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8
9 **BEFORE THE**
10 **CALIFORNIA GAMBLING CONTROL COMMISSION**
11 **STATE OF CALIFORNIA**

12
13 **In the Matter of the Accusation Against:**

14 **ALBERT CIANFICHI, Sole Proprietor**
15 **KELLY'S CARDROOM**
16 **408 "O" Street**
Antioch, CA 94509

17 **License Number 990002**

BGC Case No. DGC # 03-00130-01

OAH No. _____

18
19 **ACCUSATION AND PETITION**
TO REVOKE PROBATION

20 Jacob A. Appelsmith, Complainant herein, alleges as follows:

21 **PARTIES**

22 1. Jacob A. Appelsmith ("Complainant") brings this Accusation and Petition to Revoke
23 Probation solely in his official capacity as the Chief of the Bureau of Gambling Control within
24 the California Department of Justice ("Bureau").

25 2. Albert Cianfichi ("Respondent Owner") owns, as a sole proprietor, the gambling
26 enterprise presently known and doing business as Kelly's, located at 408 "O" Street, Antioch,
27 California 94509 ("Cardroom"). Respondent Owner is presently the holder of gambling license
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1 number GEGE-000407, formerly number 990002, issued by the California Gambling Control
2 Commission ("Commission"). This license will expire on January 31, 2010, unless renewed.

3 **JURISDICTION**

4 3. This Accusation and Petition to Revoke Probation is brought before the Commission
5 pursuant to the terms of the Stipulated Settlement and Disciplinary Order approved by the
6 Commission in this proceeding on September 14, 2006 ("2006 Commission Decision"), and the
7 statutes set forth below. A copy of the 2006 Commission Decision is attached hereto as Exhibit
8 A and incorporated herein by this reference. All section references are to the Business and
9 Professions Code unless otherwise stated.

10 4. The 2006 Commission Decision imposed discipline against Respondent Owner's
11 license at pages 5 through 8, in pertinent part, as follows:

12 **DISCIPLINARY ORDER**

13 IT IS HEREBY ORDERED that original Gambling License Number
14 990002 issued to Respondent Alfred Cianfichi is revoked. However, the
15 revocation is stayed and Respondent is placed on probation for three (3) years on
16 the following terms and conditions:

17 1. **Penalty.** Respondent, in lieu of the imposition of a suspension,
18 agrees to pay a fine of \$ 35,000. The fine must be paid by October 1, 2006. If the
19 fine is not paid by October 1, 2006, a 60-day suspension of Respondent's license
20 will be imposed as directed by the Commission.

21 2. **Practice Suitable Methods of Operation.** Respondent will not
22 employ individuals who do not hold a valid work permit or license as required by
23 the Gambling Control Act and the City of Antioch Municipal Code. Respondent
24 will not permit the operation of promotional or other event activities in the
25 gambling establishment by individuals that would be disqualified, pursuant to
26 Business and Professions Code section 19859, to hold a state gambling license.
27 Respondent will not offer any new gaming activity or alter the play of any
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1 currently authorized game in any manner without the prior approval of the
2 Division.

3 3. **Obey all Laws.** Respondent shall obey all state and federal laws
4 and regulations substantially related to, or governing the practice of, gambling
5 establishments.

6 * * *

7 6. **Reimbursement of Division Costs.** Respondent agrees to pay the
8 Division \$27,500 as reasonable costs for the investigation and prosecution of this
9 matter. Payment of these costs, however, will be stayed during the period of
10 probation and will be waived if Respondent complies with the terms and
11 conditions of his probation and successfully completes probation.

12 7. **Status of License.** Respondent shall, at all times while on
13 probation, maintain an active current license with the Commission, including any
14 period during which suspension or probation is tolled.

15 If Respondent's license expires or is canceled by operation of law or
16 otherwise, upon renewal or re-application, Respondent's license shall be subject to
17 all terms and conditions of this probation not previously satisfied.

