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BEFORE THE
CALIFORNIA GAMBLING CONTROL COMMISSION

In the Matter of the Application for Approval
of Key Employee License Regarding:

OSCAR ROSARIO

Respondent.

BGC Case No. BGC-HQ2023-00011AL

CGCC Case No. CGCC-2023-0921-5C

DECISION AND ORDER

Hearing Date: October 8, 2024

Time: 10:00 a.m.

This matter was heard by the California Gambling Control Commission (Commission) pursuant to Business and Professions Code sections 19870 and 19871, and title 4, California Code of Regulations (CCR) section 12060, via Zoom video conference, on October 8, 2024.

Attorney Tiffany Lichtig (Attorney Lichtig) represented Oscar Rosario (Rosario).

Thomas Rinaldi, Deputy Attorney General, State of California (DAG Rinaldi), represented complainant Yolanda Morrow, Director of the Department of Justice, Bureau of Gambling Control (Bureau).

During the evidentiary hearing, Presiding Officer Kate Patterson (PO Patterson), Attorney IV of the Commission, took official notice and admitted into the administrative record the following documents: the Commission’s Notice and Agenda of Commission Hearing; the Commission’s Conclusion of Prehearing Conference letter; the Commission’s Notice of Hearing with attachments (A) Rosario’s Renewal Application for Key Employee License, and (B) the Bureau’s Cardroom Key Employee Renewal Background Investigation Report; the Bureau’s Statement of Particulars; and Rosario’s signed Notice of Defense form.

During the evidentiary hearing, PO Patterson accepted into evidence Exhibits 1-10, Bates Nos. BGC 0001-0070, offered by the Bureau and identified on the Bureau’s Exhibit List, and Exhibit 11, a Bureau Declaration, pursuant to a stipulation between the parties.

PO Patterson also accepted into evidence Exhibits A-J, Bates Nos. OR 001-014, offered by Rosario, pursuant to a stipulation between the parties.

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1 PO Patterson closed the administrative record and the matter was submitted for decision
2 on October 8, 2024.

3 FINDINGS OF FACT

4 **Procedural History**

- 5 1. Rosario started working as a Poker Floor for Oaks Card Club in May 2023.
- 6 2. On or about May 12, 2023, the Bureau received a Renewal Application for Key
7 Employee License (Application) from Rosario to work as a Poker Floor for Oaks Card Club.
- 8 3. On or about August 9, 2023, the Commission received a Cardroom Key Employee
9 Renewal Background Investigation Report (Background Report) on Rosario from the Bureau. In
10 the Background Report, the Bureau states that it was notified by Rosario’s former employer
11 (former cardroom or “FC”) that Rosario was terminated for being a supervisor on duty when
12 another employee got involved in a telephone scam that resulted in that employee taking a
13 substantial sum of cash out of the cardroom (the Incident), and that Rosario was aware of what
14 was going on, assisted the employee in getting the money and finding a Bitcoin ATM, and knew
15 the other employee was taking the money. However, the Bureau’s investigation concluded that
16 Rosario was not complicit or involved in the telephone scam, and the Bureau is not
17 recommending the denial of Rosario’s Application.
- 18 4. On September 21, 2023, the Commission voted to refer the consideration of
19 Rosario’s Application to a Gambling Control Act (GCA) evidentiary hearing pursuant to CCR
20 sections 12054(a)(4) and 12060. On or about September 22, 2023, the Commission sent a notice
21 of its referral of Rosario’s Application to a GCA hearing via certified mail to Rosario.
- 22 5. On or about October 11, 2023, the Commission received a signed Notice of Defense
23 form from Rosario requesting an evidentiary hearing on the consideration of his Application.
- 24 6. On June 27, 2024, the Commission sent a Notice of Hearing, via email, to Attorney
25 Lichtig and DAG Rinaldi. The hearing was set for October 8, 2024, at 10:00 a.m. The Prehearing
26 Conference was set for August 28, 2024, at 10:00 a.m.
- 27 7. On or about August 23, 2024, the Bureau sent a Statement of Particulars to Rosario
28 and Attorney Lichtig, via email, and to the Commission. In the Statement of Particulars, the

