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BEFORE THE
CALIFORNIA GAMBLING CONTROL COMMISSION

In the Matter of the Application for Approval
of State Gambling License Regarding:

JOANNE WILLIAMS

Respondent.

BGC Case No. BGC-HQ2021-00016SL
CGCC Case No. CGCC-2021-0325-5B

DECISION AND ORDER

Hearing Dates: February 22-23, 2022
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, in Sacramento, California, and held via Zoom video conference, on February 22, 2021.¹

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

Attorney Steven Ledbetter (Attorney Ledbetter) represented respondent Joanne Williams (Williams).

During the evidentiary hearing, Presiding Officer Kate Patterson took official notice of the Notice of Agenda, the Commission’s Conclusion of Prehearing Conference letter, the Commission’s Notice of Hearing with attachments (A) Williams’s Application, and (B) the Bureau’s background investigation report, the Bureau’s Statement of Reasons, and Williams’s signed Notice of Defense.

During the evidentiary hearing, Presiding Officer Kate Patterson accepted into evidence the following exhibits offered by the Bureau pursuant to a stipulation between the parties:

- (1) Statement to Respondent; Statement of Reasons; copies of Business & Professions Code sections 19870 and 19871; copy of California Code of Regulations, title 4, section 12060; and January 7, 2022, Declaration of

¹ The hearing was completed in one day despite being scheduled for two.

- 1 Service by E-mail and Overnight Courier, Bates Nos. BGC 001-027;
- 2 (2) Executed Notice of Defense form for Joanne Michele Williams, dated
- 3 April 27, 2021, Bates Nos. BGC 028-030;
- 4 (3) Notices and documents from the California Gambling Control
- 5 Commission, Bates Nos. BGC 031-043:
- 6 (a) December 1, 2021 Notice of Change of Time of Hearing;
- 7 (b) August 20, 2021 Notice of Hearing (without enclosures);
- 8 (c) March 29, 2021 Referral of Cardroom Business Endorsee License to an
- 9 Evidentiary Hearing for Joanne Williams (without enclosure); and
- 10 (d) February 26, 2021 California Gambling Control Commission Licensing
- 11 Division Memorandum (without attachments);
- 12 (4) June 19, 2019 Application for State Gambling License and April 29, 2019
- 13 Application for State Gambling License for Joanne Michele Williams
- 14 (including Gambling Establishment Owner Applicant – Individual
- 15 Supplemental Background Investigation Information), Bates Nos. BGC
- 16 044-075;
- 17 (5) December 23, 2021 Initial Background Investigation Report, Level III,
- 18 California Commerce Club, Inc., dba Commerce Casino, Joanne Michele
- 19 Williams – Contingent Beneficiary (with attachments), Bates Nos. BGC
- 20 076-134;
- 21 (6) License history for Joanne Michele Williams, Bates Nos. BGC 135-136;
- 22 (7) Certification of the license history for Joanne Michele Williams, Bates
- 23 Nos. BGC 137-138;
- 24 (8) Correspondence regarding Joanne Michele Williams, and between the
- 25 Bureau of Gambling Control and Joanne Michele Williams, Bates Nos.
- 26 BGC 139-211; and
- 27 (9) Appointment of Designated Agent forms for Joanne Michele Williams,
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Bates Nos. BGC 212-214.

The record was closed and the matter was submitted on February 22, 2022.

FINDINGS OF FACT

Procedural History

1. On or about April 2, 2019, the Bureau received an Application for State Gambling License and Gambling Establishment Owner Applicant – Individual Supplemental Background Investigation Information form (collectively, Application) from Williams to be licensed as a contingent beneficiary of the Harris Revocable Trust of 1988, a 1.37% shareholder of Commerce Club, Inc., the owner licensee dba Commerce Casino, a cardroom located in Commerce, California. On or about April 8, 2019, the Bureau sent a letter to Williams informing her that her Application was incomplete.

2. On or about April 29, 2019, the Bureau received additional materials related to Williams’s Application. On or about May 11, 2019, the Bureau sent a letter to Williams and Attorney Ledbetter notifying them that Williams’s Application was incomplete because she had checked incorrect boxes on the Application regarding the category of license for which she was applying.

3. On or about June 19, 2019, the Bureau received a complete Application from Williams. On her completed Application, Williams designated Attorney Ledbetter as her Designated Agent.

4. On or about November 7, 2019, Williams submitted an Appointment of Designated Agent selecting her husband, Daniel Williams (Dan Williams) as an additional Designated Agent.

