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BEFORE THE

CALIFORNIA GAMBLING CONTROL COMMISSION

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

OUTLAWS 101, LLC
THOMAS BARTLETT, Member; and
JOHN WRONA, Managing Member

Respondents.

BGC Case No. BGC-HQ2020-00025SL
CGCC Case No. CGCC-2020-0924-5B

DECISION AND ORDER

Hearing Dates: March 22-23, 2021
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 March 22-23, 2021.

Colin Wood, Deputy Attorney General, State of California (DAG Wood), represented complainant Stephanie Shimazu, Director of the Bureau of Gambling Control (Bureau), Department of Justice, State of California.

Attorney Tracey Buck-Walsh (Attorney Buck-Walsh) represented Respondents Outlaws 101, LLC (Outlaws), Thomas Bartlett (Bartlett), Member, and John Wrona (Wrona), Managing Member (collectively Respondents).

During the evidentiary hearing, Presiding Officer Jason Pope took official notice of the Notice of Hearing with the Applications for State Gambling Licenses from Respondents, the Bureau’s Initial Background Investigation Report, the Bureau’s Addendum to Initial Background Investigation Report, the Bureau’s Statement of Particulars, the signed Notices of Defense from Respondents, and the Commission’s Conclusion of Prehearing Conference letter.

During the evidentiary hearing, Presiding Officer Jason Pope accepted into evidence the following exhibits offered by the Bureau:

- (1) Jurisdictional Documents: Statement to Applicants; Statement of

1 Particulars; copies of Bus. & Prof. Code, §§ 19870 & 19871; copy of Cal.
2 Code. Regs., tit. 4 § 12060; January 29, 2021 Declaration of Service by
3 Certified Mail Service; California Gambling Control Commission Referral
4 to Evidentiary Hearing; Notices of Defense for Outlaws 101, LLC, John
5 Wrona, and Thomas Bartlett, dated October 1, 2020; Appointments of
6 Designated Agent; Notice of Hearing, with attachments, Bates Nos.
7 BGC001-164;

- 8 (2) Application for State Gambling license for Outlaws 101, LLC;
9 Supplemental Information for State Gambling License; Application for
10 State Gambling License for John Wrona; Individual Supplemental
11 Background Investigation Information; Application for State Gambling
12 License for Thomas W. Bartlett; Individual Supplemental Background
13 Investigation Information, Bates Nos. BGC165-282;
- 14 (3) Bureau of Gambling Control Initial Background Investigation Report,
15 Level III, Outlaws Card Parlour, Outlaws 101, LLC, John Wrona,
16 Managing Member, Thomas Bartlett, Member, dated June 30, 2020, with
17 attachments, Bates Nos. BGC283-390;
- 18 (4) Bureau of Gambling Control Addendum to Initial Background
19 Investigation Report, dated September 14, 2020, Bates Nos. BGC391-393;
- 20 (5) Notices of Commission Meetings and Commission Staff Memoranda for
21 Commission Meetings on August 27, 2020 and September 24, 2021, Bates
22 Nos. BGC394-412;
- 23 (6) License history for License Number GEGE-001176 and Certification of
24 Official Records, Bates Nos. BGC413-414;
- 25 (7) Correspondence between Bureau of Gambling Control and Applicants
26 Related to Licensing, Bates Nos. BGC415-547;
- 27 (8) Bureau of Gambling Control Investigation Report Nos. 6 (April 16, 2019)
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1 and 7 (May 13, 2019) from Investigation Number BGC-LA2019-00004,
2 Bates Nos. BGC548-557;

3 (9) Bureau of Gambling Control Investigation Report Nos. 1 (April 18, 2019)
4 and 7 (May 13, 2019) from Investigation Number BGC-LA2019-00012,
5 Bates Nos. BGC558-567; and

6 (10) Surveillance Video Recording from Outlaws Card Parlour, dated March 17,
7 2019, Video.