18 * * *

19 9. **Violation of Probation.** If Respondent is found to have violated
20 probation in any respect, the Commission, after giving Respondent notice and an
21 opportunity to be heard, may revoke probation, carry out the disciplinary order
22 which was stayed and require the payment of the reasonable costs of investigation
23 and prosecution described in paragraph 7 [sic]. If a petition to revoke probation or
24 an accusation is filed against Respondent during probation, the Commission shall
25 have continuing jurisdiction and the period of probation shall be extended, until
26 the petition to revoke probation or accusation is heard and decided.

27 If Respondent has not complied with any term or condition of
28 probation, the Commission shall have continuing jurisdiction over Respondent,

1 and probation shall automatically be extended until all terms and conditions have
2 been satisfied or the Commission has taken other action as deemed appropriate to
3 treat the failure to comply as a violation of probation, to terminate probation, and
4 to impose the penalty which was stayed.

5 12. **Completion of Probation.** Upon successful completion of
6 probation, Respondent's license will be fully restored.

7 **STATUTES**

8 5. Section 19811 provides, in pertinent part that:

9 (b) Jurisdiction, including jurisdiction over operation and
10 concentration, and supervision over gambling establishments in this state
11 and over all persons or things having to do with the operations of
12 gambling establishments is vested in the commission.

13 6. Section 19823 provides as follows:

14 (a) The responsibilities of the commission include, without
15 limitation, all of the following:

16 (1) Assuring that licenses, approvals, and permits are
17 not issued to, or held by, unqualified or disqualified persons, or
18 by persons whose operations are conducted in a manner that is
19 inimical to the public health, safety, or welfare.

20 (2) Assuring that there is no material involvement,
21 directly or indirectly, with a licensed gambling operation, or the
22 ownership or management thereof, by unqualified or
23 disqualified persons, or by persons whose operations are
24 conducted in a manner that is inimical to the public health,
25 safety, or welfare.

26 7. Section 19824 provides as follows:

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

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

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8. Section 19825 provides as follows:

The commission may require that any matter that the commission is authorized or required to consider in a hearing or meeting of an adjudicative nature regarding the denial, suspension, or revocation of a license . . . , be heard and determined in accordance with Chapter 5 (commencing with section 11500) of Part I or Division 3 of Title 2 of the Government Code.

9. Section 19826 provides as follows:

The department [of Justice (§ 19805, subd. (h))] shall have all of the following responsibilities:

* * *

(b) To monitor the conduct of all licensees and other persons having a material involvement, directly or indirectly, with a gambling operation or its holding company, for the purpose of ensuring that licenses are not issued or held by, and that there is no direct or indirect material involvement with, a gambling operation or holding company by ineligible, unqualified, disqualified, or unsuitable persons, or persons whose operations are conducted in a manner that is inimical to the public health, safety or welfare.

(c) To investigate suspected violations of this chapter or laws of this state relating to gambling, including any activity prohibited by Chapter 9 (commencing with Section 319) or Chapter 10 (commencing with Section 330) of Title 9 of Part 1 of the Penal Code.

(d) To investigate complaints that are lodged against licenses, or other persons associated with a gambling operation; by members of the public.

(e) To initiate, where appropriate, disciplinary actions as provided in this chapter. In connection with any disciplinary action, the department may seek restriction, limitation, suspension, or revocation of any license or approval, or the imposition of any fine upon any person licensed or approved.

10. Section 19930 provides in pertinent part as follows:

(b) If, after any investigation, the department is satisfied that a license, permit, finding of suitability, or approval should be suspended or revoked, it shall file an accusation with the commission in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

(c) In addition to any action that the commission may take against a license, permit, finding of suitability, or approval, the commission may also require the payment of fines or penalties. However, no fine imposed shall exceed twenty thousand dollars (\$20,000) for each separate violation of any provision of this chapter or any regulation adopted

1 thereunder.

2 (d) In any case in which the administrative law judge recommends
3 that the commission revoke, suspend, or deny a license, the administrative
4 law judge may, upon presentation of suitable proof, order the licensee or
5 applicant for a license to pay the division the reasonable costs of the
6 investigation and prosecution of the case.

