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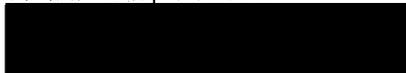
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Attorneys for Complainant

BEFORE THE
CALIFORNIA GAMBLING CONTROL COMMISSION
STATE OF CALIFORNIA

In the Matter of the Statement of Reasons for
Denial of Application for a Key Employee
License Re:

TIMOTHY TRAN RUPERT
a.k.a.: Joseph Fekete


Respondent.

BGC Case No. BGC-HQ2018-00045SL
CGCC Case No: GCADS-GEKE002267

STATEMENT OF REASONS

1 Complainant alleges as follows:

2 **PARTIES**

3 1. Stephanie Shimazu (Complainant) brings this Statement of Reasons for a denial of an
4 application for a key employee license solely in her official capacity as the Director of the
5 California Department of Justice, Bureau of Gambling Control (Bureau).

6 2. On or about November 28, 2016, Timothy Tran Rupert (Respondent) submitted an
7 Application for Interim Key Employee License.

8 3. On or about December 2, 2016, the Commission issued Respondent an interim key
9 employee license, number GEKE-002267.

10 4. On or about December 16, 2016, the Bureau received an Application for Gambling
11 Establishment Key Employee License, with attachments, dated November 26, 2016.

12 5. On or about January 11, 2017, the Bureau received Respondent's supplemental
13 background investigation information, which appears to be dated December 4, 2016.

14 6. On or about May 31, 2018, the Bureau submitted a Cardroom Key Employee
15 Background Investigation Report to the Commission recommending that the Commission deny
16 Respondent's Application for Gambling Establishment Key Employee License.

17 7. On or about July 3, 2018, the Commission sent Respondent a letter advising him that
18 his Interim Key Employee License was being cancelled based on the Bureau's recommendation
19 of denial of his Initial Key Employee License Application.

20 7. On or about July 10, 2018, the Commission elected to refer consideration of
21 Respondent's Application to an evidentiary hearing to be conducted before the Commission as a
22 Gambling Control Act (GCA) hearing under the provisions of California Code of Regulations,
23 title 4, section 12060, subdivision (a).¹

24 8. On or about July 30, 2018, Respondent submitted a Notice of Defense dated July 30,
25 2018.

26
27 ¹ The statutes and regulations applicable to this Statement of Reasons are included, in
28 pertinent part, in Appendix A.

1 **BURDEN OF PROOF**

2 9. Respondent has the burden of proving he is qualified to receive a key employee
3 license. (Bus. & Prof. Code, § 19856, subd. (a).)

4 **FIRST CAUSE OF DENIAL OF LICENSE APPLICATION**

5 **(Unqualified for Licensure - Good Character, Honesty, and Integrity—**
6 **Disregard for the Law)**

7 10. Respondent's application for licensure is subject to denial pursuant to Business and
8 Professions Code sections 19856, 19857, subdivisions (a) and (b), 19859, subdivisions (a) and
9 (b), and California Code of Regulations, title 4, section 12355, subdivision (a)(1). Respondent
10 lacks the requisite good character, honesty and integrity and/or poses a threat to the public interest
11 of this state, or to the effective regulation and control of controlled gambling, or creates or
12 enhances the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the
13 conduct of controlled gambling. Moreover, Respondent's Application is subject to denial under
14 these statutes and regulations because since 2007 he has demonstrated a pattern and practice of
15 flagrant disregard for the requirements of law and legal authority.

16 11. Between May 2007 and February 2011, Respondent was convicted of four
17 misdemeanor convictions, as well as probation violations, that demonstrate a pattern and practice
18 of disregarding the law. The pertinent facts regarding these four misdemeanor convictions and
19 probation violations are set forth as follows:

20 (A) On or about May 9, 2007, Respondent pled guilty and was convicted of misdemeanors
21 for violating Vehicle Code section 23152, subdivision (a), driving under the influence of alcohol
22 (DUI)/drugs, and Vehicle Code section 23152, subdivision (b), DUI/0.08 percent or higher, in the
23 case of *People v. Timothy Tran Rupert* (Super. Ct. Orange County, No. 07WM03033).
24 Respondent was sentenced to three years' probation, ordered to pay fines, attend a six-month
25 Level 2 First Offender Alcohol Program, and attend Mother's Against Drunk Driving (MADD)
26 Victim's Panel. Respondent violated the terms of this probation in several ways. First, he
27 violated probation by driving on a suspended license (see paragraph 11(B)). Second, Respondent
28

1 violated this probation by failing to comply with the six-month Level 2 alcohol program. Third,
2 Respondent violated this probation by failing to enroll and attend the required MADD Victim's
3 Panel. As a result of these probation violations, Respondent was further sentenced to serve 45
4 days in jail to run concurrent with any other sentence. Respondent's driver's license was also
5 suspended on September 14, 2007 due to this conviction.

