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BEFORE THE
CALIFORNIA GAMBLING CONTROL COMMISSION

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

LOUIS FERNANDO GARCIA

Respondent.

BGC Case No. BGC- HQ2025-00008AL

CGCC Case No. CGCC-2025-0410-4A

DECISION AND ORDER

Hearing Date: January 13, 2026

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 January 13, 2026.

Louis Fernando Garcia (Garcia) represented himself.

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 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) Garcia’s Application for Employee Category License - Key Employee License, and (B) the Bureau’s Gambling Establishment Key Employee Initial Background Investigation Report; the Bureau’s Statement of Reasons; and Garcia’s signed Notice of Defense form.

During the evidentiary hearing, PO Patterson accepted into evidence Exhibits 1-10, Bates Nos. BGC 0001-0256, offered by the Bureau and identified on the Bureau’s Exhibit List.

PO Patterson closed the administrative record and the matter was submitted for decision on January 13, 2026.

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FINDINGS OF FACT

Procedural History

1. Garcia started working at Commerce Casino & Hotel (Commerce) in December 2010, and assumed key employee duties in June 2023.

2. On July 3, 2023, the Bureau received an initial Application for Key Employee License and Key Employee or TPPPS Supervisor: Supplemental Information (collectively, Application) from Garcia. The Application is to allow for Garcia's employment as an Assistant Surveillance Supervisor for Commerce.

3. The Bureau conducted an initial background investigation with respect to Garcia's Application wherein he disclosed that from December 2020 to May 2023 he had engaged in illegal online gambling activities.

4. On February 20, 2025, the Bureau issued its Gambling Establishment Key Employee Initial Background Investigation Report (Background Report), Level III, in this matter, recommending that the Commission deny the Application. The Bureau recommends that the Commission deny the Application because Garcia engaged in illegal gambling. By doing so, Garcia failed to establish that he is a person of good character, honesty, and integrity, and has further failed to establish that his prior activities and habits do not pose a threat to the public interest of this state, or to the effective regulation and control of controlled gambling. The Application is therefore subject to discretionary denial. (Bus. & Prof. Code, §§ 19856, 19857, subds. (a) & (b), CCR §12040, subd. (a)(1).)

5. On April 10, 2025, the Commission voted to refer the consideration of Garcia's Application to a Gambling Control Act (GCA) evidentiary hearing pursuant to CCR sections 12054(a)(4) and 12060. On or about April 14, 2025, the Commission sent a notice of its referral of Garcia's Application to a GCA hearing via certified mail to Garcia.

6. In May 2025, the Commission received a signed Notice of Defense form from Garcia requesting an evidentiary hearing on the consideration of his Application.

7. On October 1, 2025, Garcia was notified that the evidentiary hearing would be held before the Commission starting at 10:00 a.m. on January 13, 2026, which will be conducted

1 via Zoom. The Commission heard this matter via Zoom video conference on January 13, 2025.
2 PO Patterson closed the administrative record on January 13, 2025.

3 **Garcia’s Employment History in Controlled Gambling**

4 8. Garcia testified that he has worked in controlled gambling for 15 years. Garcia has
5 been employed by Commerce for over 14 years.

6 9. At Commerce, Garcia leads and trains Surveillance Operators and creates a positive
7 working culture. Garcia has a wealth of gaming knowledge having previously worked as a third-
8 party provider of proposition player services employee and as a surveillance operator.

9 10. Garcia does not have any derogatory employment history.

10 11. It is undisputed that Garcia engaged in illegal online gambling. On the Application
11 Garcia marked “yes” to the question: “Have you ever engaged in illegal gambling activities that
12 you knew or should have known were illegal?” He did so because he now believes he should have
13 known that online gambling was illegal in the State of California. Garcia further disclosed to the
14 Bureau that from December 2020 to May 2023 he regularly engaged in illegal online gambling
15 activities by placing wagers on sporting events that included football, basketball, baseball,
16 hockey, and tennis in addition to wagering on blackjack.

17 12. Garcia stated that:

18 “While I was generally aware that certain types of gambling were
19 not permitted in California, I assumed that any web sites or online
20 platforms would be blocked if they were illegal to use. I further
21 assumed that if I could use my credit card or other banking tools,
22 the sites must be permissible in California. It was not until I was
23 given a promotion and began filling out my Key Employee license
24 application that I became aware that certain of my gambling
25 activities might be illegal.”

24 13. Garcia was forthcoming with the Bureau regarding his history of illegal online
25 gambling.

26 14. Garcia stated that he stopped placing illegal online bets in May 2023, this was
27 confirmed by the Bureau’s review of Garcia’s bank statements.

