



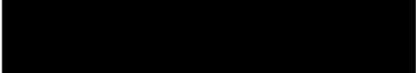
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8
 9 **BEFORE THE**
 10 **CALIFORNIA GAMBLING CONTROL COMMISSION**
 11 **STATE OF CALIFORNIA**

12
 13 In the Matter of the Statement of Reasons for
 14 Denial of Application for a Third-Party
 Proposition Player Services License for:

BGC Case No. BGC-HQ2018-00043SL

CGCC Case No: CGCC-2018-0621-6A

15 **DARRION LAQUON GRIFFITH**
 16 

STATEMENT OF REASONS

17
 18 **Respondent.**

19
 20 Complainant alleges as follows:

21 **PARTIES**

22 1. Stephanie K. Shimazu (Complainant) brings this Statement of Reasons solely in her
 23 official capacity as Director of the California Department of Justice, Bureau of Gambling Control
 24 (Bureau).

25 2. On August 17, 2017, the Bureau received an Application for Third-Party Proposition
 26 Player Services License for Supervisor, Player or Other Employee, and a Level I Supplemental
 27 Information, both dated June 6, 2017 (collectively, Application), from Darrion Laquon Griffith
 28 (Respondent), to allow for his employment as a third-party proposition player (prop-player) for

1 Global Player Services, Inc. (Global), a registered third-party proposition player services
2 provider, registration number TPPP-000094.¹

3 3. Respondent has been employed as a prop-player by Global since June 2017. On or
4 about June 21, 2017, the California Gambling Control Commission (Commission) issued
5 Respondent a registration, number TPPL-019863, as a prop-player for this employment.
6 Respondent's registration currently expires on June 30, 2019.

7 4. On or about May 7, 2018, the Bureau submitted a Third-Party Player Background
8 Investigation Report to the Commission, in which it recommended that Respondent's Application
9 be denied.

10 5. At its June 21, 2018, meeting, the Commission referred consideration of
11 Respondent's Application to an evidentiary hearing, which is to be held pursuant to California
12 Code of Regulations, title 4, section 12060.²

13 6. On or about July 18, 2018, Respondent submitted a Notice of Defense, which is dated
14 July 11, 2018.

15 **BURDEN OF PROOF**

16 7. Respondent has the burden of proving his qualifications to receive a license.
17 (Bus. & Prof. Code, § 19856, subd. (a).)

18 **FIRST CAUSE FOR DENIAL**

19 **(Misdemeanor Convictions)**

20 8. Respondent's Application is subject to denial and his registration is subject to
21 revocation or cancellation in that on or about October 5, 2011, Respondent was convicted of
22 violating Penal Code section 484, subdivision (a), petty theft, a misdemeanor crime of dishonesty
23

24 _____
25 ¹ Respondent is required to convert his registration to a license and submit an application
26 for such licensure pursuant to California Code of Regulations, title 4, sections 12205.1 and
27 12218, because Global was summoned on June 21, 2012, to submit an application to convert its
28 registration to a license.

² The statutes and regulations applicable to this Statement of Reasons are quoted in
pertinent part in Appendix A.

1 or moral turpitude, in the case of *People v. Darrion Laquor Griffith* (Sup. Ct. Monterey County,
2 2011, No. MS298987A).

3 9. Respondent's above-noted conviction was as a result of a plea bargain. Respondent
4 pled nolo contendere to one count of violating Penal Code section 484, subdivision (a), in
5 exchange for the dismissal of a second count of violating Penal Code section 484, subdivision (a),
6 and one count of violating Penal Code section 459, burglary.