7 (1) The costs assessed pursuant to this subdivision
8 shall be fixed by the administrative law judge and may not be
9 increased by the commission. When the commission does not
10 adopt a proposed decision and remands the case to the
11 administrative law judge, the administrative law judge may
12 not increase the amount of any costs assessed in the proposed
13 decision.

14 (2) The department may enforce the order for payment
15 in the superior court in the county in which the administrative
16 hearing was held. The right of enforcement shall be in addition
17 to any other rights that the department may have as to any
18 licensee directed to pay costs.

19 (3) In any judicial action for the recovery of costs,
20 proof of the commission's decision shall be conclusive proof
21 of the validity of the order of payment and the terms for
22 payment.

23 (e) Notwithstanding any other provision of law, all costs recovered
24 under this section shall be deposited in the fines and penalties account, a
25 special account described in subdivision (a) of Section 19950.

26 (f) For purposes of this section, "costs" include costs incurred for
27 any of the following:

28 (1) The investigation of the case by the department.

(2) The preparation and prosecution of the case by the
Office of the Attorney General.

OTHER PERTINENT STATUTES AND ORDINANCES

11. Section 19805 provides as follows:

As used in this chapter [Gambling Control Act], the following definitions shall apply:

(c) "Banking game" or "banked game" does not include a
controlled game if the published rules of the game feature a player-
dealer position and provide that this position must be continuously and
systematically rotated amongst each of the participants during the play
of the game, ensure that the player-dealer is able to win or lose only a
fixed and limited wager during the play of the game, and preclude the
house, another entity, a player, or an observer from maintaining or
operating as a bank during the course of the game. For purposes of this

1 section it is not the intent of the Legislature to mandate acceptance of the
2 deal by every player if the department finds that the rules of the game
3 render the maintenance of or operation of a bank impossible by other
4 means. The house shall not occupy the player-dealer position.

5 (d) "Chief" means the head of the entity within the department
6 that is responsible for fulfilling the obligations imposed upon the
7 department by this chapter.

8 (e) "Commission" means the California Gambling Control
9 Commission.

10 * * *

11 (h) "Department" means the Department of Justice.

12 * * *

13 (m) "Gambling enterprise employee" means any natural person
14 employed in the operation of a gambling enterprise, including, without
15 limitation, dealers, floor personnel, security employees, countroom
16 personnel, cage personnel, collection personnel, surveillance
17 personnel, data-processing personnel, appropriate maintenance
18 personnel, waiters and waitresses, and secretaries, or any other natural
19 person whose employment duties require or authorize access to
20 restricted gambling establishment areas.

21 * * *

22 (s) "House" means the gambling establishment, and any owner,
23 shareholder, partner, key employee, or landlord thereof.

24 * * *

25 (af) "Player-dealer" and "controlled game featuring a player-dealer
26 position" refer to a position in a controlled game, as defined by the approved
27 rules for that game, in which seated player participants are afforded the
28 temporary opportunity to wager against multiple players at the same table,
provided that this position is rotated amongst the other seated players in the
game.

* * *

(aj) "Work permit" means any card, certificate, or permit issued
by the commission, or by a county, city, or city and county, whether
denominated as a work permit, registration card, or otherwise,
authorizing the holder to be employed as a gambling enterprise
employee or to serve as an independent agent. A document issued by
any governmental authority for any employment other than gambling
is not a valid work permit for the purposes of this chapter.

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12. Section 19850 provides as follows:

Every person who, either as owner, lessee, or employee, whether for hire or not, either solely or in conjunction with others, deals, operates, carries on, conducts, maintains, or exposes for play any controlled game in this state, or who receives, directly or indirectly, any compensation or reward, or any percentage or share of the money or property played, for keeping, running, or carrying on any controlled game in this state, shall apply for and obtain from the commission, and shall thereafter maintain, a valid state gambling license, key employee license, or work permit, as specified in this chapter.

