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BEFORE THE
CALIFORNIA GAMBLING CONTROL COMMISSION
STATE OF CALIFORNIA

**In the Matter of the First Amended
Accusation Against:**

FULL RACK ENTERTAINMENT INC.
**(GEOW-003303), doing business as Towers
Casino (GEGE-001318),**

JOHN ROBINSON (GEOW-003305),
shareholder and officer,

JAMEY ROBINSON (GEOW-003304),
shareholder and officer,

115 Bank Street, Grass Valley, CA 95945

Respondents.

BGC Case No. HQ2020-00002AC

OAH No.

**STIPULATED SETTLEMENT;
DECISION AND ORDER**

Hearing Dates: None Set

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PURPOSE OF THIS STIPULATED SETTLEMENT

This Stipulated Settlement resolves the First Amended Accusation (Charging Pleading), filed June 12, 2020, in the above-entitled matter. Respondents Full Rack Entertainment, Inc. (Corporation), doing business as Towers Casino (Towers), Jamey Robinson, and John Robinson (collectively, Respondents) hold gambling establishment owner licenses pursuant to the Gambling Control Act (Act) (Bus. & Prof. Code, § 19800 et seq.). This Stipulated Settlement resolves the Charging Pleading. The Charging Pleading alleges violations of, and seeks to discipline Respondents’ licenses under, the Act and the regulations adopted pursuant to the Act.

PARTIES

1. Stephanie Shimazu (Complainant) filed the Charging Pleading solely in her official capacity as Director of the California Department of Justice, Bureau of Gambling Control (Bureau).

2. The California Gambling Control Commission (Commission) issued gambling establishment owner licenses, license numbers GEOW-003304 and GEOW-003305, respectively, to Jamey Robinson and John Robinson (collectively, Robinsons). They each hold 50-percent interests in the Corporation, license number GEOW-003303, which owns and operates Towers, license number GEGE-001318. The Robinsons are both endorsed on Towers’ State Gambling License as the Corporation’s shareholders, directors, and officers.

JURISDICTION

3. On May 21, 2018, Complainant served an accusation, along with a Statement to Respondent (Gov. Code, § 11505, subd. (b)), Request for Discovery (Gov. Code, § 11597.6), copies of Government Code sections 11507.5, 11507.6 and 11507.7, and two copies of the Notice of Defense form (Gov. Code, §§ 11505 & 11506). On May 19, 2020, before serving these documents, Complainant issued an emergency order.

4. On June 11, 2020, Complainant served the Charging Pleading. On June 10, 2020, Complainant issued an amended emergency order.

5. Respondents served timely Notices of Defense to the Charging Pleading.

ADVISEMENT AND WAIVERS

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2 6. Each Respondent has carefully reviewed the legal and factual allegations in the
3 Charging Pleading. Each Respondent has also carefully reviewed this Stipulated Settlement.
4 Each Respondent has been advised, and warrants and represents that she, he, or it understands,
5 that she, he, or it has a right to an attorney at her, his, or its expense. Each Respondent warrants
6 and represents that she, he, or it has had the opportunity to consult with an attorney of her, his,
7 or its choice. Each Respondent further warrants and represents that she, he, or it has freely and
8 voluntarily elected not to engage an attorney and to represent herself, himself, or itself with
9 respect to this Stipulated Settlement. Each Respondent warrants and represents that she, he, or
10 it understands that the Bureau and the Commission are relying on the warranties and
11 representations contained in this Stipulated Settlement in entering into, and approving,
12 respectively, this Stipulated Settlement. Each Respondent fully understands the terms and
13 conditions contained within this Stipulated Settlement and the effects thereof.

14 7. Each Respondent is fully aware of her, his, or its legal rights in this matter,
15 including: the right to a hearing on all the allegations in the Charging Pleading; the right to be
16 represented by counsel of her, his, or its choice at her, his, or its own expense; the right to
17 confront and cross-examine the witnesses against her, him, or it; the right to present evidence
18 and testify on her, his, or its own behalf; the right to the issuance of subpoenas to compel the
19 attendance of witnesses and the production of documents; the right to apply for reconsideration
20 and court review of an adverse decision; and all other rights afforded by the California
21 Administrative Procedure Act (Gov. Code, § 11370 et seq.), the Act, and all other applicable
22 state and federal laws.

23 8. Each Respondent voluntarily, knowingly, and intelligently waives and gives up
24 each and every right set forth in paragraph 7 above, agrees not to request further hearing on the
25 Charging Pleading, and agrees to be bound by this Stipulated Settlement. Except as otherwise
26 provided herein, each Respondent further voluntarily, knowingly, and intelligently waives any
27 right to judicial, administrative, or other review of any matter related to or covered by this
28 Stipulated Settlement.



STIPULATED AGREEMENT OF SETTLEMENT

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2 9. For the purposes of resolving and settling the Charging Pleading and for any other
3 matter now and in the future involving the Commission, the Bureau, or licensed gambling, each
4 Respondent admits that the factual and legal allegations in, and supporting, the Charging
5 Pleading are true, accurate, and complete. Each Respondent further admits, and agrees, that
6 such facts establish that their licenses are subject to discipline.

