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BEFORE THE
CALIFORNIA GAMBLING CONTROL COMMISSION

CGCC Case No. CGCC-2018-0412-8F

In the Matter of the Application for Approval
of Third-Party Proposition Player License for:

SIANNA MAUELLE HASENBERG

Applicant.

DECISION AND ORDER

Hearing Date: Friday, November 30, 2018
Time: 10:00 a.m.

1. This matter was scheduled for hearing before 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 Friday, November 30, 2018.

2. The Bureau of Gambling Control (Bureau) was represented by Deputy Attorney General William Williams with the Indian and Gaming Law Section, Department of Justice, Attorney General's Office.

3. Sianna Maquelle Hasenberg (Applicant) was present on her own behalf.

4. During the administrative hearing, Presiding Officer Kate Patterson took official notice of the following:

- (1) Notice of Hearing with enclosures including Applicant's Application and the Bureau Report, dated May 24, 2018, served by certified mail, return receipt requested;
- (2) Notice of Defense, signed April 22, 2018
- (3) Conclusion of Prehearing Conference letter, dated October 18, 2018; and
- (4) Statement of Reasons, filed August 27, 2018.

5. During the administrative hearing, Presiding Officer Kate Patterson accepted into evidence the following exhibits offered by the Bureau:

- (1) Statement to Respondent; Statement of Reasons; copies of Bus. & Prof.

1 Code, §§ 19870 & 19871; copy of Cal. Code. Regs., tit. 4, § 12060; August
2 23, 2018, Certification of Service by Certified Mail Service, with signed
3 Return Receipt; and Notice of Defense, dated April 22, 2018., Bates Nos.
4 001-022;

5 (2) California Gambling Control Commission (Commission) Memorandum,
6 Notices and Letters:

7 (a) April 12, 2018, Commission staff's Licensing Division
8 Memorandum, sans attachment., Bates Nos 023-025;

9 (b) April 12, 2018, Referral of Third-Party Proposition Player
10 Services to an Evidentiary Hearing (CGCC-2018-0621-6A), sans
11 enclosure., Bates Nos. 026-027;

12 (c) May 24, 2018, Notice of Hearing, with attachments and proof of
13 service., Bates Nos. 028-048;

14 (3) Redacted copies of Sianna Maquelle Hasenberg's Application for Third
15 Party Proposition Player Services License for Supervisor, Player or
16 Other Employee and Level I Supplemental Information (collectively,
17 Application)., Bates Nos. 049-061;

18 (4) Redacted copy of the Bureau's January 30, 2018, Third-Party Player
19 Background Investigation Report, Level III, for Sianna Maquelle
20 Hasenberg., Bates Nos. 062-076;

21 (5) Copies of correspondence between August 29, 2017, and October 2,
22 2017, with the Bureau regarding Sianna Maquelle Hasenberg's
23 Application., Bates No. 077-085;

24 (6) July 22, 2017, Appointment of Designated Agent for Owner and
25 Proposition Players of Casey Zolnier as designated agent., Bates Nos.
26 086;

27 6. The hearing was concluded on Friday, November 30, 2018, but the record was left
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1 open by Presiding Officer Patterson so that Applicant could provide supporting character
2 references until January 4th, 2019. On or around January 1, 2019, Applicant offered into evidence
3 the following Exhibits:

- 4 (1) Letter of Reference from Michael Hill, Exhibit A;
- 5 (2) Letter of Reference from Zoltan Riazzo, Exhibit B; and
- 6 (3) Letter of Reference from Jamie [Sic], Exhibit C.

7 7. On or around January 3, 2019, Complainant waived any objections to the exhibits
8 and then requested that the record stay open until January 10, 2019 so as to provide additional
9 evidence. Presiding Officer Patterson kept the record open until January 10, 2019 to consider the
10 request, but ultimately denied the Complainant's request to offer additional evidence.

11 8. The matter was submitted on January 10, 2019.

12 **FINDINGS OF FACT**

13 9. On or about August 4, 2017, the Bureau received an Application for Third Party
14 Proposition Player Services License for Supervisor, Player or Other Employee from Applicant
15 along with a Supplemental Information Application, (collectively Application). On this
16 Application, Applicant omitted any reference to her employment with a store called "Miry"
17 which left an employment gap in her record.

