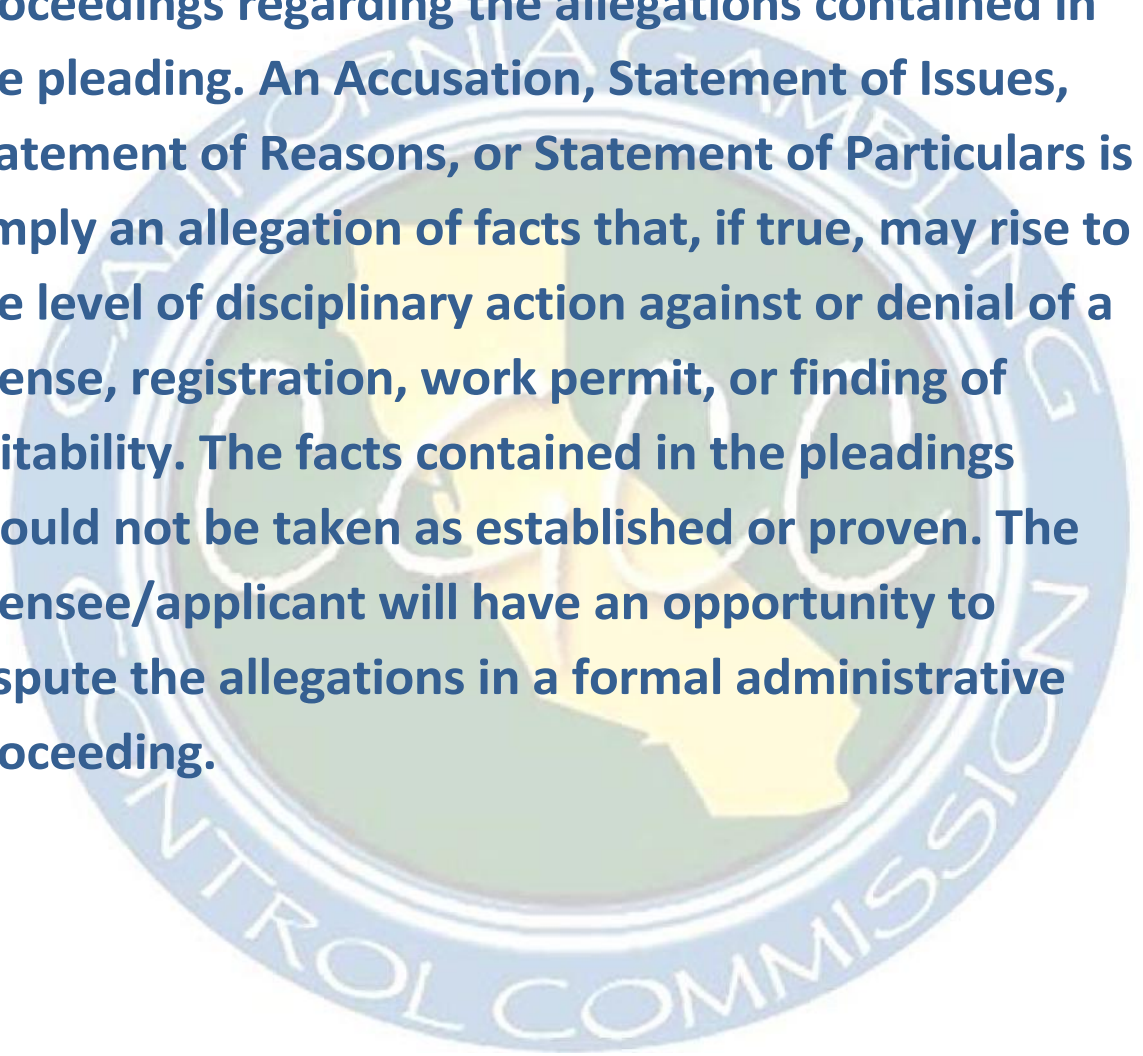


The Commission is providing a copy of this pleading (Accusation, or Statement of Reasons, Statement of Particulars, or Statement of Issues) so the public is as informed as possible of pending administrative proceedings regarding the allegations contained in the pleading. An Accusation, Statement of Issues, Statement of Reasons, or Statement of Particulars is simply an allegation of facts that, if true, may rise to the level of disciplinary action against or denial of a license, registration, work permit, or finding of suitability. The facts contained in the pleadings should not be taken as established or proven. The licensee/applicant will have an opportunity to dispute the allegations in a formal administrative proceeding.



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

14 In the Matter of the Statement of Reasons for
Denial of Initial Application for State
15 Gambling License for:

16 **John Park dba Bell Jackpot Casino**
17 1100 South Flower Street
Unit 3100
18 Los Angeles, CA 90015

19 **Applicant.**

CGCC Case No. CGCC-2021-0422-4A

BGC Case No. BGC-HQ2021-00020SL

STATEMENT OF REASONS

21 Complainant alleges as follows:

22 **PARTIES**

23 1. Yolanda Morrow (Complainant) brings this Statement of Reasons solely in her
24 official capacity as Acting Director of the California Department of Justice, Bureau of Gambling
25 Control (Bureau).
26
27
28

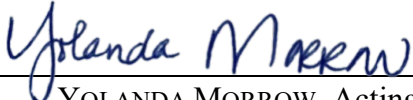
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PRAYER

WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged, and that following the hearing the Commission issue a decision:

- 1. Denying Applicant’s Application for State Gambling License; and
- 2. Taking such other and further action as the Commission may deem appropriate.

Dated: September 21, 2021



YOLANDA MORROW, Acting Director
Bureau of Gambling Control
California Department of Justice
Complainant

1 **APPENDIX A**

- 2 1. Business and Professions Code section 19811, subdivision (b), provides:

3 Jurisdiction, including jurisdiction over operation and
4 concentration, and supervision over gambling establishments in this
