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BEFORE THE  
CALIFORNIA GAMBLING CONTROL COMMISSION

In the Matter of the Application for Third-Party  
Proposition Player Services License  
Regarding:  
  
DARRION GRIFFITH  
  
Respondent.

BGC Case No. BGC-HQ2018-00043SL  
CGCC Case No. CGCC-2018-0621-6A

**DECISION AND ORDER**

Hearing Date: January 23, 2019  
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, on January 23, 2019.

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

Respondent Darrion Griffith (Griffith) did not attend the evidentiary hearing.

During the evidentiary hearing, Presiding Officer Jason Pope took official notice of the Notice of Hearing, with enclosures, sent by the Commission to Griffith, Designated Agent Lisa Daluz of Global Player Services, Inc. (DA Daluz), and DAG Diedrich, via certified mail, on August 31, 2018.

Presiding Officer Jason Pope also took official notice of the Commission’s Conclusion of Prehearing Conference letter, the Bureau’s Statement of Reasons, and Griffith’s signed Notice of Defense.

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

- (1) Statement of Reasons; Statement to Respondent; copies of Bus. & Prof. Code §§ 19870 & 19871; copy of Cal. Code Regs., tit. 4, § 12060; September 5, 2018, Certification of Service by Certified Mail Service, with

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signed Return Receipt; and Notice of Defense, dated July 11, 2018, Bates Nos. 001-028;

- (2) California Gambling Control Commission (Commission) Memorandum, Notices and Letters:
  - a. May 22, 2018, Commission staff's Licensing Division Memorandum, sans attachment, Bates Nos. 029-030;
  - b. June 26, 2018, Referral of Third-Party Proposition Player Services to an Evidentiary Hearing (CGCC-2018-0621-6A), sans enclosure, Bates Nos. 031-032;
  - c. August 30, 2018, Notice of Hearing, with attachments and proof of service, Bates Nos. 033-047; and
  - d. December 4, 2018, Conclusion of Prehearing Conference, Bates Nos. 048-053;
- (3) The Bureau of Gambling Control's (Bureau's) Certification of Official Records, Registration History for Darrion Laquon Griffith and Information for TPPPPS Applicants, Bates Nos. 054-056;
- (4) Redacted copies of Darrion Laquon Griffith's Application for Third Party Proposition Player Services License for Supervisor, Player or Other Employee and Level I Supplemental Information (collectively, Application), Bates Nos. 057-067;
- (5) Redacted copy of the Bureau's May 7, 2018, Third-Party Player Background Investigation Report, Level III, for Darrion Laquon Griffith, Bates Nos. 068-076;
- (6) Copies of the court records regarding the case of *People v. Darrion Laquon Griffith* (Supt. Ct. Monterey County, 2011, No. MS298987A.), Bates Nos. 077-082;
- (7) Redacted certified copy of the City of Salinas, Police Department's Police

1 report regarding incident and circumstances that resulted in Darrion  
2 Laquon Griffith's conviction in the case of *People v. Darrion Laquon*  
3 *Griffith* (Supt. Ct. Monterey County, 2011, No. MS298987A.), Bates Nos.  
4 083-085;

5 (8) Copies of correspondence between October 9, 2017, and January 18, with  
6 the Bureau regarding Darrion Laquon Griffith's Application, Bates Nos.  
7 086-095; and

8 (9) June 6, 2017, Appointment of Designated Agent for Owner and  
9 Proposition Players of Lisa R. Daluz as designated agent, Bates No. 096.

10 The record was closed and the matter was submitted on January 23, 2019.

#### 11 FINDINGS OF FACT

#### 12 **Procedural History**

13 1. On or about June 21, 2017, the Commission issued Griffith a third-party proposition  
14 player services registration number TPPL-019863.

15 2. On or about August 17, 2017, the Bureau received an Application for Third-Party  
16 Proposition Player Services License for Player and Level I Supplemental Information form  
17 (Supplemental) (collectively, Application) from Griffith.

18 3. On or about May 7, 2018, the Bureau submitted a Third-Party Player Background  
19 Investigation Report on Griffith to the Commission. In this report, the Bureau recommends that  
20 the Commission deny Griffith's Application.

21 4. At its June 21, 2018 meeting, the Commission voted to refer the consideration of  
22 Griffith's Application to a Gambling Control Act evidentiary hearing.

23 5. On or about July 18, 2018, the Commission received a signed notice of defense from  
24 Griffith requesting an evidentiary hearing on the consideration of his Application.