18 10. On or about July 31, 2017, Applicant was issued a Third-Party Proposition Player
19 Services Registration, registration number TPPL-020013 as an employee of Qualified Player
20 Services, LLC valid until July 31, 2019.

21 11. On or about January 30, 2018, the Bureau provided its Third-Party Player
22 Background Investigation Report to the Commission where it concluded that Applicant was not
23 qualified for licensure. The Bureau recommended that the Commission deny Applicant's
24 application.

25 12. On or about April 12, 2018, the Commission considered Applicant's application
26 and elected to refer it to an evidentiary hearing pursuant to Title 4, CCR section 12054,
27 subdivision (a), subsection (2). Commission staff mailed an evidentiary hearing referral letter via
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1 certified mail to Applicant's address of record which included a blank Notice of Defense form
2 with instructions to return it to the Commission within 15 days of receipt or else the Commission
3 may issue a default decision.

4 13. Commission staff received a Notice of Defense form from Applicant on April 26,
5 2018, requesting an evidentiary hearing, signed April 22, 2018.

6 14. Commission staff mailed a Notice of the Hearing sent certified mail on May 24,
7 2018 to Applicant's address of record which indicated the hearing was scheduled to occur on
8 Friday, November 30, 2018 at 10:00 a.m.

9 15. On August 27, 2018, the Bureau submitted a Statement of Reasons wherein it
10 recommended that Applicant's application be denied.

11 16. On October 17, 2018, Presiding Officer Patterson conducted a pre-hearing
12 conference with Deputy Attorney General William Williams being present. Applicant was not
13 present and no one appeared on her behalf. On October 18, 2018, a letter confirming this
14 conference was mailed out to the parties.

15 17. On November 30, 2018, the hearing was conducted with Deputy Attorney General
16 William Williams and Applicant both appearing.

17 Applicant's Testimony

18 18. Applicant testified at the hearing on her own behalf and under cross examination.
19 The testimony covered her various past employment positions and the circumstances for her
20 leaving them. This included her positions at Amazon, Temecula Stampede, GameStop, and
21 Gelato Di Roma. Applicant's testimony was credible and she did not mislead the Bureau or the
22 Commission in regards to these positons. Though there were various issues raised with respect to
23 Applicant's time at some of these positions, none were significant and Applicant's behavior and
24 actions in regards to those positions was reasonable.

25 19. In regards to Applicant's employment at a store called "Miry" there are two
26 troubling factors that weigh on Applicant's Application. Applicant testified that she was
27 terminated from her employment at Miry based on her shoplifting from a nearby store in the same
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1 plaza. Applicant did not disclose this employment or the reason for her termination on her
2 Application. The Bureau learned about this by following up with Applicant about an empty
3 period of time in her employment history. At that point, Applicant listed Miry and an employment
4 period of August 2007 to September 2008 but only listed leaving “due to a conflict of interest
5 between companies.” In a subsequent follow up by the Bureau, Applicant finally stated:

6 Was let go from this job because I was caught shoplifting at another store in the same
7 plaza as my job so the private owners decided it was a conflict of interest to keep me
8 employed. This wasn’t disclosed because I wasn’t sure of on the dates of when this
occurred when the original supplement was being filled out.

9 20. Applicant’s final explanation to the Bureau regarding her prior failure to disclose
10 her employment regarding Miry was not credible based on her testimony. Moreover, her second
11 response to the Bureau was also not credible as a “conflict of interest” is clearly evasive when the
12 underlying reason was that Applicant shoplifted. On this application therefore, there were three
13 acts obfuscating and dissembling the truth about a fact which Applicant believed was derogatory
14 to her. Moreover, Applicant testified at the hearing that she did intend to deceive her new
15 employer as she didn’t want to seem un-hirable in filling out her Application.