7 10. Respondent was sentenced to three years of conditional probation, to enroll in the
8 County Theft Offender Program, to serve five days in Monterey County jail, to pay court fees
9 totaling \$70, and to make restitution to JC Penny in the amount of \$100.³

10 11. On or about April 30, 2014, Respondent obtained relief from his above-noted
11 conviction pursuant to Penal Code sections 1203.4 and 1203.4a.
12 (Bus. & Prof. Code, §§ 19856 & 19857 subs. (a) & (b); Cal. Code. Regs., tit. 4, §§ 12200.18;
13 subd. (a), 12205 & 12218.11, subs. (e) [mandatory denial] & (j) [mandatory denial].)

14 **SECOND CAUSE FOR DENIAL**

15 **(Failure to Disclose Misdemeanor Conviction)**

16 12. Respondent's Application is subject to denial and his registration subject to
17 revocation or cancellation in that Respondent, under penalty of perjury, in response to question
18 (2), in Section 4. Criminal History Information, of the Level I Supplemental Information, falsely
19 stated that he had not been convicted of a misdemeanor within the last 10 years. In fact, as noted
20 in paragraph 8 above and incorporated herein by reference, on or about October 5, 2011,
21 Respondent was convicted of a misdemeanor.

22 13. Question (2), in relevant part, specifically requires disclosure of any misdemeanor
23 convictions that have been dismissed pursuant to Penal Code section 1203.4. Additionally, the
24 April 20, 2014, court order Respondent obtained dismissing his misdemeanor conviction
25 explicitly provides, in relevant part, that he is required to disclose his dismissed conviction in
26 response to any direct question by a state agency contained in an application for licensure.

27 ³ The payment of restitution was suspended unless or until probation was revoked and not
28 reinstated.

1 (Bus. & Prof. Code, §§ 19856, 19857, subs. (a) & (b), 19859, subs. (a) [mandatory denial] &
2 (b) [mandatory denial] & 19866; Cal. Code. Regs., tit. 4, §§ 12200.18, subs. (a), (b) & (f), 12205
3 & 12218.11, subs. (e) [mandatory denial], (f) [mandatory denial] & (j) [mandatory denial].)

4 **THIRD CAUSE FOR DENIAL**

5 **(Failure to Disclose Act of Dishonesty or Moral Turpitude)**

6 14. Respondent's Application is subject to denial and his registration subject to
7 revocation or cancellation in that Respondent, under penalty of perjury, in response to question
8 (4), in Section 4. Criminal History Information, of the Level I Supplemental Information, falsely
9 stated that he had never engaged in any act involving dishonesty or moral turpitude charged or
10 chargeable as a criminal offense. In fact, Respondent engaged in an act of theft, an act of
11 dishonesty or moral turpitude, which resulted in his being charged and convicted, as alleged in
12 paragraph 8 above and incorporated herein by reference.

13 (Bus. & Prof. Code, §§ 19856, 19857, subs. (a) & (b), 19859, subs. (a) [mandatory denial] &
14 (b) [mandatory denial] & 19866; Cal. Code. Regs., tit. 4, §§ 12200.18; subs. (a), (b) & (f), 12205
15 & 12218.11, subs. (e) [mandatory denial], (f) [mandatory denial] & (j) [mandatory denial].)

16 **FOURTH CAUSE FOR DENIAL**

17 **(Failure to Disclose Conviction of Offense Involving Dishonesty or Moral Turpitude)**

18 15. Respondent's Application is subject to denial and his registration subject to
19 revocation or cancellation in that Respondent, under penalty of perjury, in response to question
20 (5), in Section 4. Criminal History Information, of the Level I Supplemental Information, falsely
21 denied that he had ever been convicted of an offense involving dishonesty or moral turpitude. In
22 fact, as noted in paragraph 8 above and incorporated herein by reference, on or about October 5,
23 2011, Respondent was convicted of violating Penal Code section 484, subdivision (a), petty theft,
24 a misdemeanor crime of dishonesty or moral turpitude.

25 (Bus. & Prof. Code, §§ 19856, 19857, subs. (a) & (b), 19859, subs. (a) [mandatory denial] &
26 (b) [mandatory denial] & 19866; Cal. Code. Regs., tit. 4, §§ 12200.18, subs. (a), (b) & (f), 12205
27 & 12218.11, subs. (e) [mandatory denial], (f) [mandatory denial] & (j) [mandatory denial].)