5 state and over all persons or things having to do with the operation of
6 gambling establishments is vested in the commission.

- 6 2. Business and Professions Code, section 19823 provides:

7 (a) The responsibilities of the commission include,
8 without limitation, all of the following:

9 (1) Assuring that licenses, approvals, and permits are
10 not issued to, or held by, unqualified or disqualified persons, or
11 by persons are conducted in a manner that is inimical to the
12 public health, safety, or welfare.

13 (2) Assuring that there is no material involvement,
14 directly or indirectly, with a licensed gambling operation, or
15 the ownership or management thereof, by unqualified or
16 disqualified persons, or by persons whose operations are
17 conducted in a manner that is inimical to the public health,
18 safety, or welfare.

19 (b) For the purposes of this section, “unqualified
20 person” means a person who is found to be unqualified pursuant
21 to the criteria set forth in Section 19857, and “disqualified
22 person” means a person who is found to be disqualified pursuant
23 to the criteria set forth in Section 19859.

- 18 3. Business and Professions Code, section 19824 provides, in part:

19 The commission shall have all powers necessary and proper to
20 enable it fully and effectually to carry out the policies and purposes of
21 this chapter,⁴ including, without limitation, the power to do all of the
22 following:

23 * * *

24 (b) For any cause deemed reasonable by the
25 commission, deny any application for a license, permit, or
26 approval provided for in this chapter or regulations adopted
27 pursuant to this chapter, limit, condition, or restrict any license,
28 permit, or approval, or impose any fine upon any person licensed
or approved. The commission may condition, restrict, discipline,
or take action against the license of an individual owner
endorsed on the license certificate of the gambling enterprise

⁴ Hereinafter, “chapter” refers to Business and Professions Code, division 8, chapter 5, (commencing with section 19800), also known as the Gambling Control Act.

1 whether or not the commission takes action against the license of
2 the gambling enterprise.

