



INDUSTRY MATTERS

Volume 6, Issue 4

October 2019

YOUR RESPONSES ARE REQUESTED—AND REQUIRED!

By Amy Arndt
Licensing Analyst

The Licensing Division has noticed a recent increase in the number of applicants who have not responded to the Bureau of Gambling Control’s inquiries during the course of the background investigation process. The failure to provide a timely response to the Bureau’s inquiries prevents the Bureau from completing an applicant’s background investigation. As a result, the Bureau recommends denial based on an applicant’s apparent failure to respond. Pursuant to [Business and Professions Code section 19859\(b\)](#), the Commission shall deny a license to any applicant who fails to provide information or documentation requested by the Bureau.



It is vital that applicants respond to Bureau and Commission inquiries. Timely responses are important, and failure to respond to questions may result in the application being referred to an evidentiary hearing if the Commission is unable to find that an applicant has proven their suitability based on an incomplete Bureau report or lack of responsiveness.

If the application is ultimately denied, it could possibly serve as grounds for denial when applying for any other finding of suitability issued by the state. A denial by the Commission will remain on the applicant’s record and must be disclosed when applying for any other finding of suitability.

Here are some tips we hope you (or someone you know) will find useful:

- ◆ Maintain a current phone number, email, and mailing address with the Bureau.
- ◆ Calendar the response due dates. If you cannot meet the deadline, explain the circumstances and request an extension.
- ◆ Do not procrastinate – allow yourself time to gather the information and prepare a thorough and accurate response.
- ◆ Maintain copies of your application and all correspondence with the Bureau, your Designated Agent, and the Commission.
- ◆ Confirm receipt of your correspondence when responding to Bureau inquiries.
- ◆ If you need clarification of the request, notify the Bureau immediately.

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CGCC Calendar

Upcoming Licensing Meetings

October 10
 October 24
 November 7
 November 21
 December 5
 December 19

Gaming Policy Advisory Committee

November 7 (1:30 p.m.)

Upcoming State Holidays (Office Closed)

Veterans Day (November 11)
 Thanksgiving (November 28-29)
 Christmas (December 25)
 New Year’s Day (January 1)

California Gambling Control Commission

Chairman

Jim Evans

Commissioner

Paula LaBrie

Commissioner

Gareth Lacy

Commissioner

Trang To

Commissioner

Vacant

Executive Director

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FIRST COMMISSION AND BUREAU TRAINING HELD, MORE TO COME THIS YEAR



Pictured: CGCC Licensing Deputy Director Adrianna Alcalá-Beshara (left), BGC Assistant Chief Yolanda Morrow (right) On August 28, the Commission and the Bureau of Gambling Control held their first training session on the application and background investigation process. The training was held at the Bureau's office in Sacramento and was attended by representatives from the cardroom, tribal, and Third-Party Provider sectors.

The presentation touched on a variety of topics, including disclosing criminal convictions, terminated vs. laid off vs. resigned, key financial terms, and the Commission and Bureau's respective processes.

We would like to thank our attendees who completed the evaluation forms following the presentation. In reviewing the evaluations, we are proud to report that our presenters were graded highly in their preparation and knowledge of the material, and that they encouraged the participation of and interaction with the training's attendees. We have also noted that there may be an opportunity for us to better serve our stakeholders by having industry-specific trainings, split among tribal, cardroom, and third-party. We appreciate our attendees sharing these insights with us, and we look forward to working with you all at our future trainings.

WHEN REPORTING AN UNSANCTIONED GAMBLING BUSINESS, REMEMBER—IT'S ALL IN THE DETAILS

By *Stacey Luna Baxter*
Executive Director



Pursuant to [California Code of Regulations, Title 4, Division 18, section 12220.23](#), owner-licensees may exclude any person that they reasonably believe is conducting an unregistered or unlicensed gambling business within their gambling establishment. In addition, the owner-licensee is required to notify the Commission and the Bureau, in writing, of any such unregistered/unlicensed person(s) and the resulting exclusion.

When notifying the Commission and the Bureau, please include as much identifying information as possible. Sufficient information can include, but is not limited to, any form of identification that includes a photo and an address, or a clear surveillance photo with an address. When an address is provided, the Commission sends the unregistered/unlicensed party a letter notifying them of the registration and license requirements.

Once notified, and if provided with sufficient identifying information, the Commission will notify all owner-licensees of the names of the unregistered party. If clear photos are provided to the Commission, the photos will be provided to the owner-licensees as well.

More often than not, the Commission is not provided with any identifying information of the unregistered gambling business. Without any identifying information, the Commission is unable to provide any notification to the parties involved.

We rely on your help and cooperation to make this regulation as effective as possible. We would like to thank our partners in the industry who have worked with us in using the gambling business exclusion provision to promote the health and integrity of the industry.

STAY CURRENT WITH YOUR FAMILY SUPPORT OBLIGATIONS—YOUR LICENSE DEPENDS ON IT

By **Ericka Ramirez**
Licensing Analyst

[California Family Code Section \(FCS\) 17520](#) et seq, requires that the Commission suspend or deny the finding of suitability of any individual in non-compliance with their family or child support obligations.

Non-compliance is defined as when an individual is more than 30 days in arrears in:

- ◆ Making payments in full for current support;
- ◆ Making periodic payments on a support arrearage;
- ◆ Making periodic payments on a reimbursement for public assistance as set forth in a judgment or order for support.



The Commission receives monthly lists from the California Department of Child Support Services (DCSS), which identify individuals who are delinquent in their support obligations.

