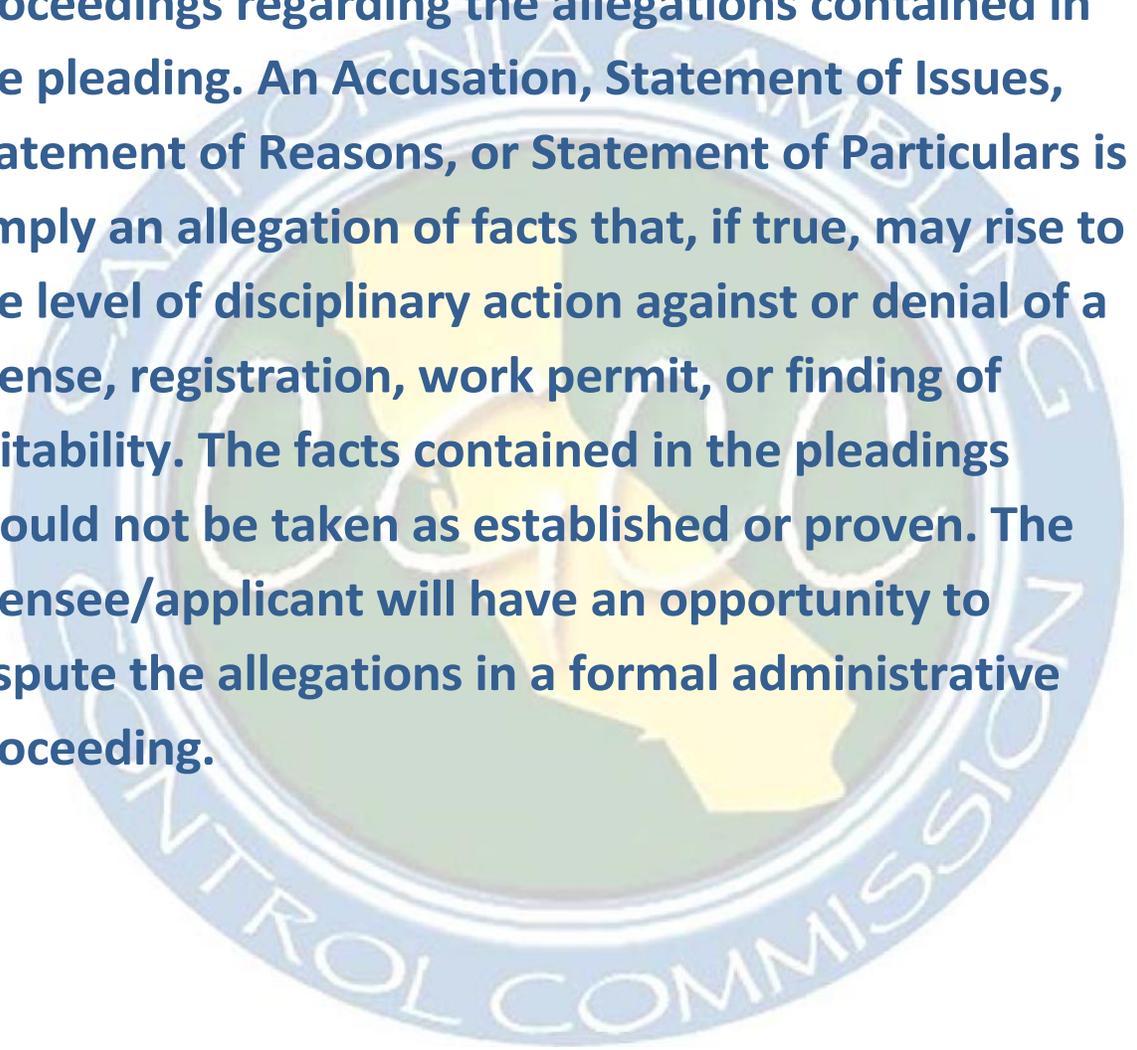


The Commission is providing a copy of this pleading (Accusation, or Statement of Reasons, Statement of Particulars, or Statement of Issues) so the public is as informed as possible of pending administrative proceedings regarding the allegations contained in the pleading. An Accusation, Statement of Issues, 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.