5. On or about December 30, 2020, the Commission received a Level III Initial Background Investigation Report on Williams from the Bureau. In this report, the Bureau states that it was “unable to complete the background investigation because Williams failed to submit all of the required documentation.” As a result, the Bureau recommended that the Commission deny Williams’s Application.

6. On or about March 25, 2021, the Commission voted to refer the consideration of

1 Williams’s Application to a Gambling Control Act evidentiary hearing pursuant to CCR section
2 12054(a)(2) to be conducted pursuant to CCR section 12060.

3 7. On or about March 29, 2021, the Commission sent a letter to Williams, with copies to
4 Attorney Ledbetter and Dan Williams, via certified and regular mail, informing her that the
5 Commission voted to refer the consideration of her Application to an evidentiary hearing.

6 8. On or about April 27, 2021, the Bureau and Commission received a signed Notice of
7 Defense from Williams requesting an evidentiary hearing on the consideration of her Application.

8 9. On or about August 20, 2021, the Commission sent a Notice of Hearing, via e-mail, to
9 Attorney Ledbetter and DAG Waian. The hearing was set for February 22-23, 2022.

10 10. On or about January 7, 2022, the Bureau sent a Statement of Reasons to Williams and
11 Attorney Ledbetter via e-mail and overnight mail with Federal Express. The Commission
12 received the Statement of Reasons on or about January 7, 2022. In the Statement of Reasons, the
13 Bureau requests that the Commission deny Williams’s Application.

14 11. On or about January 11, 2022, the noticed Prehearing Conference was held before
15 Presiding Officer Kate Patterson, Attorney III of the Commission. DAG Waian attended on
16 behalf of the Bureau. Attorney Ledbetter attended on behalf of Williams, who did not attend.

17 12. On or about January 11, 2022, the Commission sent a Conclusion of Prehearing
18 Conference letter, via e-mail, to Attorney Ledbetter and DAG Waian.

19 13. The Commission heard this matter via Zoom video conference on February 22, 2022.
20 DAG Waian appeared on behalf of the Bureau. Attorney Ledbetter appeared on behalf of
21 Williams.

22 **Williams’s Application and Communications with the Bureau**

23 14. On her Application, Williams disclosed a state tax lien with the State of Hawaii,
24 Department of Taxation, for \$46,108.37 and a federal tax lien with the Internal Revenue Service
25 (IRS) for \$50,960.

26 15. On or about October 22, 2019, Bureau staff sent a letter to Williams and Attorney
27 Ledbetter requesting that Williams provide, among other things, the following: (1) copies of
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1 Williams's personal and business tax returns for 2016, 2017, and 2018; (2) Statement of Assets
2 and Liabilities for the years ending December 31, 2017 and 2018; (3) Statement of Income and
3 Expenses for the years ending December 31, 2017 and 2018; and (4) a payment plan for the
4 satisfaction of her state and federal tax liens. Bureau staff requested this information by
5 November 2, 2019.

6 16. On or about November 18, 2019, Williams responded to the Bureau's October 22,
7 2019 letter; however, the requested information was not provided.

8 17. On or about December 20, 2019, Williams's Certified Public Accountant, Deborah
9 Lee-Daniells of Deborah Daniells & Associates (CPA Daniells), wrote a letter to the Bureau
10 stating that she was in the process of preparing Joanne and Dan Williams's (collectively, "the
11 Williamses") joint tax returns for the years ending December 31, 2010 to the present. CPA
12 Daniells did not provide an estimated date of the completion of the Williamses' tax returns. CPA
13 Daniells also stated that she was aware of the Williamses' tax liens and is assisting them with
14 their tax situation. The Bureau received this letter on or about December 26, 2019.

15 18. On or about December 26, 2019, Bureau staff sent an email to Dan Williams and
16 Attorney Ledbetter requesting, among other things, the same four categories of information
17 referenced above in its October 22, 2019 letter. Bureau staff also stated that it is "unable to
18 conduct a financial analysis for Williams since the Bureau has not received the financial
19 documents and/or clarification."

20 19. On or about January 16, 2020, Dan Williams sent an e-mail to the Bureau containing
21 W-2 forms and information related to a management contract paid to Tales, Inc., a property
22 management company owned 50% each by Joanne and Dan Williams. Dan Williams also stated
23 that he would have answers to the Bureau's December 26, 2019 letter by that weekend.