3 * * *

4 (d) Take actions deemed to be reasonable to ensure that
5 no ineligible, unqualified, disqualified, or unsuitable persons are
6 associated with controlled gambling activities.

7 4. Business and Professions Code, section 19853, subdivision (a), provides:

8 The commission, by regulation or order, may require that the
9 following persons register with the commission, apply for a finding of
10 suitability as defined in subdivision (i) of 19805, or apply for a
11 gambling license:

12 * * *

13 (2) Any person who owns an interest in the
14 premises of a licensed gambling establishment or in
15 real property used by a licensed gambling
16 establishment.

17 (3) Any person who does business on the premises
18 of a licensed gambling establishment.

19 5. Business and Professions Code, section 19856 provides:

20 (a) Any person who the commission determines is
21 qualified to receive a state license, having due consideration for
22 the proper protection of the health, safety, and general welfare of
23 the residents of the State of California and the declared policy of
24 this state, may be issued a license. The burden of proving his or
25 her qualifications to receive any license is on the applicant.

26 (b) An application to receive a license constitutes a
27 request for a determination of the applicant's general character,
28 integrity, and ability to participate in, engage in, or be associated
with, controlled gambling.

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

6. Business and Professions Code section 19859 provides, in part:

The commission shall deny a license to any applicant who is
disqualified for any of the following reasons:

1 (a) Failure of the applicant to clearly establish eligibility
2 and qualification in accordance with this chapter.

3 (b) Failure of the applicant to provide information,
4 documentation, and assurances required by this chapter or
5 requested by the chief, or failure of the applicant to reveal any
6 fact material to qualification, or the supplying of information
7 that is untrue or misleading as to a material fact pertaining to the
8 qualification criteria.

9
10 7. Business and Professions Code section 19866 provides:

11 An applicant for licensing or for any approval or consent
12 required by this chapter, shall make full and true disclosure of all
13 information to the department and the commission as necessary to
14 carry out the policies of this state relating to licensing, registration,
15 and control of gambling.

16
17 8. Business and Professions Code, section 19870 provides:

18 (a) The commission, after considering the
19 recommendation of the chief⁵ and any other testimony and
20 written comments as may be presented at the meeting, or as may
21 have been submitted in writing to the commission prior to the
22 meeting, may either deny the application or grant a license to an
23 applicant who it determines to be qualified to hold the license.

24 (b) When the commission grants an application for a
25 license or approval, the commission may limit or place
26 restrictions thereon as it may deem necessary in the public
27 interest, consistent with the policies described in this chapter.

28 (c) When an application is denied, the commission shall
prepare and file a detailed statement of its reasons for the denial.

(d) All proceedings at a meeting of the commission
relating to a license application shall be recorded
stenographically or by audio or video recording.

(e) A decision of the commission 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 described in the foregoing sentence, and the court
may grant the petition only if the court finds that the action of
the commission was arbitrary and capricious, or that the action
exceeded the commission's jurisdiction.

28 ⁵ "Chief" refers to the Director of the Bureau. (Bus. & Prof. Code, § 19805, subd. (d).)

1 9. Business and Professions Code, section 19871 provides:

2 (a) The commission meeting described in Section 19870
3 shall be conducted in accordance with regulations of the
4 commission and as follows:

5 (1) Oral evidence shall be taken only upon oath
6 or affirmation.

7 (2) Each party shall have all of the following
8 rights:

9 (A) To call and examine witnesses.

10 (B) To introduce exhibits relevant to the
11 issues of the case.

12 (C) To cross-examine opposing witnesses
13 on any matters relevant to the issues, even though
14 the matter was not covered on direct examination.

15 (D) To impeach any witness, regardless
16 of which party first called the witness to testify.

17 (E) To offer rebuttal evidence.

18 (3) If the applicant does not testify in his or her
19 own behalf, he or she may be called and examined as if
20 under cross-examination.