28 15. Garcia does not have any criminal history, nor was he convicted of any crime relating

1 to illegal online sports betting or online gambling. Garcia also does not have any negative
2 financial history.

3 16. Garcia urged the Commission to grant his license with any conditions it feels are
4 necessary. He stated in writing that: “I would be willing to accept conditions to include
5 affirmatively reporting to the Bureau, on a periodic basis, that I have not engaged in any illegal
6 gambling to provide further assurances of my commitment to the standards required of a Key
7 Employee.”

8 **Samuel Cohen’s Letter of Reference and Testimony**

9 17. Samuel Cohen (Cohen), Director of Surveillance, and the Bank Secrecy Act Anti-
10 Money Laundering Departments at Commerce submitted a letter of reference in support of
11 Garcia’s Application and testified at the hearing on Garcia’s behalf.

12 18. Cohen has been in his current position for almost thirteen years and Garcia has
13 worked directly for Cohen for twelve years. Cohen is a retired law enforcement professional with
14 35 years of experience working and supervising various assignments for a local southern
15 California law enforcement agency.

16 19. Cohen considered Garcia for the position of Assistant Surveillance Supervisor because
17 on countless occasions he has demonstrated strong leadership and can be relied on to make sound
18 decisions on the job. Cohen depends on Garcia to handle the most complex and sometimes highly
19 confidential cases as well as providing recommendations and solutions to enhance Commerce’s
20 Surveillance Department. While working for Cohen, Garcia “has always displayed a high level of
21 honesty and integrity. He has never once posed any threat to the public or enhanced the dangers
22 of illegal gambling. On the contrary, he has always upheld the highest standards of
23 professionalism.” Cohen has never witnessed any unethical behavior from Garcia. Cohen testified
24 that Garcia has never acted in a way that shows “he is a risk” to controlled gambling.

25 ASSESSMENT OF GARCIA’S SUITABILITY FOR LICENSURE

26 20. The Commission finds that Garcia has met his burden of proving that he is qualified to
27 receive a key employee license. The Commission believes that Garcia did not knowingly engage
28 in illegal gambling. Imposition of a condition prohibiting Garcia from engaging in illegal online

1 gambling alleviates any concerns the Commission has regarding his potential future involvement
2 in illegal online sports betting and online gambling. Imposing the condition noted below ensures
3 Garcia's continued abstention from illegal gambling, and it will allow the Bureau to verify
4 compliance with the condition during the term of Garcia's licensure and future renewals, if any.
5 Accordingly, Garcia's Application is approved with the following condition: Garcia shall not
6 engage in any illegal gambling, including, but not limited to, illegal gambling online while he
7 holds a license or other approval issued by the Commission.

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

9 21. 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 22. Conversely, an applicant demonstrates a lack of good character, honesty, and integrity
15 by omitting pertinent information, or providing untrue, misleading, and/or contradictory
16 information on their Application, in response to Bureau inquiries, and while testifying during the
17 evidentiary hearing. An applicant also demonstrates a lack of good character, honesty, and
18 integrity by engaging in dishonest, unethical, or illegal conduct while working, particularly in
19 controlled gambling.

20 23. There is substantial evidence that Garcia has good character, honesty, and integrity.
21 Garcia was honest in his dealings with the Bureau and the Commission.

22 24. There was no evidence presented that Garcia provided any untrue, misleading, or
23 contradictory information to the Bureau or while testifying during the evidentiary hearing. In its
24 totality, the Commission also finds Garcia's testimony during the evidentiary hearing to be
25 credible.

26 25. There was no evidence presented that Garcia knowingly engaged in illegal online
27 gambling activity. The Commission finds that Garcia's testimony and written statements to the
28 Bureau that he assumed online gambling was legal since he was able to access online platforms to

1 place wagers to be credible.

2 26. Garcia has worked in controlled gambling for 15 years, including in a supervisory
3 role. There was no evidence presented that Garcia has had any discipline or terminations.
4 Garcia's lengthy career in controlled gambling without any discipline provides support for the
5 belief that Garcia engages in honest, ethical, and legal conduct while working in controlled
6 gambling.

7 27. Cohen's letter provides substantial support for the belief that Garcia is an asset to
8 controlled gambling and a person with good character, honesty, and integrity. Based on the
9 foregoing, Garcia has met his burden of demonstrating that he is a person of good character,
10 honesty, and integrity.

11 ***Garcia met his burden of proving his suitability under section 19857, subdivision (b), of the Act***

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

25 29. Garcia did not knowingly engage in illegal online gambling activity. Therefore,
26 Garcia's prior conduct is insufficient to establish that Garcia poses a threat to the public interest
27 of this state or to the effective regulation and control of controlled gambling.

