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CALIFORNIA GAMBLING  
CONTROL COMMISSION

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

13 **In the Matter of the Statement of Reasons:**

14 **CURT ADAM MIECZKOWSKI**

15   
16 **(GEWP-001624)**

17 Respondent.

BGC Case No.: BGC-HQ2014-00015SL

CGCC Case No.: CGCC-2014-1023-10

18 **STATEMENT OF REASONS**

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19 Complainant alleges as follows:

21 **PARTIES**

22 1. Wayne J. Quint Jr. (Complainant) brings this Statement of Reasons solely in his  
23 official capacity as the Chief of the California Department of Justice, Bureau of Gambling  
24 Control (Bureau).

25 2. On July 25, 2014, the Bureau of Gambling Control (Bureau) received an Application  
26 For Work Permit Renewal (Application) from Curt Adam Mieczkowski (Respondent).



1           7.     Respondent's criminal conviction resulted from his participation in the operation of  
2 several houses of prostitution that were investigated and closed down by officers from the  
3 Hayward Police Department (police) in a large undercover prostitution sting and investigation.  
4 The police suspected that a house of prostitution was being operated at several locations,  
5 including a specific location in the City of Hayward. After conducting surveillance at the  
6 location, Respondent was observed. When Respondent was later interviewed by the police,  
7 Respondent admitted that he knew the location was a house of prostitution (brothel). Respondent  
8 admitted that the prostitutes who worked at the brothel were brought in from China and Taiwan.  
9 Respondent admitted that on a couple of occasions he picked up the female prostitutes from the  
10 airport. Respondent admitted that he placed advertisements on redbook.com and craigslist.com  
11 for the different brothel locations. Respondent admitted that he knew the advertisements were  
12 about prostitution. Respondent admitted that he used his personal credit cards, and the cards of  
13 his mother, when paying for the advertisements. Respondent admitted that he earned  
14 approximately \$150.00 a week in profit for placing these advertisements.

15                           **SECOND CAUSE OF DENIAL OF LICENSE APPLICATION**

16                           **(Unqualified for Licensure – Good Character, Honesty, and Integrity;  
17   Supplying Untrue or Misleading Information)**

18           8.     Respondent's application for licensure is subject to denial pursuant to Business and  
19 Professions Code sections 19857, subdivisions (a) and (b), and section 19859, subdivision (b),  
20 and California Code of Regulations, title 4, section 12105, subdivisions (a)(1) and (a)(2), in that  
21 Respondent lacks the requisite good character, honesty and integrity and/or poses a threat to the  
22 public interest of this state, or to the effective regulation and control of controlled gambling, or  
23 creates or enhances the dangers of unsuitable, unfair, or illegal practices, methods, and activities  
24 in the conduct of controlled gambling, and because Respondent supplied information that was  
25 untrue or misleading as to a material fact pertaining to his qualification for a license.

26           9.     On or about August 5, 2014, Bureau staff mailed a letter to Respondent asking him to  
27 provide a written statement detailing the circumstances that led to his arrest for violation of Penal  
28 Code section, 182, subdivision (a)(1), and subsequent misdemeanor conviction of Penal Code

1 section 415. In response, Respondent provided a written statement to the Bureau on August 11,  
2 2014. Respondent advised that he did not conspire to commit a crime with his friend and his  
3 friend's wife. Respondent advised that the Internet advertisement's did not state anything illegal.  
4 These responses provided by Respondent to Bureau staff were untrue and/or misleading. In fact,  
5 Respondent placed advertisements on redbook.com and craigslist.com for different brothel  
6 locations. Respondent knew the advertisements were about prostitution. Respondent used his  
7 personal credit cards, and the cards of his mother, when paying for the advertisements, and he  
8 earned approximately \$150.00 a week in profit for placing these advertisements.

### 9 THIRD CAUSE FOR DENIAL OF APPLICATION

#### 10 (Unqualified for Licensure – Association with Criminal Profiteering Activity)

11 10. Respondent's application for licensure is subject to mandatory denial pursuant to  
12 Business and Professions Code section 19859, subdivision (e), and California Code of  
13 Regulations, title 4, section 12105, subdivisions (a)(1), association of Respondent with criminal  
14 profiteering activity or organized crime, as defined by Penal Code section 186.2.

15 11. In support of the Third Cause for Denial of Application, Complainant re-alleges and  
16 incorporates by reference all the allegations raised in paragraphs four through ten.

### 17 JURISDICTION

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

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

22 13. Business and Professions Code section 19823 provides:

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

25 (1) Assuring that licenses, approvals, and permits are not  
26 issued to, or held by, unqualified or disqualified persons, or by  
27 persons whose operations are conducted in a manner that is  
28 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

1 persons, or by persons whose operations are conducted in a  
2 manner that is inimical to the public health, safety, or welfare.