24 20. On or about January 23, 2020, Bureau staff sent a letter to Dan Williams requesting
25 that Williams provide: (1) state and federal tax returns for Williams and all businesses such that
26 she had an ownership interest for the years 2016, 2017, and 2018, including all schedules and
27 attachments; (2) Statement of Assets and Liabilities for the years ending December 31, 2017 and
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1 2018; and (3) Statement of Income and Expenses for the years ending December 31, 2017 and
2 2018. Bureau staff provided a deadline of February 2, 2020. Bureau staff also stated that it is
3 “unable to deem Williams’s supplemental information package complete until the requested
4 information is provided.”

5 21. On or about February 11, 2020, Bureau staff sent a “final notice” letter to Dan
6 Williams requesting that all outstanding information and/or documentation be provided by
7 February 18, 2020. Bureau staff included a copy of its January 23, 2020 letter. Bureau staff stated
8 “if the required information and/or documentation are not received, the Bureau will conclude the
9 investigation and submit its report and recommendation to the Commission.”

10 22. On or about February 18, 2020, Dan Williams e-mailed the Bureau that the
11 Williamses’ CPA was processing their tax returns from 2007-2018 and anticipated the
12 information would be completed in approximately five months. Dan Williams also provided an
13 explanation regarding their financial circumstances. Dan Williams stated that he was very ill from
14 approximately 2007-2010. The Williamses filed tax returns for those years but the returns
15 contained errors. During this time, the Williamses had state and federal tax liens filed against
16 them. Dan Williams stated that two state tax liens were paid off in total for \$23,000 and \$25,000,
17 and that one state tax lien remained for \$46,000. Dan Williams stated that they cannot settle the
18 tax liens until they have filed all required amended tax returns for 2007-2018. Dan Williams also
19 provided additional information related to their tax liens and an Income and Expenses statement.
20 According to the Bureau, the Income and Expenses statement was not correctly prepared.

21 23. On or about February 24, 2020, Dan Williams emailed the Bureau that the Williamses’
22 state tax lien is unable to be settled until the Williamses file all of their amended tax returns.

23 24. On or about March 5, 2020, Bureau staff sent an email to Dan Williams requesting: (1)
24 legible copies of Williams’s W-2s for the years 2016-2018; (2) 1099 forms for Tales, Inc.; (3)
25 personal and business balance sheets, income, and tax statements for the years 2017 and 2018
26 using the form provided by the Bureau; (4) an explanation as to why it will take five months for
27 the Williamses to file amended tax returns; and (5) a payment plan for their state tax lien and
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1 statement of outstanding balance for their federal tax lien. Bureau staff requested a response by
2 March 11, 2020.

3 25. On or about March 10, 2020, Dan Williams sent an e-mail to the Bureau. Dan
4 Williams resubmitted copies of Williams's W-2s, explained that there were no 1099 forms for
5 Tales, Inc., and provided the Income and Expenses statements for 2017 and 2018 using the
6 Bureau's forms. Dan Williams explained that they were spreading the payments to CPA Daniells
7 over five months because they could not afford to pay it all at once. Dan Williams also stated that
8 they could not make a payment plan for their state tax lien because the State of Hawaii is waiting
9 until the Williamses finish filing all of their amended tax returns before the State of Hawaii will
10 begin negotiations on the state tax lien.

11 26. On or about June 25, 2020, Bureau staff sent an email to Dan Williams requesting an
12 update on the status of the filing of their amended tax returns by July 2, 2020.

13 27. On or about June 29, 2020, Dan Williams sent an email to the Bureau providing that
14 the amended tax returns were not complete and requesting an extension. Dan Williams stated that
15 the State of Hawaii had been in lockdown since March 2020 due to COVID-19, which affected
16 their financial circumstances. He stated that he believes they can finish filing the amended tax
17 returns by December 31, 2020.

18 28. On or about June 30, 2020, Bureau staff emailed Dan Williams that they would
19 discuss his extension request with management.

20 29. On or about July 16, 2020, Bureau staff e-mailed Dan Williams that the Bureau would
21 be recommending the denial of Williams's Application because it had not received Williams's tax
22 returns and financial statements. Bureau staff informed Dan Williams that Williams could request
23 to withdraw her Application and reapply when she could submit a complete application package.

24 30. On or about July 20, 2020, Dan Williams sent an e-mail to the Bureau requesting an
25 extension of time until August 31, 2020 to file the amended tax returns. Dan Williams stated that
26 the Williamses would need to obtain a loan to complete the amended tax returns by August 31,
27 2020.