1 XAVIER BECERRA  
Attorney General of California  
2 SARA J. DRAKE  
Senior Assistant Attorney General  
3 T. MICHELLE LAIRD  
Supervising Deputy Attorney General  
4 NOEL A. FISCHER  
Deputy Attorney General  
5 State Bar Number 232553  
6 600 West Broadway, Suite 1800  
P.O. Box 85266  
7 San Diego, CA 92186-5266  
Telephone: (619) 738-9133  
8 Fax: (619) 645-2012  
E-mail: Noel.Fischer@doj.ca.gov  
*Attorneys for Complainant*



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

15 In the Matter of the Statement of Reasons for  
16 Denial of Renewal Application for a Third-  
Party Propositional Player Services License  
17 for:

CGCC Case No. CGCC-2019-0926-14B  
BGC Case No. BGC-HQ2019-00034SL

18 **BRITNEY COOPER**  
19 [REDACTED]

**STATEMENT OF REASONS**

20  
21 **Respondent.**

22  
23 Complainant alleges as follows:

24 **PARTIES**

25 1. Stephanie K. Shimazu submits this Statement of Reasons solely in her official  
26 capacity as the Director of the California Department of Justice, Bureau of Gambling Control  
27 (Bureau).  
28

1           2.     Respondent, Britney Cooper, has been employed by Blackstone Gaming, LLC  
2 (Blackstone) as a proposition player from October 2015 to the present. On or about December  
3 29, 2015, the California Gambling Control Commission (Commission) issued Ms. Cooper a  
4 registration number, TPPL-016435, as a third-party player for her employment with Blackstone.  
5 This registration was superseded by a license on September 21, 2017.<sup>1</sup>

6           3.     On June 3, 2019, the Bureau received a renewal Application for a Third-Party  
7 Proposition Player Services License for Supervisor, Player or Other Employee, dated April 26,  
8 2019 (Application), from Britney Cooper (Respondent), to allow for her employment as a third-  
9 party proposition player (third-party player) for Blackstone, a registered third-party proposition  
10 player services provider, registration number TPPP-000119.

11          4.     On or about August 5, 2019, the Bureau submitted a Third-Party Provider of  
12 Proposition Player Services Level III Player Renewal Report to the Commission, in which the  
13 Bureau recommended the Commission deny Respondent's Application.

14          5.     At its September 26, 2019 meeting, the Commission referred consideration of  
15 Respondent's Application to an evidentiary hearing, which is to be conducted pursuant to  
16 Business and Professions Code sections 19870 and 19871, and California Code of Regulations,  
17 title 4, section 12056, subdivision (a). In addition, the Commission issued an Interim Renewal  
18 License pursuant to California Code of Regulations, title 4, section 12035(a)(1).<sup>2</sup> This interim  
19 license is valid through September 30, 2021.

20          6.     On or about September 27, 2019, the Commission notified Respondent of the  
21 Commission's decision to refer the matter to an evidentiary hearing. Included with that written  
22 notice was a Notice of Defense form for Respondent to complete and return.

23          7.     Respondent submitted a Notice of Defense, dated October 11, 2019.

---

24  
25           <sup>1</sup> Respondent was required to convert her registration to a license and submit an  
26 application for such licensure pursuant to California Code of Regulations, title 4, sections  
12205.1 and 12218 because Blackstone was summoned, on April 20, 2017, to submit an  
application to convert its registration into a license.

27           <sup>2</sup> The statutes and regulations applicable to this Statement of Reasons are quoted in  
28 pertinent part in Appendix A.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**BURDEN OF PROOF**

8. Respondent has the burden of proving her qualifications to receive a license. (Bus. & Prof. Code, § 19856, subd. (a).)

**FIRST CAUSE FOR DENIAL**

**(Misdemeanor Conviction)**

9. Respondent’s Application is subject to denial and her license subject to revocation or cancellation in that Respondent has engaged in illegal behavior, demonstrating a willingness to violate the law and a conscious disregard for the health, safety, and welfare of others.

10. On or about June 11, 2018, Respondent was convicted, upon a plea of nolo contendere, of violating Vehicle Code section 23103, reckless driving, a misdemeanor, in the case of *People of the State of California v. Britney Le’shae Cooper* (Super. Ct. Los Angeles County, 2019, Case No. 8IN01528). As a result of her conviction, Respondent was sentenced to two days in jail, three years of probation, ordered to complete a three-month first offender alcohol program, and pay a fine and restitution.  
(Bus. & Prof. Code, §§ 19856, subds. (a) & (b), 19857, subds. (a) & (b); Cal. Code. Regs., tit. 4, § 12218.11, subds. (e) [mandatory denial] & (f) [mandatory denial].)

**SECOND CAUSE FOR DENIAL**

**(Failure and/or Refusal to Accurately and Honestly Disclose Requested and Required Information)**

11. Respondent’s Application is subject to denial and her license subject to revocation or cancellation because Respondent, under penalty of perjury, failed and/or refused to disclose on her Application the misdemeanor conviction that is alleged in paragraph 10 above.  
(Bus. & Prof. Code, §§ 19856, subd. (b), 19857, subds. (a) & (b), 19859, subds. (a) [mandatory denial] & (b) [mandatory denial], 19866; Cal. Code. Regs., tit. 4, §§ 12200.18, subds. (a), (b), & (f), 12218.11, subds. (e) [mandatory denial], (f) [mandatory denial].)