13. Section 19912 provides in pertinent part as follows:

(a)(1) A person shall not be employed as a gambling enterprise employee, or serve as an independent agent, unless he or she is the holder of one of the following:

(A) A valid work permit issued in accordance with the applicable ordinance or regulations of the county, city, or city and county in which his or her duties are performed.

(B) A work permit issued by the commission.

14. Section 19920 provides in pertinent part as follows:

The responsibility for the employment and maintenance of suitable methods of operation rests with the owner licensee, and willful or persistent use or toleration of methods of operation deemed unsuitable by the commission or by local government shall constitute grounds for license revocation or other disciplinary action.

15. Section 19922 provides as follows:

No owner licensee shall operate a gambling enterprise in violation of any provision of this chapter or any regulation adopted pursuant to this chapter.

16. Section 19923 provides as follows:

No owner licensee shall operate a gambling enterprise in violation of any governing local ordinance.

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17. Section 19960 provides in pertinent part as follows:

This chapter shall not prohibit the enactment, amendment, or enforcement of any ordinance by any city . . . relating to licensed gambling establishments that is not inconsistent with this chapter.

18. Commission regulation section 12461 (Cal. Code Regs., tit. 4) provides, in pertinent part:

(a) Each licensee, by July 1, 2007, shall post or provide, at patron gambling entrances or exits, and in conspicuous places in or near gambling areas and any areas where cash or credit are available to patrons, accessible written materials concerning the nature and symptoms of problem gambling and the toll-free telephone number approved by the Office of Problem Gambling (or its successors) that provides information and referral services for problem gamblers, currently "1-800-GAMBLER".

(b) If the licensee operates a web site for the gambling establishment, by July 1, 2007, that web site shall contain a responsible gambling message and a link to the Office of Problem Gambling (or its successors) that provides information and referral services for problem gamblers, currently "[http:// www.problemgambling.ca.gov](http://www.problemgambling.ca.gov)".

(c) If the licensee produces any advertising material, by July 1, 2007, such material shall contain a responsible gambling message and shall refer to the telephone number listed in subsection (a) above and/or the link to the web site listed in subsection (b) above.

19. Commission regulation section 12462 (Cal. Code Regs., tit. 4) provides, in pertinent part:

(a) Each licensee shall implement, by July 1, 2007, procedures to conduct new employee orientations and annual training for all employees, excluding food and beverage servers, who directly interact with gambling patrons in gambling areas.

(b) New employee orientations and annual training shall be documented, including signatures by the employee and the licensee or key employee who coordinated the training, the date and length of the training, and the name of the trainer, as part of the licensee's application for renewal. Copies of this documentation shall be kept in an employee's personnel file for a minimum of five years.

1 (c) The training shall, at a minimum, consist of information
2 concerning the nature and symptoms of problem gambling behavior,
3 assisting patrons in obtaining information about problem gambling
4 programs, and information on the self-restriction and self-exclusion
5 programs.

6 (d) Each licensee shall designate personnel responsible for
7 maintaining the program and addressing the types and frequency of such
8 training and procedures.

9 20. Commission regulation section 12566 (Cal. Code Regs., tit. 4) provides disciplinary
10 guidelines for gambling establishments, providing in part as follows:

11 (a) If the Commission finds that a gambling establishment is out of
12 compliance with any mandatory duty specified in or imposed by the Act or
13 any Commission or Bureau regulation, or any local ordinance which directly
14 affects the public health, safety, or welfare, which is not otherwise listed in
15 these disciplinary guidelines, pursuant to Business and Professions Code
16 section 19922, the penalty shall be one day of suspension, stayed upon the
17 payment of a penalty, within the guidelines of Business and Professions
18 Code, sections 19930, subdivision (c), and 19943, subdivision (b), as
19 follows:

20 * * *

21 (2) If the establishment has ten tables or less or has an annual
22 gross gaming revenue over \$10,000, up to and including \$200,000, the
23 penalty shall be between \$100 and \$2000, based upon the factors in
24 mitigation and aggravation.

