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BEFORE THE
CALIFORNIA GAMBLING CONTROL COMMISSION

In the Matter of the Application for
Application for Initial Regular Work Permit
for:

Jensen Robert Wrona

Applicant.

CGCC Case No. CGCC-2018-0412-6B
BGC Case No. BGC-HQ2018-00023SL

DECISION AND ORDER

Hearing Date: December 7, 2018
Time: 1:30 p.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(b), in Sacramento, California, on December 7, 2018.

James G. Waian, Deputy Attorney General, State of California, represented complainant Stephanie Shimazu, Director of the Bureau of Gambling Control (Bureau), Department of Justice, State of California (Complainant).

Jensen Wrona (Applicant) was present at the hearing on his own behalf without representation.

During the evidentiary hearing, Presiding Officer Russell Johnson took official notice of the Notice and Agenda of Commission Hearing, Conclusion of Prehearing Conference Letter, Notice of Hearing with attachments, and Applicant's signed Notice of Defense.

During the administrative hearing, Presiding Officer Russell Johnson accepted into evidence the following exhibits offered by the Complainant as identified in their table of contents:

1) Statement of Reasons; Statement to Respondent; excerpt of the California Business and Professions Code and California Code of Regulations, Certificate of Service by Federal Express Overnight Delivery; and October 19, 2018, Certificate of Service by Federal Express Overnight Delivery, Bates Nos. 0001-0027;

2) April 24, 2018, Notice of Defense Signed by Jensen Wrona, Bates Nos. 0028-0030;

3) Notices from the California Gambling Control Commission:

a. June 1, 2018, Notice of Hearing, Bates Nos. 032-0034;

- 1 b. April 13, 2018, Referral of Initial Work Permit to an Evidentiary Hearing for
2 Jensen Wrona, Bates Nos. 0035-0036;
- 3 c. March 30, 2018, Notice of Scheduled Commission Meeting, Bates Nos. 0037;
- 4 d. February 1, 2018, Notice of Cancellation of Temporary Work Permit and
5 Interim Key Employee License, Bates Nos. 0038-0041;
- 6 e. June 23, 2017, Approval of Temporary Work Permit (GEWP-002615), Bates
7 Nos. 0042;
- 8 4) January 2, 2018, Work Permit Employee Background Investigation Report, Level III,
9 Bureau of Gambling Control, for Jensen Wrona, Bates Nos. 0043-0051;
- 10 5) August 23, 2017, Letter from Jeanine Velasquez, Manager, Cardroom Licensing
11 Section, Bureau of Gambling Control, to Jensen Wrona, Bates Nos. 0052-0054;
- 12 6) August 30, 2017, Statement from Jensen Wrona to the Bureau of Gambling Control,
13 Bates Nos. 0055-0056;
- 14 7) September 6, 2017, Statement from Jensen Wrona to the Bureau of Gambling Control,
15 Bates Nos. 0057-0058;
- 16 8) June 20, 2017, Application for Initial Regular Work Permit/Temporary Work Permit,
17 signed May 29, 2017 (including Work Permit Questionnaire, signed June 5, 2017) from Jensen
18 Wrona, Bates Nos. 0059-0068;
- 19 9) January 30, 2018, Appointment of Designated Agent form for Jensen Wrona, Bates
20 Nos. 0069-0070;
- 21 10) Copy of the court records in the case of *People of the State of California v. Jensen*
22 *Robert Wrona* (Super. Ct. San Luis Obispo County, 2003, Case No. M000340809), with request
23 letter from the Bureau of Gambling Control, Bates Nos. 0071-0074;
- 24 11) San Luis Obispo County Sheriff's Office booking report, Booking No. BK00280639,
25 Bates Nos. 0075-0087.

26 During the administrative hearing, Presiding Officer Russell Johnson accepted into
27 evidence the following exhibit offered by the Applicant:
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1 contributing to the delinquency of a minor.

2 7. On or about January 2, 2018, the Bureau submitted a Work Permit Employee
3 Background Investigation Report to the Commission recommending that the Application be
4 denied based on the allegation that Applicant provided false and misleading information to the
5 Bureau regarding his conviction.

6 8. According to the Bureau Report, Applicant's version of events as stated in his
7 August 30, 2017 letter, were inconsistent with what was contained in the police report obtained
8 by the Bureau.