8 During the evidentiary hearing, Presiding Officer Jason Pope accepted into evidence the
9 following exhibits offered by Respondents:

10 (A) March 18, 2019 BGC Incident Report filed by Outlaws Card Parlour, Bates
11 Nos. OUTLAWS001-003;

12 (B) [Exhibit Withdrawn]¹;

13 (C) April 17, 2019 California Gambling Control Commission Exclusion of
14 Unregistered Gambling Business Report for Oscar Jones, Bates Nos.
15 OUTLAWS022-023;

16 (D) March 3, 2021 Declaration of Dora Brown with Exhibits A and B, Bates
17 Nos. OUTLAWS024-029; and

18 (E) Audio of Interview with John Wrona.

19 The record was closed and the matter was submitted on March 23, 2021.

20 FINDINGS OF FACT

21 **Procedural History**

22 1. On or about May 3, 2017, the Bureau received an Application for State Gambling
23 License from Outlaws as the prospective owner licensee of Outlaws Card Parlour (OCP), a five-
24 table cardroom located in Atascadero. On or about April 19, 2017, the Bureau received
25 Applications for State Gambling Licenses from Bartlett and Wrona as Members of Outlaws and
26 endorsed licensees on the State Gambling License for Outlaws.

27 2. On or about July 1, 2020, the Commission received a Level III Initial Background

28 ¹ Respondents' Exhibit B was withdrawn and is not a part of the administrative record.

1 Investigation Report on Respondents from the Bureau. In this report, the Bureau recommends that
2 the Commission deny Respondents' Applications.

3 3. On or about September 14, 2020, the Commission received an addendum to
4 Background Investigation Report from the Bureau. In this addendum, the Bureau recommends
5 that the Commission approve Respondents' Applications subject to conditions.

6 4. On or about September 24, 2020, the Commission referred the consideration of
7 Respondents' Applications to a Gambling Control Act evidentiary hearing to be held pursuant to
8 CCR section 12060.

9 5. On or about October 1, 2020, the Commission received signed notices of defense from
10 Respondents requesting an evidentiary hearing on the consideration of their Applications.

11 6. On or about December 31, 2020, the Commission sent a Notice of Hearing, via e-mail,
12 to Attorney Buck-Walsh and DAG Wood. The hearing was set for March 22, 23, 24, and 26,
13 2021.

14 7. On or about January 29, 2021, the Bureau sent a Statement of Particulars to Attorney
15 Buck-Walsh via certified mail and e-mail. In the Statement of Particulars, the Bureau requests
16 that the Commission take such action as it may deem appropriate.

17 8. On or about February 2, 2021, the noticed Prehearing Conference was held before
18 Presiding Officer Jason Pope, Attorney III of the Commission. DAG Wood attended on behalf of
19 the Bureau. Attorney Buck-Walsh attended on behalf of Respondents. Wrona also attended.

20 9. On or about February 5, 2021, the Commission sent a Conclusion of Prehearing
21 Conference letter, via e-mail, to Attorney Buck-Walsh and DAG Wood.

22 10. The Commission heard this matter via Zoom video conference from March 22-23,
23 2021. The Bureau was represented by DAG Wood. Respondents were represented by Attorney
24 Buck-Walsh.

25 **Assessment of Suitability of Thomas Bartlett, Member of Outlaws**

26 11. Bartlett submitted a complete and accurate Application and Supplemental
27 Information Form to the Bureau. Neither Bartlett's Application nor the Bureau's background
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1 investigation revealed any derogatory information that would negatively impact his suitability for
2 licensure. Additionally, there was no evidence presented during the hearing of any derogatory
3 information that would negatively impact his suitability for licensure.

4 12. Based on the foregoing, Bartlett has met his burden of demonstrating that he is a
5 person of good character, honesty, and integrity.

6 13. Bartlett has also met his burden of demonstrating that he is a person whose prior
7 activities, criminal record, reputation, habits, and associations do not pose a threat to the public
8 interest of this state, or to the effective regulation and control of controlled gambling, or create or
9 enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the
10 conduct of controlled gambling on in the carrying on of the business and financial arrangements
11 incidental thereto.

12 **Assessment of Suitability for John Wrona, Managing Member of Outlaws**

13 14. Wrona is an owner and manager of the restaurant adjacent to OCP's gambling floor,
14 an owner of the land upon which OCP and the restaurant are located, and a regular patron of
15 OCP. During the evidentiary hearing, Wrona testified that he actively manages the restaurant and
16 is usually present six days per week.

