathan DaValle (collectively, Complainant) filed the
14 Operative Pleadings solely in their official capacities as the Director and the Acting Director,
15 respectively, of the California Department of Justice, Bureau of Gambling Control (Bureau).

16 2. Respondent Ms. Harris, state gambling license number GEOW-001069, owns and as a
17 sole proprietor does business as the Card Room, license number GEGE-000438. The Card Room
18 is an eight-table card room presently operating in Chico, California.²

19 3. Respondent Mr. Harris, state gambling license number GEOW-001070, is a
20 community property interest holder in the Card Room.³

21
22 ¹ The Card Room, the LLC, and Ms. Harris and Mr. Harris, individually and as members
23 of the LLC, are referred to, collectively, as “Respondents” and, individually, as “Respondent” in
this Stipulated Settlement.

24 ² Ms. Harris was initially registered to own and operate the Card Room on September 15,
25 1997, under the Gaming Registration Act (former Bus. & Prof. Code, § 19800 et seq.). The
26 Gaming Registration Act was the predecessor of the current Gambling Control Act. Ms. Harris
has been continuously registered or licensed to own and operate Casino 99 since September 15,
1997.

27 ³ Mr. Harris has continuously held a state gambling license as a community property
28 interest holder in the Card Room since November 2000.

1 4. The California Gambling Control Commission (Commission) issued the above-
2 described licenses to Respondents pursuant to the Act.

3 **APPLICATIONS AND THE OPERATIVE PLEADINGS**

4 5. On October 3, 2019, the Bureau received renewal applications for state gambling
5 licenses, dated September 18, 2019 (collectively, Renewal Applications), from Ms. Harris and
6 Mr. Harris.

7 6. On or about April 30, 2020, after the Accusation was filed, the Commission referred
8 the Renewal Applications to a hearing to be consolidated with the hearing on the Accusation. On
9 June 9, 2020, Complainant filed a Statement of Issues for the Renewal Applications.

10 7. On or about October 21, 2019, the Bureau received initial license applications for state
11 gambling licenses from the LLC, proposed state gambling license number GEOW-004058, and
12 its managing members, Ms. Harris, proposed state gambling license number GEOW-004059, and
13 Mr. Harris, proposed state gambling license number GEOW-004047.⁴ The Initial Applications
14 seek licensing that will allow the transfer of ownership of Ms. Harris's right, title, and interests in
15 the Card Room to the LLC. The proposed license number for Respondents' gambling
16 establishment after the transfer is GEGE-001384.

17 8. On or about February 26, 2021, the Bureau submitted an Initial Background
18 Investigation Report to the Commission, recommending that Respondents' Initial Applications be
19 denied, based on the causes for discipline alleged in the Accusation. On May 6, 2021, the
20 Commission referred the Initial Applications to a hearing to be consolidated with the hearing on
21 the Accusation and Statement of Issues for the Renewal Applications. On May __, 2021,
22 Complainant filed a Statement of Issues for the Initial Applications.

23 **JURISDICTION**

24 9. On March 16, 2020, the Accusation was served, along with a Statement to
25

26 _____
27 ⁴ Their initial license applications are referred to collectively as "Initial Applications."
28 The Initial Applications and the Renewal Applications are referred to collectively as
"Applications."

Respondent (Gov. Code, § 11505, subd. (b)), Request for Discovery (Gov. Code, § 11597.6), copies of Government Code sections 11507.5, 11507.6 and 11507.7, and two copies of the Notice of Defense form (Gov. Code, §§ 11505 & 11506).

10. On June 9, 2020, the Statement of Issues for the Renewal Applications was served, along with a Statement to Respondent (Gov. Code, § 11505, subd. (b)), Request for Discovery (Gov. Code, § 11597.6), copies of Government Code sections 11507.5, 11507.6 and 11507.7, and two copies of the Notice of Defense form (Gov. Code, §§ 11505 & 11506).

11. On June 17, 2021, the Statement of Issues for the Initial Applications was served, along with a Statement to Respondent (Gov. Code, § 11505, subd. (b)), Request for Discovery (Gov. Code, § 11597.6), copies of Government Code sections 11507.5, 11507.6 and 11507.7, and two copies of the Notice of Defense form (Gov. Code, §§ 11505 & 11506).