1 Bureau states that Rosario was terminated by FC for being the supervisor on duty during the
2 Incident. The Bureau states that according to FC, Rosario “was aware of what was going on and
3 assisted [another employee] in getting the money ready, finding a Bit coin [sic] ATM, and knew
4 [that employee] was taking the money.” However, the Bureau states that it did not uncover any
5 evidence that Rosario was involved in the telephone scam. The Bureau also states that Rosario
6 provided a statement regarding the Incident, which provides that the other employee walked out
7 of the cardroom with the money without Rosario knowing and that FC told Rosario he was being
8 terminated for not stopping the other employee from walking out with the money. Rosario’s
9 statement also provides that the other employee subsequently told police and investigators that
10 Rosario was not involved in the telephone scam. Based on the foregoing, the Bureau requests that
11 the Commission take action as it may deem appropriate regarding Rosario’s Application.

12 8. On August 28, 2024, the noticed Prehearing Conference was held before PO Patterson.
13 Attorney Lichtig attended on behalf of Rosario. DAG Rinaldi attended on behalf of the Bureau.

14 9. On August 29, 2024, PO Patterson sent a Conclusion of Prehearing Conference letter,
15 via email, to Attorney Lichtig and DAG Rinaldi. The Conclusion of Prehearing Conference letter
16 contains a Prehearing Order that the parties use their best efforts not to identify the name of the
17 cardroom where the Incident took place.

18 10. On October 3, 2024, PO Patterson prepared a Prehearing Order Re Conduct and
19 Presentation of Evidence at GCA Hearing (Prehearing Order) that replaced the Prehearing Order
20 contained in the Conclusion of Prehearing Conference Letter. The Prehearing Order provides that
21 the parties and participants in the GCA hearing will use their best efforts: (1) to not identify
22 Rosario’s former employer and its employees by name during the hearing; and (2) to not identify
23 the amount of money present in the cage or taken from the cage during the Incident.

24 11. The Commission heard this matter via Zoom video conference on October 8, 2024. PO
25 Patterson closed the administrative record on October 8, 2024.

26 **Rosario’s Employment History in Controlled Gambling**

27 12. Rosario testified that he has worked in controlled gambling for 36 years, including in a
28 supervisory or managerial role for the last 25 years.

1 13. Rosario worked as a Shift Supervisor for FC from March 2021 to March 2023.

2 14. Rosario worked as a Poker Floor for Oaks Card Club from May 2023 to the present.

3 15. There was no evidence presented that Rosario has had any derogatory employment
4 history other than his termination from FC due to the Incident.

5 **The Incident**

6 16. On November 16, 2022, the Incident occurred. FC filed an Incident Report with the
7 Bureau. The Incident Report provides that an employee received a telephone call with
8 instructions to take a large amount of cash out of the cage, deposit it into an ATM, and give the
9 rest of the cash to a guy in a parking lot.

10 17. On or about March 31, 2023, the Bureau received a Notification of Employee
11 Separation for Rosario from FC. In this document, FC states that Rosario was the supervisor on
12 duty when another employee got involved in a telephone scam where that employee walked out
13 of the cardroom with a substantial amount of cash. FC states that Rosario “was aware of what was
14 going on and assisted [the other employee] in getting the money ready, finding a Bit coin [sic]
15 ATM, and knew [the other employee] was taking the money.” FC states that Rosario was
16 terminated on March 31, 2023.

17 18. On August 2, 2023, Rosario sent an email to the Bureau regarding his termination
18 from FC. Rosario states that another employee fell for a telephone scam and took money out of
19 the cardroom, but that he did know when that employee left the cardroom. Months after the
20 Incident, Rosario was terminated by FC for not stopping that employee from leaving the
21 cardroom with the money. Rosario states that he was investigated and questioned by the police
22 and investigators who determined that he had nothing to do with the Incident.