21 (4) The meeting need not be conducted
22 according to technical rules relating to evidence and
23 witnesses. Any relevant evidence may be considered, and is
24 sufficient in itself to support a finding, if it is the sort of
25 evidence on which responsible persons are accustomed to
26 rely in the conduct of serious affairs, regardless of the
27 existence of any common law or statutory rule that might
28 make improper the admission of that evidence over
objection in a civil action.

(b) Nothing in this section confers upon an applicant a
right to discovery of the department's⁶ investigative reports or
to require disclosure of any document or information the
disclosure of which is otherwise prohibited by any other
provision of this chapter.

10. Business and Professions Code section 19877 provides:

The failure of an owner licensee to file an application for
renewal before the date specified in this chapter may be deemed a

⁶ "Department" refers to the Department of Justice. (Bus. & Prof. Code, § 19805, subd.
(h).)

1 surrender of the license. A license has not been renewed within the
2 meaning of this section until all required renewal fees have been paid.

3 11. Business and Professions Code, section 19963 subdivision (a) provides:

4 (a) In addition to any other limitations on the expansion
5 of gambling imposed by Section 19962 or any provision of this
6 chapter, the commission may not issue a gambling license for a
7 gambling establishment that was not licensed to operate on
December 31, 1999, unless an application was on file with the
department prior to September 1, 2000.

8 12. California Code of Regulations, title 4, section 12054, subdivision (a)(2) provides:

9 (a) At a non-evidentiary hearing meeting, the
10 Commission may take, but is not limited to taking, one of the
following actions:

11 * * *

12 (2) Elect to hold an evidentiary hearing in
13 accordance with Section 12056 and, when for a renewal
14 application, issue an interim renewal license pursuant to
15 Section 12035. The Commission shall identify those issues
related to the applicant's suitability.

16 13. California Code of Regulations, title 4, section 12056, subdivision (a) provides, in
17 part:

18 If the Commission elects to hold an evidentiary hearing, the
19 hearing will be conducted as a GCA hearing under Section 12060,
20 unless the Executive Director or the Commission determines the
hearing should be conducted as an APA hearing under Section
12058

21 14. California Code of Regulations, title 4, section 12060, subdivision (b) provides:

22 When the Commission has elected to hold a GCA hearing, the
23 Executive Director shall give notice to the applicant, pursuant to
24 paragraph (2) subsection (c) of Section 12052, to the Office of the
Attorney General, and to the Bureau no later than 60 calendar days in
advance of the GCA hearing.

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15. California Code of Regulations, title 4, section 12142, subdivision (b) provides:

(b) A cardroom business owner license that has been surrendered or abandoned after the effective date of this section is subject to the following:

(1) The license cannot be reactivated, reinstated, reissued, or renewed.

(2) The cardroom business licensee associated with that cardroom business license is no longer eligible to conduct any gambling operation under that license.

(3) Business and Professions Code section 19963 precludes that gambling establishment from being reopened in that jurisdiction or in any other jurisdiction.

16. California Code of Regulations, title 4, section 12144, subdivision (a) & (b) provide:

(a) A cardroom business license that was valid as of December 31, 1999, or that was issued pursuant to an application that was on file with the department prior to September 1, 2000, and that was surrendered or expired without being renewed prior to January 6, 2011, will be eligible for reinstatement in accordance with the following guidelines:

(1) The applicant seeking to reinstate the license must be the last holder of the license that he or she is seeking to reinstate.

(2) The applicant must notify the Commission, in writing, within 30 calendar days of the effective date of this section of the intent to apply for reinstatement of the license.

(3) The applicant must submit a complete application for an initial cardroom business license pursuant to Section 12112, and all documentation required by subsection (b) within 12 months of the effective date of this section.

(f) A cardroom business license meeting the qualifications of subsection (a) will be considered abandoned if the time limits imposed by paragraphs (2) and (3) of subsection (a) are not met. An abandoned license will be subject to the provisions of subsection (b) of Section 12142.