17 15. Wrona submitted a complete and accurate Application and Supplemental Information
18 Form to the Bureau. Wrona's Application and Supplemental Information Form did not reveal any
19 derogatory information that would negatively impact his suitability for licensure.

20 16. As a result of the Bureau's background investigation, there are two issues of concern
21 regarding Wrona's suitability for licensure. The first concern involves an occasion in which
22 Wrona improperly entered the cage at OCP. The second concern involves an interaction between
23 Wrona and gambling enterprise employees regarding another patron's attempt to purchase chips
24 at OCP.

25 *First Concern: Improperly Entering the Cage*

26 17. Dan DeLaney (DeLaney) is a licensed key employee at OCP. DeLaney is responsible
27 for, among other things, ensuring that OCP employees comply with the Commission's regulations
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1 concerning Minimum Internal Control Standards (MICS) and OCP's policies and procedures
2 manual. During the evidentiary hearing, DeLaney testified that only licensed personnel are
3 allowed to enter the cage. In contrast, non-licensed personnel have to sign the cage entrance log
4 and could only be present in the cage when accompanied by a key employee.

5 18. On or about January 23, 2019, during a site visit to OCP, Bureau representatives
6 reviewed the cage entrance logs and saw that Wrona was listed on the cage log on January 16,
7 2019.

8 19. On or about April 9, 2019, Bureau Field Representative Rosa Medina interviewed
9 Wrona. In the interview, Wrona stated that he entered the cage twice over the last six months.
10 Wrona described the reasons for entering the cage as emergency situations. The first time he
11 entered the cage was to place a delinquent bill into a box located in the cage. He placed the bill
12 and then walked out. He estimated his time in the cage to be five seconds. This event occurred in
13 the morning and he does not believe anyone else was in the cage at that time. Wrona did not
14 recall whether he signed the cage log when he entered to place the delinquent bill inside, but
15 stated there was a good chance he signed it. The second time he entered the cage was to reset the
16 router after the Point of Sale (POS) and camera systems went down. Wrona stated that he signed
17 the cage log when he entered to reset the router. During the hearing, Wrona testified that he
18 believed there was a key employee present when he entered the cage to reset the router.

19 20. On or about July 2, 2019, Dora Brown, current owner of OCP, wrote a letter to the
20 Bureau stating, "Wrona acknowledges he did enter the cage, sign the Cage Log, and perform
21 urgent and necessary repairs to the wireless system controlling the POS system. This was
22 voluntarily disclosed to Field Representative Rosa Medina at meeting held on April 9, 2019."

23 21. Wrona violated OCP's policies and procedures when he entered the cage to place a
24 delinquent bill inside without a key employee present. This failure to follow OCP's policies and
25 procedures is a concern because compliance with a cardroom's policies and procedures are
26 necessary to protect the public and provide for the effective regulation and control of controlled
27 gambling. This concern is somewhat ameliorated by the fact that placing a delinquent bill inside
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1 the cage did not represent an intentional involvement in gambling operations.

2 22. The second occasion where Wrona entered the cage to reset the router does not rise to
3 the level of a clear violation of the cardroom's policies and procedures because he signed the cage
4 log, performed repair services unrelated to the function of the cage, and there was no evidence
5 presented that contradicts Wrona's belief that a key employee was present.

6 23. There was no other evidence presented that Wrona accessed the cage in violation of
7 OCP's policies and procedures. The two occasions where Wrona entered the cage, only one of
8 which is a clear violation of OCP's policies and procedures, are not enough to establish a pattern
9 or practice of unauthorized access to the cage. Wrona also demonstrated candor by disclosing to
10 Bureau Field Representative Rosa Medina that he had entered the cage on two occasions even
11 though one of the occasions was in violation of the cardroom's policies and procedures.

12 24. During the hearing, Wrona testified that the restaurant's office and OCP's cage were
13 technically the same room while the office was the size of a closet. To prevent any further issues
14 related to unauthorized access to the cage, Wrona had a wall built with a steel door between the
15 restaurant and the cage. This remedial effort to address issues related to unauthorized access to
16 the cage demonstrates an interest to ensure future compliance with OCP's policies and procedures
17 regarding cage operations.

