

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

BEFORE THE  
CALIFORNIA GAMBLING CONTROL COMMISSION

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

BGC Case No. BGC-HQ2023-00016AL  
CGCC Case No. CGCC-2023-1116-5B

**EUGENE VICTOR LOPEZ**

**DECISION AND ORDER**

Applicant.

Hearing Date: December 12, 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 December 12, 2024.

Attorney Danielle Guard (Attorney Guard) represented applicant Eugene Lopez (Lopez).

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

During the evidentiary hearing, Presiding Officer Russell Johnson (PO Johnson), 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) Lopez’s Initial Application for Key Employee License, and (B) the Bureau’s Cardroom Key Employee Initial Background Investigation Report; the Bureau’s Statement of Reasons; and Lopez’s signed Notice of Defense form.

During the evidentiary hearing, PO Johnson accepted into evidence Exhibits 1-10, Bates Nos. BGC 0001-0165, offered by the Bureau and identified on the Bureau’s Exhibit List pursuant to a stipulation between the parties.

PO Johnson also accepted into evidence Exhibit A, Bates No. 0001-0005, and Exhibits B

1 to E,<sup>1</sup> offered by Lopez, pursuant to a stipulation between the parties.

2 **FINDINGS OF FACT**

3 **Procedural History**

4 1. On June 16, 2010, Lopez submitted an initial key employee license application (2010  
5 Application) while he was employed at Club One Casino (Club One). On February 28, 2011, the  
6 Bureau submitted its background investigation report to the Commission recommending approval  
7 of the 2010 Application.

8 2. In March 2011, the Bureau was notified that Lopez was terminated from Club One for  
9 falsifying a complementary meal ticket in violation of Club One’s complimentary meal policy.  
10 This information was provided by the Bureau to the Commission on June 27, 2011.

11 3. On November 17, 2011, the Commission referred the 2010 Application to a Gambling  
12 Control Act (GCA) evidentiary hearing.

13 4. On January 14, 2014, the Commission held a GCA evidentiary hearing to consider  
14 Lopez’s 2010 Application.

15 5. On February 13, 2014, the Commission issued a decision denying Lopez’s 2010  
16 Application (2014 Decision). The 2014 Decision found that Lopez was dishonest with the Bureau  
17 and Commission concerning the true circumstances of his termination from Club One and was  
18 also dishonest and evasive during the evidentiary hearing on the 2010 Application.

19 6. On April 1, 2022, the Bureau received an Initial Application for Key Employee  
20 License (Application) from Lopez.

21 7. On April 6, 2022, the Bureau issued temporary Key Employee License GEKE-002721  
22 to Lopez. The Commission cancelled the temporary license on December 7, 2023 at a regularly  
23 scheduled meeting.

24 8. On August 9, 2023, the Commission received a Cardroom Key Employee  
25 Initial Background Investigation Report (Background Report) on Lopez from the Bureau. In the  
26 Background Report, the Bureau recommends that Lopez’s Application be denied based on the  
27 Commission’s findings in the 2014 Decision.

28 <sup>1</sup> Exhibits B through E are each one page documents with identical numbering, “Bates No. 0001.”

1           9. On November 16, 2023, the Commission voted to refer the consideration of  
2 Lopez’s Application to a GCA evidentiary hearing. On November 17, 2024, the Commission sent  
3 Lopez notice of its referral of the Application to a GCA hearing.

4           10. Thereafter, the Commission received a signed, but not dated, Notice of Defense form  
5 from Lopez requesting an evidentiary hearing on the consideration of his Application. The Notice  
6 of Defense indicated that Lopez was represented by attorney Jarhett Blonien (Attorney Blonien).

7           11. On June 27, 2024, the Commission sent a Notice of Hearing to Attorney Blonien and  
8 DAG Yi. The hearing was set for December 12, 2024, at 10:00 a.m. The Prehearing Conference  
9 was set for November 5, 2024, at 10:00 a.m.

10           12. On or about August 23, 2024, the Bureau sent a Statement of Reasons to Attorney  
11 Blonien and the Commission. In the Statement of Reasons, the Bureau alleges one cause for  
12 denial of the Application alleging that Lopez is unsuitable for licensure as a result of his past  
13 dishonesty to the Bureau and Commission in relation to his 2010 Application.

14           13. On November 5, 2024, the noticed Prehearing Conference was held before PO  
15 Johnson. Attorneys Blonien and Guard attended on behalf of Lopez. DAG Yi attended on behalf  
16 of the Bureau.

17           14. The GCA hearing on the Application commenced on December 12, 2024. PO Johnson  
18 closed the administrative record and the matter was submitted for decision on December 12,  
19 2024.

