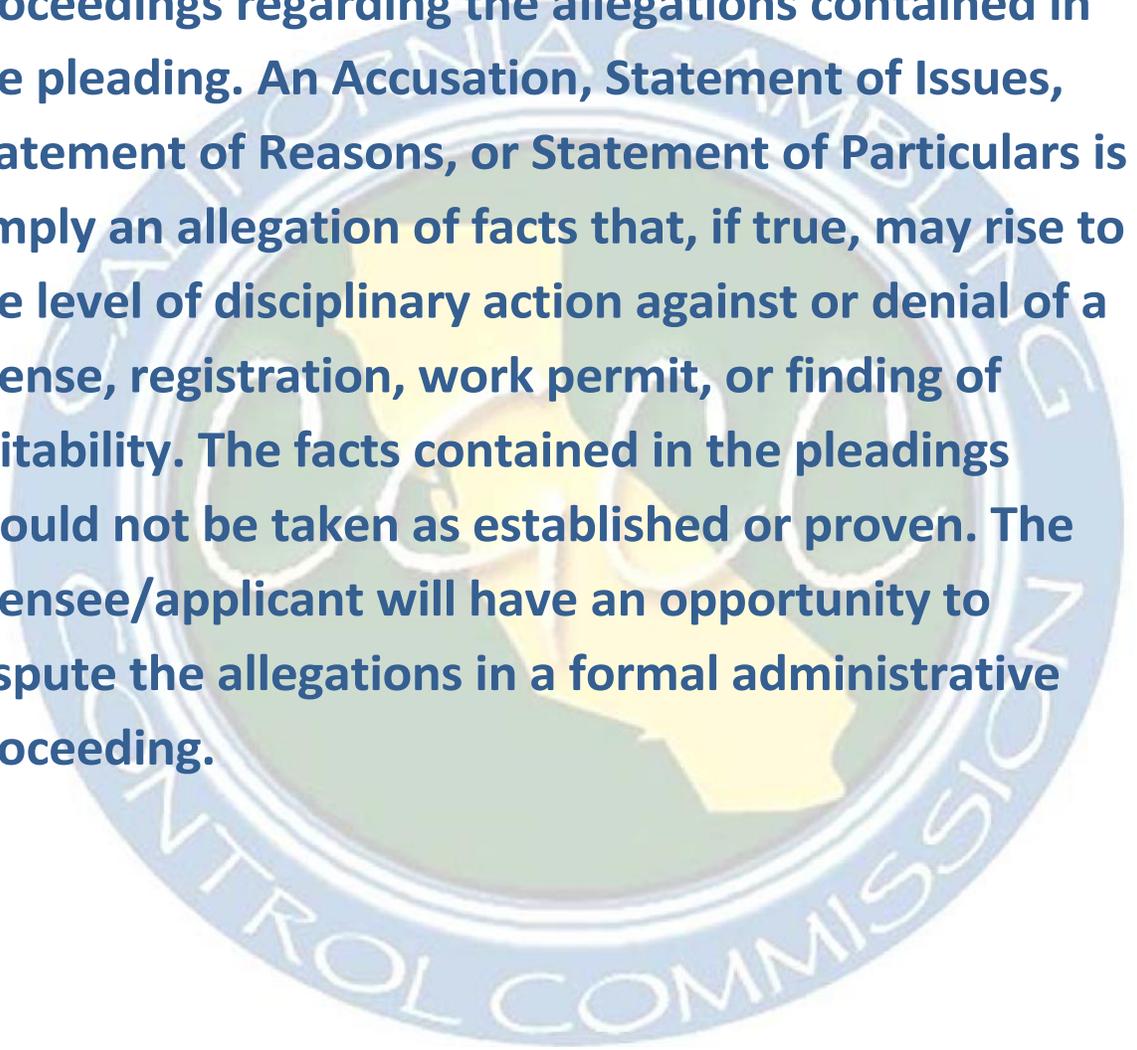


The Commission is providing a copy of this pleading (Accusation, or Statement of Reasons, Statement of Particulars, or Statement of Issues) so the public is as informed as possible of pending administrative proceedings regarding the allegations contained in the pleading. An Accusation, Statement of Issues, 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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**BEFORE THE
 CALIFORNIA GAMBLING CONTROL COMMISSION
 STATE OF CALIFORNIA**

In the Matter of the Statement of Reasons for
 Denial of Application for a Work Permit for:

SUSAN CORINE HOOKER


 Respondent.

CGCC Case No. CGCC-2020-0119-7B

BGC Case No. BGC-HQ2020-00036SL

STATEMENT OF REASONS

Complainant alleges as follows:

PARTIES

1. Stephanie K. Shimazu (Complainant) brings this Statement of Reasons solely in her official capacity as Director of the California Department of Justice, Bureau of Gambling Control (Bureau).