18 25. Additionally, on or about July 1, 2019, Dora Brown wrote a letter to Wrona reminding
19 him that he is "prohibited from entering the cage at any time." Wrona acknowledged receipt of
20 the letter by signing it. There was no evidence presented that Wrona has entered OCP's cage
21 since the two occasions where Wrona placed a delinquent bill inside the cage and reset the router.

22 26. The fact that Wrona entered the cage on two occasions, once in violation of OCP's
23 policies and procedures, does not create any concern regarding his good character, honesty, or
24 integrity. However, the Commission finds it reasonable and appropriate to condition the approval
25 of Outlaws' initial state gambling license to protect the public and ensure the effective regulation
26 and control of controlled gambling through required compliance with the following condition
27 related to cage operations:
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1 **Condition 1:** Licensed cardroom staff may not allow unlicensed persons access to
2 the cage unless they have a legitimate business purpose, they are accompanied at
3 all times by an owner or key employee, and they have signed in on the cage log.

4 *Second Concern: Interaction With Gambling Enterprise Employees*

5 27. On or about March 18, 2019, DeLaney filed an Incident Report with the Bureau
6 regarding suspicious gambling activity at OCP. The dates of the incident are March 14, 15, and
7 17, 2019. The incident report provides that on March 14, 2019, a patron² presented himself at the
8 cage and bought \$20,000 in casino chips. During the hearing, Wrona testified that Jones's
9 purchase of \$20,000 in chips was out of the ordinary for OCP and that he had never seen a
10 transaction of that size. Wrona further testified that Jones's purchase of \$20,000 in chips created a
11 buzz in the cardroom.

12 28. Jensen Wrona is a licensed key employee at OCP and the son of Wrona. During the
13 hearing, Jensen Wrona testified that he called DeLaney on March 14, 2019 to notify him that
14 Jones was purchasing \$20,000 in chips. DeLaney testified that Jensen Wrona called him about
15 filing a CTR (currency transaction report) on Jones because of his purchase of \$20,000 in chips.

16 29. Jones announced that he was going to become a regular player/banker in the Pure 21
17 Blackjack game offered at OCP. Jones further announced to patrons and cardroom staff that he
18 had played in Las Vegas and was ejected from several casinos as he was a card counter. At the
19 end of the day, Jones cashed out \$11,127 in chips and maintained a player bank of \$10,000 in
20 chips.

21 30. Wrona testified that he was present and gambling at OCP on March 14, 2017. Jones
22 took a seat at the poker table next to Wrona. Wrona testified that he heard Jones talk about being
23 a blackjack card counter and that Jones was going to be there and start banking every day.

24 31. On the following day, March 15, 2019, DeLaney told Jones that OCP was not going to
25 honor his action until a discussion could be held with OCP's owner regarding Jones continuing as
26 a player/banker without a gambling license issued by the Commission. Jones then cashed out his
27 player bank of \$10,000 in chips. During the hearing, DeLaney testified that he called OCP's

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 ² The patron will hereinafter be referenced by his last name "Jones."

1 owner Dora Brown, who agreed with DeLaney's decision not to honor Jones's action. Dora
2 Brown submitted a signed Declaration dated March 3, 2021 that corroborates DeLaney's
3 testimony. In her Declaration, Dora Brown states that she discussed the matter with DeLaney and
4 agreed that OCP would not honor Jones's action unless he applied for and obtained the
5 appropriate license.

6 32. Wrona was also present at OCP on March 15, 2019. Wrona testified that he saw Jones
7 enter OCP and heard the conversation between Jones and DeLaney. Wrona testified that he heard
8 DeLaney tell Jones that he could not play blackjack and that OCP was not going to honor Jones's
9 action and let him bank.

10 33. On March 17, 2019, Jones returned to the cage at OCP and attempted to buy \$20,000
11 in chips to play and bank blackjack. Daniel McCallie (McCallie), a key employee with OCP, was
12 the cage cashier at this time. Wrona was present at OCP during the March 17, 2019 encounter
13 between Jones and McCallie. There was also surveillance video of the March 17, 2019 encounter
14 between Jones and McCallie.