20 **Lopez’s Employment History in Controlled Gambling**

21           15. Lopez testified that he has worked in controlled gambling since approximately 1997 as  
22 both a dealer and in customer service positions.

23           16. According to the Bureau Report, Lopez has held the following positions since 2003:

- 24           a. From October 16, 2003 to March 8, 2011, Lopez worked for Club One as a  
25 Customer Service Representative.
- 26           b. From July 2011 to February 2019, Lopez worked for Clovis 500 Club Casino  
27 as a Dealer/Floorman.
- 28           c. From October 2012 to January 2013, Lopez worked for the Commerce Casino

1 as a Floorperson.

2 d. Since March 2019, Lopez has worked at the 500 Club as a Host/Customer  
3 Service Representative.

4 **Andrea Farris's Testimony During the Evidentiary Hearing**

5 17. Andrea Farris (Farris) is a Staff Services Manager I in the Key Employee/Work Permit  
6 Unit of the Bureau. Farris testified that she is familiar with Lopez's Application and she  
7 supervised the work of the analyst that conducted his background investigation and prepared the  
8 Background Report.

9 18. Farris testified that the Commission's 2014 Decision found that Lopez admitted to  
10 several acts of dishonesty, including while under oath at a GCA hearing, which concerned the  
11 Bureau that Lopez could pose a threat to the effective regulation and control of controlled  
12 gambling.

13 19. Farris testified that Lopez honestly filled out the Application and was honest with the  
14 Bureau during the background investigation process. On the Application, Lopez checked the box  
15 indicating that he had previously had a license revoked. Upon request, Lopez provided a truthful  
16 explanation to the Bureau regarding the 2014 Decision.

17 20. Farris testified that the Bureau did not identify any criminal history or derogatory  
18 information relating to Lopez's current employment at the 500 Club while conducting its  
19 background investigation.

20 **Lopez's Testimony During the Evidentiary Hearing**

21 21. During the evidentiary hearing, Lopez testified that he has worked in the controlled  
22 gaming industry since 1997 and currently works for the 500 Club as an Executive Casino Host.  
23 Lopez testified that he has never had a negative performance review at the 500 Club.

24 22. Lopez testified that the time period covering his 2010 Application was very difficult  
25 for him due to trauma he experienced from the death of a close family member. Lopez testified  
26 that due to his bad state of mind during this period, he made some bad decisions.

27 23. Lopez testified that after his termination from Club One, he was afraid, nervous,  
28 ashamed, and was considering filing a wrongful termination lawsuit due to events occurring

1 before his termination. Lopez testified his representations to the Bureau and Commission in  
2 relation to his termination from Club One and the 2010 Application were based on those negative  
3 emotions.

4 24. Lopez testified that in 2015 he got married, which was a big impetus for change in his  
5 life. Lopez, with the encouragement of his spouse, began taking steps to rehabilitate and improve  
6 himself by attending counseling, focusing on his religion, reading self-help books and continuing  
7 his education to receive an Associates Degree in Business Administration.

8 25. Lopez testified that he is again applying for a key employee license because his family  
9 relies on him and he is constantly trying to be a better person.

10 26. Lopez testified that he now takes time to analyze situations rather than acting quickly  
11 on emotions. Lopez believes he is a completely different man today than he was at the time the  
12 2014 Decision was issued.

13 27. Lopez testified that he truly regrets his past actions. Lopez testified that if he could do  
14 it over, he would have “been completely brutally honest” with the Bureau and Commission about  
15 the circumstances of his termination from Club One. Lopez testified that he takes full  
16 responsibility for his past actions.

17 **John Stacy’s Testimony During the Evidentiary Hearing**

18 28. John Stacy (Stacy) is the Casino Manager and Compliance Officer at 500 Club. Stacy  
19 has worked with Lopez for 25 months at 500 Club. Stacy testified that Lopez is conscientious  
20 about protecting 500 Club assets and is a dedicated gaming professional. Stacy provided  
21 examples of situations where Lopez demonstrated good honesty, character, and integrity while  
22 working at 500 Club.

23 29. Stacy testified that he was aware that Lopez was previously denied a key employee  
24 license, but did not know the reason for the denial until today. Stacy testified that he has no  
25 concerns about Lopez’s character, honesty, or accountability.

26 **Nina Nazimowitz Testimony During the Evidentiary Hearing**

27 30. Lopez offered a report and expert testimony by a licensed Marriage and Family  
28 Therapist, Nina Nazimowitz (Nasimowitz). Nazimowitz testified that she was retained by

1 Attorney Guard to examine Lopez. Nazimowitz provided Lopez with a moral status questionnaire  
2 where he self-reported information over a period of approximately thirty minutes, resulting in him  
3 achieving the highest possible score. Thereafter, Nazimowitz interviewed Lopez for  
4 approximately another thirty minutes. Nazimowitz testified that in her professional opinion,  
5 Lopez is a person of honesty and integrity with strong moral character, which was consistent with  
6 the conclusions within her written report.