25 (3) If the establishment has an annual gross gaming revenue
26 over \$200,000, the penalty shall be between \$250 and \$5,000, based
27 upon the factors in mitigation and aggravation.

28 (b) A state gambling license for a gambling establishment granted by
the Commission shall be subject to a minimum discipline of suspension
for one day of normal business operation and a maximum discipline of
suspension for 30 days of normal business operation, which may be stayed
on terms and conditions and upon a monetary penalty of twenty-five
percent of the average daily gross gaming revenue, not more than \$10,000,
but not less than \$300, if the Commission finds that the establishment has
violated any of the following but has not been disciplined by the
Commission for such a violation previously:

(1) Been found, by any administrative tribunal or court in a
separate proceeding, to have violated or be in violation of any law
involving or relating to gambling, where the penalty imposed was a
monetary fine or citation,

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(2) Failed to maintain adequate financing for chips in use or for player banks,

* * *

(6) Violated Business and Professions Code, section 19912 (failure to have valid work permit),

* * *

(c) A state gambling license for a gambling establishment granted by the Commission shall be subject to a minimum discipline of suspension for five days of normal business operation and a maximum discipline of revocation, which may be stayed on terms and conditions and any monetary penalty as described in Section 12554(d)(7) of this chapter, if the Commission finds that the establishment has:

(1) Violated or is out of compliance with conditions, limitations, or orders or directives imposed by the Commission, either as part of an initial grant of license or registration, renewal of such, or pursuant to disciplinary action,

(2) Been found, by any administrative tribunal or court in a separate proceeding, to have violated or be in violation of any law involving or relating to gambling, where the penalty imposed was the suspension or revocation of a license or privilege,

* * *

(4) Failed to maintain adequate financing for chips in use or for player banks, and has been disciplined by the Commission for such a violation previously,

* * *

(8) Violated Business and Professions Code, section 19912 (failure to have valid work permit), and has been disciplined by the Commission for such a violation previously,

* * * or

(17) Violated California Code of Regulations, Title 11, Section 2070 (unsuitable gaming activities), and has been disciplined by the Commission for such a violation previously.

1 **FIRST CAUSE FOR DISCIPLINE**

2 **(Illegal House Banked Games)**

3 21. At all times relevant hereto, section 2070 of title 11 of the California Code of
4 Regulations was a regulation adopted pursuant to the Gambling Control Act and provided as
5 follows:

6 It shall be an unsuitable method of operation for a gambling
7 establishment to:

8 (a) Offer for play any game that is prohibited or made unlawful by
9 statute, local ordinance, regulation, or final judgment by a competent
10 court of law

11 22. Penal Code section 330 provides in relevant part as follows:

12 Every person who deals, plays, or carries on, opens, or causes to be
13 opened, or who conducts, either as owner or employee, whether for hire
14 or not, . . . any banking or percentage game played with cards, dice, or
15 any device, for money, checks, credit, or other representative of
16 value . . . is guilty of a misdemeanor, and shall be punishable by a fine
17 not less than one hundred dollars (\$100) nor more than one thousand
18 dollars (\$1,000), or by imprisonment in the county jail not exceeding six
19 months, or by both the fine and imprisonment.

20 23. Respondent Owner is subject to disciplinary action pursuant to sections 19920,
21 19823, subdivision (a), 19824, subdivision (d), 19826, subdivision (e), and 19930, subdivision
22 (b), for violation of section 19922, in conjunction with title 11 California Code of Regulations
23 section 2070, subdivision (a), in that, in the course of his operation of the Cardroom, and more
24 particularly, during the period January 1, 2008 through and including June 12, 2008, and as a
25 normal business practice during said period, Respondent Owner personally participated as a
26 player and permitted multiple other persons he employed to participate as a player in a controlled
27 game at the Cardroom using money, checks, chips or credit of the Cardroom as wagers made by
28 that person or persons in the controlled game, by virtue whereof Respondent Owner and the
Cardroom dealt, played, carried on, opened and conducted a banking game in violation of Penal
Code section 330 and/or occupied the player-dealer position in said games in violation of section
19805, subdivision (c) and Penal Code section 330.11.