12. Respondents served timely Notices of Defense.

ADVISEMENT AND WAIVERS

13. Each Respondent has carefully reviewed the legal and factual allegations in each of the Operative Pleadings. Each Respondent has also carefully reviewed this Stipulated Settlement, and has discussed with counsel, this Stipulated Settlement. Each Respondent fully understands the terms and conditions contained within this Stipulated Settlement and the effects thereof.

14. Each Respondent is fully aware of his, her, or its legal rights in this matter, including: the right to a hearing on all the allegations in the Operative Pleadings; the right to be represented by counsel of his, her, or its choice at his, her, or its own expense; the right to confront and cross-examine the witnesses against him, her, or it; the right to present evidence and testify on his, her, or its own behalf; the right to the issuance of subpoenas to compel the attendance of witnesses and the production of documents; the right to apply for reconsideration and court review of an adverse decision; and all other rights afforded by the California Administrative Procedure Act (Gov. Code, § 11370 et seq.), the Act, and all other applicable state and federal laws.

15. Each Respondent voluntarily, knowingly, and intelligently waives and gives up each and every right set forth in paragraph 14 above, agrees not to request a hearing on the Operative Pleadings, and agrees to be bound by this Stipulated Settlement.

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1 Card Room's assets to the LLC. These licenses will be effective for Respondents'
2 operation of the Card Room after the license cancelation provided in paragraph 18
3 a of this Stipulated Settlement.

4 19. Immediately following granting licensure as described above in paragraph 18 above,
5 Respondents' licenses will be suspended for a total of 12 months (Suspension Period). The
6 suspension will be stayed provided that Respondents, jointly and severally, perform and comply
7 with each and every condition of this Stipulated Settlement. If the suspensions remain stayed in
8 accordance with this paragraph for the entire Suspension Period, the suspensions shall be deemed
9 satisfied and shall expire at the end of the Suspension Period without any further order by the
10 Commission. In addition to and as part of their waivers set forth in paragraphs 14 and 15 above,
11 each Respondent expressly, voluntarily, and knowingly waives any privilege or right available
12 under, or conferred by, Government Code section 11522.

13 20. Respondents, jointly and severally, agree to pay the Bureau the sum of \$40,000 (Cost
14 Recovery) as the reasonable costs of investigation and prosecution of the acts and omissions
15 alleged in the Operative Pleadings as provided for in Business and Professions Code section
16 19930, subdivision (d). The Cost Recovery will be deposited in accordance with Business and
17 Professions Code section 19930, subdivision (e) into the fines and penalties special account
18 described in Business and Professions Code 19950, subdivision (a). Respondents, jointly and
19 severally, agree to pay the Cost Recovery as follows: \$12,500 (Initial Payment) within 30 days of
20 the Effective Date, and thereafter, \$2,500 every 30 days after the Initial Payment date until the
21 total Cost Recovery is paid in full. If Respondents, jointly and severally, do not perform and
22 comply with each and every condition of this Stipulated Settlement, any outstanding balance of
23 the Cost Recovery will be due immediately.

24 21. Respondents, jointly and severally, agree to pay the Bureau monetary penalties in the
25 amount of \$50,000 (Penalty) for the acts and omissions alleged in the Operative Pleading and
26 admitted to in paragraph 16 above. The Penalty shall be stayed for the duration of the Suspension
27 Period provided that each Respondent performs and complies with each and every condition of
28 this Stipulated Settlement. If Respondents fully perform and comply with each and every

1 condition of this Stipulated during the Suspension Period, the Penalty shall be waived and
2 released, and Respondents shall have no further obligation to pay the Penalty. However, if
3 Respondents, jointly and severally, do not perform and comply with each and every condition of
4 this Stipulated Settlement during the Suspension Period, the Penalty will be due immediately.
5 Any Penalty paid will be deposited in accordance with Business and Professions Code section
6 19950, subdivision (a).