7 10. Each Respondent understands and agrees that the admissions made in paragraph 9
8 above may be entered into evidence in any legal proceeding brought or prosecuted by the
9 Commission or the Bureau as if those admissions were made under oath and penalty of perjury.
10 The admissions made by Respondents herein are only for the purposes of this proceeding, or
11 any future proceedings in which the Bureau, the Commission, or any successor agency is
12 involved, and shall not be otherwise admissible in any criminal, civil, or unrelated
13 administrative proceeding.

14 11. Upon the effective date of the Decision and Order issued by the Commission
15 adopting this Stipulated Settlement (Effective Date), each Respondent's state gambling license
16 will be suspended for 12 months (Suspension Period). The suspensions, however, shall be
17 stayed provided that Respondents, and each of them, perform and comply with each and every
18 condition and term of this Stipulated Settlement. If the suspensions remain stayed in
19 accordance with this paragraph 11 for the entire Suspension Period, the suspensions shall be
20 deemed satisfied and shall expire at the end of the Suspension Period without any further order
21 by the Commission. In addition to and as part of their waivers set forth in paragraphs 7 and 8
22 above, each Respondent expressly, voluntarily, and knowingly waives any privilege or right
23 available under, or conferred by, Government Code section 11522.

24 12. Respondents, jointly and severally, agree to pay the Bureau monetary penalties in
25 the amount of \$3,085.00 (Penalties) for the acts and omissions alleged in the Charging Pleading
26 and admitted to in paragraphs 9 and 10 above. Respondents further agree that the Penalties
27 shall be paid in full within 45 days after the Effective Date. The Penalties will be deposited in
28 accordance with Business and Professions Code section 19950, subdivision (a).

1 13. Respondents have demonstrated, or proffered, certain mitigating factors including,
2 among others, cooperating with the Bureau with respect to its emergency order issued on May
3 19, 2020, and later amended, and with respect to the matters set forth in the Charging Pleading.
4 Based upon Respondents' demonstrated and proffered mitigation and as further consideration
5 for this Stipulated Settlement, Complainant waives her prayer for, or claim to, costs under
6 Business and Professions Code section 19930, subdivision (d).

7 14. During the Suspension Period, Respondents, jointly and severally, shall meet, or
8 perform, the following conditions:

9 a. Towers shall abide by all laws, regulations, and orders, including, without
10 limitation, any further orders and guidance from the California Department of Public
11 Health, the California Division of Occupational Safety and Health, the Commission, the
12 Bureau, and any other state or local agency. This specifically includes, but is not limited
13 to, any emergency regulations that may be adopted by the Commission with respect to
14 COVID-19.


15 b. Towers shall abide by and obey immediately any future order to cease or
16 modify its operations for public health reasons.

17 c. Respondents and Towers shall comply in all material respects with the Act,
18 the regulations adopted under the Act, the Penal Code, and any federal, state, or local
19 laws, ordinances, and regulations governing gambling or the operation of gambling
20 establishments.

21 15. Pending the Commission's adoption of this Stipulated Settlement, Respondents
22 shall comply in all respects with the conditions set forth in paragraph 14 above.

23 16. Respondents agree that it shall be a default under this Stipulated Settlement to (a)
24 fail to pay the Penalties when due or (b) otherwise fail to comply with any term or condition of
25 this Stipulated Settlement.

26 17. Respondents agree that upon a default during the Suspension Period, the stay shall
27 be lifted and any state gambling license issued by the Commission to them shall be deemed to
28 be suspended automatically and immediately and shall be of no effect for the remainder of the




1 Suspension Period. Each Respondent expressly waives any right to a hearing with respect to, or
2 arising out of, any license suspension based upon a default in paying the Penalties, based upon a
3 violation of a public health rule or regulation relating to COVID-19 during the Suspension
4 Period, or based upon the allegations of the Charging Pleading that are admitted to in
5 paragraphs 9 and 10 above. The parties understand and acknowledge that Respondents may
6 request a hearing as to any other basis for default.

7 18. If Respondents default in payment of any monies due under this Stipulated
8 Settlement in any way, Respondents agree that the Commission's Decision and Order adopting
9 the Stipulated Settlement may be presented to the Sacramento County Superior Court and, after
10 notice to Respondents and an opportunity to be heard, judgment entered thereon. Respondents
11 further agree that the judgment shall include interest, calculated at the maximum rate allowed
12 by law to accrue from the Effective Date. Respondents also agree that the judgment shall
13 include the Bureau's costs of obtaining, enforcing, and collecting the judgment. Costs shall
14 include reasonable attorney fees calculated at then-prevailing hourly rates for services provided
15 in the private sector for attorneys of comparable experience.

16 19. If the Suspension Period exceeds the term, or expiration date, of any license granted
17 and issued pursuant to this Stipulated Settlement, Respondents acknowledge and agree that any
18 renewal license granted by the Commission will require their continued compliance with this
19 Stipulated Settlement for the entire Suspension Period.

