

**BEFORE THE
CALIFORNIA GAMBLING CONTROL COMMISSION
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:

BGC Case No. BGC-HQ2014-0003A

OAH Case No. [unassigned]

SCOTT A. HAYDEN (GEKE-001313),

DEFAULT DECISION AND ORDER

(Gov. Code, § 11520)

Respondent.

FINDINGS OF FACT

1. On or about September 24, 2014, Wayne Quint, Jr. (Complainant), solely in his official capacity as the Chief of the California Department of Justice, Bureau of Gambling Control (Bureau), caused an accusation to be served and filed in BGC Case No. HQ2014-0003A (Accusation)¹ against Scott A. Hayden (Respondent) before the California Gambling Control Commission (Commission). The Accusation set forth the bases for disciplining and revoking Respondent’s key employee license, number GEKE-001313 (Respondent’s License).

2. On September 24, 2014, the Accusation was also sent by certified mail to Respondent’s address on file with the Bureau. A copy of the Certificate of Service was filed with the Commission by the Bureau.² On September 25, 2014, the Accusation was also hand delivered to Respondent’s Designated Agent, Jarhett Blonien.³

3. To date, Respondent has failed to file a Notice of Defense to the Accusation or made any type of oral or written request for a hearing to appeal or challenge the proposed denial

¹ Also served and filed with the Accusation were a Statement to Respondent (Gov. Code, § 11505, subd. (b)), a Request for Discovery (Gov. Code, § 11507.6), copies of Government Code sections 11507.5, 11507.6 and 11507.7, and two copies of the Notice of Defense form (Gov. Code, §§ 11505 & 11506) for Respondent’s use. Hereinafter, “Accusation” includes and refers to the Accusation pleading and the documents served and filed with it. A copy of the Accusation is attached as Attachment A and incorporated herein by reference.

² A copy of the Certificate of Service is attached as Attachment B and incorporated herein by reference.

³ Hand delivery of the Accusation was attested to in the Declaration of William P. Tornngren in Support of the Request for Default Decision Revoking License.

1 of his application.

2 4. On May 25, 2022, the Bureau submitted to the Commission a Request for Default
3 Decision Revoking License, and a Declaration in Support of Request for Default Decision
4 Revoking License, containing as attachments, Exhibits A through F for the Gambling Control
5 Commission’s consideration of a Default Decision and Order in this matter.

6 5. Also on May 25, 2022, the Bureau served on Jarhett Blonien the Request for
7 Default Decision Revoking License, and Declaration in Support of Request for Default Decision
8 Revoking License by electronic and regular mail.⁴

9 **JURISDICTION**

10 6. Government Code section 11503 provides in pertinent part:

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12 A hearing to determine whether a right, authority, license, or privilege
should be revoked...shall be initiated by filing an accusation.

13 7. Government Code section 11506, subdivision (c), provides in pertinent part:

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15 The respondent shall be entitled to a hearing on the merits *if the*
16 *respondent files a notice of defense* or notice of participation, and the
17 notice shall be deemed a specific denial of all parts of the accusation. . .
18 not expressly admitted. *Failure to file a notice of defense or notice of*
participation shall constitute a waiver of respondent’s right to a hearing,
but the agency in its discretion may nevertheless grant a hearing.

19 (Italics added).

20 8. Government Code section 11520, subdivision (a) provides:

21
22 If the respondent either fails to file a notice of defense or to appear at the
23 hearing, the agency may take action based upon respondent’s express
24 admissions or upon other evidence and affidavits may be used as evidence
without any notice to respondent; and where the burden of proof is on the
respondent to establish that respondent is entitled to the agency action
sought, the agency may take action without taking evidence.

25 **DETERMINATION OF ISSUES**

26 9. Based on the foregoing findings of fact, Respondent’s License is subject to

27
28 ⁴ A copy of the Certificate of Service is attached as Attachment C and incorporated herein by
reference.

1 revocation.

2 10. Service of the Accusation was proper and in accordance with the law.

3 11. As a result of Respondent's failure to file a Notice of Defense to the Accusation,
4 or make any type of oral or written request for a hearing, the Commission has jurisdiction to
5 adjudicate this case by default and to order the revocation of Respondent's License.