15 34. The surveillance video shows Wrona interrupt the transaction where Jones was
16 attempting to buy \$20,000 in chips by signaling McCallie to following him. McCallie leaves the
17 cage to speak with Wrona without having finished the transaction. The conversation between
18 Wrona and McCallie is not audible because it occurred beyond the video surveillance camera's
19 microphone range. McCallie returns to the cage and asks Jones if he has spoken with OCP owner
20 Dora Brown. Dora Brown calls OCP and speaks with McCallie. After a discussion with Dora
21 Brown, McCallie then terminates the transaction and refuses to sell Jones any chips.

22 35. In her Declaration, Dora Brown states that on March 17, 2019, she received a phone
23 call informing her that Jones had returned to OCP and was attempting to exchange a large amount
24 of cash for chips in order to resume play in OCP's Pure 21.5 Blackjack game. Dora Brown does
25 not recall who called her. She then immediately called McCallie, an OCP employee who was
26 working as the cashier in the cage, and told him that OCP had already barred Jones from acting as
27 a player-dealer at OCP until Jones obtained the appropriate license. Dora Brown instructed
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1 McCallie to once again inform Jones of her decision.

2 36. During the hearing, Wrona testified that he saw Jones at the cage and got nervous
3 because he thought Jones was engaging in illegal activity. Wrona testified that he signaled
4 McCallie to follow him into the restaurant area and let McCallie know he needed to talk to
5 Brown. He could not recall what McCallie said in response. Wrona's testimony is credible and is
6 supported by the surveillance video footage.

7 37. Wrona also testified that he was not trying to direct cardroom actions. He testified that
8 he hoped that other patrons would bring issues to the attention of the cardroom owner.

9 38. Wrona's interruption of the chip transaction between Jones and McCallie was the only
10 evidence presented at the hearing that Wrona may have directed gambling enterprise employees
11 without a state gambling license in potential violation of the Gambling Control Act.

12 39. During an April 9, 2019 interview with Bureau Field Representative Rosa Medina,
13 Wrona stated that he is not involved in the operation of OCP, does not direct or supervise the
14 work of any gambling enterprise employee, and has never been involved in scheduling games or
15 promotions. During the hearing, Wrona testified that there has not been any situation where
16 gambling enterprise employees solicited or accepted direction from him. Wrona's testimony is
17 credible and supported by various Bureau reports and the testimony of DeLaney and Jensen
18 Wrona. Jensen Wrona testified that he has never seen Wrona give direction to him or any other
19 gambling enterprise employees. In a Bureau investigation report dated October 2, 2019, Bureau
20 Field Representative Rosa Medina states that the surveillance video of OCP on November 17,
21 2018 and January 10, 2019 did not show any gambling enterprise employee receive directions
22 from Wrona. The report also provided that gambling enterprise employee Kristopher Dearie
23 denied having received any directions from Wrona. During the hearing, DeLaney testified that he
24 never saw Wrona provide direction to cardroom employees.

25 40. Additionally, on or about July 1, 2019, Dora Brown wrote a letter to Wrona reminding
26 him that he is "prohibited from exercising any control over the operation of Outlaws or directing
27 any of Outlaws employees or employees of the TPPPS contractor." Wrona acknowledged receipt
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1 of the letter by signing it. There was no evidence presented of any occasions since receipt of the
2 letter from Dora Brown that Wrona has improperly exercised any control over the operation of
3 OCP or directed any OCP gambling enterprise employees or employees of the third-party
4 provider of proposition player services.

5 41. DeLaney testified that he has known Wrona for ten years, most of the interaction
6 occurring while Wrona played poker. He testified that Wrona is knowledgeable about poker
7 games and the industry. DeLaney described Wrona as a man of good character, honesty, and
8 integrity.