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1 31. On or about July 23, 2020, Bureau staff sent an email to Dan Williams that the Bureau
2 has granted a “final extension” to receive the required tax returns and other financial
3 documentation by close of business on August 31, 2020.

4 32. On or about December 7, 2020, Dan Williams sent an e-mail to the Bureau and
5 included a copy of a letter dated September 1, 2020 from CPA Daniells that was addressed to the
6 Bureau. In this letter, CPA Daniells stated that she is in the process of preparing tax returns for
7 Williams and Tales, Inc. for the years 2014 to current, and has already completed the years 2010-
8 2013. CPA Daniells also stated that the Williamses are faced with resort closure and financial
9 issues due to COVID-19. CPA Daniells estimated that she would have the amended tax returns
10 completed for the years 2014 to current by September 30, 2020. In his email, Dan Williams
11 informed the Bureau that CPA Daniells previously sent the letter to the Bureau; however, the
12 Bureau has no record of having previously received CPA Daniells’s September 1, 2020 letter.

13 33. On or about December 9, 2020, CPA Daniells sent a letter to the Bureau confirming
14 that she was in the process of preparing Williams’s and Tales, Inc.’s tax returns for the years 2013
15 to current. CPA Daniells stated that the corporate and individual tax returns for the years 2013
16 and 2014 are ready to be filed, that the tax returns for the years 2015 and 2016 should be
17 completed by the end of the next week, and that the tax returns for the years 2017 and 2018
18 should be completed by January 31, 2021.

19 34. On or about December 11, 2020, Dan Williams e-mailed the Bureau and provided a
20 notice from CPA Daniells indicating that the State of Hawaii had accepted a settlement in the
21 total amount of \$42,902.15 for the Williamses’ state tax lien, and that they will apply for an
22 equity line of credit to pay the outstanding balance. Dan Williams also requested another
23 extension from the Bureau. On or about December 14, 2020, Bureau staff sent an email to Dan
24 Williams acknowledging receipt of his December 11, 2020 email.

25 35. On or about December 13, 2020, Dan Williams sent the Bureau the letter dated
26 December 9, 2020 from CPA Daniells to the Bureau. Dan Williams also sent a letter stating that
27 the state tax lien has been settled and will be executed in 60 days as soon as loan documents are
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1 drawn up. In his letter, Dan Williams explained that he became very ill in 2007, and the
2 Williamses started incurring debts and got behind on their taxes. Despite these debts, the
3 Williamses decided not to file for bankruptcy. Dan Williams provided a Certificate of Release of
4 Federal Tax Lien from the IRS. Finally, Dan Williams requested a 60-day extension from the
5 Bureau. On or about December 14, 2020, Bureau staff sent an email to Dan Williams
6 acknowledging receipt of his letter.

7 36. On or about March 24, 2021, Dan Williams sent an email to the Bureau that included
8 the release of the state tax lien and stating that the 2016-2018 amended tax returns were complete
9 and ready to be signed.

10 **Williams's Testimony During the Evidentiary Hearing**

11 37. During the evidentiary hearing, Williams testified in detail regarding how Dan
12 Williams's illness affected them financially and resulted in them falling behind on their taxes. She
13 testified that COVID-19 and the State of Hawaii's closures to tourism also hurt them financially
14 and created significant obstacles to resolving their state and federal tax liens. She testified
15 regarding all of the actions they have taken to resolve their financial issues, including taking out
16 loans and selling their home in Hawaii, rather than filing for bankruptcy. Finally, she testified that
17 she did not disagree with the Bureau's statements that she failed to timely provide tax returns and
18 certain other financial information.

19 **Dan Williams's Testimony During the Evidentiary Hearing**

20 38. During the evidentiary hearing, Dan Williams also testified in detail regarding his
21 illness and how it negatively impacted the Williamses' financial situation. He testified that they
22 were starting to turn their financial situation around when COVID-19 hit and the State of Hawaii
23 closed to tourism. As a result of the loss of tourism and commerce, the Williamses' income was
24 severely reduced. He testified that they took out loans and sold their home in Hawaii to pay their
25 significant financial debts. He testified that they wanted to demonstrate that they pay their debts
26 rather than file bankruptcy. He testified that they have resolved their tax liens and paid off all of
27 their debts. Finally, Dan Williams also testified that he did not disagree with the Bureau's
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1 statements that Williams failed to timely provide tax returns and certain other financial
2 information.