1 **FIRST CAUSE FOR DENIAL**

2 **(Untrue and Misleading Statements Made to the Bureau)**

3 10. Respondent's Application is subject to denial in that she made untrue and misleading
4 statements to the Bureau regarding a July 6, 2016 domestic violence incident for which she
5 sustained a misdemeanor conviction. In response to Bureau inquiries about the circumstances of
6 the crime and conviction, Respondent made statements that were inconsistent with, and omitted
7 material facts provided in, the police report. While the crime and conviction occurred in 2016,
8 her failure to disclose and untrue and misleading statements to the Bureau occurred in 2019 and
9 2020.

10 (Bus. & Prof. Code, §§ 19856, 19857, subds. (a) & (b), 19859 subd. (b), 19866, 19914, subd. (a);
11 Cal. Code. Regs., tit. 4, § 12105.)

12 **SECOND CAUSE FOR DENIAL**

13 **(Misdemeanor Violation of Protective Order)**

14 11. Respondent's Application is further subject to denial in that on July 7, 2016, an
15 Arizona court convicted her of Interfering with Judicial Proceedings in violation of Arizona
16 Revised Statute Section 13-2810A2.² Respondent violated a protective order obtained by her
17 former domestic partner. Despite a protective order, she entered his home without permission in
18 the middle of the night and confronted him. This conduct demonstrates that Respondent is not a
19 person of good character and integrity and that her prior activities and criminal record
20 demonstrate that she may pose a threat to the effective regulation and control of gambling.

21 (Bus. & Prof. Code, §§ 19856, 19857, subds. (a) & (b); Cal. Code. Regs., tit. 4, § 12105.)

22
23 ² Arizona Revised Statute Section 13-2810A2 states that a "person commits interfering
24 with judicial proceedings if such person knowingly . . . Disobeys or resists the lawful order,
25 process or other mandate of a court." In this case, Respondent disobeyed a court-issued Order of
26 Protection under terms of which she was to have no contact with a protected party who was
27 formerly her domestic partner. Per court records, Respondent was sentenced to three years of
28 unsupervised probation. As part of her probation sentence, she was to attend "26 DV [domestic
violence] session," pay a \$285 fine, a \$50 "DV fee," and \$45 in court costs. In consideration for
this sentence and conviction only of Section 13-2810A2 DV, Respondent apparently pleaded
guilty at the time of her arraignment.

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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 Respondent's Application for a work permit;
2. Taking such other and further action as the Commission may deem appropriate.

Dated: March ____, 2021

Stephanie Shimazu Digitally signed by Stephanie Shimazu
Date: 2021.03.12 09:53:28 -08'00'

STEPHANIE K. SHIMAZU, 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.

- 7 2. Business and Professions Code section 19823 provides:

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

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

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

20 (b) For the purposes of this section, "unqualified person" means a
21 person who is found to be unqualified pursuant to the criteria set forth
22 in Section 19857, and "disqualified person" means a person who is
23 found to be disqualified pursuant to the criteria set forth in Section
24 19859.

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

26 The commission shall have all powers necessary and proper to
27 enable it fully and effectually to carry out the policies and purposes of
28 this chapter,^[3] including, without limitation, the power to do all of the
following:

(b) For any cause deemed reasonable by the commission, deny
any application for a license, permit, or approval provided for in this
chapter or regulations adopted pursuant to this chapter, limit,
condition, or restrict any license, 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

³ "Chapter" refers to Business and Professions Code, division 8, chapter 5, (commencing with section 19800), also known as the Gambling Control Act.

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

3 * * *

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

- 6 4. Business and Professions Code section 19853, subdivision (a), provides in part:

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

10 * * *

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

- 12 5. Business and Professions Code section 19856 provides, in part:

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

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

19 (c) In reviewing an application for any license, the commission
20 shall consider whether issuance of the license is inimical to public
21 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.

- 22 6. Business and Professions Code section 19857 provides:

23 No gambling license shall be issued unless, based on all of the
24 information and documents submitted, the commission is satisfied that
the applicant is all of the following:

25 (a) A person of good character, honesty, and integrity.

26 (b) A person whose prior activities, criminal record, if any,
27 reputation, habits, and associations do not pose a threat to the public
28 interest of this state, or to the effective regulation and control of
controlled gambling, or create or enhance the dangers of unsuitable,
unfair, or illegal practices, methods, and activities in the conduct of

1 controlled gambling, or in the carrying on of the business and financial
2 arrangements incidental thereto.

3 (c) A person that is in all other respects qualified to be licensed
4 as provided in this chapter.

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

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

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

10 (b) Failure of the applicant to provide information,
11 documentation, and assurances required by this chapter or requested
12 by the chief, or failure of the applicant to reveal any fact material to
13 qualification, or the supplying of information that is untrue or
14 misleading as to a material fact pertaining to the qualification criteria.