9 42. The fact that Wrona interrupted a chip transaction between a patron and a gambling
10 enterprise employee does not create any concern regarding his good character, honesty, or
11 integrity. However, the Commission finds it reasonable and appropriate to condition the approval
12 of Outlaws' initial state gambling license to protect the public and ensure the effective regulation
13 and control of controlled gambling through required compliance with the following condition
14 related to instruction and training of OCP's gambling enterprise employees regarding from whom
15 they may accept direction:

16 **Condition 2:** Within 90 days of assuming ownership, John Wrona must ensure
17 that all cardroom staff are trained on Sections 19850, 19855, and 19912 of the
18 Business and Professions Code and Sections 12381 and 12386 of Title 4 of the
19 California Code of Regulations. Training shall include, but is not limited to,
20 instructions that only licensed cardroom employees may provide direction
21 regarding gambling operations and that unlicensed persons are not allowed in the
22 cage except in compliance with Title 4, California Code of Regulations section
23 12386. Training must be conducted by Mr. Wrona, another owner, a
24 knowledgeable key employee, or a consultant, and must include written materials.
25 The written training materials, an agenda, and a sign-in sheet demonstrating
26 completion of the training must be sent to the Bureau and Commission within 90
27 days after training is conducted. Each new cardroom employee must receive, at a
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1 minimum, the written training materials within 30 days of their start date.

2 43. Based on the foregoing, Wrona has met his burden of demonstrating that he is a
3 person of good character, honesty, and integrity.

4 44. Wrona has also met his burden of demonstrating that he is a person whose prior
5 activities, criminal record, reputation, habits, and associations do not pose a threat to the public
6 interest of this state, or to the effective regulation and control of controlled gambling, or create or
7 enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the
8 conduct of controlled gambling on in the carrying on of the business and financial arrangements
9 incidental thereto.

10 **Assessment of Suitability for Outlaws 101, LLC**

11 45. Outlaws is a limited liability company with two members, Bartlett and Wrona, and is
12 the prospective owner licensee of OCP. Outlaws submitted a complete and accurate Application
13 and Supplemental Information Form to the Bureau. Outlaws' Application and Supplemental
14 Information Form did not reveal any derogatory information that would negatively impact its
15 suitability for licensure.

16 46. Both Bartlett and Wrona have met their respective burdens of demonstrating that they
17 are qualified to receive state gambling licenses and be endorsed on the state gambling license of
18 Outlaws. The only issues of concern relate to a single occasions where Wrona improperly entered
19 the cage at OCP and interrupted a transaction for the purchase of cardroom chips between a
20 patron and a gambling enterprise employee. These concerns are appropriately and reasonably
21 addressed through the Commission's conditioning of the state gambling license of Outlaws as
22 provided above and in the Order below.

23 47. Based on the foregoing, Outlaws has met its burden of demonstrating that it is a
24 person of good character, honesty, and integrity.

25 48. Outlaws has also met its burden of demonstrating that it is a person whose prior
26 activities, criminal record, reputation, habits, and associations do not pose a threat to the public
27 interest of this state, or to the effective regulation and control of controlled gambling, or create or
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1 enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the
2 conduct of controlled gambling on in the carrying on of the business and financial arrangements
3 incidental thereto.

4 49. All documentary and testimonial evidence submitted by the parties that is not
5 specifically addressed in this Decision and Order was considered but not used by the Commission
6 in making its determination on the Applications for state gambling licenses for Bartlett, Wrona,
7 and Outlaws.

8 50. The matter was submitted for Commission consideration on March 23, 2021.

9 LEGAL CONCLUSIONS

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

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

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

21 68. The Commission has the power to limit, condition, or restrict any license, permit, or
22 approval for any cause deemed reasonable by the Commission. Business and Professions Code
23 section 19824(b).

24 69. Every person who, either as owner, lessee, or employee, whether for hire or not, either
25 solely or in conjunction with others, deals, operates, carries on, conducts, maintains, or exposes
26 for play any controlled game in this state, or who receives, directly or indirectly, any
27 compensation, reward, or any percentage or share of the money or property played, for keeping,
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1 running, or carrying on any controlled game in this state, shall apply for and obtain from the
2 commission, and shall thereafter maintain, a valid state gambling license, key employee license,
3 or work permit, as specified in this chapter. Business and Professions Code section 19850.

4 70. If the owner of a gambling enterprise is a limited liability company, then the limited
5 liability company shall not be eligible for a state gambling license unless every officer, manager,
6 member, or owner individually applies for and obtains a state gambling license. Business and
7 Professions Code section 19852(f).