6 12. The Commission is authorized to revoke Respondent's License based upon the
7 legal and factual allegations set forth in the Accusation and supported by evidence submitted by
8 the Bureau.

9 13. Respondent's License is subject to revocation based on evidence establishing that
10 Respondent engaged in violations of Business and Professions Code section 19984, subdivision
11 (a), as follows:

12 a. Respondent was previously employed as the general manager for Garden City Inc.
13 (Garden City), which is a licensed gambling enterprise doing business as Casino
14 M8trix.

15 b. Timothy Gustin and Respondent met in 1992 when they worked together in the
16 Commerce Club. In 2009, Respondent contacted Mr. Gustin and told him that the
17 owners of Garden City were no longer satisfied with their provider of third-party
18 proposition player (TPPP) services, and suggested that it could be a lucrative
19 opportunity for Mr. Gustin to move into the TPPP services business to provide
20 services to Garden City. Mr. Gustin had no experience as a provider of TPPP
21 services, but had experience in the gaming industry.

22 c. Respondent arranged for Mr. Gustin to meet with Garden City's owners to discuss
23 the possibility of Mr. Gustin providing TPPP services to Garden City.

24 d. On January 21, 2010, Mr. Gustin formed Team View Player Services (TVPS), the
25 legal entity he would utilize to contract with Garden City for the provision of
26 TPPP services.

27 e. After meeting with one of Garden City's owners in October 2010, Mr. Gustin
28

- 1 created Team View Player Associates, LLC (TVPA) for the purpose of supplying
- 2 non-gaming logistic services and as a vehicle for paying the expenses of TVPS.
- 3 f. Respondent formed Optimum Solutions Consulting, Inc. (Optimum). Respondent,
- 4 on behalf of Optimum, signed a contract with TVPA in November 2010 for
- 5 consulting services.
- 6 g. Respondent also owned Creative Gaming Concepts, Inc. (Creative Gaming).
- 7 TVPA also entered into a contract with Creative Gaming.
- 8 h. The Bureau approved the TPPP services contract between Garden City and TVPS
- 9 in 2010.
- 10 i. Between 2010 and 2014, TVPS, through TVPA, paid Respondent, through
- 11 payments to Optimum and Creative Gaming, a total of \$867, 221 as compensation
- 12 for his assistance in securing the TPPP services contract between TVPS and
- 13 Garden City.

14 14. Respondent’s actions outlined above, violated Business and Professions Code
15 section 19984, subdivision (a), by virtue of him being part of the “house” based on his status as a
16 key employee and general manager of Garden City. (Business and Professions Code section
17 19805, subdivision (t).) By accepting payments from Garden City’s TPPP services provider,
18 whether directly through TVPS or indirectly through TVPA, in exchange for Respondent’s initial
19 assistance in procuring the contract with Garden City, Respondent unlawfully had an interest in
20 funds wagered, lost, or won.

21 15. Based on Respondent’s actions, as outlined above, Respondent’s license is subject
22 to revocation, pursuant to Business and Professions Code sections 19823, 19857, subdivisions (a)
23 and (b), and 19859, subdivision (a). Respondent is not a person of good character, honesty, and
24 integrity. Respondent’s prior activities pose a threat to the public interest of this state, and to the
25 effective regulation and control of controlled gambling, and create or enhance the dangers of
26 unsuitable, unfair, or illegal practices, methods, and activities, in the conduct of controlled
27 gambling and business and financial arrangements incidental thereto.

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NOTICE OF APPLICANT’S APPEAL RIGHTS

16. Pursuant to Government Code section 11520, subdivision (c), Respondent may serve a written motion requesting that this Default Decision and Order be vacated and stating the grounds relied on within seven (7) days after service of this Default Decision and Order on Respondent or his Designated Agent. The Commission in its discretion may then vacate this Default Decision and Order and grant a hearing on a showing of good cause, as defined in the statute.

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ORDER

1. Based upon the foregoing Findings of Fact and Determination of Issues, it is ordered that Respondent Scott A. Hayden’s Key Employee License, number GEKE-001313, is REVOKED.

2. No costs are to be awarded.

3. Each side to pay its own attorneys’ fees.

This Order is effective on Monday, February 13, 2023.

