

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

BEFORE THE
CALIFORNIA GAMBLING CONTROL COMMISSION

In the Matter of the Statement of Reasons for Denial of License Application and Cancellation of Registration Regarding:

RONALD MORRIS HELLEN Registration No. TPPL-010352

Respondent.

BGC Case No. HQ2015-00009SL
CGCC Case No. CGADS-TPPL-010352

DECISION AND ORDER

Hearing Date: March 16, 2016
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(b), in Sacramento, California, on March 16, 2016.

William Torngren, Deputy Attorney General, State of California, represented complainant Wayne J. Quint, Jr., Chief of the Bureau of Gambling Control (Bureau), Department of Justice, State of California.

Ronald Morris Hellen (Hellen) failed to appear and was not represented at the hearing.

During the administrative hearing, Presiding Officer Jason Pope took official notice of the following:

- (a) Application for Third-Party Proposition Player Services License (License Application) signed by Hellen on March 19, 2012;
- (b) Bureau's Third-Party Player Background Investigation Report dated December 23, 2014;

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

- (1) Statement of Reasons and Statement to Respondent, filed and served by the Bureau;
- (2) Commission letter dated November 2, 2015, regarding Notice of Hearing and Prehearing Conference and attachments including (1) Application, (2) Background Investigation Report, and (3) Proof of service;

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

- (3) Notice of Defense signed by Hellen on March 17, 2015;
- (4) Commission letter dated January 27, 2015, referring Hellen's License Application to an evidentiary hearing;
- (5) Bureau's Third-Party Player Background Investigation Report dated December 23, 2014;
- (6) Bureau Phone Contact Sheet with Ventura County Superior Court dated December 18, 2014;
- (7) Bureau's Recommendation for Denial letter dated November 24, 2014;
- (8) Bureau Phone Contact Sheet with Ventura County Superior Court dated November 6, 2014;
- (9) Email correspondence dated October 1, 2014, between Bureau licensing staff and Hellen regarding his military discharge;
- (10) Los Angeles County Superior Court Certificate of Clerk re: Name Search Results dated September 3, 2014;
- (11) Documents regarding the Los Angeles County Superior Court case, *The People of the State of California v. Ronald Morris Hellen III (People v. Hellen)*, Case No. 1BR00689;
- (12) Documents regarding the Los Angeles County Superior Court case, *People v. Hellen*, Case No. 7GN01100;
- (13) Documents regarding the Los Angeles County Superior Court case, *People v. Hellen*, Case No. 7GN00541;
- (14) Burbank Police Report, No. 07-012116, dated November 24, 2007;
- (15) Glendale Police Department Incident Reports, No. 06-23408, dated December 31, 2006, January 10, 2007, and November 24, 2007;
- (16) Ventura County Superior Court Minute Order, October 13, 2005, *People v. Hellen*, Case No. 2005025832MA;
- (17) Bureau Phone Contact Sheet with New York State Department of Motor

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

- Vehicles dated August 27, 2014;
- (18) Bureau Phone Contact Sheet with Los Angeles County Superior Court Traffic Division dated August 26, 2014, with email and payment attachments for Case No. G226620;
 - (19) Email correspondence between Bureau licensing staff and Hellen regarding status of fine payments owed to Ventura County Superior Court;
 - (20) Application for Third Party Proposition Player Services Registration dated January 3, 2014;
 - (21) Bureau Phone Contact Sheet with Ventura County Superior Court dated December 30, 2013;
 - (22) Bureau Phone Contact Sheet with Ventura County Superior Court, dated December 11, 2013;
 - (23) Email correspondence between Bureau licensing staff and Hellen regarding requested court information dated December 4, 2013;
 - (24) Email correspondence between Bureau licensing staff and Hellen regarding military discharge dated October 25, 2013;
 - (25) Communications regarding Bureau's request for additional information from Hellen;
 - (26) Gardena Police Department Gaming Verification letter with attachment dated August 22, 2013;
 - (27) Addendum to Hellen's Level I Supplemental Information Packet for his License Application, signed by Hellen on April 10, 2012;
 - (28) Hellen's License Application dated March 19, 2012;
 - (29) Gardena Police Department Crime/Arrest Report No. 15-3160, dated May 21, 2015;

The matter was submitted on March 16, 2016.

///

FINDINGS OF FACT

1
2 1. Hellen holds a registration as a third-party proposition player, registration number
3 TPPL-010352.