For first-time offenders, the Commission will issue a 150-day Notice to Deny/Suspend letter, a temporary badge valid for 150 days, and a State License Release (SLR) form. They have 150 days to become compliant with their support orders and submit a completed SLR form to the Commission before a final action is taken.

Individuals who have previously appeared on the list are provided 30 days, instead of 150, and will not receive a temporary badge.

The individual must come into compliance with their support obligations and have it confirmed by their local child support services department, which is usually the county. The local child support services department will complete the SLR form and submit it to the Commission.

If an SLR is received within the allotted time frame, the Commission will reinstate the individual's license to the original expiration date and issue a letter stating the individual is in compliance.

If the individual does not become compliant with their support obligations, their license is either denied or suspended. Generally speaking, if an individual has a registration, temporary, or interim license, their license type must be denied. If the individual has an active license, permit, or finding of suitability, their license type must be suspended. A denial/suspension letter will be sent to the individual and the employer.

For individuals who are denied and wish to reapply, they must submit a new application and an SLR from the appropriate local DCSS agency prior to working. For individuals who are suspended, they may not work until an SLR is submitted.

Below are some tips for employers and individuals to prevent a family support suspension or denial action from occurring:

- ◆ Once the employer receives the letter, make note of the due date. Have a discussion with the staff member and ensure they are aware of the letter and the due date.
- ◆ Ensure the individual's address on file is current. This will help mitigate any delays in delivery.
- ◆ Verify that the individual is still employed by your company. If not employed, submit written correspondence to the Commission and to the Bureau stating they are no longer employed and the date that became effective.

GAMING POLICY ADVISORY COMMITTEE TERM EXPIRATIONS

The Commission's Gaming Policy Advisory Committee (GPAC) has five members whose terms are set to expire on December 31, 2019. The Commission will be looking for representatives for the following categories: Third-Party Provider of Proposition Player Services; cardrooms with more than 25 tables; cardrooms with less than 25 tables; a professional with an accounting or business background not currently affiliated with a legal gambling entity in California; and a general member-at-large not currently affiliated with a legal gambling entity in California.

Members of GPAC may serve three (3) consecutive terms of up to two (2) years each. The Commission will accept applications from anyone who is eligible and wishes to be considered for appointment to any of the seats identified above until Friday, November 22, 2019. Interviews will be conducted soon after the application deadline.

The application form can be found [on the Commission's website](#). Applications can be submitted via email to GPAC@cgcc.ca.gov. Mailed applications must be postmarked no later than November 22, 2019.



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WHAT'S THE DIFFERENCE BETWEEN AN OPENING STATEMENT AND TESTIMONY?

By Russell Johnson
Staff Counsel



An evidentiary hearing consists of three parts: the opening statement, the presentation of evidence, and the closing argument. This article addresses the issues an applicant may have in making an opening statement when representing themselves, and gives guidance on when to present testimony during the hearing.

An opening statement is made by an applicant or their representative at the beginning of the evidentiary hearing. It is meant to help the Commissioners understand the matter, focus on important evidence, and provide context for the hearing. Most importantly, an opening statement is not meant to provide evidence.

When an applicant is represented during the evidentiary hearing, the representative often makes the opening statement. This situation usually works well because the representative is not providing evidence. However, when an applicant represents themselves, it is sometimes difficult for them to provide an opening statement without providing evidence in the form of testimony.

Testimony is a statement or declaration made under an oath or affirmation. Testimony is evidence that may be used by the Commissioners to assess the suitability of an applicant. Testimony should only occur during the "presentation of evidence" part of the evidentiary hearing.

When an applicant starts to testify during the opening statement, it can cause difficulty because the statements made by the applicant during an opening statement cannot be used as evidence. During the opening statement, the applicant is not under oath. However, during the "presentation of evidence" part of the evidentiary hearing, the applicant and all witnesses are placed under oath prior to testifying. This is an assurance that the information being provided is truthful because it is under the penalty of perjury.

If an applicant starts to provide testimony during their opening statement, the Presiding Officer will stop the applicant and remind them that an opening statement is not meant to provide evidence. If an applicant continues with providing testimony, there are a couple of options. The applicant can waive the remainder of their opening statement. Or, the Presiding Officer may place the applicant under oath so that if the applicant continues to provide testimony, it may be considered as evidence. Either way, the applicant will always receive an opportunity to testify under oath during the presentation of evidence.

Comments, suggestions, questions, or ideas for future articles or newsletter topics are always accepted and can be submitted directly to the Commission at the address above or by emailing them to fcastano@cgcc.ca.gov.

DID YOU KNOW?

Pursuant to California Code of Regulations, Title 4, Division 18, section 12004, a registrant or licensee shall report to the Bureau any change of contact information within 10 days of that change. This includes phone number, residence address, mailing address, address of record, or any other contact information. Please use the "[Notice of Contact Information Change](#)" form found on our website.

HEARING RESULTS

(Decisions Effective July 1—September 30)

Key Employee License:

Misty Alonzo, denied July 15
 David La, revoked via stipulated settlement August 29
 Michelle Miller-Wahler, revoked via stipulated settlement August 29

Third-Party Player License:

Chi Tea, approved July 25
 Daisy Aguilar, denied August 29
 Jimena Mejia, denied August 29
 Eric Ortiz, denied August 29
 Maira Ramirez-Frausto, denied August 29
 Elena Drouillard, denied September 30

Work Permit:

Mindy Or, denied August 29