3 **Christopher Walter's Testimony During the Evidentiary Hearing**

4 39. Christopher Walter (Walter), Staff Services Manager I with the Bureau's Licensing
5 Section, testified that the Bureau received documents from Williams subsequent to submitting its
6 background investigation report to the Commission. Walter testified that the submission of the
7 Bureau's background investigation report to the Commission terminates the application process.
8 Walter testified that the Williamses submitted tax returns for the years 2016-2018 but that they
9 were not signed or dated. Walter testified that Williams's balance sheets were still not complete,
10 and that the Income and Expenses financial statements for 2017 and 2018 were still missing.
11 Walter also testified that the Bureau would still need to analyze these financial statements prior to
12 making a determination and recommendation as to Williams's suitability. Finally, Walter testified
13 that the Bureau was unable to complete a full financial background investigation of Williams.

14 **Assessment of Williams's Suitability for Licensure**

15 40. The only area of concern regarding Williams's suitability for licensure is her failure to
16 provide accurate and complete financial information and documentation, including tax returns,
17 balance sheets, and Income and Expenses statements, to the Bureau to enable it to complete a full
18 financial background investigation.

19 41. Applications for licensure by the Commission are submitted on forms furnished by the
20 Bureau. An applicant for licensing shall make full and true disclosure of all information to the
21 Bureau and Commission as necessary to carry out the policies of this state relating to licensing
22 and the control of gambling. All of the information requested on the Application has been
23 considered through the legislative and regulatory processes and determined necessary in order for
24 the Commission to discharge its duties properly.

25 42. The application process commences with the Bureau's receipt of an application for
26 licensure or other approval by the Commission. As required by the Gambling Control Act, the
27 Bureau begins its background investigation of an applicant upon receipt of an application. The
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1 Bureau's background investigation does not conclude until it submits a background investigation
2 report to the applicant and the Commission, and has a pre-denial meeting with the applicant if
3 recommending denial. This process can continue beyond the date the Bureau submits its
4 background investigation report if the applicant provides, or the Bureau otherwise obtains,
5 additional information.

6 43. In addition to an applicant's responsibility in completing their application, an
7 applicant is required to provide timely, accurate, and complete responses to subsequent Bureau
8 inquiries in order for the Bureau to be able to complete its background investigation and issue its
9 background investigation report and recommendation to the applicant and the Commission. The
10 failure of an applicant to provide timely, accurate, and complete responses to Bureau inquiries
11 subverts the Bureau's efforts to conduct a thorough and complete investigation and can result in a
12 Bureau denial recommendation and/or Commission denial of an application.

13 44. The Bureau is required to conduct a thorough and complete review of an applicant's
14 financial history, among other things, to assess the applicant's suitability for licensure.

15 45. There were extenuating circumstances for Williams's inability to timely provide tax
16 returns and other financial information and documentation, starting with Dan Williams's illness,
17 which resulted in the Williamses falling behind on their taxes and incurring state and federal tax
18 liens. In order to resolve their state tax lien, the Williamses had to file amended tax returns for the
19 years 2007-2018. The Williamses' financial ability to do so was negatively impacted by COVID-
20 19 and the State of Hawaii's closures to tourism and commerce. Overall, the Williamses went to
21 significant lengths to address their state and federal tax liens, including taking out loans and
22 selling their home in Hawaii, and were able to fully resolve all of the tax liens.

23 46. During the application and background investigation process, Williams, often through
24 her designated agents, frequently provided updates regarding the filing of the Williamses'
25 amended tax returns and the status of the Williamses' state and federal tax liens. Williams also
26 attempted to provide complete and accurate financial statements.

27 47. However, the Bureau deemed Williams's Application complete on June 19, 2019.
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1 Despite all of the efforts made by Williams, and the Bureau's granting of several extensions of
2 time for Williams to submit complete tax and financial information, the Bureau was still missing
3 information it required to complete its financial review of Williams as recently as this evidentiary
4 hearing. Both Joanne and Dan Williams testified during this evidentiary hearing that they did not
5 disagree with the Bureau's statements that Williams failed to timely provide tax returns and
6 certain other financial information. Further, Walter testified that Williams's balance sheets were
7 still not complete, that the Income and Expenses financial statements for 2017 and 2018 were still
8 missing, and that the Bureau would still need to analyze these financial statements prior to
9 making a determination and recommendation as to Williams's suitability. Finally, Walter testified
10 that the Bureau was unable to complete a full financial background investigation of Williams.