8 71. The burden of proving his or her qualifications to receive any license from the
9 Commission is on the applicant. Business and Professions Code section 19856(a). An application
10 to receive a license constitutes a request for a determination of the applicant's general character,
11 integrity, and ability to participate in, engage in, or be associated with, controlled gambling.
12 Business and Professions Code section 19856(b).

13 72. The burden of proof is always on the applicant to prove his, her, or its qualifications to
14 receive any license or other approval under the Gambling Control Act. CCR section 12060(i).

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

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

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

2 76. The Gambling Control Act is an exercise of the police power of the state for the
3 protection of health, safety, and welfare of the people of the State of California, and shall be
4 liberally construed to effectuate those purposes. Business and Professions Code section 19971.

5 77. An applicant demonstrates good character, honesty, and integrity through providing
6 accurate, complete, and truthful information on applications for licensure, in response to Bureau
7 inquiries, and while testifying at an evidentiary hearing. An absence of derogatory information on
8 an applicant's applications for licensure, in response to Bureau inquiries, while testifying at an
9 evidentiary hearing, and/or as a result of the Bureau's background investigation, reflect positively
10 on an applicant's suitability for licensure.

11 78. Bartlett submitted a complete and accurate Application and Supplemental
12 Information Form and there was no derogatory information that would negatively impact
13 Bartlett's suitability for licensure on his Application, Supplemental Information Form, or as a
14 result of the Bureau's background investigation. As a result, Bartlett has met his burden of
15 demonstrating the following:

- 16 (1) That he is a person of good character, honesty and integrity pursuant to
17 Business and Professions Code section 19857(a);
- 18 (2) That he is a person whose prior activities, reputation, habits, and associations
19 do not pose a threat to the public interest of this state, or to the effective
20 regulation and control of controlled gambling, or create or enhance the dangers
21 of unsuitable, unfair, or illegal practices, methods, and activities in the conduct
22 of controlled gambling or in the carrying on of the business and financial
23 arrangements incidental thereto pursuant to Business and Professions Code
24 section 19857(b);
- 25 (3) That he is a person that is in all other respects qualified to be licensed as
26 provided in the Gambling Control Act pursuant to Business and Professions
27 Code section 19857(c); and
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1 (4) That he is not disqualified from licensure pursuant to Business and Professions
2 Code section 19859.

3 Based on the foregoing, Bartlett is qualified to receive a state gambling license.

4 79. Wrona submitted a complete and accurate Application and Supplemental
5 Information Form. Wrona provided candid and credible testimony during the evidentiary hearing.
6 DeLaney testified that Wrona is a person of good character, honesty, and integrity. The only
7 derogatory information presented at the hearing regarding Wrona's suitability for licensure
8 involved a single occasion where Wrona improperly entered the cage in violation of OCP's
9 policies and procedures, and a separate occasion where Wrona interrupted a chip purchase
10 transaction between another patron and a gambling enterprise employee. These causes of concern
11 do not negatively impact Wrona's suitability for licensure, but for the protection of the public and
12 to ensure the effective regulation and control of controlled gambling, the Commission finds it
13 reasonable and appropriate to condition the approval of Outlaws' state gambling license as
14 provided herein. As a result, Wrona has met his burden of demonstrating the following:

- 15 (1) That he is a person of good character, honesty and integrity pursuant to
16 Business and Professions Code section 19857(a);
- 17 (2) That he is a person whose prior activities, reputation, habits, and associations
18 do not pose a threat to the public interest of this state, or to the effective
19 regulation and control of controlled gambling, or create or enhance the dangers
20 of unsuitable, unfair, or illegal practices, methods, and activities in the conduct
21 of controlled gambling or in the carrying on of the business and financial
22 arrangements incidental thereto pursuant to Business and Professions Code
23 section 19857(b);
- 24 (3) That he is a person that is in all other respects qualified to be licensed as
25 provided in the Gambling Control Act pursuant to Business and Professions
26 Code section 19857(c); and
- 27 (4) That he is not disqualified from licensure pursuant to Business and Professions
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Code section 19859.

Based on the foregoing, Wrona is qualified to receive a state gambling license.