6 (B) On or about December 3, 2008, Respondent was convicted of a misdemeanor for
7 violating Vehicle Code section 14601.2, subdivision (a), driving on a suspended license/etc:DUI:
8 special violation, in the case of *People v. Timothy Tran Rupert* (Super. Ct. Orange County, No.
9 08WM04005). Respondent was ordered to pay a fine.

10 (C) On or about February 18, 2011, Respondent was convicted of a misdemeanor for
11 violating Vehicle Code section 23152, subdivision (a), DUI/drugs, in the case of *People v.*
12 *Timothy Tran Rupert* (Super. Ct. Orange County, No. 10WM04475). Respondent was sentenced
13 to five years' probation, six days in jail, ordered to pay fines, attend an 18-month Multiple
14 Offender Alcohol Program, and attend a MADD Victim's Panel. Respondent's driver's license
15 was also suspended as a result of this conviction.

16 (See Bus. & Prof. Code, §§ 19856, 19857, subds. (a) & (b), 19859, subds. (a) & (b), & Cal.
17 Code. Regs., tit. 4, § 12355, subd. (a)(1).)

18 **SECOND CAUSE OF DENIAL OF LICENSE APPLICATION**

19 **(Unqualified for Licensure - Good Character, Honesty, and Integrity—** 20 **Provided Untrue or Misleading Information)**

21 12. Respondent's application for licensure is subject to denial pursuant to Business and
22 Professions Code sections 19856, 19857, subdivisions (a) and (b), 19859, subdivisions (a) and
23 (b), 19866, and California Code of Regulations, title 4, section 12355, subdivision (a)(1).
24 Respondent lacks the requisite good character, honesty and integrity and/or poses a threat to the
25 public interest of this state, or to the effective regulation and control of controlled gambling, or
26 creates or enhances the dangers of unsuitable, unfair, or illegal practices, methods, and activities
27 in the conduct of controlled gambling. Moreover, Respondent's Application is subject to denial
28 under these statutes and regulations because he failed to make a full and true disclosure of all

1 information necessary to carry out the policies of this state relating to licensing registration and
2 control of gambling. Finally, Respondent supplied information that was untrue or misleading as
3 to a material fact pertaining to his qualification for a license.

4 13. Respondent stated, under penalty of perjury, in his Application that he had never been
5 convicted of a crime. This statement was untrue and/or misleading. In fact, Respondent was
6 convicted of the following four misdemeanor convictions:

7 (A) On or about May 9, 2007, Respondent pled guilty and was convicted of a misdemeanor
8 for violating Vehicle Code section 23152, subdivision (a), driving under the influence of alcohol
9 (DUI)/drugs and Vehicle Code section 23152, subdivision (b), DUI/0.08 percent or higher, in the
10 case of *People v. Timothy Tran Rupert* (Super. Ct. Orange County, No. 07WM03033).

11 Respondent was sentenced to three years' probation, ordered to pay fines, attend a six-month
12 Level 2 First Offender Alcohol Program, and attend Mother's Against Drunk Driving (MADD)
13 Victim's Panel. Respondent was sentenced to three years' probation, ordered to pay fines, attend
14 a six-month Level 2 First Offender Alcohol Program, and attend Mother's Against Drunk Driving
15 (MADD) Victim's Panel. Respondent violated the terms of this probation in several ways. First,
16 he violated probation by driving on a suspended license (see paragraph 13(B)). Second,
17 Respondent violated this probation by failing to comply with the six-month Level 2 alcohol
18 program. Third, Respondent violated this probation by failing to enroll and attend the required
19 MADD Victim's Panel. As a result of these probation violations, Respondent was further
20 sentenced to serve 45 days in jail to run concurrent with any other sentence. Respondent's
21 driver's license was also suspended on September 14, 2007 due to this conviction.