3 (b) For the purposes of this section, "unqualified person" means  
4 a person who is found to be unqualified pursuant to the criteria set  
5 forth in Section 19857, and "disqualified person" means a person who  
6 is found to be disqualified pursuant to the criteria set forth in Section  
7 19859.

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

9 (b) The commission shall establish reasonable criteria for, and  
10 require the licensure and registration of, any person or entity that  
11 provides proposition player services to a gambling establishment  
12 pursuant to this section, including owners, supervisors, and players.  
13 ... The commission may impose licensing requirements, disclosures,  
14 approvals, conditions, or limitations as it deems necessary to protect  
15 the integrity of controlled gambling in this state, ... .

16 15. Business and Professions Code section 19824 provides in part:

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

21 \* \* \*

22 (b) For any cause deemed reasonable by the  
23 commission, deny any application for a license, permit, or  
24 approval provided for in this chapter or regulations adopted  
25 pursuant to this chapter, limit, condition, or restrict any license,  
26 permit, or approval, or impose any fine upon any person licensed  
27 or approved. The commission may condition, restrict, discipline,  
28 or take action against the license of an individual owner  
endorsed on the license certificate of the gambling enterprise  
whether or not the commission takes action against the license of  
the gambling enterprise.

\* \* \*

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

### **SPECIFIC STATUTORY AND REGULATORY PROVISIONS**

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

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

1 17. 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  
7 any, reputation, habits, and associations do not pose a threat to  
8 the public interest of this state, or to the effective regulation and  
9 control of controlled gambling, or create or enhance the dangers  
10 of unsuitable, unfair, or illegal practices, methods, and activities  
11 in the conduct of controlled gambling or in the carrying on of the  
12 business and financial arrangements incidental thereto.

13 18. Business and Professions Code section 19859 provides in part:

14 The commission shall deny a license to any applicant who is  
15 disqualified for any of the following reasons

16 (a) Failure of the applicant to clearly establish eligibility  
17 and qualifications in accordance with this chapter.<sup>[1]</sup>

18 (b) Failure of the applicant to provide information,  
19 documentation, and assurances required by this chapter or requested by  
20 the Chief, or failure of the applicant to reveal any fact material to  
21 qualification, or the supplying of information that is untrue or misleading  
22 as to a material fact pertaining to the qualification criteria.

23 \* \* \*

24 (e) Association of the applicant with criminal profiteering  
25 activity or organized crime, as defined by Section 186.2 of the Penal  
26 Code.

27 19. Penal Code section 186.2, provides:

28 (a) "'Criminal profiteering activity' means any act committed  
or attempted or any threat made for financial gain or advantage, which  
act or threat may be charged as a crime under any of the following  
sections:

\* \* \*

(12) Pimping and pandering, as defined in Section 266.

<sup>1</sup> Hereinafter, "chapter" refers to Business and Professions Code, division 8, chapter 5, (commencing with section 19800), also known as the Gambling Control Act.

1 20. Penal Code section 266h provides in pertinent part:

2 (a) Except as provided in subdivision (b), any person who,  
3 knowing another person is a prostitute, lives or derives support or  
4 maintenance in whole or in part from the earnings or proceeds of the  
5 person's prostitution, or from money loaned or advanced to or charged  
6 against that person by any keeper or manager or inmate of a house or  
7 other places where prostitution is practiced or allowed, or who solicits  
8 or receives compensation for soliciting for the person, is guilty of  
9 pimping, a felony, and shall be punishable by imprisonment in the  
10 state prison for three, four, or six years.

11 21. Penal Code section 266i provides:

12 (a) Except as provided in subdivision (b), any person who, does  
13 any of the following is guilty of pandering, a felony, and shall be  
14 punishable by imprisonment in the state prison for three, four, or six  
15 years:

16 \* \* \*

17 (2) By promises, threats, violence, or by any device or  
18 scheme, causes, induces, persuades, or encourages another  
19 person to become a prostitute.

20 \* \* \*

21 (4) By promises, threats, violence, or by any device or  
22 scheme, causes, induces, persuades, or encourages an inmate of a  
23 house of prostitution, or any other place in which prostitution is  
24 encouraged or allowed, to remain therein as an inmate.

25 22. California Code of Regulations, title 4, section 12105, subdivision (a) provides:

26 An application for a work permit shall be denied by the  
27 Commission if either of the following applies:

28 (1) The applicant meets any of the criteria for  
mandatory disqualification under Business and Professions Code  
sections 19859.

(2) The applicant is found unqualified pursuant to the  
criteria set forth in subdivisions (a) or (b) of Business and  
Professions Code sections 19857.

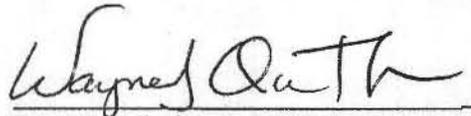
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**PRAYER**

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

1. Denying Respondent's Application; and
2. Taking such other and further action as the Commission may deem appropriate.

Dated: May 22, 2015



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