28 30. Additionally, the fact that Commerce continues to employ and trust Garcia knowing

1 that he engaged in illegal online gambling activity in the past demonstrates that Commerce does
2 not believe that Garcia poses a threat to its cardroom operations.

3 31. Garcia has worked in controlled gambling for 15 years, including in a supervisory
4 role. There was no evidence presented that Garcia has had any discipline or termination. Garcia's
5 lengthy career in controlled gambling without any discipline provides support for the belief that
6 Garcia does not pose a threat to the effective regulation of controlled gambling.

7 32. Cohen's testimony on Garcia's behalf and letter of support demonstrates that Garcia is
8 a person of good character, honesty, and integrity, and an asset to controlled gambling. Based on
9 the foregoing, Garcia has met his burden of proving that his prior activities, criminal record, if
10 any, reputation, habits, and associations do not pose a threat to the public interest of this state, or
11 to the effective regulation and control of controlled gambling, or create or enhance the dangers of
12 unsuitable, unfair, or illegal practices, methods, and activities in the conduct of controlled
13 gambling or in the carrying on of the business and financial arrangements incidental thereto.

14 33. All documentary and testimonial evidence submitted by the parties that is not
15 specifically addressed in this Decision and Order was considered but not used by the Commission
16 in making its determination on Garcia's Application.

17 LEGAL CONCLUSIONS

18 **Applicable Statutes and Regulations**

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

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

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

28 37. The Commission has the power to take actions deemed to be reasonable to ensure that

1 no ineligible, unqualified, disqualified, or unsuitable persons are associated with controlled
2 gambling activities. Business and Professions Code section 19824(d).

3 38. The burden of proving his or her qualifications to receive any license from the
4 Commission is on the applicant. Business and Professions Code section 19856(a); CCR section
5 12060(k).

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

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

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

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

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

28 44. An application will be denied if the Commission finds that the applicant has not

1 satisfied the requirements of Business and Professions Code section 19857. CCR section
 2 12040(a)(1).

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

9 **Approval of Garcia’s Application**

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

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

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

22 NOTICE OF APPLICANT’S APPEAL RIGHTS

23 Garcia has the following appeal rights available under state law:

24 CCR section 12064, subsections (a) and (b) provide, in part:

25 (a) After the Commission issues a decision following a GCA hearing conducted
 26 pursuant to Section 12060, an applicant denied a license, permit, registration, or
 27 finding of suitability, or whose license, permit, registration, or finding of
 28 suitability has had conditions, restrictions, or limitations imposed upon it, may
 request reconsideration by the Commission. A request for reconsideration must be:

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(1) Made in writing to the Commission, copied to the Complainant. The Bureau may provide a written response to the Commission within 10 calendar days of receipt of the request; and

(2) Received by the Commission and Complainant within 30 calendar days of service of the decision, or before the effective date specified in the decision, whichever is earlier.

(b) A request for reconsideration must state the reasons for the request, which must be based upon either:

(1) Newly discovered evidence or legal authorities that could not reasonably have been presented before the Commission’s issuance of the decision or at the hearing on the matter; or,

(2) Other good cause which the Commission may decide, in its sole discretion, merits reconsideration.

Business and Professions Code section 19870, subdivision (f) provides:

A decision of the commission after an evidentiary hearing, denying a license or approval, or imposing any condition or restriction on the grant of a license or approval may be reviewed by petition pursuant to Section 1085 of the Code of Civil Procedure. Section 1094.5 of the Code of Civil Procedure shall not apply to any judicial proceeding held to consider that petition, and the court may grant the petition only if the court finds that the action of the commission was arbitrary and capricious, or that the action exceeded the commission's jurisdiction.

CCR section 12066, subsection (c) provides, in part:

A decision of the Commission denying an application or imposing conditions or restrictions on a license after an evidentiary hearing will be subject to judicial review as provided in Business and Professions Code section 19870, subdivision (f). Neither the right to petition for judicial review nor the time for filing the petition will be affected by failure to seek reconsideration.

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ORDER

1. Louis Fernando Garcia’s Application for Key Employee License is approved with the following condition: *Louis Fernando Garcia shall not engage in any illegal gambling, including, but not limited to, illegal gambling online while he holds a license or other approval issued by the California Gambling Control Commission.*

2. No costs are awarded.

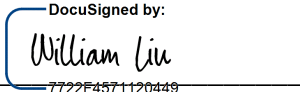
3. Each side to pay its own attorneys’ fees.

This Order is effective on March 19, 2026.

Dated: 2/19/2026 Signature: 
Paula LaBrie, Chair

Dated: 2/19/2026 Signature: 
Stacey Luna Baxter, Commissioner

Dated: 2/19/2026 Signature: 
Eric Heins, Commissioner

Dated: 2/19/2026 Signature: 
William Liu, Commissioner