1 FIFTH CAUSE FOR DENIAL

2 (False or Misleading Statements)

3 16. Respondent's Application is subject to denial and his registration subject to
4 revocation or cancellation in that Respondent provided false or misleading information to the
5 Bureau regarding the circumstances that lead to his conviction alleged in paragraph 8 above and
6 incorporated herein by reference.

7 17. Respondent stated that he stole one pair of Converse shoes from the JC Penny in the
8 Northridge Mall in Salinas. In fact, on August 14, 2011, Respondent entered that JC Penney on
9 two separate occasions, and on each occasion stole one pair of Converse shoes, each valued at
10 about \$45.

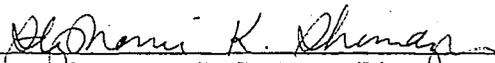
11 (Bus. & Prof. Code, §§ 19856, 19857, subs. (a) & (b), 19859, subs. (a) [mandatory denial] &
12 (b) [mandatory denial] & 19866; Cal. Code. Regs., tit. 4, §§ 12200.18, subs. (a), (b) & (f), 12205
13 & 12218.11, subs. (e) [mandatory denial], (f) [mandatory denial] & (j) [mandatory denial].)

14 PRAYER

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

- 17 1. Denying Respondent's Application for a third-party proposition player license;
18 2. Revoking or cancelling Respondent's registration, number TPPL-019863; and
19 3. Taking such other and further action as the Commission may deem appropriate.

20
21 Dated: September 4, 2018

22 
23 STEPHANIE K. SHIMAZU, Director
24 Bureau of Gambling Control
25 California Department of Justice
26 Complainant
27
28

1 APPENDIX A

2 JURISDICTION

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

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

- 8 2. Business and Professions Code, section 19823 provides:

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

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

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

21 (b) For the purposes of this section, "unqualified person" means a
22 person who is found to be unqualified pursuant to the criteria set forth
23 in Section 19857, and "disqualified person" means a person who is
24 found to be disqualified pursuant to the criteria set forth in Section
25 19859.

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

27 The commission shall have all powers necessary and proper to
28 enable it fully and effectually to carry out the policies and purposes of
this chapter,^[4] 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
chapter or regulations adopted pursuant to this chapter, limit,
condition, or restrict any license, permit, or approval, or impose any
fine upon any person licensed or approved. The commission may

⁴ "Chapter" refers to Business and Professions Code, division 8, chapter 5 (commencing with section 19800), also known as the Gambling Control Act.

1 condition, restrict, discipline, or take action against the license of an
2 individual owner endorsed on the license certificate of the gambling
3 enterprise whether or not the commission takes action against the
4 license of the gambling enterprise.

5 * * *

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

9 4. Business and Professions Code, section 19853, subdivision (a), provides, in part:

10 The commission, by regulation or order, may require that the
11 following persons register with the commission, apply for a finding of
12 suitability as defined in subdivision (i) of [Business and Professions
13 Code, sectionvx] 19805, or apply for a gambling license:

14 * * *

15 (3) Any person who does business on the premises of a
16 licensed gambling establishment.

17 5. Business and Professions Code, section 19870 provides:

18 (a) The commission, after considering the recommendation of the
19 chief^{5]} 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 Civil
Procedure shall not apply to any judicial proceeding described in the
foregoing sentence, and the court may grant the petition only if the

⁵ "Chief" refers to the Director of the Bureau. (Bus. & Prof. Code, § 19805, subd. (d).)

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 be
5 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
12 of the case.

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

16 (D) To impeach any witness, regardless of
17 which 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 behalf,
20 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 a
25 finding, if it is the sort of evidence on which responsible persons
26 are accustomed to rely in the conduct of serious affairs, regardless
27 of the existence of any common law or statutory rule that might
28 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's⁶ 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.

