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

12  
13  
14 **In the Matter of the Statement of Reasons**  
**for Denial of License Application**  
15 **Regarding:**

**BGC Case No. BGC-HQ2014-00012SL**

**CGCC Case No. CGCC-2014-0626-8E**

16 **STEPH (SHLERMCHAI) STAPORNKUL**  
17 

**STATEMENT OF REASONS**

18  
19 **Respondent.**

20  
21 Complainant alleges as follows:

22 **PARTIES**

23 1. Wayne J. Quint Jr. (Complainant) brings this Statement of Reasons for Denial of  
24 Application for Gambling Establishment Key Employee License solely in his official capacity as  
25 the Chief of the California Department of Justice, Bureau of Gambling Control (Bureau).

26 2. On or about June 11, 2012, the Commission received an Application for Interim Key  
27 Employee License from Steph Stapornkul (Respondent). On June 19, 2012, the Commission  
28

1 issued Respondent an interim key employee license (GEKE-001786) that expired on June 20,  
2 2014. In its July 1, 2014 letter, the Commission advised Respondent that his interim license is  
3 stayed pending the outcome of the evidentiary hearing. Respondent is currently employed as a  
4 Casino Shift Supervisor, a key employee position, at Hawaiian Gardens Casino, a licensed  
5 gambling establishment located in Hawaiian Gardens, California.

6 3. On or about June 21, 2012, the California Gambling Control Commission  
7 (Commission) received an Application for Gambling Establishment Key Employee License,  
8 CGCC-031 (Rev. 05/11) along with a Key Employee Supplemental Background Investigation  
9 Information BGC-APP. 016A (Rev. 08/09) (Application) submitted by Steph Stapornkul  
10 (Respondent).<sup>1</sup>

11 4. The Bureau completed its Cardroom Key Employee Background Investigation Report  
12 on May 13, 2014. As part of the investigation, the Bureau confirmed that the Respondent had a  
13 criminal history. Respondent was convicted of misdemeanor offenses involving crimes of moral  
14 turpitude which occurred more than ten years prior to the date of his application. The Bureau  
15 originally recommended that the Respondent be found suitable to hold a license as a key  
16 employee; however, after further internal review, the Bureau now recommends that Respondent be  
17 denied a key employee license.

18 5. At its June 26, 2014, meeting the Commission referred the question of Respondent's  
19 suitability for licensure to an evidentiary hearing and, on May 1, 2015, the Commission's  
20 Executive Director set the matter for a hearing pursuant to California Code of Regulations, title 4,  
21 section 12060, subdivision (a).

22 6. Respondent submitted a Notice of Defense, dated February 28, 2015.  
23

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24 <sup>1</sup> Respondent had previously submitted an Application for a Key Employee License to the  
25 Commission in 2005. At that time, Respondent was working at Hawaiian Gardens Casino as a  
26 Casino Shift Supervisor. At that time, Respondent's criminal convictions were within the ten-year  
27 period preceding the date of his application, and the application was therefore subject to  
28 mandatory denial under Business and Professions Code section 19859, subdivision (d). On June  
26, 2005, Respondent sent a letter to the Commission requesting a withdrawal of his application  
without prejudice. At its September 29, 2005 meeting, the Commission approved Respondent's  
request for withdrawal of his application with prejudice.

## JURISDICTION

- 1  
2 7. 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 8. 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  
11                   not issued to, or held by, unqualified or disqualified  
12                   persons, or by persons whose operations are conducted in a  
13                   manner that is inimical to the public health, safety, or  
14                   welfare.

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

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

- 26 9. Business and Professions Code section 19824 provides in part:

27           The commission shall have all powers necessary and proper to  
28           enable it fully and effectually to carry out the policies and purposes of  
29           this chapter<sup>2</sup>, including, without limitation, the power to do all of the  
30           following:

\* \* \*

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

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34           <sup>2</sup> "Chapter" refers to Business and Professions Code, division 8, chapter 5. (Bus. & Prof.  
35           Code, § 19805 et seq.)

