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CALIFORNIA GAMBLING
CONTROL COMMISSION

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

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

BGC Case No. BGC-HQ2013-00006AC
CGCC Case No. CGCC-2013-0516-1

16 **FARM TONG SAETERN**
17 

STATEMENT OF REASONS

18 **Work Permit number GEWP-001733**

19 **Respondent.**

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Complainant alleges as follows:

PARTIES

1. Wayne J. Quint, Jr. (Complainant) brings this Statement of Reasons for Denial of Work Permit Application solely in his official capacity as Chief of the California Department of Justice, Bureau of Gambling Control (Bureau).

2. On or about August 17, 2011, Farm Tong Saetern (Respondent) submitted an Application for an Initial Regular Work Permit/Temporary Work Permit CGCC-021 (Rev.

1 06/12), and Work Permit Questionnaire (BGC-LIC. 049 (Rev. 11/07)) (collectively: Application)
2 to the California Gambling Control Commission (Commission).

3 3. On August 22, 2011, the Commission granted Respondent a Temporary Work Permit
4 (GEWP-001733) which remains active during the pendency of this hearing process. Respondent
5 is employed as a dealer at Napa Valley Casino, a licensed gambling establishment located in
6 American Canyon, California.

7 4. At its May 16, 2013 meeting, the Commission referred the question of Respondent's
8 suitability for licensure to an evidentiary hearing pursuant to California Code of Regulations, title
9 4, section 12060, subdivision (a), and requested that the Respondent provide supplemental
10 information relevant to her Application.

11 5. The Bureau completed its Work Permit Background Investigation Report on April 3,
12 2012. As part of the investigation, the Bureau confirmed that the Respondent did not have any
13 criminal history, but discovered that she had a derogatory employment history. The Bureau
14 originally recommended that the Respondent be found suitable to hold a work permit; however,
15 after further internal review, including review of supplemental information provided by the
16 Respondent, the Bureau now recommends that Respondent be denied a work permit.¹

17 6. On or about May 1, 2015, pursuant to California Code of Regulations, title 4, section
18 12050, subdivision (b), the Commission's Executive Director set the matter for a hearing to be
19 conducted pursuant to the provisions of Business and Professions Code sections 19870 and
20 19871, and California Code of Regulations, title 4, section 12050, subdivision (b)(2).

21 7. Respondent submitted a timely Notice of Defense, dated March 9, 2015.
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26 ¹ On or about August 5, 2015, the Bureau sent the Commission a letter, with a copy to
27 Respondent, advising that the Bureau was now recommending denial of Respondent's application
28 and, accordingly, requested Respondent's Temporary Work Permit be cancelled pursuant to
California Code of Regulations, title 4, section 12128, subdivision (b)(2).

1 11. California Code of Regulations, title 4, section 12060, provides, in part:

2 (a) If the Executive Director determines it is appropriate, he or she may
3 set an application for consideration at a GCA hearing in advance of a meeting
4 pursuant to Section 12054. . . .

5 * * *

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

8 12. California Code of Regulations, title 4, section 12120, subdivision (b), provides:

9 (b) Upon issuance or denial of a regular work permit by the Commission,
10 the temporary work permit previously issued shall become void and shall not be
11 used thereafter.

12 13. California Code of Regulations, title 4, section 12124, provides:

13 Denial of an application for a temporary work permit or cancellation of a
14 temporary work permit shall not suspend the processing and review of the related
15 application for a regular work permit.

16 **SPECIFIC STATUTORY AND REGULATORY PROVISIONS**

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

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

20 15. Business and Professions Code section 19857 provides:

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

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

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

16. Business and Professions Code section 19859 provides:

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

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

3 (b) Failure of the applicant to provide information,
4 documentation, and assurances required by this chapter or requested by
5 the Chief, or failure of the applicant to reveal any fact material to
6 qualification, or the supplying of information that is untrue or
7 misleading as to a material fact pertaining to the qualification criteria.

8 17. Business and Professions Code section 19912 provides, in part:

9 (a)(1) A person shall not be employed as a gambling enterprise employee,
10 or serve as an independent agent, except as provided in paragraph (2), unless he or
11 she is the holder of one of the following:

12 * * *

13 (B) A work permit issued by the commission pursuant to
14 regulations adopted by the commission for the issuance and renewal
15 of work permits. . . .