20 20. The parties agree that this Stipulated Settlement fully resolves their dispute
21 concerning the Charging Pleading, and that, except upon default, no additional penalties, fines,
22 and costs shall be sought against Respondents based solely upon the allegations contained
23 within the Charging Pleading.

24 21. This Stipulated Settlement shall be subject to adoption by the Commission.
25 Respondents understand and specifically agree that counsel for Complainant, and the Bureau's
26 staff, may communicate directly with the Commission regarding this Stipulated Settlement,
27 without notice to, or participation by, Respondents or their counsel, and that no such
28 communication shall be deemed a prohibited ex parte communication. Respondents



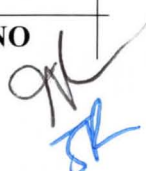
1 specifically acknowledge and agree that such communications are permissible pursuant to
2 Government Code section 11430.30, subdivision (b).

3 22. By signing this Stipulated Settlement, each Respondent understands and agrees that
4 she, he, or it may not withdraw her, his, or its agreement, or seek to rescind the Stipulated
5 Settlement, prior to the time the Commission considers and acts upon it. If the Commission
6 fails to adopt this Stipulated Settlement as its Decision and Order, this Stipulated Settlement
7 shall be of no force or effect and, except for actions taken pursuant to this paragraph and
8 paragraph 21 above, it shall be inadmissible in any legal action between the parties. The
9 Commission's failure to adopt the Stipulated Settlement shall not disqualify the Commission
10 from any further action regarding Respondents' licensure, including, but not limited to,
11 disposition of the Charging Pleading by a decision and order following a hearing on the merits.

12 23. This Stipulated Settlement may be executed in counterparts. The parties agree that
13 a photocopy, facsimile or electronic copy of this Stipulated Settlement, including copies with
14 signatures thereon, shall have the same force and effect as an original.

15 24. In consideration of the above admissions and stipulations, the parties agree that the
16 Commission may, without further notice or formal proceeding, issue and enter the Decision and
17 Order adopting this Stipulated Settlement.

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ACCEPTANCE

Each Respondent has carefully read and considered the above Stipulated Settlement, and has had an opportunity to discuss its terms and effects with legal counsel, consultant, or other person of their choosing, if applicable. Each Respondent also understands the Stipulated Settlement and the effects it will or may have on her, his, or its state gambling license. Each Respondent further understands that her, his, or its state gambling license will be suspended, subject to a 12-month stay and conditions. Respondents further understand that they, jointly and severally, will be obligated to pay the Bureau a total sum of \$3,085.00 in Penalties and that the failure to pay any portion of that amount when due, or to abide by the conditions and terms of the Stipulated Settlement, could result in lifting the stay and the immediate suspension of their state gambling licenses and have other effects. Each Respondent enters into this Stipulated Settlement voluntarily, knowingly and intelligently, and agrees to be bound by its terms.

Dated: August 27, 2020



Jamey Robinson
Respondent

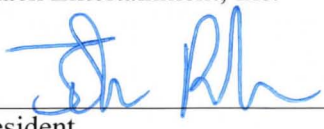
Dated: August 27, 2020



John Robinson
Respondent

Dated: August 27, 2020

Full Rack Entertainment, Inc.


By 

Its President
Respondent

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COMPLAINANT'S ACCEPTANCE

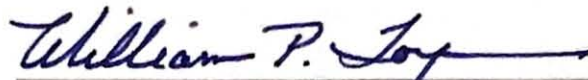
Dated: August 28, 2020


STEPHANIE SHIMAZU, Director
Bureau of Gambling Control
California Department of Justice

The foregoing Stipulated Settlement is hereby respectfully submitted for consideration by the California Gambling Control Commission.

Dated: August 28, 2020

XAVIER BECERRA
Attorney General of California
SARA J. DRAKE
Senior Assistant Attorney General
COLIN A. WOOD
Deputy Attorney General


WILLIAM P. TORNGREN
Supervising Deputy Attorney General
Attorneys for the Complainant

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DECISION AND ORDER OF THE COMMISSION

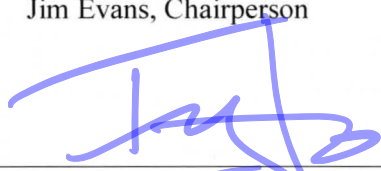
The California Gambling Control Commission hereby adopts the foregoing Stipulated Settlement of the parties for the case of *In the Matter of the First Amended Accusation Against: Full Rack Entertainment, Inc., etc., et al.*, BGC Case No. HQ2020-00002AC, as its final Decision and Order in the matter to be effective upon execution below by its members.

IT IS SO ORDERED

Dated: _____

Jim Evans, Chairperson

Dated: 11/5/20



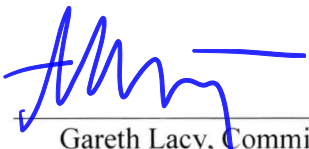
Trang To, Commissioner

Dated: 11/5/20



Paula LaBrie, Commissioner

Dated: 11/5/20



Gareth Lacy, Commissioner