7 31. The Commission gave no weight to Nazimowitz’s testimony because she had only one  
8 brief interaction with Lopez for the sole purpose of providing expert testimony on his behalf.  
9 Nazimowitz had no other communications or interactions with Lopez where she could observe his  
10 honesty, character, and integrity beyond what he self-reported to her. Additionally, Nazimowitz  
11 testified that she did not discuss specifics with Lopez regarding the poor choices he made in the  
12 past and did not know if he has been dishonest in other areas of his life other than in dealings with  
13 the Bureau and Commission. Also, Nazimowitz acknowledged that she had only administered the  
14 moral statute questionnaire a handful of times and could not say whether it was unusual for a  
15 person such as Lopez to answer the questions in a way that resulted in the highest possible score.

16 32. The Commission’s discussion of Nazimowitz’s testimony is not meant to insult or  
17 fault the applicant or Nazimowitz, but rather to foreclose any perception by the industry that  
18 applicants, many of whom are not represented by counsel and have little resources, need to retain  
19 an expert witness to meet their burden. Percipient witness testimony relevant to an applicant’s  
20 honesty, character and integrity, such as Mr. Stacy’s testimony describing his professional  
21 interactions with Lopez, are much more persuasive and helpful to the Commission than that of an  
22 expert witness.

### 23 **Lopez’s Letters of Reference**

24 33. The following individuals submitted letters of reference in support of Lopez’s

- 25 a. Application Mark English (English) is the owner of 500 Club. English wrote  
26 that Lopez has been a valued member of his team for over a decade and  
27 consistently demonstrated outstanding work ethic, integrity, and reliability.

28 English describes Lopez as a “model employee” and is confident that Lopez’s

1 past choices regarding his Club One termination are no longer reflective of  
2 who he is today.

3 b. Hakop Mushyan (Hakop) is a Casino Manager for 500 Club. Mushyan has  
4 worked with Lopez for approximately 12 years and has a deep understanding  
5 of his character and integrity. Lopez has consistently demonstrated  
6 compassion, dedication, reliability, outstanding work ethic, and integrity.  
7 Mushyan notes that Lopez is a person of high moral standards, and is a  
8 trustworthy and reliable individual.

9 c. Patrick Enright has known Lopez for 20 years and worked with him at more  
10 than one casino. Applicant is punctual, trustworthy, has integrity, and is well  
11 liked and respected by staff and patrons.

12 d. Malik Skouti has known Lopez for over 24 years and worked with him at  
13 Table Mountain Casino and 500 Club. Lopez is a good friend and coworker.

14 **PERTINENT LEGAL AUTHORITY**

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

18 35. The Commission shall have all powers necessary and proper to enable it fully and  
19 effectually to carry out the policies and purposes of this chapter. Business and Professions Code  
20 section 19824.

21 36. The Commission has the power to deny any application for a license, permit, or  
22 approval for any cause deemed reasonable by the Commission. Business and Professions Code  
23 section 19824(b).

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

27 38. The burden of proving his or her qualifications to receive any license from the  
28 Commission is on the applicant. Business and Professions Code section 19856(a); CCR section

1 12060(k).

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

5 40. In reviewing an application for any license, the Commission shall consider whether  
6 issuance of the license is inimical to public health, safety, or welfare, and whether issuance of the  
7 license will undermine public trust that the gambling operations with respect to which the license  
8 would be issued are free from criminal and dishonest elements and would be conducted honestly.  
9 Business and Professions Code section 19856(c).

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

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

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

24 44. An application will be denied if the Commission finds that the applicant has not  
25 satisfied the requirements of Business and Professions Code section 19857. CCR section  
26 12040(a)(1).

27 45. The hearing need not be conducted according to technical rules relating to evidence  
28 and witnesses. Any relevant evidence may be considered, and is sufficient in itself to support a



1 finding, if it is the sort of evidence upon which reasonable persons are accustomed to rely upon in  
2 the conduct of serious affairs, regardless of the existence of any common law or statutory rule that  
3 might make improper the admission of the evidence over objection in a civil action. Business and  
4 Professions Code section 19871(a)(4); CCR section 12060(h)(2).

5 **ASSESSMENT OF APPLICANT'S SUITABILITY FOR LICENSURE**

6 46. For the reasons provided below, the Commission finds that Lopez has met his burden  
7 of proving that he is qualified to receive a key employee license. Therefore, cause exists to  
8 approve Lopez's Application.