27 ⁶ "Department" refers to the Department of Justice. (Bus. & Prof. Code, § 19805, subd.
28 (h).)

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

2 The commission shall establish reasonable criteria for, and require
3 the licensure and registration of, any person or entity that provides
4 proposition player services to gambling establishments pursuant to this
5 section, including owners, supervisors, and players The
6 commission may impose licensing requirements, disclosures,
7 approvals, conditions, or limitations as it deems necessary to protect
8 the integrity of controlled gambling in this state

9 8. California Code of Regulations, title 4, section 12056, subdivision (a) provides, in
10 part:

11 If the Commission elects to hold an evidentiary hearing, the
12 hearing will be conducted as a GCA hearing under Section 12060,
13 unless the Executive Director or the Commission determines the
14 hearing should be conducted as an APA hearing under Section
15 12058

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

17 (a) If the Executive Director determines it is appropriate, he or
18 she may set an application for consideration at a GCA hearing in
19 advance of a meeting pursuant to Section 12054. The Executive
20 Director shall give notice to the applicant, pursuant to paragraph (2)
21 subsection (c) of Section 12052, to the Office of the Attorney General,
22 and to the Bureau no later than 90 calendar days in advance of the
23 GCA hearing. The Executive Director's determination will be based
24 on information contained in the Bureau's report or other appropriate
25 sources including, without limitation, a request from the Bureau or
26 applicant as well as the Commission's operational considerations. The
27 Commission retains the authority to refer the matter to an APA
28 hearing pursuant to subsection (a) of Section 12056 or hear the matter
at a Section 12054 meeting if the Commission deems it appropriate.

(b) When the Commission has elected to hold a GCA hearing, 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 60 calendar days in
advance of the GCA hearing.

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

(1) A member of the Commission's legal staff; or,

(2) An Administrative Law Judge.

1 (d) The applicant or the complainant, or the applicant and the
2 complainant, may request a continuance in writing to the Executive
3 Director stating the reason for the continuance and any proposed
4 future hearing dates. The Executive Director or Commission may
5 approve the request.

6 (e) The complainant shall provide to the applicant, at least 45
7 calendar days prior to the GCA hearing, and the applicant shall
8 provide to the complainant, at least 30 calendar days prior to the GCA
9 hearing, the following items.

10 (1) A list of potential witnesses with the general subject of
11 the testimony of each witness;

12 (2) Copies of all documentary evidence intended to be
13 introduced at the hearing and not previously provided;

14 (3) Reports or statements of parties and witnesses, if
15 available; and

16 (4) All other written comments or writings containing
17 relevant evidence.

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

21 (1) In advance of the GCA hearing, upon a motion of a party
22 or by order of the presiding officer, the presiding officer may
23 conduct a pre-hearing conference, either in person, via
24 teleconference, or by email exchange, subject to the presiding
25 officer's availability and shall issue a pre-hearing order if
26 appropriate or requested by either party. The pre-hearing
27 conference and order may address the following:

28 (A) Evidentiary issues;

(B) Witness and exhibit lists;

(C) Alterations in the Bureau recommendation;

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

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

(2) The GCA hearing need not be conducted according to
technical rules of evidence. Any relevant evidence may be
considered, and is sufficient in itself to support findings if it is the
sort of evidence on which reasonable 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.

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

3 (1) Prohibit the testimony of any witness or the introduction
4 of any documentary evidence that has not been disclosed pursuant
5 to subsection (e); or

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

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

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

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

22 (k) Except as otherwise provided in subsection (g), the
23 complainant and applicant shall have the right to call and examine
24 witnesses under oath; to introduce relevant exhibits and documentary
25 evidence; to cross-examine opposing witnesses on any relevant matter,
26 even if the matter was not covered in direct examination; to impeach
27 any witness, regardless of which party first called the witness to
28 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
examined, under oath, as if under cross-examination.