7 22. During the Suspension Period, Respondents shall meet, or perform, the following
8 conditions:

- 9 a. The Card Room shall engage a consultant (Consultant) acceptable to the Bureau.
10 The Consultant shall be engaged for the duration of the Suspension Period.
11 Monthly, for the duration of the Suspension Period, the Consultant will provide a
12 report in writing to the Bureau on the Card Room's compliance with all applicable
13 laws, rules, and regulations, including among others the Act and its regulations.
14 Each report shall be in a form satisfactory to the Bureau.
- 15 b. Any person engaged as the Consultant shall hold a current portable key employee
16 license issued by the Commission. The Consultant shall be independent from, and
17 certify under penalty of perjury his or her independence from each of the
18 Respondents, and any of their affiliates.
- 19 c. Additionally, the Consultant shall provide the Bureau with any other reports or
20 statements that the Bureau may require. Further, Respondents or the Consultant
21 shall make the Card Room's books and records available to the Bureau for
22 inspection immediately upon demand.
- 23 d. Among other requirements, the Consultant will also report on Mr. Harris's poker-
24 playing activity at the Card Room, and his or her report will include gambling
25 activity logs that are required to be maintained by Mr. Harris, as described below.
- 26 e. Other than card games involving poker, Mr. Harris will not play any card games or
27 engage in any other form of gambling at the Card Room, so long as he or any of
28 his affiliates have any financial interest in the Card Room. Mr. Harris will

1 maintain a detailed log of every session of gambling activity by him at the Card
2 Room, including the beginning and ending time, source of funds used, the amounts
3 wagered, and where winnings, if any, are deposited.

4 f. Respondents shall bear all costs associated or incurred in connection with
5 engaging and retaining the Consultant and the Consultant performing the
6 responsibilities under this Stipulated Settlement. Respondents shall not have the
7 power to terminate the Consultant without the Bureau's prior written approval.

8 g. Respondents agree they will not use the LLC to conduct any business of the Card
9 Room, and will not use the LLC's bank accounts until the Effective Date and
10 transfer of the Card Room's assets to the LLC.

11 h. Ms. Harris will continue to handle all owner duties, including control of the
12 finances, until Mr. Harris is permitted and licensed to do so.

13 i. The LLC will comply with the two conditions related to the transfer of interest in
14 the LLC and legends noted in the Bureau's February 26, 2021 Initial Background
15 Investigation Report to the Commission.

16 j. Respondents shall comply in all material respects with the Act, the regulations
17 adopted under the Act, the California Penal Code, and any local ordinances and
18 regulations governing gambling or the operation of gambling establishments.

19 k. Respondents shall bear all costs relating to complying with the terms set forth in
20 this Stipulated Settlement.

21 23. Respondents agree that it shall be a default under this Stipulated Settlement to (a) fail
22 to pay the Cost Recovery when due or (b) fail otherwise to comply with any term of this
23 Stipulated Settlement.

24 24. Respondents agree that upon a default, the stay shall be lifted and any state gambling
25 license issued by the Commission to Respondents shall be deemed to be suspended. Each
26 Respondent expressly waives any right to hearing with respect to, or arising out of, any license
27 suspension based upon a default in paying the Cost Recovery and Penalty, or based upon the
28 allegations of the Operative Pleadings that are admitted to in paragraph 16 above. The parties

1 understand and acknowledge that Respondents may request a hearing as to any other basis for
2 default. Nothing in this Stipulated Settlement shall preclude, prevent, prejudice, or otherwise
3 disable the Bureau or its Director from issuing an emergency order pursuant to Business and
4 Professions Code section 19931 or pursuing additional discipline for any default occurring during
5 or after the Suspension Period.

6 25. If Respondents default in payment of any monies due under this Stipulated Settlement
7 in any way, Respondents agree that the Commission's Decision and Order adopting the Stipulated
8 Settlement may be presented to the Sacramento County Superior Court and, after notice to
9 Respondents and an opportunity to be heard, judgment entered thereon. Respondents further
10 agree that the judgment shall include interest, calculated at the maximum rate allowed by law to
11 accrue from the Effective Date. Respondents also agree that the judgment shall include the
12 Bureau's costs of obtaining, enforcing, and collecting the judgment. Costs shall include
13 reasonable attorney fees calculated at then-prevailing hourly rates for services provided in the
14 private sector for attorneys of comparable experience.