9 47. An applicant demonstrates good character, honesty, and integrity by providing  
10 truthful, accurate, and complete responses on their Application, in response to Bureau inquiries  
11 during the Bureau's background investigation, and while testifying during the evidentiary  
12 hearing. An applicant also demonstrates good character, honesty, and integrity by engaging in  
13 honest, ethical, and legal conduct while working, particularly in controlled gambling.

14 48. Lopez was terminated by Club One for violating a company policy. Lopez was  
15 thereafter dishonest with the Commission and Bureau regarding the circumstances of his  
16 termination, resulting in the denial of his 2010 Application. However, Lopez's conduct in  
17 relation to his 2010 Application is insufficient to establish that he currently lacks good character,  
18 honesty, or integrity.

19 49. There is substantial evidence that Lopez has good character, honesty, and integrity.  
20 There was no evidence presented that Lopez provided any untrue, misleading, or contradictory  
21 information to the Bureau in relation to his Application or while testifying during the evidentiary  
22 hearing. Lopez testified that since the issuance of the 2014 Decision, he has taken significant  
23 strides to better himself, such as attending counseling to learn better techniques to deal with  
24 stressful situations and earning his Associates Degree. The Commission also finds Lopez's  
25 testimony during the evidentiary hearing was credible.

26 50. Lopez has no criminal history. Lopez has worked in controlled gambling since 1997.  
27 There was no evidence presented that Lopez has had any disciplinary issues since working at the  
28 500 Club. Lopez's lengthy career with 500 Club without discipline provides support that Lopez

1 engages in honest, ethical, and legal conduct while working in controlled gambling.

2 51. John Stacy testified on Lopez’s behalf at the hearing. Lopez also submitted four  
3 letters of reference from current and former co-workers, and the owner of 500 Club. Stacy’s  
4 testimony and these reference letters provide substantial support that Lopez is an asset to  
5 controlled gambling and a person with good character, honesty, and integrity. Based on the  
6 foregoing, Lopez has met his burden of demonstrating that he is a person of good character,  
7 honesty, and integrity.

8 52. Given the long period of time between the submission of the 2010 Application and its  
9 denial, and submission of the present Application, and the fact that there was no evidence  
10 presented that Lopez made any dishonest statements in relation to his Application or had any  
11 derogatory employment history since, the likelihood that a similar incident of dishonesty to  
12 regulators may occur is minimal. Therefore, Lopez’s conduct in relation to the 2010 Application  
13 is insufficient to establish that he poses a threat to the public interest of this state or to the  
14 effective regulation and control of controlled gambling.

15 53. Lopez met his burden of proving that he is a person of good character, honesty, and  
16 integrity. Therefore, Lopez is qualified for licensure pursuant to Business and Professions Code  
17 section 19857(a).

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

24 55. Lopez met his burden of proving that he is a person that is in all other respects  
25 qualified to be licensed as provided in the GCA. Therefore, Lopez is qualified for licensure  
26 pursuant to Business and Professions Code section 19857(c).

27 56. All documentary and testimonial evidence submitted by the parties that is not  
28 specifically addressed in this Decision and Order was considered but not used by the Commission

1 in making its determination on Lopez’s Application.

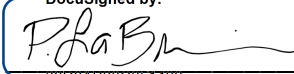
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**ORDER**

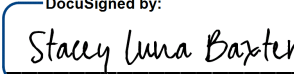
- 1. Eugene Lopez’s Initial Application for Key Employee License is APPROVED.
- 2. No costs are awarded.
- 3. Each side to pay its own attorneys’ fees.

This Order is effective on February 6, 2025.

Dated: 2/6/2025 \_\_\_\_\_

DocuSigned by:  
 Signature:   
 38D0AB38C651466...  
 Paula LaBrie, Chair

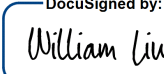
Dated: 2/6/2025 \_\_\_\_\_

DocuSigned by:  
 Signature:   
 928DBCE0554B423...  
 Stacey Baxter, Commissioner

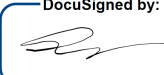
Dated: 2/6/2025 \_\_\_\_\_

DocuSigned by:  
 Signature:   
 2B4CE9520F8845C...  
 Eric Heins, Commissioner

Dated: 2/6/2025 \_\_\_\_\_

DocuSigned by:  
 Signature:   
 7722F4571120449...  
 William Liu, Commissioner

Dated: 2/6/2025 \_\_\_\_\_

DocuSigned by:  
 Signature:   
 14B4AD3B90F8462...  
 Edward Yee, Commissioner