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

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

10. California Code of Regulations, title 4, section 12200.3, subdivision (g), provides:

Registrations, licenses, and badges are specific to the primary
owner. Third party proposition player services cannot be provided
without first applying for and obtaining a registration, license, or
badge.

1 11. California Code of Regulations, title 4, section 12205 provides:

2 (a) Any regular registration issued in accordance with this
3 chapter⁷ shall be subject to cancellation pursuant to this section. A
4 registration shall be cancelled if the Commission determines after a
5 noticed hearing that the registrant is ineligible for registration, has
6 failed in the application for registration to reveal any fact material to
7 the holder's qualification for registration, or has supplied information
8 in the registration application that is untrue or misleading as to a
9 material fact pertaining to the criteria for issuance of registration.

10 (b) If the Commission finds that any of the circumstances set
11 forth in subsection (a) apply, then the Executive Director shall
12 immediately do all of the following:

13 (1) Provide written notice to the registrant and the Bureau of
14 the cancellation of the registration and the grounds thereof, and
15 provide written notice of the cancellation to the owner, if the
16 registrant is a supervisor, player, or other employee and to any
17 gambling establishment in which the registrant provides
18 proposition player services.

19 (2) Notify the registrant, if an individual, that he or she is
20 required to surrender the registrant's badge to the Commission not
21 more than ten days following the date that the notice of the
22 cancellation was mailed or such greater time as is authorized by
23 the Executive Director.

24 12. California Code of Regulations, title 4, section 12205.1, provides:

25 (a) As expeditiously as possible in light of available program
26 resources, the Bureau shall summon persons registered as primary
27 owners, owners, supervisors, players, and other employees for the
28 purpose of applying for licenses under this chapter. The registration of
any registrant that fails or refuses to submit the applicable Application
for Third Party Proposition Player Services License for Business Entities
and Owners (BGC-433 (Rev. 10/17)) or Application for Third-Party
Proposition Player Services License for Supervisors, Players or Other
Employees (BGC-434 (Rev. 10/17)), which are hereby incorporated by
reference, including any fees to the Bureau within 30 days of receiving a
summons shall expire by operation of law on the following day. Prior to
and during review of a request to convert a registration to a license, a
registration shall remain valid and may be renewed by the registrant as
necessary, upon application and approval of renewal of registration as
provided in Section 12203A.

(b) Any person who became affiliated with a primary owner
following receipt of a summons from the Bureau shall apply for

⁷ "Chapter" refers to California Code of Regulations, title 4, division 18, chapter 2.1, section 12200 et seq.

1 registration pursuant to this chapter and shall be called forward by the
2 Bureau expeditiously.

3 (c) If the registration expires by operation of law, the former
4 registrant shall submit a new Application for Third Party Proposition
5 Player Services License for Business Entities and Owners (BGC-433) or
6 Application for Third-Party Proposition Player Services License for
7 Supervisors, Players or Other Employees (BGC-434), which are
8 referenced in subsection (a), and a new nonrefundable application fee as
9 specified in paragraph (1), and the applicable additional fee specified in
10 paragraph (3), (4), or (5) of subsection (d) of Section 12008.

11 13. California Code of Regulations, title 4, section 12218 provides:

12 (a) A request to convert a registration to a license shall be submitted
13 to the Bureau only in response to a written summons to a primary owner
14 pursuant to Section 12205.1. Each primary owner's request shall be
15 accompanied by the requests of all affiliated owners, supervisors, players,
16 and other employees.

17 (b) The request to convert a registration to a license shall designate
18 whether the license is requested as a primary owner, owner, supervisor,
19 player, or other employee. The request shall be signed by the individual
20 requester or, if the requester is a business entity, by the chief executive
21 officer or other designated officer of the business entity.

