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BEFORE THE
CALIFORNIA GAMBLING CONTROL COMMISSION

In the Matter of the Application for Work
Permit Renewal for:

BRANDT GOODWIN

Applicant.

CGCC Case No. CGCC-2022-0210-8
BGC Case No. BGC-HQ2022-00003SL

DECISION AND ORDER

Hearing Date: December 2, 2022
Time: 10:00 a.m.

This matter was heard by the California Gambling Control Commission (Commission) pursuant to Business and Professions Code sections¹ 19870 and 19871 and Title 4, California Code of Regulations (CCR) section 12060, in Sacramento, California, and held via Zoom video conference, on December 2, 2022.

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

Applicant Brandt Goodwin (Goodwin) appeared on his own behalf without representation.

During the evidentiary hearing, Presiding Officer Paras Modha (Presiding Officer) took official notice of 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 two attachments: (a) Goodwin’s Application for Work Permit Renewal and (b) the Bureau’s Work Permit Renewal Background Investigation Report, with attachments; the Bureau’s Statement of Reasons, and Goodwin’s signed Notice of Defense.

Pursuant to a stipulation between the parties, the Presiding Officer accepted into evidence Exhibits 1 through Exhibit 3 offered by the Bureau, which contain bates numbering BGC 0001-0164 with a Table of Contents that separately identifies each document.

The record closed and the matter was submitted on December 2, 2022.

¹ All references to statute refer to the California Business and Professions Code unless otherwise stated.

FINDINGS OF FACT

I. PROCEDURAL HISTORY

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4 1. On June 25, 2021, the Bureau received Goodwin's Application for Employee
5 Category License² and Work Permit Questionnaire (collectively, Application). The Application
6 indicated that Goodwin was employed as a dealer at Towers Casino and Card Room (Towers
7 Casino).

8 2. The Commission issued Goodwin a Temporary Work Permit No. GEWP-002653,
9 which at the time Goodwin submitted the Application was set to expire on September 30, 2021.
10 However, Goodwin's temporary work permit was twice extended by the Commission and
11 currently expires on March 31, 2022.

12 3. On or about November 22, 2022, the Commission received the Bureau's Work Permit
13 Renewal Background Investigation Report (Bureau Report) recommending that Goodwin's
14 Application be denied on the basis that he was convicted of a misdemeanor offense for cultivation
15 of marijuana, which the Bureau considers to be a crime involving moral turpitude.

16 4. At its February 10, 2022 meeting, the Commission referred consideration of
17 Goodwin's Application to a Gambling Control Act (GCA) evidentiary hearing to be held pursuant
18 to CCR section 12060.

19 5. On or about March 8, 2022, the Commission received a Notice of Defense form
20 signed by Goodwin and requesting an evidentiary hearing on the consideration of his Application.

21 6. On or about June 21, 2022, the Commission sent a Notice of Hearing to Goodwin and
22 DAG Freund providing that an evidentiary hearing would be held before the Commission on
23 December 2, 2022.

24 7. On September 8, 2022, the Commission received the Bureau's Statement of Reasons,
25 within which the Bureau requests that the Commission deny Goodwin's Application pursuant to

26 _____
27 ² Goodwin initially submitted an Application for Work Permit Renewal, which was received by
28 the Bureau on June 25, 2021. However, current Commission regulations require submission of the
Application for Employee Category License, which was later submitted by Goodwin and received by the
Bureau on July 16, 2021.

1 Sections 19859, subdivision (d), 19856, subdivision (a), and 19857, subdivision (b).

2 **II. GOODWIN’S EMPLOYMENT IN THE CONTROLLED GAMBLING INDUSTRY**

3 8. Goodwin testified that he began working in the controlled gambling industry in 2006.
4 Goodwin first worked at Deuces Wild and then at the Lucky Chances Casino.

5 9. Goodwin began working for Towers Casino in September 2011, and testified that he
6 has worked there on and off ever since.

7 10. On February 1, 2022, the owners of Towers Casino provided a character reference
8 letter concerning Goodwin to the Commission. The letter describes Goodwin as a valued
9 employee in his position as a card dealer.

10 11. The Bureau’s Report does not identify any derogatory information stemming from
11 Goodwin’s prior or current employment in the controlled gambling industry.

12 **III. GOODWIN’S CRIMINAL HISTORY**

13 **Goodwin’s Conviction**

14 12. On April 15, 2021, the Nevada County Superior Court convicted Goodwin on a plea
15 of nolo contendere, of violating California Health and Safety Code section 11358, subdivision (c),
16 misdemeanor cultivation of more than six marijuana plants. Goodwin disclosed the conviction on
17 his Application.

18 **Circumstances of Conviction**

19 13. During the course of the Bureau’s background investigation, Goodwin was asked to
20 provide a signed and dated statement explaining the circumstances leading to his arrest and
21 conviction.

