

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 Application for Third-Party  
Proposition Player Services Employee Type  
License Regarding:

CGCC Case No. CGCC-2022-0721-7Aii  
BGC Case No. BGC-HQ2022-00016SL

**DECISION AND ORDER**

DOMINICK SANCHEZ

Hearing Date: March 22, 2023  
Time: 10:00 a.m.

Applicant.

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, via Zoom video conference, on March 22, 2023.

Applicant Dominick Sanchez (Sanchez) appeared on his own behalf during the evidentiary hearing.

Erica Becker, Deputy Attorney General, State of California (DAG Becker), represented complainant Yolanda Morrow, Director of the Bureau of Gambling Control (Bureau), Department of Justice, State of California.

During the evidentiary hearing, Presiding Officer Paras Modha (PO Modha), Attorney III of the Commission, took official notice of the following documents: the Commission’s Notice and Agenda of Commission Hearing; the Commission’s Conclusion of Prehearing Conference letter; the Commission’s Notice of Hearing with two attachments (A) Sanchez’s Application for Employee Category License, and (B) the Bureau’s Third-Party Worker Initial Background Investigation Report, Level III (Bureau Report); the Bureau’s Statement of Reasons; and Sanchez’s signed Notice of Defense.

During the evidentiary hearing, PO Modha accepted into evidence Exhibits 1-10, Bates Nos. Complainant’s 0001-0106, offered by the Bureau, and identified on the Bureau’s Evidentiary Exhibit Index, pursuant to a stipulation between the parties.

PO Modha closed the administrative record and the matter was submitted for decision on March 22, 2023.

FINDINGS OF FACT

**Procedural History**

1. In August 2021, Sanchez starting working as a third-party proposition player for Blackstone Gaming, LLC (Blackstone), a licensed provider of third-party proposition player services (TPPPS).

2. On or about August 16, 2021, the Bureau received an Application for Employee Category License and Commission Work Permit or TPPPS Worker: Supplemental Information form (collectively, Application) from Sanchez.

3. On August 24, 2021, the Commission issued Sanchez a temporary TPPPS worker license, number TPWK-002001, which is valid through July 31, 2023.

4. On April 29, 2022, the Commission received the Bureau Report on Sanchez recommending that the Commission deny his Application.

5. On July 21, 2022, the Commission voted to refer the consideration of Sanchez's Application to a Gambling Control Act (Act) evidentiary hearing pursuant to CCR sections 12060(b) and 12054(a)(4).

6. On July 22, 2022, the Commission sent a letter notifying Sanchez that the Commission referred the consideration of his Application to an evidentiary hearing and provided him with a Notice of Defense form.

7. On August 16, 2022, the Commission received a signed Notice of Defense form from Sanchez requesting an evidentiary hearing on the consideration of his Application.

8. On September 29, 2022, the Commission sent a Notice of Hearing to Sanchez and DAG Becker providing that a hearing was scheduled for March 22, 2023 at 10:00 a.m.

9. On or about January 11, 2022, the Bureau sent a Statement of Reasons to Sanchez and the Commission. In the Statement of Reasons, the Bureau alleges two causes for denial based on Sanchez's failure to disclose a misdemeanor conviction and that he was on probation, as well as failure to establish the requisite honesty, character, and integrity to establish qualification for licensure.

///

1 **Sanchez’s Employment History in Controlled Gambling**

2 10. Sanchez began working as a third-party proposition player for Blackstone in August  
3 2021. There was no evidence presented of any derogatory information relating to Sanchez’s  
4 employment in controlled gambling.

5 **Sanchez’s Criminal History**

6 11. On May 12, 2021, Sanchez was convicted by the Los Angeles County Superior Court  
7 of violating California Penal Code section 415, disturbing the peace, a misdemeanor. Sanchez  
8 was sentenced to nine days in jail, thirteen months of probation, a domestic violence treatment  
9 program, eight hours of community service, and ordered to pay a fine and restitution.

10 12. Also on May 12, 2021, a criminal protective order was filed ordering that Sanchez  
11 have no personal contact with a protected person identified in the order, or come within 100  
12 yards of the protected person. The order expires on May 12, 2024.

13 13. Sanchez testified regarding the incident that resulted in his conviction, which occurred  
14 on July 25, 2020. Sanchez and his girlfriend had moved to California from another state, and were  
15 experiencing homelessness and living in hotels. Sanchez testified that he had reserved a hotel and  
16 if he and his girlfriend did not check in by a certain time, they would lose their down payment on  
17 the reservation.

18 14. Sanchez testified that his girlfriend had been drinking and had an argument on their  
19 way to the hotel. Sanchez’s girlfriend began to scream at him and walk away. Sanchez testified  
20 that he tried to “steer her” in the right direction towards the hotel because they were running late.  
21 Sanchez was also concerned about leaving his girlfriend behind because she was not familiar with  
22 the area and was intoxicated. Sanchez’s girlfriend pulled away from him and began walking the  
23 opposite direction.

24 15. Sanchez testified that two bystanders began to yell at him to let his girlfriend leave,  
25 and in turn, Sanchez yelled back. Soon after, a police officer arrived and interviewed the two  
26 bystanders, Sanchez, and his girlfriend. Sanchez testified that he was interviewed last, and told  
27 the officer that he and his girlfriend had been arguing, but had not had a physical altercation.  
28 Sanchez further explained to the officer that he was trying to steer his girlfriend towards the hotel

1 because she was intoxicated and not familiar with the area. Sanchez testified that the officer did  
2 not believe him and Sanchez was put under arrest. Sanchez testified that his girlfriend began to  
3 argue with the police officer and hit their vehicle with her hands while yelling that Sanchez had  
4 not done anything wrong.