4 2. Hellen worked as a third-party proposition player for PT Gaming, LLC, a provider
5 of third-party proposition player services licensed by the Commission.

6 3. In approximately August 2005, a complaint was filed in Ventura County Superior
7 Court in *People v. Hellen*, Case No. 2005025832MA, alleging that Hellen violated California
8 Vehicle Code sections 23152(a) driving under the influence of alcohol, and 23152(b), driving
9 with a blood alcohol limit higher than .08% (DUI Case). Hellen's arraignment was calendared
10 for August 30, 2005.

11 4. On August 30, 2005, Hellen failed to appear for the arraignment in his DUI Case
12 and a bench warrant was issued. The bench warrant was vacated on August 31, 2005.

13 5. On or about October 13, 2005, Hellen was convicted in his DUI Case of California
14 Vehicle Code section 23152(b), driving with a blood alcohol limit higher than .08%, a
15 misdemeanor. Hellen was released on probation for 36 months and ordered to report immediately
16 to the First Offender Program for 90 days and pay a fine of \$2,803, amongst other terms.

17 6. On or about November 21, 2005, Hellen made a payment of \$150 towards the fine
18 owed in his DUI Case. Hellen made a second payment of \$26.17 on or about November 14,
19 2007.

20 7. On or about January 24, 2007, a complaint was filed in *People v. Hellen*, Los
21 Angeles County Superior Court Case No. 7GN00541, charging Hellen with two misdemeanor
22 counts for violation of California Vehicle Code sections 12500(A), driving without a license, and
23 section 4462.5, avoiding registration compliance (Unlicensed/Unregistered Driving Case).
24 Hellen's arraignment was set for February 7, 2007.

25 8. On or about February 7, 2007, Hellen failed to appear at the arraignment in his
26 Unlicensed/Unregistered Driving Case. A bench warrant was issued and bail was set at \$20,000.

27 9. On or about February 20, 2007, a complaint was filed in *People v. Hellen*, Los
28

1 Angeles County Superior Court Case No. 7GN01100, charging Hellen with one count for
2 violation of California Penal Code section 591.5, obstructing the use of a wireless
3 communications device, a misdemeanor (Public Fighting Case). Hellen's arraignment was set for
4 March 15, 2007.

5 10. On or about March 15, 2007, Hellen failed to appear at the arraignment in his
6 Public Fighting Case. A bench warrant was issued and bail was set for \$5,000.

7 11. On or about November 24, 2007, Hellen was cited under California Health and
8 Safety Code section 11357(b) for possession of not more than 28.5 grams of marijuana, an
9 infraction.

10 12. On or about November 26, 2007, Hellen was taken into custody and a bench
11 warrant hearing was held in Los Angeles County Superior Court in Hellen's Public Fighting Case
12 and Unlicensed/Unregistered Driving Case.

13 13. On or about November 26, 2007, the complaint in Hellen's Public Fighting Case
14 was amended to add a second count for violation of California Penal Code section 415, fighting in
15 a public place, an infraction.

16 14. On or about November 26, 2007, the complaint in Hellen's
17 Unlicensed/Unregistered Driving Case was amended to reduce count one for driving without a
18 license from a misdemeanor to an infraction.

19 15. On or about November 26, 2007, Hellen was convicted in his Public Fighting Case
20 of count two, violation of Penal Code section 415, fighting in a public place, an infraction.¹ The
21 bench warrant in the amount of \$5,000 was recalled. All fines and fees were ordered suspended in
22 lieu of 2 days custody credit.

23 16. On or about November 26, 2007, Hellen was convicted in his
24 Unlicensed/Unregistered Driving Case of violating California Vehicle Code section 12500(A),
25 driving without a license, an infraction. The bench warrant in the amount of \$20,000 was recalled.
26 All fines and fees were ordered suspended in lieu of 1 day of custody credit.

27 _____
28 ¹ Count One was dismissed pursuant to a plea negotiation.

1 17. On or about May 5, 2011 Hellen was convicted in *People v. Hellen*, Los Angeles
2 County Superior Court, Case No. 1BR00689, of violating Burbank Municipal Code section 5-3-
3 205, unlawfully shooting a bow and arrow within 300 feet of a dwelling, an infraction (Bow and
4 Arrow Case).

5 18. On or about May 16, 2012, the Bureau received Hellen's License Application and
6 a Level I Supplemental Information Form executed on March 19, 2012.

7 19. Hellen indicated on his Level I Supplemental Information form that between
8 December 2001 and December 2005 he was in the United States Navy and his reason for leaving
9 was "enlistment completed."

