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BEFORE THE
CALIFORNIA GAMBLING CONTROL COMMISSION

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

JEFFREY STUBBLEBINE
Registration No. TPSU-001149

Applicant.

CGCC Case No. CGADS-TPSU-001149
BGC Case No. BGC-HQ2018-0020SL

DECISION AND ORDER

Hearing Date: September 11, 2018
Time: 1:30 p.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 September 11, 2018.

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

Jeffrey Stubblebine (Applicant) was present at the hearing on his own behalf with his representative, Designated Agent David Tierney.

During the evidentiary hearing, Presiding Officer Jason Pope took official notice of the Notice of Hearing and attachments, the Bureau's Statement of Reasons, the signed Notice of Defense, and the Conclusion of Prehearing conference letter.

During the administrative hearing, Presiding Officer Jason Pope accepted into evidence the following exhibits offered by the Complainant as identified in their table of contents:

(1) Statement of Reasons; Declaration of Kathi Hegelein in Support of Statement of Reasons; Statement to Respondent; copies of Bus. & Prof. Code, §§ 19870 & 19871; copy of Cal. Code. Regs., tit. 4, § 12060; August 16, 2018, Declaration of Service by Certified Mail Service; and Notice of Defense, dated May 1, 2018, Bates Nos. 001-050;

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

a. April 10, 2018, Referral of Application for Initial Third-Party

1 Proposition Player Services License to an Evidentiary Hearing, Bates Nos. 051-052;

2 b. June 7, 2018, Notice of Hearing, with attachments and proof of service,
3 Bates Nos. 053-074;

4 c. August 1, 2018, Conclusion of Prehearing Conference, Bates Nos. 075-
5 079;

6 (3) Redacted copies of Jeffrey Stubblebine's Application for Third-Party
7 Proposition Player Services License for Supervisor, Player or Other Employee and Level II
8 Supplemental Information, dated August 2014, Bates Nos. 080-114;

9 (4) Redacted copy of the Bureau's February 2018, Third-Party Supervisor
10 Background Investigation Report, Level III, regarding Jeffrey David Stubblebine, PT Gaming,
11 LLC, Bates Nos. 115-130;

12 (5) License History, Bates Nos. 131;

13 (6) Redacted copy of the Butte County Superior Court, Chico, Case Summary
14 regarding the conviction in the case of *People v. Jeffrey Stubblebine* (Sup. Ct. Butte County,
15 September 2004, No. SCR46644), Bates Nos. 132-137;

16 (7) Redacted copy of the Los Angeles County Superior Court, Long Beach, case
17 summary and City of Long Beach Police Department report regarding the conviction in the case
18 of *People v. Jeffrey Stubblebine* (Sup.Ct. Los Angeles County, Sept. 2007, No. 7LG02214), Bates
19 Nos. 138-147;

20 (8) Redacted copy of the Los Angeles County Superior Court, Long Beach, case
21 summary and Long Beach Police Department report regarding the conviction in the case of
22 *People v. Jeffrey Stubblebine* (Sup. Ct. Los Angeles County, November 2007, No. 7LG10544),
23 Bates Nos. 148-154;

24 (9) Various correspondence between Jeffrey Stubblebine, PT Gaming, LLC,
25 Bureau of Gambling Control and California Gambling Control Commission regarding
26 information requests and responses and financial information, Bates Nos. 155-205;

27 (10) Appointment of Designated Agent for Owners and Proposition Players Jeffrey
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1 Stubblebine and PT Gaming, LLC, Bates Nos. 206.

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

4 (A) Exhibit A: Letter of Recommendation from David and Susan Stubblebine;

5 (B) Exhibit B: Letter of Recommendation from Constance Wilson;

6 (C) Exhibit C: Letter of Recommendation from George Agapitos;

7 (D) Exhibit D: Letter of Recommendation from Steven Gates;

8 (E) Exhibit E: Letter of Recommendation from Michael W. Hartley;

9 (F) Exhibit F: Letter of Recommendation from Mitch Davis;

10 (G) Exhibit G: Letter of Recommendation from Christopher Brandlin;

11 (H) Exhibit H: Letter of Recommendation from Cory Faucher.

12 FINDINGS OF FACT

13 1. On or about October 25, 2004, Applicant was convicted of violating Penal Code
14 section 148.9, subdivision (a), giving false identification to a police officer, a misdemeanor, in the
15 case of *People v. Jeffrey Stubblebine* (Butte Co. Sup. Ct., 2004, No. SCR46644). Applicant has
16 not obtained relief from that conviction pursuant to California Penal Code sections 1203.4,
17 1203.4a, or 1203.45.

18 2. On or about September 11, 2014, the Bureau received Applicant's Application for a
19 Third-Party Proposition Player Services Player License and a Level II Supplemental Information
20 (collectively, Application) to allow for his employment as a third-party proposition player at PT
21 Gaming, LLC (PTG).