25 6. On or about August 31, 2018, the Commission sent a Notice of Hearing, via certified  
26 mail, to Griffith, DA Daluz, and DAG Diedrich.

27 7. On or about September 5, 2018, the Bureau sent a Statement of Reasons to Griffith via  
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1 certified mail, and to DA Daluz via United States regular mail. The Commission received the  
2 Statement of Reasons from the Bureau on or about September 17, 2018. In the Statement of  
3 Reasons, the Bureau recommends that the Commission deny Griffith's Application and revoke or  
4 cancel Griffith's third-party player registration number TPPL-019863.

5 8. On or about December 4, 2018, the noticed Prehearing Conference was held before  
6 Presiding Officer Jason Pope, Attorney III of the Commission. DAG Diedrich attended on behalf  
7 of the Bureau. DA Daluz attended on behalf of Griffith, who also attended.

8 9. Also on or about December 4, 2018, the Commission sent a Conclusion of Prehearing  
9 Conference letter to Griffith and DAG Diedrich.

10 10. The Commission heard this matter on January 23, 2019. The Bureau was represented  
11 throughout the hearing by DAG Diedrich. Griffith did not attend the evidentiary hearing.

12 11. Griffith did not submit any information or evidence in support of his Application.

13 12. Griffith currently holds third-party proposition player registration number TPPL-  
14 019863.

### 15 **Assessment of Griffith's Suitability for Licensure**

#### 16 *Failure to Meet Burden of Proving Qualifications for Licensure*

17 13. The burden of proving his or her qualifications to receive any license is on the  
18 applicant. Griffith did not attend the evidentiary hearing or submit any information or evidence in  
19 support of his Application. As a result of Griffith's lack of attendance and participation in the  
20 evidentiary hearing, and his failure to submit any information or evidence in support of his  
21 Application, Griffith has failed to meet his burden of proving his qualifications for licensure.

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

25 15. The matter was submitted for Commission consideration on January 23, 2019.

### 26 **LEGAL CONCLUSIONS**

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

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

7 18. 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 19. The burden of proving his or her qualifications to receive any license from the  
11 Commission is on the applicant. Business and Professions Code section 19856(a).

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

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

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

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

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

5 25. A requester shall be ineligible for licensing [as a third-party proposition player] if the  
6 requester has failed to meet the requirements of Business and Professions Code sections 19856 or  
7 19857. CCR section 12218.11(e).

8 26. An applicant shall be ineligible for registration [as a third-party proposition player] if  
9 the applicant has had an application denied under this chapter or the [Gambling Control] Act.  
10 CCR section 12204(d).

11 27. Any regular registration shall be cancelled if the Commission determines after a  
12 noticed hearing that the registrant is ineligible for registration. CCR section 12205(a).

13 28. Griffith did not attend the evidentiary hearing or submit any information or evidence  
14 in favor of granting his Application. As a result, Griffith did not meet his burden of proving his  
15 qualifications to receive a third-party proposition player services license pursuant to Business and  
16 Professions Code section 19856(a) and CCR section 12060(i). As a result, Griffith is ineligible  
17 for licensing as third-party proposition player pursuant to CCR section 12218.11(e).

18 29. Based on the foregoing, Griffith's Application is subject to denial pursuant to CCR  
19 section 12218.11(e). As a result, Griffith is ineligible for registration as a third-party proposition  
20 player pursuant to CCR section 12204(d). Therefore, Griffith's third-party proposition player  
21 services registration is subject to cancellation pursuant to CCR section 12205(a).

#### 22 NOTICE OF APPLICANT'S APPEAL RIGHTS

23 Darrion Griffith has the following appeal rights available under state law:

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

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

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

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

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

15 CCR section 12066, subsection (c) provides:

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

### 21 ORDER

- 22 1. Darrion Griffith's Application for Third-Party Proposition Player Services License is  
23 DENIED.
- 24 2. Darrion Griffith's Third-Party Proposition Player Registration number TPPL-019863  
25 is CANCELLED.
- 26 3. No costs are to be awarded.
- 27 4. Each side to pay its own attorneys' fees.

28 This Order is effective on March 11, 2019.

Dated: 2/7/19

Signature: \_\_\_\_\_

Jim Evans, Chairman

Dated: 2/7/19

Signature: \_\_\_\_\_

Paula LaBrie, Commissioner

Dated: 2/7/19

Signature: \_\_\_\_\_

Gareth Lacy, Commissioner

Dated: 2/7/19

Signature: \_\_\_\_\_

Trang To, Commissioner