Dated: 1/12/2023 Signature: 
DocuSigned by:
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Paula LaBrie, Chair

Dated: 1/12/2023 Signature: 
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Cathleen Galgiani, Commissioner

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Eric Heins, Commissioner

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William Liu, Commissioner

Dated: 1/12/2023 Signature: 
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Edward Yee, Commissioner

ATTACHMENT A

CALIFORNIA GAMBLING
CONTROL COMMISSION

2014 SEP 24 PM 1: 27

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Attorneys for the Complainant
8

9
10 BEFORE THE
11 CALIFORNIA GAMBLING CONTROL COMMISSION
12 STATE OF CALIFORNIA
13

14 In the Matter of the Accusation Against:

15 SCOTT A. HAYDEN



18 LICENSE NUMBER GEKE-001313

BGC Case No. HQ2014-0003A

OAH No.

ACCUSATION

19
20 Complainant alleges as follows:

21 PARTIES

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

25 2. At all times relevant herein, Scott A. Hayden (Respondent) was a Gambling
26 Establishment Key Employee with License Number GEKE-001313. That license expired on
27 February 28, 2014, but was extended by the California Gambling Control Commission
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1 (Commission) to October 31, 2014. From 2007 until June 30, 2014, Respondent, or a limited
2 liability company of which he was the sole member, was the General Manager for Garden City,
3 Inc. (Garden City), which is a licensed gambling enterprise (License Number GEGE-000410).
4 Garden City is a 49-table card room that presently does business as Casino M8trix at 1887
5 Matrix Boulevard in San Jose, California.

6 STATEMENT OF THE CASE

7 3. This case seeks to discipline Respondent's license – by revocation, suspension,
8 and/or fine as appropriate – for his violations of, and lack of suitability for continued licensing
9 under, the Gambling Control Act (Act) and the regulations adopted pursuant to the Act. As
10 alleged in this Accusation, Respondent provided untrue and misleading information to the
11 Bureau, failed to provide information requested by the Bureau, benefited from payments
12 prohibited by the Act, and assisted violations of the City of San Jose's (San Jose) gambling
13 ordinance. The acts and omissions alleged in this Accusation are inimical to the public health,
14 safety, and welfare; those acts and omissions demonstrate the Respondent is not a person of
15 good character, honesty, and integrity. His acts and omissions, as alleged in this Accusation,
16 pose a threat to the effective regulation and control of controlled gambling, and create or
17 enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities in
18 carrying on the business and financial arrangements incidental to the conduct of controlled
19 gambling. Respondent's acts and omissions not only impeded the Bureau's investigation and
20 fact gathering, but also undermined San Jose's regulation of gambling within its jurisdiction.
21 Respondent is not suitable or qualified for continued licensure; therefore, his license should be
22 disciplined.

23 JURISDICTION

24 4. Business and Professions Code, section 19811 provides, in part:

25 (b) Jurisdiction, including jurisdiction over operation and
26 concentration, and supervision over gambling establishments in
27 this state and over all persons or things having to do with the
28 operations of gambling establishments is vested in the
commission.

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5. Business and Professions Code, section 19823 provides:

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

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

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

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

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

(b) For any cause deemed reasonable by the commission, . . . limit, condition, or restrict any license, permit, or approval, or impose any fine upon any person licensed or approved. . . .

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

7. Business and Professions Code, section 19826 provides, in part:

The department^[1] . . . shall have all of the following responsibilities:

¹ "Department" refers to the Department of Justice. (Bus. & Prof. Code, § 19805, subd. (h).)

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(c) To investigate suspected violations of this chapter or laws of this state relating to gambling

(e) To initiate, where appropriate, disciplinary actions as provided in this chapter. In connection with any disciplinary action, the department may seek restriction, limitation, suspension, or revocation of any license or approval, or the imposition of any fine upon any person licensed or approved.

8. California Code of Regulations, title 4, section 12554 provides, in part:

(a) Upon the filing with the Commission of an accusation by the Bureau recommending revocation, suspension, or other discipline of a holder of a license, registration, permit, finding of suitability, or approval, the Commission shall proceed under Chapter 5 (commencing with section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

(d) Upon a finding of a violation of the Act, any regulations adopted pursuant thereto, any law related to gambling or gambling establishments, violation of a previously imposed disciplinary or license condition, or laws whose violation is materially related to suitability for a license, registration, permit, or approval, the Commission may do any one or more of the following:

(1) Revoke the license, registration, permit, finding of suitability, or approval;

(2) Suspend the license, registration, or permit;

(5) Impose any fine or monetary penalty consistent with Business and Professions Code sections 19930, subdivision (c), and 19943, subdivision (b).