10 20. Hellen also indicated on his Level I Supplemental Information form that he had
11 been convicted of two misdemeanors, a "D.U.I." in August 2005 and "use of bow and arrow
12 outside certified range" in February 2011, which was reduced to an infraction.

13 21. Hellen signed the Application Level I Supplemental Information form under
14 penalty of perjury on March 21, 2012 and submitted it to the Bureau.

15 22. On or about April 10, 2012, Hellen sent the Bureau revised pages 6 and 8 of the
16 Supplemental Level I form signed under penalty of perjury. The revised pages disclosed three
17 additional infractions for driving without a license, possession of marijuana, and disturbing the
18 peace. Hellen also included a written statement indicating that he left the Navy because he was
19 denied a request to deploy to Iraq due to a medical allergy.

20 23. On or about March 18, 2013, Bureau licensing staff emailed Hellen to request a
21 statement regarding the conviction in his Bow and Arrow Case and to inquire whether he paid the
22 fine and completed the First Offender program required by the conviction in his DUI Case.

23 24. On or about October 25, 2013, Bureau licensing staff emailed Hellen to request a
24 detailed statement regarding the circumstances surrounding his discharge from the Navy.

25 25. On or about October 30, 2013, Hellen responded by email to Bureau licensing staff
26 that the circumstances surrounding his military discharge were that he "opted for a fast and
27 speedy discharge" because he would not be allowed the opportunity to deploy to Iraq or
28

1 Afghanistan due to a medical allergy.

2 26. On or about January 21, 2014, The Bureau received Hellen's Application for
3 Third Party Proposition Player Services Registration and Supplemental Information form
4 executed on January 3, 2014.

5 27. The Bureau issued the Registration to Respondent and he presently holds Third
6 Party Proposition Player Registration No. TPPL-010352.

7 28. On or about March 21, 2014, Hellen emailed Bureau licensing staff to provide
8 additional information regarding the conviction in his Bow and Arrow Case. Hellen stated: "...I
9 was in the confines of my backyard, sampling the bow which was owned by my roommate. My
10 neighbor called the police once witnessing the trial of the device in my yard..." Hellen also
11 stated that he had not paid the outstanding fines associated with his DUI Case or completed the
12 First Offender course.

13 29. On or about August 24, 2014, Hellen emailed Bureau licensing staff to confirm
14 that he had not completed the First Offender Course. Hellen also stated that he was not aware of
15 any existing fines in relation to his DUI Case. On August 25, 2014, Bureau licensing staff
16 notified Hellen by email that \$2,626.83 was outstanding in relation to his DUI Case.

17 30. On or about September 10, 2014, the Bureau received a copy of the police report
18 from Burbank Police Department regarding Hellen's arrest in the Bow and Arrow Case. The
19 police report states that on February 1, 2011, Hellen shot an arrow through his neighbor's
20 window, shattering the window and lodging the arrow into his neighbor's bedroom wall. When
21 officers interviewed Hellen about the incident on January 31, 2011, Hellen claimed to have no
22 knowledge of the arrow being shot through his neighbor's window. Hellen claimed that his friend
23 shot the arrow. On February 10, 2011, Officers confirmed that Hellen's friend had been in Iraq
24 since January 29, 2011 and therefore could not have shot the arrow. On February 15, 2011,
25 Hellen was placed under arrest for an existing misdemeanor Burbank warrant.² While in custody,
26 Hellen admitted to officers that he shot the arrow at issue.

27 ² No evidence was admitted that identified the circumstances or charges relating to the
28 misdemeanor Burbank warrant referenced in the police report.

1 31. On or about October 10, 2014, Hellen responded to an email from Bureau
2 licensing staff requesting additional information regarding his military discharge. Hellen stated
3 that he was absent without leave (AWOL) after walking out of a field exercise in California so
4 that he could go to New York to see his mother, who had cancer. Hellen was AWOL for
5 approximately one week and thereafter opted for a discharge in lieu of court martial for the
6 AWOL.

7 32. On November 6, 2014 and December 18, 2014, Bureau licensing staff called the
8 Ventura County Superior Court and confirmed that Hellen had not made a payment since 2007
9 towards the fine owed in relation to the conviction in his DUI Case, and a balance of \$2,626.83
10 was owed.

11 33. On or about December 23, 2014, the Bureau submitted to the Commission a Third-
12 Party Provider of Proposition Player Services Background Investigation Report, Level III,
13 recommending that Hellen's application for licensure be denied.