22 (B) On or about December 3, 2008, Respondent was convicted of a misdemeanor for
23 violating Vehicle Code section 14601.2, subdivision (a), driving on a suspended license/etc.;DUI:
24 special violation, in the case of *People v. Timothy Tran Rupert* (Super. Ct. Orange County, No.
25 08WM04005). Respondent was ordered to pay a fine.

26 (C) On or about February 18, 2011, Respondent was convicted of a misdemeanor for
27 violating Vehicle Code section 23152, subdivision (a), DUI/drugs, in the case of *People v.*
28 *Timothy Tran Rupert* (Super. Ct. Orange County, No. 10WM04475). Respondent was sentenced

1 to five years' probation, six days in jail, ordered to pay fines, attend an 18-month Multiple
2 Offender Alcohol Program, and attend a MADD Victim's Panel. Respondent's driver's license
3 was also suspended as a result of this conviction.

4 14. Respondent stated, under penalty of perjury, in his Application that he had not had a
5 lien filed against him within the last 10 years. This statement was untrue and/or misleading. In
6 fact, as of September 30, 2015, Respondent owed federal taxes in the amount of \$1,616.75 to the
7 Internal Revenue Service (IRS) for tax year 2011. In 2015 the IRS issued a Notice of Levy in this
8 amount to Bank of the West, another financial institution where Respondent maintained another
9 account.

10 (See Bus. & Prof. Code, §§ 19856, 19857, subs. (a) & (b), 19859, subs. (a) and (b),
11 19866, & Cal. Code. Regs., tit. 4, § 12355, subd. (a)(1).)

12 **THIRD CAUSE OF DENIAL OF LICENSE APPLICATION**

13 **(Unqualified for Licensure - Good Character, Honesty, and Integrity—**
14 **Problematic Financial History)**

15 15. Respondent's application for licensure is subject to denial pursuant to Business and
16 Professions Code sections 19856, 19857, subdivisions (a) and (b), 19859, subdivisions (a) and
17 (b), and California Code of Regulations, title 4, section 12355, subdivision (a)(1). Respondent
18 lacks the requisite good character, honesty and integrity and/or poses a threat to the public interest
19 of this state, or to the effective regulation and control of controlled gambling, or creates or
20 enhances the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the
21 conduct of controlled gambling. Moreover, Respondent's Application is subject to denial under
22 these statutes and regulations because he has a problematic financial history. During a review of
23 Respondent's finances during the application process, the Bureau discovered that Respondent
24 maintained three separate checking accounts. As shown below, these accounts disclose deposits
25 that exceed the income Respondent reported to both the Bureau and the Internal Revenue Service
26 (IRS), as well as other large and unexplained deposits and withdrawals by Respondent.

27 (A) Wells Fargo Checking Account "0281": A review conducted by the Bureau showed
28 that during an eleven-month period from December 2015 to November 2016, Respondent

1 deposited \$154,468.32 into this account. This amount far exceeds Respondents reported income
2 in 2015 and 2016. A review of Respondent's 2015 tax return shows he earned \$18,543. A
3 review of Respondent's 2016 tax return shows he earned \$29,407. These deposits into this
4 account included of cash deposits ranging from \$100 to \$5,000; large check deposits; transfers
5 from four individuals; deposits identified as Amazon Marketplace ranging from \$187.60 to
6 \$7,878.74, and electronic transfers. During this eleven-month period Respondent withdrew
7 approximately \$113,841.97 from this account. These withdrawals included cash withdrawals
8 ranging from \$100 to \$9,500; large checks written against this account; and transfers to two of the
9 four individuals previously referenced.

10 (B) Bank of America, Business Checking Account "8783": A review conducted by the
11 Bureau showed that during a nine-month period from February 2016 to November 2016,
12 Respondent deposited approximately \$60,249.12 into this account. These deposits were in
13 addition to the \$154,468.32 Respondent deposited into Wells Fargo Checking Account "0281"
14 from December 2015 to November 2016. This amount far exceeds Respondents reported income
15 in 2015 and 2016. A review of Respondent's 2015 tax return shows he earned \$18,543. A
16 review of Respondent's 2016 tax return shows he earned \$29,407. During this nine-month period
17 Respondent made withdrawals from this account totaling \$28,794.32.

18 (C) Wells Fargo, Business Checking Account "2738": A review conducted by the Bureau
19 showed that during an eleven-month period from December 2015 to November 2016, Respondent
20 deposited into this checking account his direct deposits from his employer, Hawaiian Gardens
21 Casino. Respondent's direct deposit employment checks from Hawaiian Gardens Casino were
22 not deposited into Wells Fargo Checking Account "0281" from December 2015 to November
23 2016, or in Bank of America, Business Checking Account "8783" from February 2016 to
24 November 2016.