15 8. Business and Professions Code section 19866 provides:

16 An applicant for licensing or for any approval or consent required
17 by this chapter, shall make full and true disclosure of all information
18 to the department and the commission as necessary to carry out the
19 policies of this state relating to licensing, registration, and control of
20 gambling.

21 9. Business and Professions Code section 19870 provides:

22 (a) The commission, after considering the recommendation of the
23 chief⁴ and any other testimony and written comments as may be
24 presented at the meeting, or as may have been submitted in writing to
25 the commission prior to the meeting, may either deny the application
26 or grant a license to an applicant who it determines to be qualified to
27 hold the license.

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

(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.

⁴ "Chief" refers to the Director of the Bureau. (Bus. & Prof. Code, § 19805, subd. (d).)

1 (e) A decision of the commission denying a license or approval,
2 or imposing any condition or restriction on the grant of a license or
3 approval may be reviewed by petition pursuant to Section 1085 of the
4 Code of Civil Procedure. Section 1094.5 of the Code of Civil
5 Procedure shall not apply to any judicial proceeding described in the
6 foregoing sentence, and the court may grant the petition only if the
7 court finds that the action of the commission was arbitrary and
8 capricious, or that the action exceeded the commission's jurisdiction.

9
10 10. Business and Professions Code section 19871 provides:

11 (a) The commission meeting described in Section 19870 shall be
12 conducted in accordance with regulations of the commission and as
13 follows:

14 (1) Oral evidence shall be taken only upon oath or
15 affirmation.

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

17 (A) To call and examine witnesses.

18 (B) To introduce exhibits relevant to the issues
19 of the case.

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

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

25 (E) To offer rebuttal evidence.

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

(4) The meeting need not be conducted according to
technical rules relating to evidence and witnesses. Any relevant
evidence may be considered, and is sufficient in itself to support a
finding, if it is the sort of evidence on which responsible persons
are accustomed to rely in the conduct of serious affairs, regardless
of the existence of any common law or statutory rule that might
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's⁵ investigative reports or to require

27 ⁵ "Department" refers to the Department of Justice. (Bus. & Prof. Code, § 19805, subd.
28 (h).)

1 disclosure of any document or information the disclosure of which is
2 otherwise prohibited by any other provision of this chapter.

3 11. Business and Professions Code section 19914 provides, in part:

4 (a) The commission may revoke a work permit or, if issued by
5 the licensing authority of a city, county, or city and county, notify the
6 authority to revoke it, and the licensing authority shall revoke it, if the
7 commission finds, after a hearing, that a gambling enterprise employee
8 or independent agent has failed to disclose, misstated, or otherwise
9 misled the department or the commission with respect to any fact
10 contained in any application for a work permit, or if the commission
11 finds that the employee or independent agent, subsequent to being
12 issued a work permit, has done any of the following:

13 (1) Committed, attempted, or conspired to do any acts
14 prohibited by this chapter.

15 * * *

16 (3) Concealed or refused to disclose any material fact in any
17 investigation by the department.

18 12. California Code of Regulations, title 4, section 12056, subdivision (a) provides, in
19 part:

20 If the Commission elects to hold an evidentiary hearing, the
21 hearing will be conducted as a GCA hearing under Section 12060,
22 unless the Executive Director or the Commission determines the
23 hearing should be conducted as an APA hearing under Section
24 12058

25 13. California Code of Regulations, title 4, section 12060, provides:

26 (a) If the Executive Director determines it is appropriate, he or
27 she may set an application for consideration at a GCA hearing in
28 advance of a meeting pursuant to Section 12054. The Executive
Director shall give notice to the applicant, pursuant to paragraph (2)
subsection (c) of Section 12052, to the Office of the Attorney General,
and to the Bureau no later than 90 calendar days in advance of the
GCA hearing. The Executive Director's determination will be based
on information contained in the Bureau's report or other appropriate
sources including, without limitation, a request from the Bureau or
applicant as well as the Commission's operational considerations. The
Commission retains the authority to refer the matter to an APA
hearing pursuant to subsection (a) of Section 12056 or hear the matter
at a Section 12054 meeting if the Commission deems it appropriate.

(b) When the Commission has elected to hold a GCA hearing, the
Executive Director shall give notice to the applicant, pursuant to
paragraph (2) subsection (c) of Section 12052, to the Office of the

1 Attorney General, and to the Bureau no later than 60 calendar days in
2 advance of the GCA hearing.

3 (c) The presiding officer shall have no communication with the
4 Commission or Commission staff upon the merits, or upon
5 information or documents related to the application prior to the
6 evidentiary hearing. The Executive Director shall designate a
7 presiding officer which shall be:

- 8 (1) A member of the Commission's legal staff; or,
- 9 (2) An Administrative Law Judge.

