

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 No. 232553  
6 600 West Broadway, Suite 1800  
San Diego, CA 92101  
7 P.O. Box 85266  
San Diego, CA 92186-5266  
8 Telephone: (619) 738-9133  
9 Fax: (619) 645-2012  
E-mail: Noel.Fischer@doj.ca.gov  
*Attorneys for Complainant*



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

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

CGCC Case No. CGCC-2020-0109-11H

BGC Case No. BGC-HQ2020-00006SL

18 **LINDA TO PARKS**  
19 [REDACTED]  
20 [REDACTED]

**STATEMENT OF REASONS**

21 Respondent.

23  
24 Complainant alleges as follows:

25 **PARTIES**

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

1           2.     On or about September 20, 2016, Linda T. Parks, also known as Linda Tran  
2 (Respondent), while an employee at Outlaws Card Parlour, a licensed gambling establishment  
3 located in Atascadero, California, submitted an Application for Initial Regular Work  
4 Permit/Temporary Work Permit (Work Permit Application) dated September 16, 2016.  
5 Respondent was issued a regular work permit, number GEWP-002528, on January 12, 2017.

6           3.     From March 2016 to the present, Respondent has been employed by Club One  
7 Casino, Inc., a licensed gambling establishment located in Fresno, California.

8           4.     On or about October 1, 2017, Respondent was promoted to Shift Supervisor, a key  
9 employee position. On or about October 9, 2017, Respondent submitted an Application for an  
10 Interim Key Employee License dated October 2, 2017.

11          5.     On October 11, 2017, the California Gambling Control Commission (Commission)  
12 issued an interim key employee license, number GEKE-002380, to Respondent. Respondent's  
13 interim license was scheduled to expire on October 31, 2019.

14          6.     On or about November 1, 2017, the Bureau received an Application for Gambling  
15 Establishment Key Employee License, as well as a Key Employee Supplemental Background  
16 Investigation Information, with attached schedules, dated October 20, 2017 (collectively,  
17 Application) from Respondent.

18          7.     On or about October 28, 2019, the Bureau issued its Gambling Establishment Key  
19 Employee Initial Background Investigation Report, Level III, for Respondent's Application in  
20 which it recommended that it be denied.<sup>1</sup>

21          8.     On or about January 9, 2020, the Commission considered Respondent's Application  
22 and the Bureau's denial recommendation, and referred the question of Respondent's suitability  
23  
24

---

25           <sup>1</sup> Respondent's interim key employee license was cancelled on October 30, 2019, because  
26 of the Bureau's recommendation of denial of Respondent's Key Employee Application. (Cal.  
27 Code Regs., tit. 4, § 12354, subd. (e)(5); see also subd. (d) ["Upon issuance or denial of a regular  
28 key employee license by the Commission, the interim license previously issued shall become  
invalid and shall not be used thereafter"].)

1 for licensure to an evidentiary hearing, which is to be held pursuant to Business and Professions  
2 Code sections 19870 and 19871.<sup>2</sup> (Cal. Code Regs., tit. 4, § 12060, subd. (a).)

3 **BURDEN OF PROOF**

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

6 **FIRST CAUSE FOR DENIAL OF APPLICATION**

7 **(Character, Integrity, Threat to Effective Regulation and Control of Controlled Gaming –  
8 Mandatory or Discretionary Denial)**

9 10. Respondent's Application is subject to mandatory denial under California Code of  
10 Regulations, title 4, section 12355, subdivision (a)(1), and/or discretionary denial pursuant to  
11 Business and Professions Code section 19857 subdivisions (a) and (b), and California Code of  
12 Regulations, title 4, section 12355, subdivision (b)(2), because Respondent was convicted of two  
13 misdemeanor offenses, including one for illegal gambling. In 2006, Respondent was convicted of  
14 driving without a valid driver's license in *State of Texas v. Linda T. Tran* (Crim. Ct. Dallas  
15 County, Texas, conviction date October 1, 2006, case number MC05-29394-M). In 2007,  
16 Respondent was convicted of illegal gambling in *State of Texas v. Linda T. Tran* (Crim. Ct.  
17 Dallas County, Texas, conviction date July 30, 2007, case number M06-78551-B). Respondent's  
18 conviction for illegal gambling poses a threat to the effective regulation and control of controlled  
19 gambling.

20 **SECOND CAUSE FOR DENIAL OF APPLICATION**

21 **(Providing Untrue or Misleading Information – Dishonesty –  
22 Mandatory or Discretionary Denial)**

23 11. Respondent's Application is subject to mandatory denial pursuant to Business and  
24 Professions Code section 19859, subdivisions (a) and (b), Business and Professions Code section  
25 19866, and California Code of Regulations, title 4, section 12346, subdivision (a)(1), and section  
26 12355, subdivision (a), and/or discretionary denial pursuant to Business and Professions Code

27 <sup>2</sup> The statutes and regulations applicable to this Statement of Reasons are quoted in  
28 pertinent part in Appendix A. The full text of the Gambling Control Act (GCA) is found at  
Business and Professions Code section 19800 et seq.

1 section 19857, subdivisions (a) and (b), and section 19866, and California Code of Regulations,  
2 title 4, section 12346, subdivision (b)(3), and section 12355, subdivision (b)(2), because  
3 Respondent provided untrue or misleading information material to her qualification for licensure  
4 as follows:

5 a. In her Application, under penalty of perjury, Respondent denied having ever been a  
6 party to any litigation despite having been a party-litigant in two separate court proceedings.

7 b. In her Application, under penalty of perjury, Respondent denied having a judgment or  
8 lien filed against her in the last ten years, despite having four judgments issued against her in that  
9 time period.