14 34. On or about January 27, 2015, The Commission's Executive Director referred
15 consideration of Hellen's suitability for licensure to an evidentiary hearing.

16 35. On or about March 17, 2015, The Commission received Hellen's Notice of
17 Defense requesting an evidentiary hearing to consider his suitability for licensure.

18 36. On or about May 21, 2015, Hellen was arrested by the Gardena Police Department
19 for an alleged battery against his roommate.

20 37. On or about November 2, 2015, the Commission served a Notice of Hearing and
21 Prehearing Conference on Hellen, David Tierney of PT Gaming, LLC, and the Bureau.

22 38. On or about January 14, 2016, the Bureau filed a Statement of Reasons with the
23 Commission recommending the denial of Hellen's Application. A copy was served on Hellen by
24 certified mail.

25 39. The Commission heard Case No. CGADS-TPPL-010352 on March 16, 2016. The
26 Bureau was represented throughout the pendency of the hearing by Deputy Attorney General
27 William Torngren. Hellen failed to appear throughout the pendency of the hearing or make any
28

1 contact with the Commission or the Bureau.

2 40. The failure of an applicant to attend the hearing on his or her application may
3 affect the applicant's ability to apply for and/or receive a work permit, registration or license from
4 the Commission and/or from other jurisdictions.

5 41. Failing to attend the hearing, Helen did not present or submit any information or
6 evidence in favor of granting his Application.

7 42. The matter was submitted for Commission consideration on March 16, 2016.

8 LEGAL CONCLUSIONS

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

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

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

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

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

25 6. In reviewing an application for any license, the Commission shall consider whether
26 issuance of the license is inimical to public health, safety, or welfare, and whether issuance of the
27 license will undermine public trust that the gambling operations with respect to which the license
28

1 would be issued are free from criminal and dishonest elements and would be conducted honestly.
2 Business and Professions Code section 19856(c).

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

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

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

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

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

24 12. The Commission shall deny a license to any applicant who is disqualified for
25 failure of the applicant to provide information, documentation, and assurances required by this
26 chapter or requested by the chief, or failure of the applicant to reveal any fact material to
27 qualification, or the supplying of information that is untrue or misleading as to a material fact
28

1 pertaining to the qualification criteria. Business and Professions Code section 19859(b)

2 13. An applicant shall be ineligible for registration if the application is for registration
3 as an owner, supervisor, or player, and the applicant has been subject to a final administrative or
4 judicial adjudication revoking a registration under Chapter 2.1 of Division 18 of Title 4 of the
5 California Code of Regulations or a state gambling license, key employee license, work permit,
6 finding of suitability or has had an application denied under Chapter 2.1 of Division 18 of Title 4
7 of the California Code of Regulations or the [Gambling Control] Act. Title 4, CCR section
8 12204(d).

9 14. Any regular registration issued in accordance with Chapter 2.1 of Division 18 of
10 Title 4 of the California Code of Regulations shall be subject to cancellation if the Commission
11 determines after a noticed hearing that the registrant is ineligible for registration, has failed in the
12 application for registration to reveal any fact material to the holder's qualification for registration,
13 or has supplied information in the registration application that is untrue or misleading as to a
14 material fact pertaining to the criteria for issuance of registration. Title 4, CCR section 12205(a).

15 15. A requestor shall be ineligible for licensing if the request to convert is for licensing
16 as an owner, supervisor, or player, the requestor has been subject to a final administrative or
17 judicial adjudication revoking a registration or license under Chapter 2.1 of Division 18 of Title 4
18 of the California Code of Regulations or a state gambling license, key employee license, work
19 permit or finding of suitability or has had an application denied under Chapter 2.1 of Division 18
20 of Title 4 of the California Code of Regulations or the [Gambling Control] Act. Title 4, CCR
21 section 12218.11(d).

22 16. A requestor shall be ineligible for licensing if the requestor has failed to meet the
23 requirements of Business and Professions Code sections 19856 or 19857. Title 4, CCR section
24 12218.11(e).

25 17. A requestor shall be ineligible for licensing if the requestor would be ineligible for
26 a state gambling license under any of the criteria set forth in Business and Professions Code
27 section 19859, subdivisions (b), (e), or (f). Title 4, CCR section 12218.11(f).