23 19. On September 6, 2024, the general manager of FC submitted a Declaration that
24 Rosario arrived at work while the Incident was in progress. The general manager of FC states that
25 there was no evidence linking Rosario to the telephone scam. However, Rosario was terminated a
26 few months after the Incident after a replacement was found because he could have exercised
27 better judgment and asked different questions during the Incident that may have stopped the
28 Incident before it succeeded.

1 20. The Bureau’s investigation did not reveal that Rosario was ever directly involved or
2 complicit in the telephone scam.

3 **Andrea Farris’s Testimony During the Evidentiary Hearing**

4 21. Andrea Farris (Farris) is a Staff Services Manager I in the Key Employee/Work Permit
5 Unit with the Bureau. Farris testified that she supervises four analysts. Farris testified that she is
6 familiar with Rosario’s Application, and that she handled his Application through review and
7 investigation and completed the Background Report. Farris testified that there were no facts to
8 suggest that Rosario was complicit in the Incident. Farris testified that the Bureau asked Rosario
9 about the Incident and he provided an explanation. Farris testified that the Bureau’s investigation
10 concluded that Rosario did not have anything to do with the telephone scam itself. Farris also
11 testified that the Bureau does not make recommendations on renewal applications unless it is
12 recommending denial, and the Bureau is not recommending the denial of Rosario’s Application.

13 **Rosario’s Testimony During the Evidentiary Hearing**

14 22. During the evidentiary hearing, Rosario testified that he has worked in controlled
15 gambling for 36 years, including in a supervisory or managerial role for the last 25 years. Rosario
16 testified that he has had no discipline or terminations other than the termination from FC as a
17 result of the Incident. Rosario testified in detail regarding the Incident. Rosario testified that he
18 spoke with law enforcement following the Incident but had no subsequent discussions with law
19 enforcement. Rosario testified that he was terminated by FC for not stopping the other employee
20 from walking out of the cardroom with the cash. Rosario also testified that he was never
21 suspended and was kept on staff as a shift manager at FC without limitations for five months
22 following the Incident.

23 **Rosario’s Letters of Reference**

24 23. The following individuals submitted letters of reference in support of Rosario’s
25 Application:

- 26 a. Douglas Morgan (Morgan) is the Director of Card Games at Lytton Casino.
27 Morgan states that he has worked with Rosario for over 20 years and was
28 Rosario’s supervisor for over 15 years. Morgan states, among other things, that

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Rosario is hard-working, conscientious, and an honest employee of good character.

- b. John LaRosa (LaRosa) is a Shift Manager/Supervisor for Oaks Card Room. LaRosa states that he has been Rosario’s friend and boss for almost 20 years. LaRosa states, among other things, that Rosario is always polite and straightforward with customers. LaRosa also states that customers, Rosario’s ex-bosses, and ex-employees always spoke highly of him.
- c. Blake Vantrease (Vantrease) is a Casino Shift Manager for Casino M8trix. Vantrease states that he has known Rosario for 13 years as a colleague and a friend. Vantrease states, among other things, that Rosario is professional, kind, honest, and fair in his decision making. Vantrease also states that Rosario demonstrates compassion and integrity.
- d. James Hammer (Hammer) has known Rosario as a co-worker, subordinate, and friend for over 20 years. Hammer states, among other things, that Rosario is a high quality individual and an ethical and valuable asset to the casino industry. Hammer also states that Rosario demonstrated ethical behavior by treating all third-party players equally instead of providing some with preferential treatment.
- e. John Tibbetts (Tibbetts) is the general manager of Oaks Card Club, Rosario’s current employer. Tibbetts states, among other things, that Rosario has had no disciplinary record at Oaks Card Club. Tibbetts also states that Rosario is hard-working, honest, well-liked by customers and co-workers, and is an asset for the cardroom.

Assessment of Rosario’s Suitability for Licensure

24. For the reasons provided below, the Commission finds that Rosario has met his burden of proving that he is qualified to receive a key employee license. Therefore, cause exists to approve Rosario’s Application.