9 9. Applicant's temporary work permit was cancelled on or about February 1, 2018,
10 pursuant to California Code of Regulations, title 4, section 12128, subdivision (b)(2).

11 10. On or about April 12, 2018, the Commission referred the determination of
12 Applicant's suitability to an evidentiary hearing, pursuant to California Code of Regulations, title
13 4, section 12060, subdivisions (a) and (b).

14 11. On or about April 24, 2018, Applicant submitted a Notice of Defense requesting
15 an evidentiary hearing.

16 12. At the evidentiary hearing on December 7, 2018, The Bureau admitted the police
17 report from the 2003 incident that resulted in Applicant's conviction for contributing to the
18 delinquency of a minor. According to the police report, on April 12, 2003, three juveniles
19 ordered entrees at a restaurant, ate the meals, and left without paying. One of the restaurant
20 employees identified Applicant as one of the juveniles who left the restaurant. A police officer
21 went to Applicant's house to question him regarding the unpaid restaurant bill. Applicant told the
22 police that he had forgotten his wallet and intended to return to the restaurant to pay. A minor was
23 present in Applicant's house when the police arrived. It was confirmed by police that the minor
24 was also one of the three individuals who had left the restaurant without paying the bill.
25 Additionally, the minor admitted to officers that she had smoked cannabis provided by Applicant
26 before police arrived. The officers found marijuana and other drug paraphernalia at Applicant's
27 residence.

1 13. Respondent testified at the hearing that at the time he responded to the Bureau's
2 August 23, 2017 inquiry, he had little memory of the events that resulted in his misdemeanor
3 conviction. Applicant testified that he called and spoke to a Bureau employee prior to submitting
4 his response, and explained that he was having difficulty recalling all of the details of the
5 incident. Applicant testified that he was told by the Bureau to provide as much information as he
6 could to the best of his memory.

7 14. Applicant testified that he did the best he could to recall the events leading to his
8 conviction and to provide the information to the Bureau.

9 15. Applicant testified that after reviewing the police report, he believed the
10 information contained in the police report regarding the events on April 12, 2003 were correct
11 and that the inconsistencies between the police report and his statement to the Bureau were a
12 result of his inability to recall the specific details of the incident. Applicant testified that in
13 retrospect, he should have obtained a copy of the report so that he could have provided more
14 detail in his response to the Bureau.

15 16. Applicant testified that he made several mistakes when he was a teenager.
16 However, after his arrest in April 2003, Applicant began pursuing changes that positively
17 impacted his life. Applicant moved back into his parent's home, earned his General Education
18 Diploma, and began working. Applicant testified that prior to this incident he had been estranged
19 from his father and this incident ultimately brought him closer to his family.

20 17. Applicant's response to the Bureau's August 23, 2017 inquiry was timely provided
21 and provided sufficient information for the Bureau to understand the nature of the incident so that
22 it could determine how to proceed with the investigation. While the information provided was not
23 entirely consistent with the police report, Applicant was forthcoming with the Bureau before
24 submitting his response that he did not have a good memory of the incident.

25 18. Applicant's testimony that he responded to the Bureau's request honestly and to
26 the best of his ability was credible.

27 19. Applicant's conviction occurred long ago, when he was eighteen years old.
28

1 Applicant has had a clean criminal record over the past ten years and appears to have matured
2 considerably since that time.

3 20. The letter of reference by Dora Brown, Exhibit A, admitted by Applicant, was
4 persuasive that Applicant was a valued employee at Outlaws Parlour. According to the letter, Ms.
5 Brown found Applicant to be honest, possess integrity, and he endeavored to learn the rules and
6 regulations governing gambling establishments.

7 21. Respondent was candid and forthcoming while testifying at the hearing.

8 22. There was no evidence presented that Respondent is ineligible for any of the
9 reasons provided in CCR section 12218.11.

10 23. All documentary and testimonial evidence submitted by the parties that is not
11 specifically addressed in this Decision and Order was considered but not used by the Commission
12 in making its determination on Respondent's Application.

13 24. The matter was submitted for Commission consideration on December 7, 2018.

14 LEGAL CONCLUSIONS

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

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

22 (3) At an evidentiary hearing pursuant to Business and Professions Code sections 19870
23 and 19871 and Title 4, CCR section 12060(b), the burden of proof rests with the applicant to
24 prove his qualifications to receive any license under the Gambling Control Act. Title 4, CCR
25 section 12060(i).