16 * * *

17 (d) Application for a work permit for use in any jurisdiction where a
18 locally issued work permit is not required by the licensing authority of a city,
19 county, or city and county shall be made to the department, and may be granted or
20 denied for any cause deemed reasonable by the commission. . . .

21 18. Business and Professions Code section 19914 provides, in part:

22 (a) The commission may revoke a work permit or, if issued by the
23 licensing authority of a city, county, or city and county, notify the authority to
24 revoke it, and the licensing authority shall revoke it, if the commission finds, after
25 a hearing, that a gambling enterprise employee or independent agent has failed to
26 disclose, misstated, or otherwise misled the department or the commission with
27 respect to any fact contained in any application for a work permit, or if the
28 commission finds that the employee or independent agent, subsequent to being
issued a work permit, has done any of the following:

* * *

(7) Been refused the issuance of any license, permit, or
approval to engage in or be involved with gambling or parimutuel
wagering in any jurisdiction, or had the license, permit, or
approval revoked or suspended.

1 19. California Code of Regulations, title 4, section 12105 provides:

2 (a) An application for a work permit shall be denied by the Commission if
3 either of the following applies:

4 (1) The applicant meets any of the criteria for mandatory
5 disqualification under Business and Professions Code section
6 19859.

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

10 * * *

11 (c) The grounds for denial set forth in this section apply in addition to
12 any grounds prescribed by statute.

13 * * *

14 (e) The provisions of Business and Professions Code sections 19857,
15 19859, and 19914, subdivision (a) shall be deemed incorporated by reference
16 into this regulation for the purposes set forth in this section. For the purposes
17 of this section, the criteria incorporated by reference in these regulations
18 from Business and Professions Code section 19914, subdivision (a), apply to
19 conduct or events occurring prior to the filing of an application for a work
20 permit.

21 **FIRST CAUSE FOR DENIAL OF LICENSE APPLICATION**

22 **(Unqualified for Licensure – Gaming License Revocation)**

23 20. Respondent's Application is subject to denial pursuant to Business and Professions
24 Code section 19914, subdivision (a)(7), made applicable to work permit applications by
25 California Code of Regulations, title 4, section 12105, subdivisions (a), (c) and (e), in that from
26 August 2010 to September 2010, Respondent was employed by the Single Springs Tribal Gaming
27 Commission as a dealer at the Red Hawk Casino in Shingle Springs, California, and on
28 September 2, 2010, Respondent's temporary tribal gaming license was revoked by the Single
Springs Tribal Gaming Commission.

1 time period between January 2010 through May 2013, a second account for the time period July
2 2012 through May 2013, and a third account for the time period January 2010 through June 2013.
3 At the May 16, 2013 Commission meeting, Respondent stated that she was no longer gambling.
4 However, review of the bank statements submitted by Respondent reflect that Respondent made
5 multiple purchases and cash withdrawals at gambling establishments in California and Nevada,
6 including, but not limited to, the following transactions:

- 7 1) Thunder Valley Casino, California (June 2010; September 2012; November
8 2012; and April 2013);
- 9 2) Red Hawk Casino, California (October 2010);
- 10 3) Circus Circus Casino, Nevada (August 2010);
- 11 4) Phoenix Lounge, California (December 2010; and February 2011);
- 12 5) Peppermill Sports Book Casino, Nevada (August 2011; February 2011; and
13 February 2013);
- 14 6) Garden City Casino, California (September 2011; and August 2012);
- 15 7) Lucky Derby Casino, California (February 2012);
- 16 8) El Dorado Casino, Nevada (April 2012);
- 17 9) Wynn Las Vegas, Nevada (July 2012);
- 18 10) Napa Valley Casino, California (January 2013); and
- 19 11) Harrah's Casino, Nevada (March 2013).

20 **PRAYER**

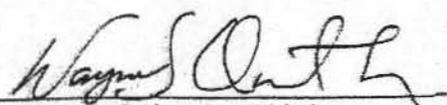
21 WHEREFORE, Complainant requests that following the hearing to be held on the matters
22 herein alleged, that the Commission issue a decision:

- 23 1. Denying Respondent's Application for Initial Regular Work Permit/Temporary Work
24 Permit;

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

Dated: August TH6, 2015


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