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1 *Rosario met his burden of proving that he is a person of good character, honesty, and integrity*

2 25. An applicant demonstrates good character, honesty, and integrity by providing truthful,
3 accurate, and complete responses on their Application, in response to Bureau inquiries during the
4 Bureau’s background investigation, and while testifying during the evidentiary hearing. An applicant
5 also demonstrates good character, honesty, and integrity by engaging in honest, ethical, and legal
6 conduct while working, particularly in controlled gambling.

7 26. Conversely, an applicant demonstrates a lack of good character, honesty, and integrity by
8 omitting pertinent information, or providing untrue, misleading, and/or contradictory information on
9 their Application, in response to Bureau inquiries, and while testifying during the evidentiary hearing.
10 An applicant also demonstrates a lack of good character, honesty, and integrity by engaging in
11 dishonest, unethical, or illegal conduct while working, particularly in controlled gambling.

12 27. Rosario was terminated by FC as a result of his conduct during the Incident. Rosario
13 did not prevent the Incident from succeeding. However, Rosario’s conduct during the Incident is
14 insufficient to establish that Rosario lacks good character, honesty, or integrity.

15 28. There is substantial evidence that Rosario has good character, honesty, and integrity.
16 There was no evidence presented that Rosario was involved or complicit in the telephone scam.
17 Rosario was questioned by police and investigators who determined that he had nothing to do with
18 the Incident. Rosario also testified that the employee who fell for the telephone scam told police
19 and investigators that Rosario was not involved in the telephone scam. Additionally, Rosario was
20 retained as a shift supervisor for several months without limitations while FC searched for a
21 replacement. The fact that FC continued to employ and trust Rosario after the Incident
22 demonstrates that FC was not concerned with Rosario’s character, honesty, or integrity.

23 29. There was no evidence presented that Rosario provided any untrue, misleading, or
24 contradictory information to the Bureau or while testifying during the evidentiary hearing. The
25 Commission also finds Rosario’s testimony during the evidentiary hearing to be credible.

26 30. Rosario has worked in controlled gambling for 36 years, including in a supervisory or
27 managerial role for the last 25 years. There was no evidence presented that Rosario has had any
28 discipline or terminations other than the termination from FC as a result of the Incident. Rosario’s

1 lengthy career in controlled gambling without any discipline, other than the termination from FC,
 2 provides support that Rosario engages in honest, ethical, and legal conduct while working in
 3 controlled gambling.

4 31. Rosario also submitted five letters of reference from longtime friends, co-workers, and
 5 his current boss. These letters provide substantial support that Rosario is an asset to controlled
 6 gambling and a person with good character, honesty, and integrity. Based on the foregoing,
 7 Rosario has met his burden of demonstrating that he is a person of good character, honesty, and
 8 integrity.

9 *Rosario met his burden of proving that his prior activities, criminal record, if any, reputation,*
 10 *habits, and associations do not pose a threat to the public interest of this state, or to the effective*
 11 *regulation and control of controlled gambling, or create or enhance the dangers of unsuitable,*
 12 *unfair, or illegal practices, methods, and activities in the conduct of controlled gambling or in the*
 13 *carrying on of the business and financial arrangements incidental thereto*

14 32. The existence of, and details regarding, an applicant’s work history, and particularly
 15 their work history in controlled gambling, are facts material to the qualification for licensure of an
 16 applicant. For instance, they may affect the assessment of the applicant’s general character,
 17 honesty, integrity, and/or ability to participate in controlled gambling. They may lead to a finding
 18 that the issuance of a license to such an applicant would be inimical to public health, safety, or
 19 welfare, or undermine public trust that the gambling operations with respect to which the license
 20 would be issued are free from criminal and dishonest elements, and would be conducted honestly.
 21 An applicant’s work history, and particularly their work history in controlled gambling, may be
 22 sufficient to support a factual finding and legal conclusion that the applicant poses a threat to the
 23 public interest of this state, to the effective regulation and control of controlled gambling, or
 24 creates or enhances the dangers of unsuitable, unfair, or illegal practices, methods, and activities
 25 in the conduct of controlled gambling or in the carrying on of the business and financial
 26 arrangements thereto.