22 3. Applicant has been employed by PTG since May 2013. From May 2013 through
23 September 2014, Applicant was employed by PTG as a proposition player, for which he was
24 issued a registration, number TPPL-012071. He has been employed as a supervisor since
25 September 17, 2014 under registration number TPSU-001149.

26 4. On or about January 10, 2018, the Bureau sent a Third-Party Player Background
27 Investigation Report to the Commission.
28

1 5. On or about April 10, 2018, the Commission referred consideration of Applicant's
2 Application to an evidentiary hearing to be conducted as a Gambling Control Act hearing
3 pursuant to California Code of Regulations Title 4, Division 18, Chapter 1, section 12060.

4 6. Applicant submitted a Notice of Defense to the Commission, dated May 1, 2018.

5 7. The Commission heard CGCC Case No. GCADS-TPSU-001149 on September 11,
6 2018. The Bureau was represented throughout the hearing by Deputy Attorney General Colin
7 Wood. Applicant Jeffrey Stubblebine appeared and was represented throughout the hearing by his
8 Designated Agent, David Tierney.

9 8. Applicant's October 25, 2004 conviction for violation of Penal Code 148.9,
10 subdivision (a), false representation of identity to a peace officer, is a crime of dishonesty.

11 9. Applicant's October 25, 2004, conviction occurred within the 10-year period before he
12 submitted his Application on or about September 11, 2014. Applicant has not obtained relief from
13 that conviction pursuant to California Penal Code sections 1203.4, 1203.4a, or 1203.45.

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

17 11. The matter was submitted for Commission consideration on September 11, 2018.

18 LEGAL CONCLUSIONS

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

22 2. At an evidentiary hearing pursuant to Business and Professions Code sections 19870
23 and 19871 and Title 4, CCR section 12060(b), the burden of proof rests with the applicant to
24 prove his qualifications to receive any license under the Gambling Control Act. Title 4, CCR
25 section 12060(i); Business and Professions Code section 19856(a).

26 3. The Commission has the responsibility of assuring that licenses, approvals, and
27 permits are not issued to, or held by, disqualified persons. Business and Professions Code section
28

1 19823(a)(1).

2 4. No gambling license shall be issued unless the Commission is satisfied that the
3 applicant is, among other things qualified to be licensed as provided in Gambling Control Act].
4 BPC 19857 (c).

5 5. Under Business and Professions Code section 19823(b), a “disqualified person”
6 means a person who is found to be disqualified pursuant to the criteria set forth in Business and
7 Professions Code section 19859.

8 6. Business and Profession Code 19859(d) disqualifies any person from licensure -
9 thereby requiring that the Commission deny the license - when there is a conviction for any
10 misdemeanor involving dishonesty within the 10 year period immediately before the application
11 was submitted.

12 7. Applicant did not prove he is not disqualified from licensure pursuant to Business and
13 Professions Code section 19859(d) nor ineligible for licensing as a third party proposition player
14 pursuant to CCR section 12218.11.

15 8. In addition, as Applicant’s application is subject to denial, Applicant would no longer
16 be eligible for a registration under Title 4, CCR section 12204, subdivision (d) and Applicant’s
17 current registration is subject to cancellation pursuant to Title 4, CCR section 12205, subdivision
18 (a).

19 NOTICE OF APPLICANT’S APPEAL RIGHTS

20 Applicant has the following appeal rights available under state law:

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

22 An applicant denied a license, permit, registration, or finding of suitability, or whose
23 license, permit, registration, or finding of suitability has had conditions, restrictions,
24 or limitations imposed upon it, may request reconsideration by the Commission
25 within 30 calendar days of service of the decision, or before the effective date
26 specified in the decision, whichever is later. The request shall be made in writing to
27 the Commission, copied to the Bureau, and shall state the reasons for the request,
28 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
decision or at the hearing on the matter, or upon other good cause which the
Commission may decide, in its sole discretion, merits reconsideration.

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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 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.

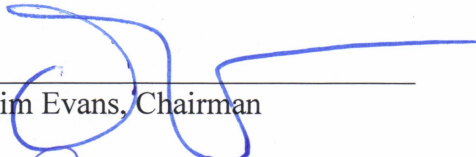
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ORDER

1. Jeffrey David Stubblebine's Application for a Third-Party Proposition Player Services Player License is DENIED.
2. Jeffrey David Stubblebine's Third-Party Player Registration, No. TPSU-001149 is Cancelled.
3. No costs are to be awarded.
4. Each side to pay its own attorneys' fees.

This Order is effective on December 10, 2018.


Dated: 11/8/18

Signature: 
Jim Evans, Chairman


Dated: 11/8/2018

Signature: 
Paula LaBrie, Commissioner

Dated: 11/8/2018

Signature: 
Gareth Lacy, Commissioner

Dated: 11/8/18

Signature: 
Trang To, Commissioner