28

1 18. Hellen did not meet his burden of proving that he is a person of good character,
2 honesty, and integrity. Therefore, Hellen is unqualified for licensure pursuant to Business and
3 Professions Code section 19857(a) and ineligible for licensing as a third-party provider of
4 proposition player services pursuant to Title 4, CCR section 12218.11(e).

5 19. Hellen failed to meet his burden of demonstrating that he is a person whose prior
6 activities, habits, and associations do not pose a threat to the public interest of this state, or to the
7 effective regulation and control of controlled gambling, or create or enhance the dangers of
8 unsuitable, unfair, or illegal practices, methods, and activities in the conduct of controlled
9 gambling or in the carrying on of the business and financial arrangements incidental thereto.
10 Therefore, Hellen is unqualified for licensure pursuant to Business and Professions Code section
11 19857(b) and ineligible for licensing as a third-party provider of proposition player services
12 pursuant to Title 4, CCR section 12218.11(e).

13 20. Hellen failed to provide information, or failed to reveal facts material to
14 qualification, regarding his discharge from the Navy and the circumstances surrounding his Bow
15 and Arrow Case. Therefore, Hellen is disqualified from the issuance of a State Gambling License
16 pursuant to Business and Professions Code 19859(b) and ineligible for licensing as a third-party
17 provider of proposition player services pursuant to Title 4, CCR section 12218.11(f).

18 21. Given that Hellen is ineligible for registration pursuant to Title 4, CCR section
19 12204(e), his regular registration is subject to cancellation pursuant to Title 4, CCR section
20 12205(a).

21 NOTICE OF APPLICANT'S APPEAL RIGHTS

22 Hellen has the following appeal rights available under state law:

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

24 An applicant denied a license, permit, registration, or finding of suitability, or whose
25 license, permit, registration, or finding of suitability has had conditions, restrictions,
26 or limitations imposed upon it, may request reconsideration by the Commission
27 within 30 calendar days of service of the decision, or before the effective date
28 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,
which must be based upon either newly discovered evidence or legal authorities that
could not reasonably have been presented before the Commission's issuance of the

1 decision or at the hearing on the matter, or upon other good cause which the
Commission may decide, in its sole discretion, merits reconsideration.

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

3 A decision of the commission denying a license or approval, or imposing any
4 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
5 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
6 that the action of the commission was arbitrary and capricious, or that the action
exceeded the commission's jurisdiction.

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

8 A decision of the Commission denying an application or imposing conditions on license
9 shall be subject to judicial review as provided in Business and Professions Code section
10 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.

ORDER

1
2 1. Ronald Morris Hellen's Application for a Third-Party Proposition Player
3 Services License for Supervisor, Player or Other Employee is DENIED.

4 2. Ronald Morris Hellen's regular registration as a third-party proposition
5 player, Registration Number TPPL-⁰¹⁰³⁵²~~101325~~, is CANCELLED.

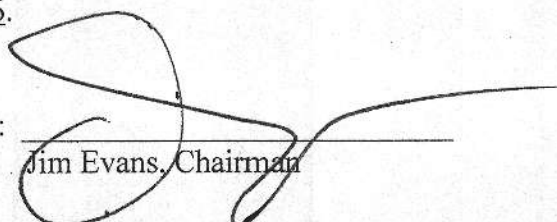
6 3. Ronald Morris Hellen may not apply to the Commission or Bureau for a
7 license, registration, or work permit for one (1) year after the effective date of this Order.

8 4. No costs are to be awarded.

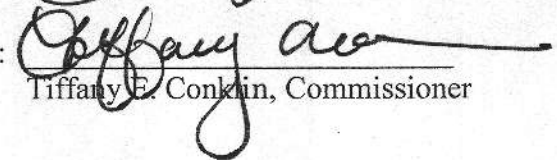
9 5. Each side to pay its own attorneys' fees.

10 This Order is effective on May 25, 2016.

11 Dated: 4-25-16

11 Signature: 
12 Jim Evans, Chairman

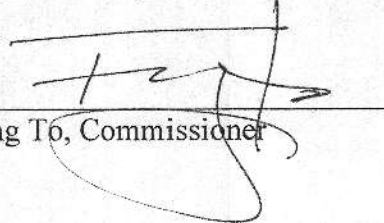
13 Dated: 4/25/2016

13 Signature: 
14 Tiffany E. Conklin, Commissioner

15 Dated: _____

15 Signature: _____
16 Roger Dunstan, Commissioner

17 Dated: 4/25/16

17 Signature: 
18 Trang To, Commissioner