25 16. As of September 30, 2015, Respondent owed federal taxes in the amount of
26 \$1,616.75 to the Internal Revenue Service (IRS) for tax year 2011. The IRS issued a Notice of
27 Levy in this amount to Bank of the West, another financial institution where Respondent
28 maintained another account in 2015.

1 (See Bus. & Prof. Code, §§ 19856, 19857, subs. (a) & (b), 19859, subs. (a) & (b), & Cal.
2 Code. Regs., tit. 4, § 12355, subd. (a)(1).)

3 **FOURTH CAUSE OF DENIAL OF LICENSE APPLICATION**

4 **(Unqualified for Licensure - Good Character, Honesty, and Integrity—**
5 **Failure to Provide Requested and Necessary Information)**

6 17. Respondent's application for licensure is subject to denial pursuant to Business and
7 Professions Code sections 19856, 19857, subdivisions (a) and (b), 19859, subdivisions (a) and
8 (b), 19866, and California Code of Regulations, title 4, section 12355, subdivision (a)(1).

9 Respondent lacks the requisite good character, honesty and integrity and/or poses a threat to the
10 public interest of this state, or to the effective regulation and control of controlled gambling, or
11 creates or enhances the dangers of unsuitable, unfair, or illegal practices, methods, and activities
12 in the conduct of controlled gambling. Moreover, Respondent's Application is subject to denial
13 under these statutes and regulations because he failed to make a full and true disclosure of all
14 information necessary to carry out the policies of this state relating to licensing and control of
15 gambling. Despite repeated requests by Bureau staff, Respondent repeatedly failed and/or
16 refused to provide necessary documents, including the following:

17 (A) Respondent has failed and/or refused to provide his W-2s for tax years 2013, 2014, and
18 2016.

19 (B) Respondent has failed and/or refused to provide requested information regarding his
20 alleged dealings on Amazon Marketplace.

21 (C) Respondent has failed and/or refused to provide requested win/loss statements from
22 December 2015 to December 2016 from all the casinos where he claimed he gambled.

23 (D) Respondent has failed and/or refused to provide requested information regarding
24 individuals Respondent allegedly loaned money to, that would outline the terms of repayment for
25 such alleged loans and whether or not they had been repaid.

26 (See Bus. & Prof. Code, §§ 19856, 19857, subs. (a) & (b), 19859, subs. (a) & (b), 19866,
27 & Cal. Code. Regs., tit. 4, § 12355, subd. (a)(1).)

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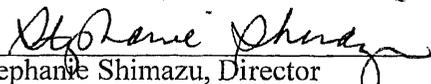
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PRAYER

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

1. Denying Respondent's Application for Gambling Establishment Key Employee License; and
2. Taking such other and further action as the Commission may deem appropriate.

Dated: 1-17-19


Stephanie Shimazu, Director
Bureau of Gambling Control
California Department of Justice
Complainant

1 fine upon any person licensed or approved. The commission may
2 condition, restrict, discipline, or take action against the license of an
3 individual owner endorsed on the license certificate of the gambling
4 enterprise whether or not the commission takes action against the
5 license of the gambling enterprise.

6 * * *

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

10 4. Business and Professions Code section 19854, subdivisions (a) and (b) provide:

11 (a) Every key employee shall apply for and obtain a key
12 employee license.

13 (b) No person may be issued a key employee license unless the
14 person would qualify for a state gambling license.

15 5. Business and Professions Code section 19870 provides:

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

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

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

28 (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

1 court finds that the action of the commission was arbitrary and
2 capricious, or that the action exceeded the commission's jurisdiction.

3 6. Business and Professions Code section 19871 provides:

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

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

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

10 (A) To call and examine witnesses.

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

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

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

18 (E) To offer rebuttal evidence.

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

22 (4) The meeting need not be conducted according to
23 technical rules relating to evidence and witnesses. Any relevant
24 evidence may be considered, and is sufficient in itself to support
25 a finding, if it is the sort of evidence on which responsible
26 persons are accustomed to rely in the conduct of serious affairs,
27 regardless of the existence of any common law or statutory rule
28 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^[2] 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.

² Hereinafter, "department" refers to the Department of Justice, Bureau of Gambling Control. (Bus. & Prof. Code, § 19805, subd. (h).)

