

1 KAMALA D. HARRIS
Attorney General of California
2 SARA J. DRAKE
Senior Assistant Attorney General
3 RONALD L. DIEDRICH
Deputy Attorney General
4 State Bar No. 95146
1300 I Street, Suite 125
5 P.O. Box 944255
Sacramento, CA 94244-2550
6 Telephone: (916) 322-1043
Fax: (916) 327-2319
7 E-mail: Ronald.Diedrich@doj.ca.gov
Attorneys for Complainant

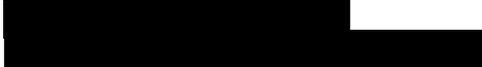
CALIFORNIA
GAMBLING CONTROL COMMISSION

2012 MAY 11 AM 11:47

RECEIVED

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

14 **In the Matter of the Statement of Issues**
15 **Against:**

16 **PAUL NGO,**
17 **AKA: HENG CHENG NGO**
18 

20 **Respondent.**

BGC Case No.: BGC-HQ2012-00003AL

OAH No. _____

STATEMENT OF ISSUES

22 Complainant alleges as follows:

23 **PARTIES**

24 1. Martin Horan IV (Complainant) brings this Statement of Issues solely in his official
25 capacity as the Acting Chief of the California Department of Justice, Bureau of Gambling Control
26 (Bureau).

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

6 7. Business and Professions Code section 19824 provides in part:

8 The commission shall have all powers necessary and proper to
9 enable it fully and effectually to carry out the policies and purposes of
10 this chapter, including, without limitation, the power to do all of the
11 following:

12 * * *

13 (b) For any cause deemed reasonable by the commission, deny
14 any application for a license, permit, or approval provided for in this
15 chapter or regulations adopted pursuant to this chapter, limit, condition,
16 or restrict any license, permit, or approval, or impose any fine upon any
17 person licensed or approved. The commission may condition, restrict,
18 discipline, or take action against the license of an individual owner
19 endorsed on the license certificate of the gambling enterprise whether
20 or not the commission takes action against the license of the gambling
21 enterprise.

22 * * *

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

26 COST RECOVERY

27 8. Business and Professions Code section 19930 provides in part:

28 (d) In any case in which the administrative law judge recommends
that the commission revoke, suspend, or deny a license, the administrative
law judge may, upon presentation of suitable proof, order the licensee or
applicant for a license to pay the department the reasonable costs of the
investigation and prosecution of the case.

* * *

(f) For purposes of this section, "costs" include costs incurred for
any of the following:

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

(1) The investigation of the case by the department.

(2) The preparation and prosecution of the case by the Office of the Attorney General.

SPECIFIC STATUTORY AND REGULATORY PROVISIONS

9. Business and Professions Code section 19856, provides in part:

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

(b) An application to receive a license constitutes a request for a determination of the applicant's general character, integrity, and ability to participate in, engage in, or be associated with controlled gambling.

10. Business and Professions Code section 19857 provides in part:

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

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

(b) A person whose prior activities, criminal record, if any, reputation, habits, and associations do not pose a threat to the public interest of this state, or to the effective regulation and control of 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.

11. Business and Professions Code section 19859 provides in part:

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

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

CAUSE FOR DENIAL OF APPLICATION AND LICENSURE

12. Respondent's application to convert his registration to a third party proposition player services license is subject to denial pursuant to Business and Professions Code sections 19856, 19857 and 19859 in that the Respondent has demonstrated a lack of the requisite good general

² Hereinafter, "chapter" refers to Business and Professions Code, division 8, chapter 5, (commencing with section 19800), also known as the Gambling Control Act.

1. character, honesty and integrity; and his prior activities, criminal record, habits, and associations
2 pose a threat to the public interest of this state, or to the effective regulation and control of
3 controlled gambling, or create or enhance the dangers of unsuitable, unfair, or illegal practices,
4 methods, and activities in the conduct of controlled gambling. Respondent has engaged in
5 repeated criminal behavior since 1994, demonstrating an inherent willingness to violate the law
6 and a conscious disregard for the health safety and welfare of others. Respondent's criminal
7 convictions include:

8 a. On or about November 29, 1994, Respondent was convicted of violating Penal Code
9 section 242, battery, a misdemeanor, in the case of *People v. Paul Ngo, aka Heng Cheng Ngo*,
10 (Super. Ct. Orange County, 1994, No. 94CM07594).

11 b. On or about March 10, 1999, Respondent was convicted of violating Vehicle Code
12 section 23152, subdivisions (a) and (b), driving under the influence of drugs/alcohol, a
13 misdemeanor, in the case of *People v. Paul Ngo* (Super. Ct. Orange County, 1999, No.
14 99CM02701).

15 c. On or about July 20, 2007, Respondent was convicted, upon a plea of guilty, of
16 violating Vehicle Code section 23152, subdivision (a), driving under the influence of
17 drugs/alcohol with one prior, a misdemeanor, in the case of *People v. Paul Ngo, aka Heng Cheng*
18 *Ngo* (Super. Ct. Orange County, 2007, No. 07WM06815).

19 d. On or about June 26, 2009, Respondent was convicted, upon a plea of guilty, of
20 violating Vehicle Code section 23152, subdivision (a), driving under the influence of
21 drugs/alcohol with one prior, misdemeanor, in the case of *People v. Paul Ngo, aka Heng Cheng*
22 *Ngo* (Super. Ct. Orange County, 2009, No. 07WM05355).

23 **PRAYER**

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

26 1. Denying the Request for Conversion of a Third Party Proposition Player Services
27 Registration to a License submitted by Paul Ngo;

1 2. Awarding Complainant the costs of investigation and costs of bringing this Statement
2 of Issues before the Commission, pursuant to Business and Professions Code section 19930,
3 subdivisions (d) and (f), in a sum according to proof; and

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

5
6 Dated: May 3, 2012


MARTIN HORAN IV, Acting Chief
Bureau of Gambling Control
Department of Justice
State of California
Complainant

7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28