16 21. The second issue deals with the action of shoplifting itself, and it is unfortunate for
17 the Applicant that she was not more forthright initially. Applicant discussed the shoplifting in
18 question at the hearing. She stated she was with friends who egged her on in the other store to
19 steal a bra valued at or around \$20. Applicant was ultimately caught. The record was unclear as to
20 whether she was prosecuted at all or possibly even prosecuted as a minor. The timing of the
21 incident though would seem to have occurred either in 2006 or 2007 and could have been past the
22 point of Applicant reaching majority. Regardless, the incident was over, or nearly over, a decade
23 before the date of Applicant’s application, and certainly over a decade before this hearing. While
24 theft crimes necessarily involve moral turpitude, even if convicted the passage of time would
25 render this act not a mandatory denial.

26 22. In all other respects, Applicant appeared forthright and honest including
27 acknowledging that she omitted information on her Application. This indicates an individual who
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1 has learned from her mistakes and who will exercise better judgment in the future.

2 23. Applicant's letters of reference speak well of her character, honesty, and integrity.
3 The letter from Michael Hill from Applicant's employer Qualified Player Services, LLC is
4 significant in that it acknowledges Applicant's prior misconduct but then concludes she performs
5 well at her job and is both inspiring to other players and receives praise for her work. The letter
6 from Zoltan Riazzo also speaks well of Applicant in that he would always have cash on him and
7 in his car and trusted Applicant around money. The last letter was only signed with a first name of
8 "Jamie" which limits its impact, but still reflects well of Applicant.

9 **LEGAL CONCLUSIONS**

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

13 25. An application to receive a license constitutes a request for a determination of the
14 applicant's general character, integrity, and ability to participate in, engage in, or be associated
15 with, controlled gambling. (Bus. & Prof. Code § 19856, subd. (b).)

16 26. At an evidentiary hearing pursuant to Business and Professions Code sections
17 19870 and 19871 and Title 4, CCR section 12060 the burden of proof rests with the applicant to
18 demonstrate why a license or other approval should be issued. (Cal. Code Regs., tit. 4, § 12060,
19 subd. (i); Bus. & Prof. Code § 19856, subd. (a).)

20 27. Public trust and confidence can only be maintained by strict and comprehensive
21 regulation of all persons, locations, practices, associations, and activities related to the operation
22 of lawful gambling establishments and the manufacture and distribution of permissible gambling
23 equipment. (Bus. & Prof. Code § 19801, subd. (h).)

24 28. The Commission has the responsibility of assuring that licenses, approvals, and
25 permits are not issued to, or held by, unqualified or disqualified persons, or by persons whose
26 operations are conducted in a manner that is inimical to the public health, safety, or welfare. (Bus.
27 & Prof. Code § 19823, subd. (a)(1).)

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1 29. An “unqualified person” means a person who is found to be unqualified pursuant
2 to the criteria set forth in Business and Professions Code section 19857, and “disqualified person”
3 means a person who is found to be disqualified pursuant to the criteria set forth in Business and
4 Professions Code section 19859. (Bus. & Prof. Code § 19823, subd. (b).)

5 30. The Commission has the power to deny any application for a license, permit, or
6 approval for any cause deemed reasonable by the Commission. (Bus. & Prof. Code § 19824,
7 subd. (b).)

8 31. No gambling license shall be issued unless, based on all of the information and
9 documents submitted, the commission is satisfied that the applicant is a person of good character,
10 honesty and integrity. (Bus. & Prof. Code § 19857, subd. (a).)

11 32. No gambling license shall be issued unless, based on all of the information and
12 documents submitted, the commission is satisfied that the applicant is a person whose prior
13 activities, criminal record, if any, reputation, habits, and associations do not pose a threat to the
14 public interest of this state, or to the effective regulation and control of controlled gambling, or
15 create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities in
16 the conduct of controlled gambling or in the carrying on of the business and financial
17 arrangements incidental thereto. (Bus. & Prof. Code § 19857, subd. (b).)

18 33. The commission shall deny a license to any applicant who is disqualified for
19 failure of the applicant to provide information, documentation, and assurances required by this
20 chapter or requested by the chief, or failure of the applicant to reveal any fact material to
21 qualification, or the supplying of information that is untrue or misleading as to a material fact
22 pertaining to the qualification criteria. (Bus. & Prof. Code § 19859, subd. (b).)