27 33. Rosario was terminated by FC as a result of his conduct during the Incident. Rosario
 28 did not prevent the Incident from succeeding. Given the severe outcome of Rosario’s termination as a
 result of the Incident, and the fact that there was no evidence presented that a similar incident ever
 happened to Rosario or in his presence, the likelihood that a similar incident may occur to Rosario or

1 in his presence is minimal. Therefore, Rosario’s conduct during the Incident is insufficient to establish
2 that Rosario poses a threat to the public interest of this state or to the effective regulation and control
3 of controlled gambling.

4 34. Additionally, there was no evidence presented that Rosario was involved or complicit in
5 the telephone scam. Rosario was questioned by police and investigators who determined that he had
6 nothing to do with the Incident. Rosario also testified that the employee who fell for the telephone
7 scam told police and investigators that Rosario was not involved in the telephone scam. Further,
8 Rosario was retained as a shift supervisor for several months without limitations while FC
9 searched for a replacement. The fact that FC continued to employ and trust Rosario after the
10 Incident demonstrates that FC did not believe that Rosario posed a threat to its cardroom
11 operations.

12 35. Rosario has worked in controlled gambling for 36 years, including in a supervisory or
13 managerial role for the last 25 years. There was no evidence presented that Rosario has had any
14 discipline or terminations other than the termination from FC as a result of the Incident. Rosario’s
15 lengthy career in controlled gambling without any discipline, other than the termination from FC,
16 provides support that Rosario does not pose a threat to the effective regulation of controlled
17 gambling.

18 36. Rosario also submitted five letters of reference from longtime friends, co-workers, and
19 his current boss. These letters provide substantial support that Rosario is a person of good
20 character, honesty, and integrity, and an asset to controlled gambling. Based on the foregoing,
21 Rosario has met his burden of proving that his prior activities, criminal record, if any, reputation,
22 habits, and associations do not pose a threat to the public interest of this state, or to the effective
23 regulation and control of controlled gambling, or create or enhance the dangers of unsuitable,
24 unfair, or illegal practices, methods, and activities in the conduct of controlled gambling or in the
25 carrying on of the business and financial arrangements incidental thereto.

26 37. All documentary and testimonial evidence submitted by the parties that is not specifically
27 addressed in this Decision and Order was considered but not used by the Commission in making its
28 determination on Rosario’s Application.

1 LEGAL CONCLUSIONS

2 *Applicable Statutes and Regulations*

3 38. The GCA is an exercise of the police power of the state for the protection of the
4 health, safety, and welfare of the people of the State of California, and shall be liberally construed
5 to effectuate those purposes. Business and Professions Code section 19971.

6 39. The Commission shall have all powers necessary and proper to enable it fully and
7 effectually to carry out the policies and purposes of this chapter. Business and Professions Code
8 section 19824.

9 40. The Commission has the power to deny any application for a license, permit, or
10 approval for any cause deemed reasonable by the Commission. Business and Professions Code
11 section 19824(b).

12 41. The Commission has the power to take actions deemed to be reasonable to ensure that
13 no ineligible, unqualified, disqualified, or unsuitable persons are associated with controlled
14 gambling activities. Business and Professions Code section 19824(d).

15 42. The burden of proving his or her qualifications to receive any license from the
16 Commission is on the applicant. Business and Professions Code section 19856(a); CCR section
17 12060(k).

18 43. An application to receive a license constitutes a request for a determination of the
19 applicant's general character, integrity, and ability to participate in, engage in, or be associated
20 with, controlled gambling. Business and Professions Code section 19856(b).

21 44. In reviewing an application for any license, the commission shall consider whether
22 issuance of the license is inimical to public health, safety, or welfare, and whether issuance of the
23 license will undermine public trust that the gambling operations with respect to which the license
24 would be issued are free from criminal and dishonest elements and would be conducted honestly.
25 Business and Professions Code section 19856(c).

26 45. No gambling license shall be issued unless, based on all of the information and
27 documents submitted, the Commission is satisfied that the applicant is a person of good character,
28 honesty, and integrity. Business and Professions Code section 19857(a).