11 48. Although there were credible extenuating circumstances for Williams's inability to
12 timely provide tax returns and other financial information and documentation, the Bureau still
13 requires this information to complete a full background investigation. Therefore, Williams's
14 failure to timely provide tax returns and other financial information and documentation is a
15 failure to provide information, documentation, and assurances required by the Gambling Control
16 Act and requested by the Bureau.

17 49. All documentary and testimonial evidence submitted by the parties that is not
18 specifically addressed in this Decision and Order was considered but not used by the Commission
19 in making its determination on Williams's Application.

20 50. The matter was submitted for Commission consideration on February 22, 2022.

21 LEGAL CONCLUSIONS

22 51. Division 1.5 of the Business and Professions Code, the provisions of which govern the
23 denial of licenses on various grounds, does not apply to licensure decisions made by the
24 Commission under the Gambling Control Act. Business and Professions Code section 476(a).

25 52. Public trust that permissible gambling will not endanger public health, safety, or
26 welfare requires that comprehensive measures be enacted to ensure that gambling is free from
27 criminal and corruptive elements, that it is conducted honestly and competitively, and that it is
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1 conducted in suitable locations. Business and Professions Code section 19801(g).

2 53. Public trust and confidence can only be maintained by strict and comprehensive
3 regulation of all persons, locations, practices, associations, and activities related to the operation
4 of lawful gambling establishments and the manufacture and distribution of permissible gambling
5 equipment. Business and Professions Code section 19801(h).

6 54. The Commission has the responsibility of assuring that licenses, approvals, and
7 permits are not issued to, or held by, unqualified or disqualified persons, or by persons whose
8 operations are conducted in a manner that is inimical to the public health, safety, or welfare.
9 Business and Professions Code section 19823(a)(1).

10 55. An “unqualified person” means a person who is found to be unqualified pursuant to
11 the criteria set forth in Section 19857, and “disqualified person” means a person who is found to
12 be disqualified pursuant to the criteria set forth in Section 19859. Business and Professions Code
13 section 19823(b).

14 56. The Commission has the power to deny any application for a license, permit, or
15 approval for any cause deemed reasonable by the Commission. Business and Professions Code
16 section 19824(b).

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

20 58. The burden of proving his or her qualifications to receive any license from the
21 Commission is on the applicant. Business and Professions Code section 19856(a).

22 59. An application to receive a license constitutes a request for a determination of the
23 applicant’s general character, integrity, and ability to participate in, engage in, or be associated
24 with, controlled gambling. Business and Professions Code section 19856(b).

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

3 61. The burden of proof is always on the applicant to prove his, her, or its
4 qualifications to receive any license or other approval under the Gambling Control Act. CCR
5 section 12060(j).

6 62. The Commission shall deny a license to any applicant who is disqualified for failure of
7 the applicant to provide information, documentation, and assurances required by this chapter or
8 requested by the chief, or failure of the applicant to reveal any fact material to qualification, or the
9 supplying of information that is untrue or misleading as to a material fact pertaining to the
10 qualification criteria. Business and Professions Code section 19859(b).

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

13 64. Williams failed to provide accurate and complete financial information and
14 documentation, including tax returns, balance sheets, and Income and Expenses statements, to the
15 Bureau to enable it to complete a full financial background investigation. As a result, Williams
16 failed to provide information, documentation, and assurances required by the Gambling Control
17 Act and/or requested by the Bureau. Therefore, Williams is disqualified from licensure pursuant
18 to Business and Professions Code section 19859(b), and her Application must be denied pursuant
19 to CCR section 12040(a)(2).

20 NOTICE OF APPLICANT’S APPEAL RIGHTS

21 Williams has the following appeal rights available under state law:

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

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

(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

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(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 does 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:

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 (e). 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. Joanne Williams’s Application for State Gambling License is DENIED.

2. Joanne Williams may immediately reapply for a State Gambling License as a contingent beneficiary of the Harris Revocable Trust of 1988, a shareholder of Commerce Club, Inc., the owner licensee dba Commerce Casino.

3. No costs are awarded.

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

This Order is effective on May 23, 2022.

Dated: 4/21/2022
Signature: 
38D9AB38C651466...
Paula LaBrie, Chair

Dated: 4/21/2022
Signature: 
3D1DB086F9274AA...
Cathleen Galgiani, Commissioner

Dated: 4/21/2022
Signature: 
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Eric Heins, Commissioner

Dated: 4/21/2022
Signature: 
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William Liu, Commissioner

Dated: 4/21/2022
Signature: 
14B4AD3B90F8462...
Edward Yee, Commissioner