80. Outlaws is owned by its two members, Bartlett and Wrona, both of whom are qualified to receive a state gambling license. The only issues of concern regarding Outlaws' suitability for licensure involve a single occasion where its member, Wrona, improperly entered the cage in violation of OCP's policies and procedures, and a separate occasion where Wrona interrupted a chip purchase transaction between another patron and a gambling enterprise employee. These issues of concern do not negatively impact Outlaws' suitability for licensure, but for the protection of the public and to ensure the effective regulation and control of controlled gambling, the Commission finds it reasonable and appropriate to condition the approval of Outlaws' state gambling license as provided herein. As a result, Outlaws has met its burden of demonstrating the following:

- (1) That it is a person of good character, honesty and integrity pursuant to Business and Professions Code section 19857(a);
- (2) That it is a person whose prior activities, reputation, habits, and associations do not pose a threat to the public interest of this state, or to the effective regulation and control of controlled gambling, or create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the conduct of controlled gambling or in the carrying on of the business and financial arrangements incidental thereto pursuant to Business and Professions Code section 19857(b);
- (3) That it is a person that is in all other respects qualified to be licensed as provided in the Gambling Control Act pursuant to Business and Professions Code section 19857(c); and
- (4) That it is not disqualified from licensure pursuant to Business and Professions Code section 19859.

Based on the foregoing, Outlaws is qualified to receive a state gambling license.

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NOTICE OF APPLICANT’S APPEAL RIGHTS

Outlaws has the following appeal rights available under state law:

CCR section 12064, subsections (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, subsection (c) provides:

A decision of the Commission denying an application or imposing conditions on license shall 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 shall be affected by failure to seek reconsideration.

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1 **ORDER**

2 1. Outlaws 101, LLC’s Application for State Gambling License is APPROVED WITH
3 CONDITIONS as follows:

4 **Condition 1:** Licensed cardroom staff may not allow unlicensed persons
5 access to the cage unless they have a legitimate business purposes, they are
6 accompanied at all times by an owner or key employee, and they have signed in on
7 the cage log.

8 **Condition 2:** Within 90 days of assuming ownership, John Wrona must
9 ensure that all cardroom staff are trained on Sections 19850, 19855, and 19912 of
10 the Business and Professions Code and Sections 12381 and 12386 of Title 4 of the
11 California Code of Regulations. Training shall include, but is not limited to,
12 instructions that only licensed cardroom employees may provide direction
13 regarding gambling operations and that unlicensed persons are not allowed in the
14 cage except in compliance with Title 4, California Code of Regulations section
15 12386. Training must be conducted by Mr. Wrona, another owner, a
16 knowledgeable key employee, or a consultant, and must include written materials.
17 The written training materials, an agenda, and a sign-in sheet demonstrating
18 completion of the training must be sent to the Bureau and Commission within 90
19 days after training is conducted. Each new cardroom employee must receive, at a
20 minimum, the written training materials within 30 days of their start date.

21 2. Thomas Bartlett’s Application for State Gambling License as Member and Endorsed
22 Licensee on the State Gambling License of Outlaws 101, LLC is APPROVED.

23 3. John Wrona’s Application for State Gambling License as Member and Endorsed
24 Licensee on the State Gambling License of Outlaws 101, LLC is APPROVED.

25 4. No costs are awarded.

26 5. Each side to pay its own attorneys’ fees.

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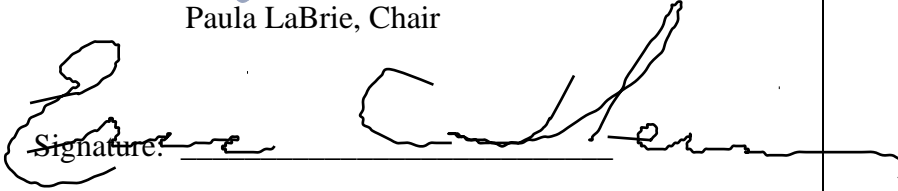
This Order is effective on June 21, 2021.

Dated: 5/20/21

Signature: 


Paula LaBrie, Chair

Dated: May 20, 2021

Signature: 

Eric Heins, Commissioner

Dated: 5/20/2021

Signature: 

Edward Yee, Commissioner