COST RECOVERY

9. Business and Professions Code, section 19930 provides, in part:

(b) If, after any investigation, the department is satisfied that a license, permit, finding of suitability, or approval should be

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suspended or revoked, it shall file an accusation with the commission in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

* * *

(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.

(1) The costs assessed pursuant to this subdivision shall be fixed by the administrative law judge and may not be increased by the commission. When the commission does not adopt a proposed decision and remands the case to the administrative law judge, the administrative law judge may not increase the amount of any costs assessed in the proposed decision.

(2) The department may enforce the order for payment in the superior court in the county in which the administrative hearing was held. The right of enforcement shall be in addition to any other rights that the division may have as to any licensee to pay costs.

(3) In any judicial action for the recovery of costs, proof of the commission's decision shall be conclusive proof of the validity of the order of payment and the terms for payment.

* * *

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

(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

10. Business and Professions Code section 19850 provides, in part:

Every person . . . who receives, directly or indirectly, any compensation or reward, or any percentage or share of the money or property played, for keeping, running, or carrying on any controlled game in this state, shall apply for and obtain from the commission, and shall thereafter maintain, a valid state gambling license, key employee license, or work permit In any criminal prosecution for violation of this section, the punishment shall be as provided in Section 337j of the Penal Code.

11. Business and Professions Code section 19854, subdivision (b), provides:

No person may be issued a key employee license unless the person would qualify for a state gambling license.

12. Business and Professions Code section 19855 provides, in part:

[E]very person who, by statute or regulation, is required to hold a state license shall obtain the license prior to engaging in the activity or occupying the position with respect to which the license is required.

13. 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.

14. Business and Professions Code, section 19857 provides:

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.

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

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15. 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.

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

16. Business and Professions Code section 19866 provides:

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

17. Business and Professions Code section 19984, subdivision (a) provides:

Notwithstanding any other provision of law, a licensed gambling enterprise may contract with a third party for the purpose of providing proposition player services at a gambling establishment, subject to the following conditions:

(a) Any agreement, contract, or arrangement between a gambling enterprise and a third-party provider of proposition player services shall be approved in advance by the department, and in no event shall a gambling enterprise or the house have any interest, whether direct or indirect, in funds wagered, lost, or won.

18. San Jose Municipal Code, title 16, section 16.20.020 provides, in part:

A. A Cardroom Permittee shall only use persons who are Employees to perform work related to its Gaming operation, including without limitation, surveillance personnel, casino cage personnel, compliance personnel, dealers, floor persons, game attendants, chip runners, internal security, internal accounting, any person supervising those individuals, and any Key Employee. These services shall not be performed by consultants, Independent Contractors or other third-persons. . . .

B. Notwithstanding Subsection A, the Administrator shall allow a natural person who is otherwise qualified who wishes to work for the Cardroom Permittee as an Independent Contractor in a position related to the Gaming operation to apply for and hold

1 such a position as an Independent Contractor rather than as an
2 Employee, unless the Administrator finds that granting such an
3 exception would be inconsistent with the efficient administration
4 of the Division, the public interest, and the policies and
5 requirements of this Title.

6 19. San Jose Municipal Code, title 16, section 16.32.080 provides:

7 An Applicant for licensing and every Licensee shall make full and
8 true disclosure of all information the Administrator requires in
9 order to carry out the requirements and policies of this Title.

10 **FACTS UNDERLYING CAUSES FOR DISCIPLINE**

11 20. Respondent was the sole shareholder of two Wyoming corporations: Optimum
12 Solutions Consulting, Inc. and Creative Gaming Concepts, Inc. (collectively, Respondent's
13 corporations). He is their only employee.