10 c. In her Application, under penalty of perjury, Respondent failed to disclose that she  
11 previously had been a registered gaming employee with the Nevada Gaming Control Board.

12 d. In her Application, under penalty of perjury, Respondent failed to disclose derogatory  
13 gaming employment history.

14 e. In her Work Permit Application, under penalty of perjury, Respondent failed to  
15 disclose her 2007 conviction for illegal gambling.

16 f. When asked by the Bureau to provide information concerning her 2007 conviction for  
17 illegal gambling in *State of Texas v. Linda Tran* (Crim. Ct. Dallas County, Texas, conviction date  
18 July 30, 2007, case number M06-78551-B), Respondent provided information in conflict with the  
19 court records.

20  
21  
22  
23  
24  
25  
26  
27  
28

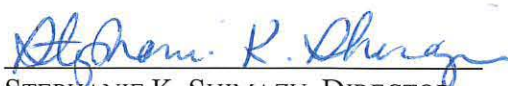
1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**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 Application for Gambling Establishment Key Employee License; and
- 2. Taking such other and further action as the Commission may deem appropriate.

Dated: July 6, 2020

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

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

**APPENDIX A**  
**JURISDICTION**

1. Business and Professions Code section 19811, subdivision (b), provides:

Jurisdiction, including jurisdiction over operation and concentration, and supervision over gambling establishments in this state and over all persons or things having to do with the operation of gambling establishments is vested in the commission.

2. Business and Professions Code section 19823 provides:

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

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

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

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

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

The commission shall have all powers necessary and proper to enable 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:

\* \* \*

(b) For any cause deemed reasonable by the commission, deny any application for a license, permit, or approval provided for in this

1 chapter or regulations adopted pursuant to this chapter, limit,  
2 condition, or restrict any license, permit, or approval, or impose any  
3 fine upon any person licensed or approved. The commission may  
4 condition, restrict, discipline, or take action against the license of an  
5 individual owner endorsed on the license certificate of the gambling  
6 enterprise whether or not the commission takes action against the  
7 license of the gambling enterprise.

8 \* \* \*

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

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

13 (a) Every key employee shall apply for and obtain a key  
14 employee license.

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

17 5. Business and Professions Code section 19870 provides:

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

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

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

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

(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

1 Civil Procedure shall not apply to any judicial proceeding described in  
2 the foregoing sentence, and the court may grant the petition only if the  
3 court finds that the action of the commission was arbitrary and  
capricious, or that the action exceeded the commission's jurisdiction.

4 6. Business and Professions Code section 19871 provides:

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

8 (1) Oral evidence shall be taken only upon oath or  
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  
not covered on direct examination.

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

17 (E) To offer rebuttal evidence.

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

21 (4) The meeting need not be conducted according to  
22 technical rules relating to evidence and witnesses. Any relevant  
23 evidence may be considered, and is sufficient in itself to support  
24 a finding, if it is the sort of evidence on which responsible  
25 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.

26 (b) Nothing in this section confers upon an applicant a right to  
27 discovery of the department's<sup>[3]</sup> investigative reports or to require

28 <sup>3</sup> Hereinafter, "department" refers to the Department of Justice, Bureau of Gambling  
Control. (Bus. & Prof. Code, § 19805, subd. (h).)



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

3 **SPECIFIC STATUTORY AND REGULATORY PROVISIONS**

4 7. Business and Professions Code section 19856, subdivision (a) provides in part:

5 The burden of proving his or her qualifications to receive any  
6 license is on the applicant.

7 8. Business and Professions Code section 19857 provides in part:

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

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

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

19 9. Business and Professions Code section 19859 provides in part:

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

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

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

10. 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.

1 11. California Code of Regulations, title 4, section 12054, subdivision (a), provides:

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

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

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

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

19 (4) Extend a license for up to 180 calendar days as  
20 necessary, as provided in Business and Professions Code section  
21 19876, subdivision (c).

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

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

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

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

(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

1 on information contained in the Bureau's report or other appropriate  
2 sources including, without limitation, a request from the Bureau or  
3 applicant as well as the Commission's operational considerations. The  
4 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.

5 (b) When the Commission has elected to hold a GCA hearing,  
6 the Executive Director shall give notice to the applicant, pursuant to  
7 paragraph (2) subsection (c) of Section 12052, to the Office of the  
8 Attorney General, and to the Bureau no later than 60 calendar days in  
advance of the GCA hearing.

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

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

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

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

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

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

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

8 (A) Evidentiary issues;

9 (B) Witness and exhibit lists;

10 (C) Alterations in the Bureau recommendation;

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

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

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

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

25 (1) Prohibit the testimony of any witness or the  
26 introduction of any documentary evidence that has not been  
27 disclosed pursuant to subsection (e); or

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

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

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

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

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

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

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

16 13. California Code of Regulations, title 4, section 12346, subdivisions  
17 (a)(1) and (b)(3), provide:

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

20 (1) The Commission finds that the applicant is  
ineligible, unqualified, disqualified, or unsuitable pursuant to the  
21 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  
22 undermine the public trust that gambling operations are free from  
criminal or dishonest elements.

23 \* \* \*

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

25 \* \* \*

26 (3) The Commission finds that the applicant's past  
27 behavior calls into question the applicant's qualification requirements  
28

1 and considerations outlined in Business and Professions Code section  
2 19856.

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

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

7 \* \* \*

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

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

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

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

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

22 \* \* \*

23 (2) The Commission finds that the applicant's past  
24 behavior calls into question the applicant's qualification  
25 requirements and considerations outlined in Business and  
26 Professions Code section 19856.  
27  
28