15 26. If the Suspension Period exceeds the term, or expiration date, of any license granted
16 and issued pursuant to this Stipulated Settlement, Respondents acknowledge and agree that any
17 renewal license granted by the Commission will require their continued compliance with this
18 Stipulated Settlement for the entire Suspension Period.

19 27. The parties agree that this Stipulated Settlement fully resolves their dispute
20 concerning the Operative Pleadings, and that, except upon default, no further discipline, including
21 revocation or suspension, shall be sought against Respondents based solely upon the allegations
22 contained within the Operative Pleadings.

23 28. This Stipulated Settlement shall be subject to adoption by the Commission. Each
24 Respondent understands and specifically agrees that counsel for the Complainant, and the
25 Bureau's staff, may communicate directly with the Commission regarding this Stipulated
26 Settlement, without notice to, or participation by, Respondents or their counsel, and that no such
27 communication shall be deemed a prohibited ex parte communication. Each Respondent
28

1 specifically acknowledges and agrees that such communications are permissible pursuant to
2 Government Code section 11430.30, subdivision (b).

3 29. By signing this Stipulated Settlement, each Respondent understands and agrees that it,
4 she, or he may not withdraw its, her, or his agreement or seek to rescind the Stipulated Settlement
5 prior to the time the Commission considers and acts upon it. If the Commission fails to adopt this
6 Stipulated Settlement as its Decision and Order, this Stipulated Settlement shall be of no force or
7 effect, and, except for actions taken pursuant to this paragraph and paragraph 28 above, it shall be
8 inadmissible in any legal action between the parties. The Commission's consideration of this
9 Stipulated Settlement shall not disqualify it from any further action regarding Respondents'
10 licensure, including, but not limited to, disposition of the Operative Pleadings by a decision and
11 order following a hearing on the merits.

12 30. The parties agree that a photocopy, facsimile or electronic copy of this Stipulated
13 Settlement, including copies with signatures thereon, shall have the same force and effect as an
14 original.

15 31. In consideration of the above admissions and stipulations, the parties agree that the
16 Commission may, without further notice or formal proceeding, issue and enter the Decision and
17 Order adopting this Stipulated Settlement.

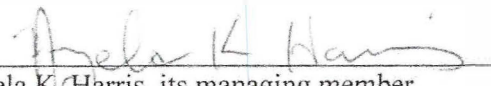
ACCEPTANCE

Each Respondent has carefully read and considered the above Stipulated Settlement. Each Respondent has discussed its terms and effects with legal counsel. Each Respondent also understands the Stipulated Settlement and the effects it will or may have on Respondents' state gambling licenses. Each Respondent further understands that its, her, or his state gambling license will be suspended for 12 months subject to a stay and conditions. Each Respondent further understands that it, she, or he will be obligated jointly and severally to pay the Bureau a total sum of \$40,000 in Cost Recovery and that the failure to pay any portion of that amount when due, or to abide by the conditions and terms of the Stipulated Settlement, will result in lifting the stay and suspension. Each Respondent further understands that it, she, or he will be obligated jointly and severally to immediately pay the Bureau a total sum of \$50,000 in Penalty if it, she, or he fails to abide by the conditions and terms of the Stipulated Settlement. Each Respondent enters into this Stipulated Settlement voluntarily, knowingly and intelligently, and agrees to be bound by its terms.

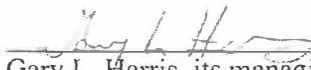
Dated: July 19, 2021

Casino 99, LLC

By


Angela K. Harris, its managing member

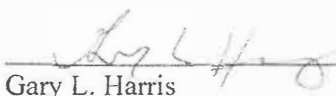
By


Gary L. Harris, its managing member
Respondents

Dated: July 19, 2021

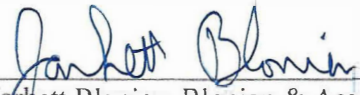

Angela K. Harris
Respondent

1 Dated: July 19, 2021


Gary L. Harris
Respondent


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4 Approved as to Form:

5 Dated: July 19, 2021


Jarrett Blonien, Blonien & Associates
*Attorneys for Respondents Casino 99, LLC, Angela K. Harris
and Gary L. Harris, individually and as members of Casino
99, LLC.*

8 **COMPLAINANT'S ACCEPTANCE**

9
10 Dated: July 19, 2021


NATHAN DAVALLE, Acting Director
*Bureau of Gambling Control
California Department of Justice*

11
12
13 The foregoing Stipulated Settlement is hereby respectfully submitted for consideration by
14 the California Gambling Control Commission.