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**PRAYER**

WHEREFORE, Bureau Director Shimazu requests that following the hearing to be held on the matters herein alleged, the Commission issue a decision:

1. Denying Respondent’s renewal Application for Third-Party Proposition Player Services License; and
2. Cancelling or revoking Respondent’s license, number TPPL-016435; and
3. Taking such other and further action as the Commission may deem appropriate.

Dated: February 21, 2020

  
STEPHANIE K. SHIMAZU, DIRECTOR  
Bureau of Gambling Control  
California Department of Justice



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

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

5 \* \* \*

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

8 5. Business and Professions Code, section 19870 provides:

9 (a) The commission, after considering the recommendation of the chief<sup>[4]</sup> and any  
10 other testimony and written comments as may be presented at the meeting, or as may  
11 have been submitted in writing to the commission prior to the meeting, may either  
12 deny the application or grant a license to an applicant who it determines to be  
13 qualified to hold the license.

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

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

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

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

28 6. Business and Professions Code, section 19871 provides:

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

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

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

(A) To call and examine witnesses.

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

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

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

---

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

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

(E) To offer rebuttal evidence.

(3) If the applicant does not testify in his or her own behalf, he or she may be called and examined as if under cross-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's<sup>5</sup> 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.

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

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

8. California Code of Regulations, title 4, section 12060 provides, in part:

(a) If the Executive Director determines it is appropriate, he or she may set an application for consideration at a GCA hearing in 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 Attorney General, and to the Bureau no later than 60 calendar days in advance of the GCA hearing.

---

<sup>5</sup> "Department" refers to the Department of Justice. (Bus. & Prof. Code, § 19805, subd. (h).)

1 **SPECIFIC STATUTORY PROVISIONS**

2 9. Business and Professions Code section 19856 provides, in part:

3 (a) The burden of proving his or her qualifications to receive any license is on the  
4 applicant.

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

8 10. Business and Professions Code, section 19857 provides:

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

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

13 (b) A person whose prior activities, criminal record, if any, reputation, habits, and  
14 associations do not pose a threat to the public interest of this state, or to the effective  
15 regulation and control of controlled gambling, or create or enhance the dangers of  
16 unsuitable, unfair, or illegal practices, methods, and activities in the conduct of  
17 controlled gambling, or in the carrying on of the business and financial arrangements  
18 incidental thereto.

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

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

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

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

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

12. Business and Professions Code section 19866 provides:

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

25 **THIRD-PARTY PROPOSITION PLAYER PROVISIONS**

26 13. Business and Professions Code section 19984, subdivision (b), provides, in part:

27 The commission shall establish reasonable criteria for, and require the licensure and  
28 registration of, any person or entity that provides proposition player services to  
gambling establishments pursuant to this section, including owners, supervisors, and

1 players . . . The commission may impose licensing requirements, disclosures,  
2 approvals, conditions, or limitations as it deems necessary to protect the integrity of  
controlled gambling in this state . . .

3 14. California Code of Regulations, title 4, section 12200.3, subdivision (g), provides:

4 Registrations, licenses, and badges are specific to the primary owner. Third party  
5 proposition player services cannot be provided without first applying for and  
obtaining a registration, license, or badge.

6 15. California Code of Regulations, title 4, section 12200.7, subdivisions (b)(8) and  
7 (b)(9), provide:

8 (b) . . .

\* \* \*

9 (8) That proposition player services shall be provided in the gambling  
10 establishment only in compliance with laws and regulations pertaining to controlled  
gambling.

11 (9) That proposition player services may be provided only by authorized  
12 players with current registration or licensing under this chapter.

13 16. California Code of Regulations, title 4, section 12200.18, subdivisions (a), (b), and  
14 (f), provide:

The Commission may revoke a registration or license, upon any of the following  
15 grounds, after a hearing conducted pursuant to the same procedures applicable to the  
16 revocation of a gambling establishment license:

17 (a) The registrant or licensee committed, attempted to commit, or conspired to  
18 commit any acts prohibited by the Act<sup>6</sup> or this chapter.

19 (b) Any act or omission by the registrant that would disqualify the registrant from  
20 obtaining registration under this chapter. Any act or omission by the licensee that  
21 would disqualify the licensee from obtaining licensing under this chapter.

22 (f) The registrant or licensee concealed or refused to disclose any material fact in  
23 any inquiry by the Bureau or the Commission.

24 17. California Code of Regulations, title 4, section 12218.11, provides, in part:

25 A requester shall be ineligible for licensing for any of the following causes:

\* \* \*

26 (e) The requester has failed to meet the requirements of Business and Professions  
27 Code sections 19856 or 19857.

28 (f) The requester would be ineligible for a state gambling license under any of the  
criteria set forth in Business and Professions Code section 19859, subdivisions (b),  
(e), or (f).

---

<sup>6</sup> “Act” refers to the “Gambling Control Act.” (Bus. & Prof. Code, § 19800 et seq.)