14 21. Between May 1, 2010, and July 6, 2014, Team View Player Services, LLC (Team
15 View Player Services) provided third-party proposition player services to Garden City. Team
16 View Player Services' sole member is Timothy M. Gustin. Respondent and Mr. Gustin have a
17 longstanding friendship that existed before their associations with Garden City. Prior to
18 entering into a third-party proposition player agreement with Garden City, Team View Player
19 Services had no experience as a third-party provider. Mr. Gustin also is the sole member of
20 Team View Player Associates, LLC (Team View Associates). Nearly all Team View
21 Associates' income was derived from Team View Player Services.

22 22. Since November 2010, Respondent's corporations received payments totaling at least
23 \$867,000 from Team View Associates.

24 23. Respondent's corporations received payments totaling more than \$440,000 from
25 Dolchee LLC, a Nevada limited liability company, the members of which are Garden City's
26 owners or their affiliates. The Bureau requested an explanation and documents to substantiate
27 any services provided by Respondent's corporations. Respondent failed to respond to the
28 Bureau's request.

1 24. Beginning in 2007, Respondent was an employee of Garden City. On July 31, 2012,
2 he ceased to be a Garden City employee. However, he was an employee or agent of M8
3 Consulting, LLC (M8), which filed a Form LLC-1 with the California Secretary of State on
4 February 28, 2012. Respondent is M8's manager and sole member.

5 25. Pursuant to an Independent Contractor Agreement, dated August 1, 2012, M8 agreed,
6 among other things, to provide general manager services for Garden City. In connection with
7 its performance, M8 did not invoice, receive any written instructions or purchase orders from,
8 or provide any written reports to Garden City. When requested by the Bureau, Respondent
9 failed to provide any documents supporting M8's performance under the Independent
10 Contractor Agreement.

11 26. The monthly compensation under the Independent Contractor Agreement was
12 \$50,000 – or \$600,000 annually – with payments guaranteed to total at least \$2.4 million over
13 the agreement's term. Despite the monthly compensation provided in that agreement, M8
14 received more than \$992,000 in 2013, or 65 percent more than the contract rate. Before his
15 employment as general manager with Garden City ceased, Respondent's annual salary was
16 approximately \$279,000 with no guaranteed payments. When requested by the Bureau,
17 Respondent failed to provide any documents supporting the gross disparity between Garden
18 City's payments to him as an employee and its payments to M8.

19 27. As an independent contractor, M8 was to determine the method, details, and means of
20 performing as Garden City's general manager. M8, therefore, was not under Garden City's
21 control, but had the power to exercise a significant influence over Garden City's gambling
22 operation. Under the Independent Contractor Agreement, M8 agreed that it, as well as its
23 employees, would hold licenses or permits required by state law. M8 further agreed to perform
24 its general manager duties in accordance with applicable federal, state, and local laws.

25 28. M8 was not licensed by, and did not apply for licensure with, the Commission or the
26 Bureau. Respondent failed to notify the Bureau that he no longer was a Garden City employee,
27 or that he was employed by M8. In his application to renew his key license submitted to the
28

1 Bureau in October 2013, Respondent failed to indicate that he was no longer a Garden City
2 employee.

3 29. On February 13, 2014, Respondent submitted an Application for a City Cardroom
4 Key Employee License to San Jose. In that application, Respondent indicated that he was
5 employed by Casino M8trix, and failed to state that he was employed by M8 or any other
6 independent contractor. San Jose's Municipal Ordinance prohibited using non-employees to
7 perform general management functions and required full and true disclosure.

8 30. In July 2014, Garden City submitted a Notification of Change in Key Employee
9 Employment Status to the Bureau on behalf of Respondent. That form indicated Respondent
10 was terminated as a Garden City employee on June 30, 2014. The form did not refer to M8 in
11 any way.

12 **FIRST CAUSE FOR DISCIPLINE**
13 **(Prohibited Interests in the Funds Wagered, Lost, or Won by a Third-Party Provider)**

14 31. Respondent's license is subject to discipline, pursuant to Business and Professions
15 Code sections 19823, 19857, subdivisions (a) and (b), and 19859, subdivisions (a) and (b).
16 Respondent's continued licensure is inimical to public health, safety, and welfare. Respondent
17 is not a person of good character, honesty, and integrity. His prior activities pose a threat to the
18 effective regulation and control of controlled gambling, and create or enhance the dangers of
19 unsuitable, unfair, or illegal practices, methods, and activities in carrying on the business and
20 financial arrangements incidental to the conduct of controlled gambling. Through wholly
21 owned entities, Respondent had an indirect interest in funds wagered, lost, or won by Team
22 View Player Services. Business and Professions Code section 19984, subdivision (a) prohibits
23 the receipt of such payments.