23 34. A requester shall be ineligible for licensing as a third party proposition player if
24 the requester has failed to meet the requirements of Business and Professions Code sections
25 19856 or 19857. (Cal. Code Regs., tit. 4, § 12218.11, subd. (e).)

26 35. An applicant for an owner, supervisor or player registration is ineligible for a
27 registration if they have had an application denied under Title 4, CCR Chapter 2.1 or the
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1 Gambling Control Act. (Cal. Code Regs., tit. 4, § 12204, subd. (d).)

2 36. Title 4, CCR section 12205, subdivision (a) states in pertinent part:

3 Any regular registration issued in accordance with this chapter shall be subject to
4 cancellation pursuant this this section. A registration shall be cancelled if the
5 Commission determines after a noticed hearing that the registration is ineligible for
6 registration...

6 37. Applicant omitted her employment history at Miry and her resulting termination
7 from that position because she shoplifted at a nearby store. When questioned by the Bureau about
8 a gap in her employment, Applicant provided misleading information about the true
9 circumstances of her employment, indicating it was due to a conflict of interest, and not
10 shoplifting. It was only when the Bureau inquired again did Applicant admit to shoplifting being
11 the true reason for her termination. Yet, even then she attempted to explain the omission by
12 stating it was due to her not remembering the dates rather than the true derogatory reason for
13 termination. As a result, Applicant intentionally omitted required information and provided false
14 and misleading information to the Bureau pertaining to material facts related to her qualifications.
15 As a result, applicant is disqualified from licensure pursuant to Business and Professions Code
16 section 19859 and ineligible for licensing as a third party proposition player pursuant to CCR
17 section 12218.11.

18 38. In addition, as Applicant's application is subject to denial, Applicant would no
19 longer be eligible for a registration under Title 4, CCR section 12204, subdivision (d) and
20 Applicant's current registration is subject to cancellation pursuant to Title 4, CCR section 12205,
21 subdivision (a).

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NOTICE OF APPLICANT’S APPEAL RIGHTS

Applicant has the following appeal rights available under state law:

Title 4, CCR section 12064, subsection (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 within 30 calendar days of service of the decision, or before the effective date specified in the decision, whichever is later.

(b) A request for reconsideration 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:

- (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.

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

A decision of the Commission denying an application or imposing conditions on a 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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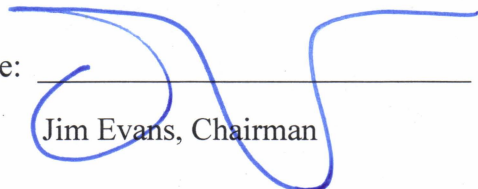
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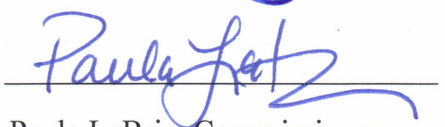
1. SIANNA MAQUELLE HASSENBERG'S application for Third-Party Proposition Player License is DENIED.
2. SIANNA MAQUELLE HASSENBERG'S Third-Party Proposition Player registration number TPPL-020013 is cancelled.
3. No costs are to be awarded.
4. Each side to pay its own attorneys' fees.

This Order is effective on March 25, 2019.

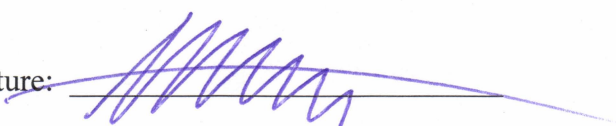
Dated: [Ⓟ] 2/21/19

Signature: 
Jim Evans, Chairman

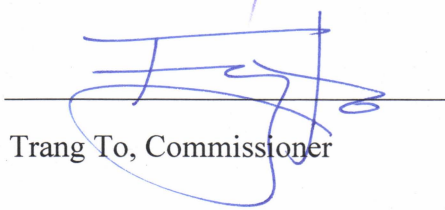
Dated: 2/21/19

Signature: 
Paula LaBrie, Commissioner

Dated: 2/21/19

Signature: 
Gareth Lacy, Commissioner

Dated: 2/21/19

Signature: 
Trang To, Commissioner