1 **SECOND CAUSE FOR DISCIPLINE**

2 **(Employees Without Valid Required Work Permit)**

3 24. At all times relevant, City of Antioch Municipal Code, section 5-4.09 provided as
4 follows:

5 No person shall work as a card room employee without first obtaining
6 a work permit from the Chief of Police, nor shall any licensee of a card
7 room employ any person as a card room employee who does not possess
8 a valid work permit.

9 25. Complainant is informed and believes and thereon alleges that during the period
10 identified after each employee named in this paragraph, Respondent Owner, directly and/or
11 through failure to implement reasonable oversight procedures to prevent such conduct, employed
12 or otherwise retained the following persons within the meaning of City of Antioch Municipal
13 Code section 5-4.09, without those persons holding a work permit from the City of Antioch valid
14 for employment at the Cardroom:

14	Daniel Aguire	4/3/08 – 5/21/08
15	Christopher Cutino	1/4/08 – 2/27/08
16	Joshua Harris	1/19/08 – 4/3/08
17	Inessa Hearsey	1/14/08 – 4/3/08
18	Duangrudee Pfuenger	1/5/08 – 4/3/08
19	Carolyn Powell	6/3/09 – 11/12/09
20	Ruby Stephens	3/24/08 – 5/14/08
21	Ping Wang	4/12/08 – 6/26/08

22 26. Respondent Owner is subject to disciplinary action pursuant to sections 19920,
23 19922, 19923, subdivision (a), 19824, subdivision (d), 19826, subdivision (e), and 19930,
24 subdivision (b), for violation of sections 19922, 19923 and 19912, subdivision (a)(1)(A), in that
25 by virtue of the employment of the above-named persons in the course of Respondent Owner's
26 operation of the Cardroom, without those persons holding a valid Work Permit from the City of
27 Antioch, Respondent Owner violated City of Antioch Ordinance section 5-4.09 and Business and
28 Professions Code sections 19922 and 19923.

29 27. The conduct by Respondent Owner described in paragraph 26 occurred despite the
30 express terms of probation set forth in the 2006 Commission Decision requiring that Respondent

1 Owner "will not employ individuals who do not hold a valid work permit or license as required
2 by the Gambling Control Act and the City of Antioch Municipal Code."

3 **THIRD CAUSE FOR DISCIPLINE**

4 **(Play of Unapproved Games)**

5 28. At all times relevant hereto, section 2070 of title 11 of the California Code of
6 Regulations was a regulation adopted pursuant to the Gambling Control Act and provided as
7 follows:

8 It shall be an unsuitable method of operation for a gambling
9 establishment to:

10 (a) Offer for play any game that is prohibited or made unlawful by
11 statute, local ordinance, regulation, or final judgment by a competent
court of law.

12 * * *

13 (d) Fail to give ample notice of the fee collection rates applicable to
each table to the patrons of the gambling establishment.

14 29. At all times relevant hereto, section 2071 of title 11 of the California Code of
15 Regulations was a regulation adopted pursuant to the Gambling Control Act and provided as
16 follows:

17 (a) As part of the application for initial licensure, every applicant
18 shall submit to the Bureau a report identifying all gaming activities
19 proposed to be offered at the gambling establishment. The report shall
include, but not be limited to, the following:

20 (1) The name of each gaming activity;

21 (2) The rules for each gaming activity, including, where
22 applicable, a description of the event that determines the winner
of the gaming activity, the wagering conventions, and the fee
23 collection and assessment methods;

24 * * *

25 (5) . . . Unless a reported gaming activity is specifically
26 disapproved by the Bureau, all gaming activities identified in the
required report shall be deemed authorized upon issuance of the
27 initial license. It shall be an unsuitable method of operation to
28 offer for play any gaming activity that was not specifically
identified in the required report, without first obtaining
authorization from the Bureau to do so.