10 (d) The applicant or the complainant, or the applicant and the
11 complainant, may request a continuance in writing to the Executive
12 Director stating the reason for the continuance and any proposed
13 future hearing dates. The Executive Director or Commission may
14 approve the request.

15 (e) The complainant shall provide to the applicant, at least 45
16 calendar days prior to the GCA hearing, and the applicant shall
17 provide to the complainant, at least 30 calendar days prior to the GCA
18 hearing, the following items:

- 19 (1) A list of potential witnesses with the general subject of
20 the testimony of each witness;
- 21 (2) Copies of all documentary evidence intended to be
22 introduced at the hearing and not previously provided;
- 23 (3) Reports or statements of parties and witnesses, if
24 available; and
- 25 (4) All other written comments or writings containing
26 relevant evidence.

27 (f) A presiding officer shall rule on the admissibility of evidence
28 and on any objections raised except for objections raised under
subsection (g). A ruling by the presiding officer shall be final.

(1) In advance of the GCA hearing, upon a motion of a party
or by order of the presiding officer, the presiding officer may
conduct a pre-hearing conference, either in person, via
teleconference, or by email exchange, subject to the presiding
officer's availability and shall issue a pre-hearing order if
appropriate or requested by either party. The pre-hearing
conference and order may address the following:

- (A) Evidentiary issues;
- (B) Witness and exhibit lists;
- (C) Alterations in the Bureau recommendation;

1 (D) Stipulation for undisputed facts including the
2 admission of the Bureau's report; and

3 (E) Other issues that may be deemed appropriate to
4 promote the orderly and prompt conduct of the hearing.

5 (2) The GCA hearing need not be conducted according to
6 technical rules of evidence. Any relevant evidence may be
7 considered, and is sufficient in itself to support findings if it is the
8 sort of evidence on which reasonable persons are accustomed to
9 rely in the conduct of serious affairs, regardless of the existence of
10 any common law or statutory rule that might make improper the
11 admission of that evidence over objection in a civil action.

12 (g) The Commission may, at any time upon a showing of
13 prejudice by the objecting party:

14 (1) Prohibit the testimony of any witness or the introduction
15 of any documentary evidence that has not been disclosed pursuant
16 to subsection (e); or

17 (2) Continue any meeting or hearing as necessary to mitigate
18 any prejudice.

19 (h) The complainant shall present all facts and information in the
20 Bureau report, if any, and the results of the Bureau's background
21 investigation, and the basis for any recommendation, if the Bureau
22 filed one with the Commission according to Business and Professions
23 Code section 19868, to enable the Commission to make an informed
24 decision on whether the applicant has met his, her, or its burden of
25 proof. The complainant may but is not required to recommend or seek
26 any particular outcome during the evidentiary hearing, unless it so
27 chooses.

28 (i) The burden of proof is on the applicant at all times to prove
his, her, or its qualifications to receive any license or other approval
under the Act.

(j) The applicant may choose to represent himself, herself, or
itself, or may retain an attorney or lay representative.

(k) Except as otherwise provided in subsection (g), the
complainant and applicant shall have the right to call and examine
witnesses under oath; to introduce relevant exhibits and documentary
evidence; to cross-examine opposing witnesses on any relevant matter,
even if the matter was not covered in direct examination; to impeach
any witness, regardless of which party first called the witness to
testify; and to offer rebuttal evidence. If the applicant does not testify
on his, her or its own behalf, the applicant may be called and
examined, under oath, as if under cross-examination.

(l) Oral evidence shall be taken upon oath or affirmation, which
may be administered by the Executive Director, a member of the
Commission, or the presiding officer, if an Administrative Law Judge.

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(m) At the conclusion of the evidentiary hearing, the members of the Commission shall take the matter under submission, may discuss the matter in a closed session meeting, and may schedule future closed session meetings for deliberation.

14. California Code of Regulations, title 4, section 12105 provides, in part:

(a) An application for a work permit shall be denied by the Commission if either of the following applies:

(1) The applicant meets any of the criteria for mandatory disqualification under Business and Professions Code section 19859.

(2) The applicant is found unqualified pursuant to the criteria set forth in subdivisions (a) or (b) of Business and Professions Code section 19857.

(b) An application for a work permit may be denied by the Commission if it finds any of the following:

(1) Cause set forth in Business and Professions Code section 19914, subdivision (a), paragraphs (1) through (9), inclusive.

* * *

(c) The grounds for denial set forth in this section apply in addition to any grounds prescribed by statute.

* * *

(e) The provisions of Business and Professions Code sections 19857, 19859, and 19914, subdivision (a) shall be deemed incorporated by reference into this regulation for the purposes set forth in this section. For the purposes of this section, the criteria incorporated by reference in these regulations from Business and Professions Code section 19914, subdivision (a), apply to conduct or events occurring prior to the filing of an application for a work permit.