22 14. On or about August 13, 2021, Goodwin provided a detailed and forthcoming statement
23 explaining to the Bureau the circumstances leading to his conviction.

24 15. During the course of the background investigation on the Application, the Bureau also
25 obtained the Nevada County Sheriff’s Office Incident Report, dated August 27, 2020 (Incident
26 Report), concerning the incident that led to Goodwin’s conviction. The Incident Report was
27 consistent with Goodwin’s August 2021 written statement to the Bureau, and with his testimony
28 at the hearing.

1 16. At the hearing, Goodwin testified that he purchased a residential property on 3.5 acres
2 in Nevada County in March 2020. The property was a fixer upper, with a lot of waste, garbage,
3 and debris to be removed. Goodwin intended to fix up the property and live in it with his son.

4 17. In March 2020, Towers Casino closed due to the Covid-19 pandemic. Goodwin
5 testified that in May 2020, he decided to grow marijuana on his property so that he had a way to
6 get income while the cardroom was closed. Goodwin did not do any research into the legality of
7 growing marijuana, but he had knowledge based on “word of mouth” and was aware that it was
8 illegal for him to grow more than six plants.

9 18. Goodwin testified that in May 2020, he began growing approximately 200 marijuana
10 plants from seeds. Goodwin began the grow operation in his existing shop, but also built and
11 completed a “hoop house” that he moved some of the plants to in July 2020. Goodwin also
12 installed a shade sail to block the view of his property from the main road, mainly to prevent
13 robbery.

14 19. Goodwin testified that a lot of the work he did to his shop and hoop house required
15 permits that he did not obtain. Goodwin was also aware that there was an avenue by which he
16 could get a permit to legally grow marijuana, but because of the cost, it “never would have
17 happened.”

18 20. Goodwin testified that in July 2020, he found a notice on his front gate from Nevada
19 County Marijuana Code Compliance asking him to call to schedule a physical inspection of the
20 property. Goodwin called and scheduled the inspection, but before it occurred, he moved his
21 marijuana plants off the property and removed the electrical and irrigation to the hoop house.
22 When Nevada County Marijuana Code Compliance agents came for the inspection, they walked
23 the outdoor portion of the property with Goodwin. The Agents saw that the hoop house was
24 empty and did not have a search warrant to investigate further.

25 21. Goodwin testified that on August 26, 2020, several agencies participated in a search of
26 his property pursuant to a search warrant executed by the Nevada County Sheriff’s Office. The
27 Incident Report identifies that agents from the California Department of Fish and Wildlife,
28

1 Nevada County Marijuana Code Compliance,³ and the California State Water Resources Control
2 Board were the other agencies present.

3 22. Goodwin testified that at the time the warrant was executed, he had approximately 200
4 of his own plants, and an additional 200 plants that belonged to a friend, on the property. None of
5 the plants were fully mature and all of them were destroyed by authorities during execution of the
6 search warrant, making Goodwin's investment in growing marijuana a total loss.

7 23. Goodwin testified that the California Department of Fish and Wildlife, California
8 State Water Resource Control Board, and Nevada County Marijuana Code Compliance all had
9 items he needed to correct on the property, such as removing a burn pile, spreading out two piles
10 of soil, removing the shade sail, and putting down straw waddles for erosion control. Goodwin
11 also removed the hoop house and a greenhouse that was in his shop. Goodwin came into full
12 compliance and underwent several inspections, including final inspections he requested to ensure
13 that he had properly corrected all violations.

14 24. Goodwin testified that he was originally charged with felony cultivation of cannabis.
15 However, the charge was reduced to a misdemeanor with no fines, jail, or probation. Goodwin
16 testified that the reduction was due to his cooperation with all involved agencies.

17 **RELEVANT STATUTORY AND REGULATORY PROVISIONS**

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

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

25 27. The Commission has the responsibility of assuring that licenses, approvals, and
26 permits are not issued to, or held by, unqualified or disqualified persons, or by persons whose

27 _____
28 ³ This agency is also referred to in documents admitted into evidence as Nevada County Cannabis
Compliance. However, the name used in the Incident Report will be used herein.

1 operations are conducted in a manner that is inimical to the public health, safety, or welfare.

2 Business and Professions Code section 19823(a)(1).

3 28. An “unqualified person” means a person who is found to be unqualified pursuant to
4 the criteria set forth in Section 19857, and “disqualified person” means a person who is found to
5 be disqualified pursuant to the criteria set forth in Section 19859. Business and Professions Code
6 section 19823(b).

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

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

13 31. The burden of proving his or her qualifications to receive any license or work permit
14 from the Commission is on the applicant. Business and Professions Code section 19856(a) and
15 CCR section 12060(i).