1 46. No gambling license shall be issued unless, based on all of the information and
2 documents submitted, the Commission is satisfied that the applicant is a person whose prior
3 activities, criminal record, if any, reputation, habits, and associations do not pose a threat to the
4 public interest of this state, or to the effective regulation and control of controlled gambling, or
5 create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities in
6 the conduct of controlled gambling or in the carrying on of the business and financial
7 arrangements incidental thereto. Business and Professions Code section 19857(b).

8 47. No gambling license shall be issued unless, based on all of the information and
9 documents submitted, the Commission is satisfied that the applicant is a person that is in all other
10 respects qualified to be licensed as provided in this chapter. Business and Professions Code
11 section 19857(c).

12 48. An application will be denied if the Commission finds that the applicant has not
13 satisfied the requirements of Business and Professions Code section 19857. CCR section
14 12040(a)(1).

15 49. An application will be denied if the Commission finds that any of the provisions of
16 Business and Professions Code section 19859 apply to the applicant. CCR section 12040(a)(2).

17 50. The hearing need not be conducted according to technical rules relating to evidence
18 and witnesses. Any relevant evidence may be considered, and is sufficient in itself to support a
19 finding, if it is the sort of evidence upon which reasonable persons are accustomed to rely upon in
20 the conduct of serious affairs, regardless of the existence of any common law or statutory rule that
21 might make improper the admission of the evidence over objection in a civil action. Business and
22 Professions Code section 19871(a)(4); CCR section 12060(h)(2).

23 51. An applicant for licensing or for any approval or consent required by this chapter,
24 shall make full and true disclosure of all information to the department and the commission as
25 necessary to carry out the policies of this state relating to licensing, registration, and control of
26 gambling. Business and Professions Code section 19866.

27 52. The Bureau relies, in large part, on the applicant's disclosures while conducting a
28 background investigation. The failure to honestly, accurately, and completely disclose

1 information on an application subverts the Bureau’s efforts to conduct a thorough and complete
2 investigation. Business and Professions Code sections 19826(a) and 19866.

3 53. Both the substance of an applicant’s disclosures, and the truthfulness and
4 thoroughness of an applicant’s disclosures, are considered by the Bureau in making a
5 recommendation as to the applicant’s suitability for licensure, and by the Commission in making
6 a determination whether to approve or deny a license application. Business and Professions Code
7 sections 19824(a) and (d), 19826(a), and 19866.

8 *Approval of Rosario’s Application*

9 54. Rosario met his burden of proving that he is a person of good character, honesty, and
10 integrity. Therefore, Rosario is qualified for licensure pursuant to Business and Professions Code
11 section 19857(a).

12 55. Rosario met his burden of proving that his prior activities, criminal record, reputation,
13 habits, and associations do not pose a threat to the public interest of this state, or to the effective
14 regulation and control of controlled gambling, or create or enhance the dangers of unsuitable, unfair,
15 or illegal practices, methods, and activities in the conduct of controlled gambling or in the carrying on
16 of the business and financial arrangements incidental thereto. Therefore, Rosario is qualified for
17 licensure pursuant to Business and Professions Code section 19857(b).

18 56. Rosario met his burden of proving that he is a person that is in all other respects qualified
19 to be licensed as provided in the GCA. Therefore, Rosario is qualified for licensure pursuant to
20 Business and Professions Code section 19857(c).

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ORDER

- 1. Oscar Rosario’s Renewal Application for Key Employee License is APPROVED.
- 2. No costs are awarded.
- 3. Each side to pay its own attorneys’ fees.

This Order is effective on December 5, 2024.

Dated: 12/5/2024 Signature: 
38D0AB38C851400...
 Paula LaBrie, Chair

Dated: 12/5/2024 Signature: 
928DBCE0554B423...
 Stacey Luna Baxter, Commissioner

Dated: 12/5/2024 Signature: 
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 Eric Heins, Commissioner

Dated: 12/5/2024 Signature: 
7722F4571420449...
 William Liu, Commissioner

Dated: 12/5/2024 Signature: 
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 Edward Yee, Commissioner