24 **SECOND CAUSE FOR DISCIPLINE**
25 **(Providing Untrue or Misleading Information to the Bureau)**

26 32. Respondent's license is subject to discipline, pursuant to Business and Professions
27 Code sections 19823, 19857, subdivisions (a) and (b), and 19859, subdivisions (a) and (b).
28 Respondent's continued licensure is inimical to public health, safety, and welfare. Respondent

1 is not a person of good character, honesty, and integrity. His prior activities pose a threat to the
2 effective regulation and control of controlled gambling, and create or enhance the dangers of
3 unsuitable, unfair, or illegal practices, methods, and activities in carrying on the business and
4 financial arrangements incidental to the conduct of controlled gambling. Respondent, or his
5 agents, supplied untrue or misleading information as to material facts pertaining to his
6 qualification criteria. Specifically, the untrue or misleading information included:
7 Respondent's employment; the bases for Respondent's and M8's compensation; and the
8 services provided by Respondent's corporations to Team View Associates.

9 **THIRD CAUSE FOR DISCIPLINE**

10 **(Failure To Provide Information and Documentation Requested by the Bureau)**

11 33. Respondent's license is subject to discipline, pursuant to Business and Professions
12 Code sections 19823, 19857, subdivisions (a) and (b), and 19859, subdivisions (a) and (b).
13 Respondent's continued licensure is inimical to public health, safety, and welfare. Respondent
14 is not a person of good character, honesty, and integrity. His prior activities pose a threat to the
15 effective regulation and control of controlled gambling, and create or enhance the dangers of
16 unsuitable, unfair, or illegal practices, methods, and activities in carrying on the business and
17 financial arrangements incidental to the conduct of controlled gambling. Respondent, or his
18 agents, failed to provide information and documents requested by the Bureau acting on the
19 Complainant's behalf. Specifically, the information and documents requested, but not provided,
20 included: duty statements and work schedules for before and after August 1, 2012; documents
21 to justify substantial differences between compensation paid by Garden City before and after
22 August 1, 2012; documents to substantiate payments under the Independent Contractor
23 Agreement; documents to substantiate services provided to Team View Associates; and an
24 explanation and documents to substantiate services provided to Dolchee LLC.

25 **FOURTH CAUSE FOR DISCIPLINE**

26 **(Unqualified for Licensure)**

27 34. Respondent's license is subject to discipline, pursuant to Business and Professions
28 Code sections 19823 and 19857, subdivisions (a) and (b). Respondent's continued licensure is

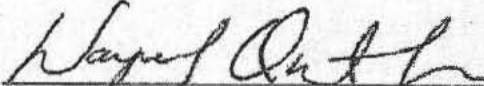
1 inimical to public health, safety, and welfare. Respondent is not a person of good character,
2 honesty, and integrity. His prior activities pose a threat to the effective regulation and control of
3 controlled gambling, and create or enhance the dangers of unsuitable, unfair, or illegal practices,
4 methods, and activities in carrying on the business and financial arrangements incidental to the
5 conduct of controlled gambling. Respondent's conduct in his affairs demonstrates that he is
6 unqualified for licensure. That conduct includes the acts and omissions alleged above.
7 Additionally, that conduct includes: operating M8 without notifying the Bureau or any other
8 gambling regulator of its existence and business; providing general manager services through
9 M8 in violation of San Jose's Municipal Code; submitting a misleading application to San Jose
10 in violation of its Municipal Code; engaging in patterns and practices that demonstrate a
11 substantial disregard for prudent and usual business controls and documentation; and
12 commingling business and personal expenses.

13 **PRAYER**

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

- 16 1. Revoking California State Gambling Establishment Key Employee License Number
17 GEKE-001313, issued to Scott A. Hayden;
- 18 2. Awarding Complainant the costs of investigation and costs of bringing this
19 Accusation before the Commission, pursuant to Business and Professions Code section 19930,
20 subdivisions (d) and (f), in a sum according to proof; and
- 21 3. Taking such other and further action as the Commission may deem appropriate.