1 * * *

2 (b) At any time after initial licensure, a gambling establishment may
3 request the Bureau to authorize a gaming activity, which has not been
4 previously authorized by the Bureau, for use at that establishment.

5 30. At all times relevant hereto, Antioch Municipal Code section 5-4.15 provided as
6 follows:

7 No person, either as a licensee or employee, shall maintain, operate,
8 or permit any act within a card room in violation of any of the following
9 regulations:

10 * * *

11 (F) Only game [sic] authorized by state law to be played shall be
12 permitted to be played in any card room.

13 * * *

14 (J) The licensee shall post in every card room, in letters plainly
15 visible throughout the room, signs stating the hourly rate or cost per
16 hand charged for the use of the tables in such card room

17 31. Respondent Owner is subject to disciplinary action pursuant to sections
18 19920, 19922, 19923, subdivision (a), 19824, subdivision (d), 19826, subdivision (e), and
19 19930, subdivision (b), for violation of sections 19922, 19923 and 19912, subdivision
20 (a)(1)(A), in that on and before June 12, 2008, and during an undetermined period of time
21 prior thereto, and continuing thereafter on March 19, 2009, Respondent Owner and the
22 Cardroom

23 Promoted and made available for play gaming activities not
24 previously approved for play by the Bureau, to wit, high hand of the day,
25 bonus chips promotions, Bad Beat jackpots, no limit tournament with
26 special buy-in, Wacky Wednesday Texas Hold-em Tournament, Terrific
27 Thursday Texas Hold-em Tournament, Big Peters Tournament on
28 Saturday nights, and a game that Respondent Owner allowed patrons to
buy in for \$100, and receive \$140 in chips if they agree to play for a

1 specified time frame, and thereby violated City of Antioch Municipal
2 Code section 5-4.15, subdivision (F) and subdivision (a)(5) of section
3 2071 of title 11 of the California Code of Regulations.

4 32. Respondent Owner is subject to further disciplinary action pursuant to
5 sections 19920, 19922, 19923, subdivision (a), 19824, subdivision (d), 19826, subdivision
6 (e), and 19930, subdivision (b), for violation of sections 19922, 19923 and 19912,
7 subdivision (a)(1)(A), in that on and before November 12, 2009, and during an
8 undetermined period of time prior thereto, Respondent Owner and the Cardroom

9 Promoted and made available for play gaming activities not
10 previously approved for play by the Bureau, to wit, high hand of the day,
11 bonus chips promotions, Aces Cracked Promotion, Bad Beat Jackpot
12 Option A, and Texas Hold'em Bad Beat Jackpot Option B, and thereby
13 violated City of Antioch Municipal Code section 5-4.15, subdivision (F)
14 and subdivision (a)(5) of section 2071 of title 11 of the California Code
15 of Regulations.

16 33. The conduct by Respondent Owner described in paragraph 31 occurred
17 despite the express terms of probation set forth in the 2006 Commission Decision
18 requiring that Respondent Owner "will not offer any new gaming activity or alter the
19 play of any currently authorized game in any manner without the prior approval of
20 the Division [now the Bureau]."

21 **FOURTH CAUSE FOR DISCIPLINE**

22 **(Posting Inaccurate Rules & Collection Rates**

23 34. Complainant hereby incorporates the allegations contained in paragraphs 28 through
24 30, inclusive, as though here set forth at length.

25 35. Respondent Owner is subject to disciplinary action pursuant to sections 19920,
26 19922, 19923, subdivision (a), 19824, subdivision (d), 19826, subdivision (e), and 19930,
27 subdivision (b), for violation of sections 19922, 19923 and 19912, subdivision (a)(1)(A), in that
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1 on and before June 12, 2008, and on November 12, 2009, and during an undetermined period of
2 time prior thereto and continuing thereafter, Respondent Owner and the Cardroom:

3 (a) Posted cost per hand for use of the tables in the Cardroom that
4 did not reflect the rules or collection rates for the game in play, and
5 thereby violated City of Antioch Municipal Code section 5-4.15,
6 subdivision (J), and subdivision (d) of section 2070 of title 11 of the
7 California Code of Regulations; and

8 (b) Utilized cost per hand for use of the tables in the Cardroom that
9 had not been approved by the Bureau, and thereby violated City of
10 Antioch Municipal Code section 5-4.15, subdivision (J) and subdivision
11 (a)(5) of section 2071 of title 11 of the California Code of Regulations.