22 (c) The request to convert a registration to a license shall include all
23 of the following:

24 (1) A completed Application for Third Party Proposition
25 Player Services License for Business Entities and Owners (BGC-
26 433) or Application for Third-Party Proposition Player Services
27 License for Supervisors, Players or Other Employees (BGC-434),
28 referenced in Section 12205.1.

(2) If applicable, the Trust Supplemental Background
Investigation Information, BGC-APP-143 (Rev. 05/08), referenced
in Section 12342 of this division.

(3) The applicable nonrefundable application fee in the
amount specified in subsection (d) of Section 12008.

(4) Two 2x2 inch color passport-style photographs of a
requester that is an individual taken no more than one year before
submission of the request to the Bureau.

(5) The supplemental information package as defined in
Section 12200(b).

(6) A sum of money that, in the judgment of the Chief of the
Bureau, will be adequate to pay the anticipated investigation and
processing costs, in accordance with Business and Professions
Code sections 19867 and 19984(c).

(7) A copy of the summons issued by the Bureau.

1 (d) Nothing in this chapter shall require the Commission or Bureau
2 to divulge to the requester any confidential information received from
3 any law enforcement agency or any information received from any
4 person with assurances that the information would be maintained as
5 confidential. Nothing in this chapter shall require the Commission or
6 Bureau to divulge any information that might reveal the identity of any
7 source of information or jeopardize the safety of any person.

8 SPECIFIC STATUTORY PROVISIONS

9 14. Business and Professions Code section 19856 provides:

10 (a) Any person who the commission determines is qualified to
11 receive a state license, having due consideration for the proper
12 protection of the health, safety, and general welfare of the residents of
13 the State of California and the declared policy of this state, may be
14 issued a license. The burden of proving his or her qualifications to
15 receive any license is on the applicant.

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

19 (c) In reviewing an application for any license, the commission shall
20 consider whether issuance of the license is inimical to public health,
21 safety, or welfare, and whether issuance of the license will undermine
22 public trust that the gambling operations with respect to which the license
23 would be issued are free from criminal and dishonest elements and would
24 be conducted honestly.

25 15. Business and Professions Code, section 19857 provides:

26 No gambling license shall be issued unless, based on all of the
27 information and documents submitted, the commission is satisfied that
28 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.

(c) A person that is in all other respects qualified to be licensed as
provided in this chapter.

16. 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:

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
5 by 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
9
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11 17. Business and Professions Code section 19866 provides:

12 An applicant for licensing or for any approval or consent required
13 by this chapter, shall make full and true disclosure of all information
14 to the department and the commission as necessary to carry out the
15 policies of this state relating to licensing, registration, and control of
16 gambling.

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20 18. California Code of Regulations, title 4, section 12200.18, provides, in part:

21 The Commission may revoke a registration or license, upon any of
22 the following grounds, after a hearing conducted pursuant to the same
23 procedures applicable to the revocation of a gambling establishment
24 license:

25 (a) The registrant or licensee committed, attempted to commit, or
26 conspired to commit any acts prohibited by the Act⁸] or this chapter.

27 (b) Any act or omission by the registrant that would disqualify
28 the registrant from obtaining registration under this chapter. Any act
or omission by the licensee that would disqualify the licensee from
obtaining licensing under this chapter.

* * *

(f) The registrant or licensee concealed or refused to disclose any
material fact in any inquiry by the Bureau or the Commission.

19. California Code of Regulations, title 4, section 12218.11, provides, in part:

A requester shall be ineligible for licensing for any of the
following causes:

* * *

(e) The requester has failed to meet the requirements of Business
and Professions Code sections 19856 or 19857.

⁸ "Act" refers to the "Gambling Control Act." (Bus. & Prof. Code, § 19800 et seq.)

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(f) The requester would be ineligible for a state gambling license under any of the criteria set forth in Business and Professions Code section 19859, subdivisions (b), (e), or (f).

* * *

(j) The applicant is ineligible based on any other provision of law.