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

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

26 34. The commission shall deny a license to any applicant who is disqualified due to
27 conviction of the applicant for any misdemeanor involving dishonesty or moral turpitude within
28 the 10-year period immediately preceding the submission of the application, unless the applicant

1 has been granted relief pursuant to Section 1203.4, 1203.4a, or 1203.45 of the Penal Code.
2 Business and Professions Code section 19859(d).

3 35. An application for a renewal license will be denied if the Commission finds that the
4 applicant has not satisfied the requirements of Business and Professions Code sections 19857 or
5 19859. CCR sections 12040(a)(1)-(2). The definition of “renewal license” as used in Commission
6 regulations, is defined to include a renewal Commission work permit. CCR section 12002(am).

7 36. A “temporary license,” as used in Commission regulations, is defined to include a
8 temporary work permit. CCR section 12002(ao). Upon issuance or denial of a license or Commission
9 work permit by the Commission, the temporary license will become void and cannot be used
10 thereafter. CCR section 12122(a) and (d).

11 **ASSESSMENT OF SUITABILITY FOR LICENSURE**

12 37. There is a significant area of concern regarding Goodwin’s suitability for licensure
13 under Section 19857, subdivision (b), based on his very recent conviction for cultivation of
14 marijuana.

15 38. Goodwin knew there was a legal avenue for growing marijuana, but did not pursue or
16 even research that option due to the cost involved. Similarly, Goodwin knew that certain permits
17 were required before altering his shop and building the hoop house, but he chose not to apply for
18 them.

19 39. Also of concern is that Goodwin removed all plants from the property and altered the
20 hoop house prior the July 2020 inspection. Thus, not only did Goodwin avoid following legal
21 avenues for growing marijuana, he also sought to hide his illegal operation from regulators.

22 40. Working in the controlled gambling industry requires strict adherence with regulations
23 and the Gambling Control Act, as well as a willingness to be forthcoming and honest with
24 regulators regarding any potential violations. Additionally, to be qualified to work in the
25 controlled gambling industry, one must not deviate from laws for personal gain, for instance, by
26 facilitating or engaging in cheating. One should run towards regulation; not away from it. By not
27 adhering to laws concerning the cultivation of marijuana, and attempting to hide his indiscretions
28 from regulators, Goodwin has demonstrated that he is not currently qualified for a Commission

1 work permit.

2 41. The Commission believes that Goodwin’s recent willingness to disregard applicable
3 laws for financial gain poses a threat to the effective regulation and control of controlled
4 gambling, or creates or enhances the dangers of unsuitable, unfair, or illegal practices, methods,
5 and activities in the conduct of controlled gambling absent the additional passage of time and a
6 showing of rehabilitation.

7 42. The Bureau’s Statement of Reasons also alleges that Goodwin is not qualified for
8 licensure under Section 19857, subdivision (a), and is disqualified from licensure under Section
9 19859, subdivision (d), due to his conviction. The Bureau alleges that Goodwin’s conviction is a
10 crime involving moral turpitude and cited as authority, *People v. Gabriel* (2012) 206 Cal.App.4th
11 450. However, when the *Gabriel* decision was issued the violation and conviction of California
12 Health and Safety Code section 11358 was in *all* cases a felony. The statute was amended
13 substantially in 2017 to make some violations of California Health and Safety Code section
14 11358 a misdemeanor or even an infraction. Therefore, the Commission declines to consider
15 Goodwin’s 2020 misdemeanor conviction to be a crime involving moral turpitude based on the
16 *Gabriel* decision.

17 43. Further, due to the finding that Goodwin is not qualified for a work permit under
18 Business and Professions Code section 19857(b), the Commission declines to address Goodwin’s
19 qualifications under Section 19857, subdivision (a).

20 44. All documentary and testimonial evidence submitted by the parties that is not
21 specifically addressed in this Decision and Order was considered but not used by the Commission
22 in making its determination on Goodwin’s Application.

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NOTICE OF APPLICANT’S APPEAL RIGHTS

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Goodwin has the following appeal rights available under state law:

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

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

A decision of the commission 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 described in the foregoing sentence, 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, subdivision (c) provides, in part:

Neither the right to petition for judicial review nor the time for filing the petition shall be affected by failure to seek reconsideration.

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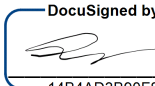
ORDER

- 1. Brandt Goodwin’s Application for a Work Permit is DENIED.
- 2. Brandt Goodwin’s Temporary Work Permit, Number GEWP-002653 is void and cannot be used hereafter.
- 3. No costs are awarded.
- 4. Each side to pay its own attorneys’ fees.

This Order is effective on March 13, 2023

Dated: 2/9/2023 Signature: 
DocuSigned by: 38D0AB38C651466...
 Paula LaBrie, Chair

Dated: 2/9/2023 Signature: 
DocuSigned by: 2B4CE9520F8845C...
 Eric Heins, Commissioner

Dated: 2/9/2023 Signature: 
DocuSigned by: 14B4AD3B90F8462...
 Edward Yee, Commissioner