1 or restrict any license, permit, or approval, or impose any fine upon any  
2 person licensed or approved. . . .

3 \* \* \*

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

7 10. Business and Professions Code section 19854, subdivision (a), provides:

8 Every key employee shall apply for and obtain a key employee  
9 license.

10 11. Business and Professions Code section 19870 provides:

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

17 12. California Code of Regulations, title 4, section 12350, subdivisions (a) provide, in  
18 part:

19 (a) Except as provided in Business and Professions Code section  
20 19883 and Section 1234, no person may be associated with a gambling  
21 enterprise as a key employee without a valid key employee license  
22 issued by the Commission.

23 **SPECIFIC STATUTORY AND REGULATORY PROVISIONS**

24 13. Business and Professions Code section 19854, subdivision (b), provides:

25 No person may be issued a key employee license unless the person  
26 would qualify for a state gambling license.

27 14. Business and Professions Code section 19856, subdivision (a), provides:

28 (a) Any person who the commission determines is qualified to  
receive a state license, having due consideration for the proper 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 issued a license.  
The burden of proving his or her qualifications to receive any license is  
on the applicant.

1 15. Business and Professions Code section 19857 provides in part:

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

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

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

13 **CAUSE FOR DENIAL OF LICENSE APPLICATION**

14 **(Criminal Convictions – Unqualified – Discretionary Denial)**

15 16. Respondent's license Application is subject to discretionary denial pursuant to  
16 Business and Professions Code, section 19857, subdivisions (a) and/or (b), in that Respondent has  
17 demonstrated a history of criminal conduct that shows that he lacks the requisite character, honesty  
18 and integrity necessary for licensure, and that his prior activities, criminal record and habits would  
19 pose a threat to the public interest of this state in that:

20 a. On or about August 12, 1999, Respondent was convicted of violating Penal Code  
21 section 243, subdivision (e), battery against a spouse, a misdemeanor and crime of moral turpitude,  
22 in the case of *People v. Stapornkul* (Muni. Ct. Los Angeles County, 1999, No. 95R17616).<sup>3</sup> This  
23 criminal conviction occurred more than ten years prior to the date of Respondent's Application.

24 b. On or about September 11, 1992, Respondent was convicted of violating Penal Code  
25 section 273.5, subdivision (a), infliction of corporal injury on spouse or cohabitant, a misdemeanor  
26 and crime of moral turpitude, in the case of *People v. Stapornkul* (Muni. Ct. Los Angeles County,

27 <sup>3</sup> On or about August 10, 1995, Respondent was arrested and the complaint charged Penal  
28 Code section 242. Respondent failed to appear at his arraignment as scheduled in court, a bench  
warrant was issued. Respondent appeared in court on August 12, 1999, the complaint was  
amended to add a charge of Penal Code section 243, subdivision (e) and further dismissed the  
Penal Code section 242 charge.

1 1992, No. 92R16743). This criminal conviction occurred more than ten years prior to the date of  
2 Respondent's Application.

3 c. On or about August 27, 1992, Respondent was convicted of violating Penal Code  
4 section 273.5, subdivision (a), infliction of corporal injury on spouse or cohabitant, a misdemeanor  
5 and crime of moral turpitude, in the case of *People v. Stapornkul* (Muni. Ct. Los Angeles County,  
6 1992, No. 92M01812). This criminal conviction occurred more than ten years prior to the date of  
7 Respondent's Application.

8 **PRAYER**

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

- 11 1. Denying the Application for Gambling Establishment Key Employee License  
12 Application for a State Gambling License submitted by Steph Stapornkul; and
- 13 2. Taking such other and further action as the Commission may deem appropriate.

14  
15 Dated: July 7, 2015



Wayne J. Quint Jr., Chief  
Bureau of Gambling Control  
California Department of Justice  
Complainant