22
23 Dated: September ^{24TH}, 2014


24 WAYNE J. QUINT, JR., Chief
25 Bureau of Gambling Control
26 California Department of Justice
27
28

ATTACHMENT B

1 KAMALA D. HARRIS
 Attorney General of California
 2 SARA J. DRAKE
 Senior Assistant Attorney General
 3 WILLIAM P. TORNGREN
 Deputy Attorney General
 4 State Bar No. 58493
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 Fax: (916) 327-2319
 7 E-mail: William.Torngren@doj.ca.gov
Attorneys for the Complainant

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

12
 13
 14 **In the Matter of the Accusation Against:**

15 **SCOTT A. HAYDEN**

16 
 17
 18 **LICENSE NUMBER GEKE-001313**

BGC Case No. HQ2014-0003A

OAH No.

CERTIFICATE OF SERVICE BY
CERTIFIED MAIL, RETURN RECEIPT
REQUESTED

19
 20 I, Paula Corral, declare:

21 I am employed in the County of Sacramento, California. I am 18 years of age or older
 22 and not a party to the within entitled cause; my business address is 1300 I Street, P.O. Box
 23 944255, Sacramento, California, 94244-2550.

24 On September 24, 2014, I served the attached:

25 **ACCUSATION; STATEMENT TO RESPONDENT [Gov. Code,**
 26 **§ 11505, subd. (b)]; REQUEST FOR DISCOVERY [Gov. Code, §**
 27 **11507.6]; GOVERNMENT CODE SECTIONS 11507.5, 11507.6**
 28 **AND 11507.7; and two copies of the NOTICE OF DEFENSE**
[Gov. Code, §§ 11505 and 11506].

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XX (BY CERTIFIED MAIL) I caused each such envelope, with postage thereon fully prepaid, to be placed in the United States mail at Sacramento, California. I am readily familiar with the practice of the Office of the Attorney General for collection and processing of correspondence for mailing, said practice being that in the ordinary course of business, mail is deposited in the United States Postal Service the same day as it is placed for collection.

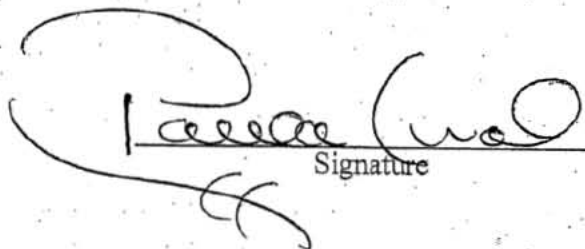
SCOTT A HAYDEN

[Redacted]

Los Gatos, CA 95030

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration was executed on September 24, 2014, at Sacramento, California.

PAULA CORRAL
Declarant


Signature

ATTACHMENT C

DECLARATION OF SERVICE BY E-MAIL AND U.S. MAIL

I declare:

I am employed in the Office of the Attorney General, which is the office of a member of the California State Bar, at which member's direction this service is made. I am 18 years of age or older and not a party to this matter. I am familiar with the business practice at the Office of the Attorney General for collection and processing of correspondence for mailing with the United States Postal Service. In accordance with that practice, correspondence placed in the internal mail collection system at the Office of the Attorney General is deposited with the United States Postal Service with postage thereon fully prepaid that same day in the ordinary course of business.

On May 25, 2022, I served the attached **REQUEST FOR DEFAULT DECISION REVOKING LICENSE; and DECLARATION IN SUPPORT OF REQUEST FOR DEFAULT DECISION REVOKING LICENSE** by transmitting a true copy via electronic mail. In addition, I placed a true copy thereof enclosed in a sealed envelope, in the internal mail system of the Office of the Attorney General, addressed as follows:

Jarhett P. Blonien
J. Blonien, A Professional Law Corporation
1121 L Street, Suite 105
Sacramento, CA 95814
E-mail: Jarhett@jblonien.com

I declare under penalty of perjury under the laws of the State of California and the United States of America the foregoing is true and correct and that this declaration was executed on May 25, 2022, at Sacramento, California.

Paula Corral
Declarant

Paula Corral
Signature