15
16 Dated: July __, 2021

Respectfully Submitted,

17 ROB BONTA
Attorney General of California
18 SARA J. DRAKE
Senior Assistant Deputy Attorney General
19 WILLIAM P. TORNGREN
Supervising Deputy Attorney General


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22 PARAS HRISHIKESH MODHA
Deputy Attorney General
23 *Attorneys for Complainant, Yolanda Morrow*
24
25
26
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1 Dated: July __, 2021

2 Gary L. Harris
3 Respondent

4 Approved as to Form:

5 Dated: July __, 2021

6 
7 Jarrett Blonien, Blonien & Associates
8 *Attorneys for Respondents Casino 99, LLC, Angela K. Harris*
9 *and Gary L. Harris, individually and as members of Casino*
10 *99, LLC.*

11 COMPLAINANT'S ACCEPTANCE

12 Dated: July __, 2021

13 
14 NATHAN DAVALLE, Acting Director
15 *Bureau of Gambling Control*
16 *California Department of Justice*

17 The foregoing Stipulated Settlement is hereby respectfully submitted for consideration by
18 the California Gambling Control Commission.

19 Dated: July __, 2021

20 Respectfully Submitted,

21 ROB BONTA
22 Attorney General of California
23 SARA J. DRAKE
24 Senior Assistant Deputy Attorney General
25 WILLIAM P. TORNGREN
26 Supervising Deputy Attorney General

27 PARAS HRISHIKESH MODHA
28 Deputy Attorney General
Attorneys for Complainant, Yolanda Morrow

1 Dated: July __, 2021

2 Gary L. Harris
3 Respondent

4 Approved as to Form:

5 Dated: July __, 2021

6 Jarhett Blonien, Blonien & Associates
7 *Attorneys for Respondents Casino 99, LLC, Angela K. Harris*
8 *and Gary L. Harris, individually and as members of Casino*
9 *99, LLC.*

8 **COMPLAINANT'S ACCEPTANCE**

10 Dated: July __, 2021

11 NATHAN DAVALLE, Acting Director
12 *Bureau of Gambling Control*
13 *California Department of Justice*

14 The foregoing Stipulated Settlement is hereby respectfully submitted for consideration by
15 the California Gambling Control Commission.

16 Dated: July 19, 2021

Respectfully Submitted,

17 ROB BONTA
18 Attorney General of California
19 SARA J. DRAKE
20 Senior Assistant Deputy Attorney General
21 WILLIAM P. TORNGREN
22 Supervising Deputy Attorney General

21 *Paras H. Modha*

22 PARAS HRISHIKESH MODHA
23 Deputy Attorney General
24 *Attorneys for Complainant, Yolanda Morrow*

DECISION AND ORDER OF THE COMMISSION


The California Gambling Control Commission hereby adopts the foregoing Stipulated Settlement of the parties for the following cases: *In the Matter of the Accusation Against: Angela K. Harris, et al.*, OAH Case No. 2020110401 and BGC Case Nos. HQ2020-00001AC; *In the Matter of the Statement of Issues Against: Angela K. Harris, et al.*, OAH Case No. 2020110401 and BGC Case Nos. HQ2020-00001AC; and *In the Matter of the Statement of Issues Against: Casino 99, LLC, et al.*, BGC Case No. HQ2021-00022SL, as its final Decision and Order in the matter to be effective upon execution below by its members.

IT IS SO ORDERED

Dated: 9/23/21


PAULA D. LABRIE, Chairperson

Dated: 09/23/2021


ERIC C. HEINS, Commissioner


Dated: 9/23/21


EDWARD YEE, Commissioner

Dated: 9/23/21


CATHLEEN GALGIANI, Commissioner

Dated: 9/23/21


WILLIAM LIU, Commissioner