26 (4) The burden of proving his qualifications to receive any license from the Commission
27 is on the applicant. Business and Professions Code section 19856(a).

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

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

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

13 (8) An "unqualified person" means a person who is found to be unqualified pursuant to
14 the criteria set forth in Business and Professions Code section 19857, and "disqualified person"
15 means a person who is found to be disqualified pursuant to the criteria set forth in Business and
16 Professions Code section 19859. Business and Professions Code section 19823(b).

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

20 (10) 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 of good character,
22 honesty and integrity. Business and Professions Code section 19857(a).

23 (11) No gambling license shall be issued unless, based on all of the information and
24 documents submitted, the commission is satisfied that the applicant is a person whose prior
25 activities and criminal record, if any, reputation, habits, and associations do not pose a threat to
26 the public interest of this state, or to the effective regulation and control of controlled gambling,
27 or create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities
28

1 in the conduct of controlled gambling or in the carrying on of the business and financial
2 arrangements incidental thereto. Business and Professions Code section 19857(b).

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

8 (13) An application for a work permit shall be denied by the Commission if the applicant
9 meets any of the criteria for mandatory disqualification under Business and Professions Code
10 section 19859 or is found unqualified pursuant to the criteria set forth in subdivisions (a) or (b) of
11 Business and Professions Code section 19857. Title 4 CCR section 12105(a)(2).

12 (14) Applicant met his burden of demonstrating that he is a person of good character
13 honesty and integrity and that his past activities, habits, and associations do not pose a threat to
14 the public interest of this state, or to the effective regulation and control of controlled gambling,
15 or create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities
16 in the conduct of controlled gambling or in the carrying on of the business and financial
17 arrangements incidental thereto pursuant to Business and Professions Code section 19857 (a) and
18 (b) and CCR section 12105(a)(2).

19 (15) For the foregoing reasons, Applicant is qualified for a work permit under Business
20 and Professions Code section 19857 (a) and (b) and is disqualified for a work permit under
21 Business and Professions Code section 19859. Title 4 CCR section 12105(a)(2).

22 NOTICE OF APPLICANT'S APPEAL RIGHTS

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

24 Title 4, CCR section 12064, subsections (a) and (b) provide, in part:

25 An applicant denied a license, permit, registration, or finding of suitability, or whose
26 license, permit, registration, or finding of suitability has had conditions, restrictions,
27 or limitations imposed upon it, may request reconsideration by the Commission
28 within 30 calendar days of service of the decision, or before the effective date
specified in the decision, whichever is later. The request shall be made in writing to
the Commission, copied to the Bureau, and shall state the reasons for the request,

1 which must be based upon either newly discovered evidence or legal authorities that
2 could not reasonably have been presented before the Commission's issuance of the
3 decision or at the hearing on the matter, or upon other good cause which the
4 Commission may decide, in its sole discretion, merits reconsideration.

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

6 A decision of the commission denying a license or approval, or imposing any
7 condition or restriction on the grant of a license or approval may be reviewed by
8 petition pursuant to Section 1085 of the Code of Civil Procedure. Section 1094.5 of
9 the Code of Civil Procedure shall not apply to any judicial proceeding described in
10 the foregoing sentence, and the court may grant the petition only if the court finds
11 that the action of the commission was arbitrary and capricious, or that the action
12 exceeded the commission's jurisdiction.


13 Title 4, CCR section 12066, subsection (c) provides:

14 A decision of the Commission denying an application or imposing conditions on
15 license shall be subject to judicial review as provided in Business and Professions
16 Code section 19870, subdivision (e). Neither the right to petition for judicial review
17 nor the time for filing the petition shall be affected by failure to seek reconsideration.

18 ORDER

- 19 1. Jensen Robert Wrona's Application for Initial Regular Work Permit is
20 APPROVED.
21 2. No costs are to be awarded.
22 3. Each side to pay its own attorneys' fees.

23 This Order is effective on December 19, 2018.

24 Dated: 12/19/2018 Signature: 
25 Jim Evans, Chairman

26 Dated: 12/19/2018 Signature: 
27 Paula LaBrie, Commissioner

28 Dated: 12/19/2018 Signature: 
Gareth Lacy, Commissioner

Dated: 12/19/18 Signature: 
Trang To, Commissioner