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

3 (1) Issue a license, temporary license, interim license,
4 registration, permit, finding of suitability, renewal or other
5 approval.

6 (2) Elect to hold an evidentiary hearing in accordance
7 with Section 12056 and, when for a renewal application, issue an
8 interim renewal license pursuant to Section 12035. The
9 Commission shall identify those issues for which it requires
10 additional information or consideration related to the applicant's
11 suitability.

12 (3) Table or continue an item for consideration at a
13 subsequent meeting, for any purpose, including obtaining new or
14 additional information from the applicant, Bureau or
15 Commission staff, provided however in the case of renewals, the
16 Commission must act on the application before the license
17 expires.

18 (4) Extend a license for up to 180 calendar days as
19 necessary, as provided in Business and Professions Code section
20 19876, subdivision (c).

21 (5) Approve or deny a request for withdrawal pursuant to
22 Section 12015.

23 (6) Make a finding of abandonment pursuant to subsection
24 (c) of Section 12017.

25 (7) If the Bureau has filed an accusatory pleading with the
26 Commission pursuant to Business and Professions Code section
27 19930 prior to Commission action on a renewal application, the
28 Commission shall issue an interim renewal license pursuant to
Section 12035.

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

23 (a) If the Executive Director determines it is appropriate, he or
24 she may set an application for consideration at a GCA hearing in
25 advance of a meeting pursuant to Section 12054. The Executive
26 Director shall give notice to the applicant, pursuant to paragraph (2)
27 subsection (c) of Section 12052, to the Office of the Attorney General,
28 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

1 applicant as well as the Commission's operational considerations. The
2 Commission retains the authority to refer the matter to an APA
3 hearing pursuant to subsection (a) of Section 12056 or hear the matter
at a Section 12054 meeting if the Commission deems it appropriate.

4 (b) When the Commission has elected to hold a GCA hearing,
5 the Executive Director shall give notice to the applicant, pursuant to
6 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.

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

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

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

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

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

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

- 27 (1) In advance of the GCA hearing, upon a motion of a
28 party or by order of the presiding officer, the presiding officer
may conduct a pre-hearing conference, either in person, via

1 teleconference, or by email exchange, subject to the presiding
2 officer's availability and shall issue a prehearing order if
3 appropriate or requested by either party. The prehearing
4 conference and order may address the following:

4 (A) Evidentiary issues;

5 (B) Witness and exhibit lists;

6 (C) Alterations in the Bureau recommendation;

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

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

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

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

17 (1) Prohibit the testimony of any witness or the
18 introduction of any documentary evidence that has not been
19 disclosed pursuant to subsection (e); or

20 (2) Continue any meeting or hearing as necessary to
21 mitigate any prejudice.

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

(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.

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

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

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

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

20 13. California Code of Regulations, title 4, section 12354, subdivision (e)(5), provides:

21 (e) With ten day's advance written notice to the interim key
22 employee and to the gambling enterprise, the Executive Director shall
23 cancel the interim key employee license based upon the following.

24 * * *

25 (5) A Bureau recommendation of denial of the
26 applicant's key employee application.

27 14. California Code of Regulations, title 4, section 12346, subdivisions
28 (a)(1) and (b)(3), provide:

(a) An application for a gambling license shall be denied by
the Commission if any of the following apply:

(1) The Commission finds that the applicant is
ineligible, unqualified, disqualified, or unsuitable pursuant to the
criteria set forth in the Act or other applicable law or that granting the
license would be inimical to public health, safety, welfare, or would
undermine the public trust that gambling operations are free from
criminal or dishonest elements.

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(b) An application for a gambling license may be denied if:

* * *

(3) The Commission finds that the applicant's past behavior calls into question the applicant's qualification requirements and considerations outlined in Business and Professions Code section 19856.

15. California Code of Regulations, title 4, § 12355, subs. (a) and (b), provide:

(a) An application for a portable personal key employee license shall be denied by the Commission if any of the following applies:

(1) The Commission finds that the applicant is ineligible, unqualified, disqualified, or unsuitable pursuant to the criteria set forth in the Act or other applicable law or that granting the license would be inimical to public health, safety, welfare, or would undermine the public trust that gambling operations are free from criminal or dishonest elements.

(b) An application for a key employee license may be denied if:

* * *

(2) The Commission finds that the applicant's past behavior calls into question the applicant's qualification requirements and considerations outlined in Business and Professions Code section 19856.

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