12 FIFTH CAUSE FOR DISCIPLINE

13 (No Responsible Gambling Training Program or Related Required Posting)

14 36. At all times relevant hereto, section 12461 of title 4 of the California Code of
15 Regulations was a regulation adopted pursuant to the Gambling Control Act and provided as
16 follows:

17 (c) If the licensee produces any advertising material, by July 1,
18 2007, such material shall contain a responsible gambling message and
19 shall refer to the telephone number listed in subsection (a) above and/or
the link to the web site listed in subsection (b) above.

20 37. At all times relevant hereto, section 12462 of title 4 of the California Code of
21 Regulations was a regulation adopted pursuant to the Gambling Control Act and provided as
22 follows:

23 (a) Each licensee shall implement, by July 1, 2007, procedures to
24 conduct new employee orientations and annual training for all employees,
25 excluding food and beverage servers, who directly interact with gambling
patrons in gambling areas.

26 (b) New employee orientations and annual training shall be
27 documented, including signatures by the employee and the licensee or
28 key employee who coordinated the training, the date and length of the
training, and the name of the trainer, as part of the licensee's application

1 for renewal. Copies of this documentation shall be kept in an
2 employee's personnel file for a minimum of five years.

3 (c) The training shall, at a minimum, consist of information
4 concerning the nature and symptoms of problem gambling behavior,
5 assisting patrons in obtaining information about problem gambling
6 programs, and information on the self-restriction and self-exclusion
7 programs.

8 (d) Each licensee shall designate personnel responsible for
9 maintaining the program and addressing the types and frequency of such
10 training and procedures.

11 38. Respondent Owner is subject to disciplinary action pursuant to sections
12 19920, 19922, 19923, subdivision (a), 19824, subdivision (d), 19826, subdivision (e), and
13 19930, subdivision (b), for violation of sections 19922, 19923 and 19912, subdivision
14 (a)(1)(A), in that as of June 12, 2008 and at all times prior thereto, Respondent Owner and
15 the Cardroom:

16 (a) Distributed and posted advertising materials that failed to
17 contain a responsible gambling message and refer to a telephone number
18 and/or web site for assistance to problem gamblers, in that Respondent
19 Owner and Cardroom distributed and/or posted flyers advertising
20 Monday night free food and drinks to seated players, High Hand pay
21 outs every four hours, Appreciation Tournament, Jack Pot specials with
22 seated player preference, Once a Month Tournament for 2nd Saturday,
23 and Wacky Wednesday and Terrific Thursday Tournaments, and thereby
24 violated section 12461 of title 4 of the California Code of Regulations;
25 and

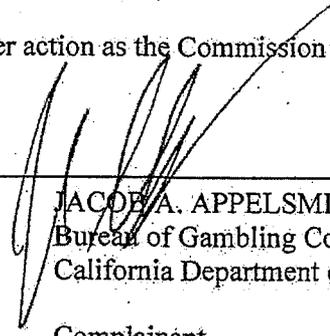
26 (b) Failed to implement procedures to conduct, or to actually
27 conduct, new employee orientations and annual training for employees
28 who directly interact with gambling patrons, and thereby violated
section 12462 of title 4 of the California Code of Regulations.

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prosecution of this Accusation and Petition to Revoke Probation before the Commission, in a sum according to proof; and

3. Taking such other and further action as the Commission may deem appropriate.

Dated: January 19, 2010



JACOB A. APPELSMITH, Chief
Bureau of Gambling Control
California Department of Justice

Complainant