5 16. The police report from the July 25, 2022, incident was admitted into evidence and was  
6 consistent with Sanchez's description of events. According to the police report, the first bystander  
7 claimed Sanchez pushed and "bear hugged" his girlfriend. The second bystander told police he  
8 saw Sanchez grab his girlfriend in a "headlock." The officer then informed Sanchez and his  
9 girlfriend that there were "multiple witnesses who told me they observed [Sanchez] hitting her."  
10 According to the police report, Sanchez's girlfriend became very agitated at this accusation and  
11 told police that Sanchez had not hit her, she refused an emergency protective order, stated she did  
12 not need services or assistance because she was not a victim, and that she and Sanchez only had a  
13 verbal altercation and "have never put hands on each other." Sanchez made a statement at the  
14 scene similar to that of his girlfriend and consistent with his prior statement to the Bureau and his  
15 testimony at the hearing.

16 17. Sanchez testified that he was in jail for several days because there were no available  
17 court dates due to the Covid-19 pandemic. According to the certified court records, Sanchez first  
18 appeared in court on July 29, 2020, at which time he was appointed a public defender and served  
19 with a protective order.<sup>1</sup>

20 18. According to certified court records and Sanchez's testimony, he appeared in court on  
21 May 12, 2021, with his public defender and pled nolo contendere to a charge of misdemeanor  
22 disturbing the peace pursuant to a negotiated plea agreement. Sanchez was served with a new  
23 protective order prohibiting him from having contact with his girlfriend.

24 19. Sanchez testified that he was aware that his sentence required him to complete a  
25 domestic violence program and community service work, pay fines and restitution, and complete  
26 thirteen months of probation. Sanchez testified that he has paid his fines, satisfied his community

27 \_\_\_\_\_  
28 <sup>1</sup> A copy of the first protective order was not offered or admitted into evidence. However, certified  
court records reference that it was served on Sanchez on the July 29, 2020 court hearing.

1 service requirements, has had no other convictions, and has never violated the terms of his  
2 probation, which expired on June 12, 2022.

### 3 **Sanchez's Application**

4 20. Sanchez testified that shortly after his conviction, he was called to interview for a  
5 position with Blackstone after responding to a job advertisement on Indeed. Sanchez was offered  
6 the job, and went to Blackstone's office to fill out a number of documents, including an  
7 employment application for Blackstone, an application for submission to the police department  
8 for a work permit, and the Application for a license. Sanchez testified that he was given a big  
9 packet of information to fill out by Blackstone and he rushed through and did not carefully read  
10 the questions on the Application. However, Sanchez admits that a representative of Blackstone  
11 told him that he needed to be truthful in his responses.

12 21. Sanchez filled out the Application, which consists of two parts. The first part is two  
13 pages and requests applicant information. Sanchez signed and dated the first part of the  
14 Application on August 13, 2021.

15 22. The second part of the Application is the Supplemental, which is eight pages and  
16 contains ten sections. The Supplemental requires that the applicant disclose, among other things,  
17 their criminal history information.

18 23. Section 4(A) of the Supplemental requires an applicant to disclose their criminal  
19 convictions. Sanchez checked the box marked "No" to the question "HAVE YOU **EVER** BEEN  
20 CONVICTED OR PLED GUILTY OR NOLO CONTENDERE (NO CONTEST) TO A MISDEMEANOR OR  
21 FELONY?" (Emphasis in original.)

22 24. In Section 4(A)(1), for each criminal conviction, the applicant is required to disclose  
23 the approximate date of the conviction, arresting agency, court location, and on a separate piece  
24 of paper explain the factual circumstances that led to the conviction. Sanchez wrote "N/A N/A"  
25 across this section of the Supplemental.

26 25. Section 4(D) asks the applicant "ARE YOU CURRENTLY ON PROBATION?" Sanchez  
27 marked "No" to the question. The next question on the Application asks, "IF YES TO ANY OF THE  
28 ABOVE, PROVIDE DETAILS." Sanchez wrote, "N/A" in response.

1           26. Section (9) of the Supplemental is a Declaration, signed by Sanchez on or about  
2 August 13, 2021, in which Sanchez declared under penalty of perjury that the information  
3 provided in the Supplemental was “true, accurate, and complete.”

4 **Sanchez’s Failure to Disclose Conviction and Probation Status**

5           27. The fact of, and details regarding, Sanchez’s conviction and resulting probation status  
6 were discovered by the Bureau during the course of its background investigation.

7           28. In response to a Bureau inquiry, Sanchez submitted a written statement to the Bureau  
8 explaining his reason for not disclosing the conviction on the Application. Sanchez wrote: “It was  
9 an honest mistake on my part. At the time I was filling out applications and misread what I had  
10 been asked. Mistakenly I read if I have ever been convicted of a felony. I didn’t think my  
11 misdemeanor would [be] an issue and I am sorry for the inconvenience.” (*Sic.*)

12           29. Sanchez also provided the Bureau with a written statement explaining the  
13 circumstances leading to his conviction. Sanchez wrote: “the incident that happened was between  
14 another individual and i was having an argument and others nearby started to chime in and argue  
15 with me. We started going back and forth in the open untill someone called the cops on us. I dont  
16 think i have any documents for the case.” (*Sic.*)

17           30. In response to an additional Bureau inquiry, Sanchez also submitted a written  
18 statement to the Bureau explaining his reason for not disclosing his probation status on the  
19 Application. Sanchez wrote: “Hello so I have to give up my rights to be questioned and stopped  
20 by authorities but I am not actually on probation. I don’t have to report for any officers or go see  
21 anyone.”

22           31. Sanchez testified that he did not disclose his conviction on the Application because he  
23 did not believe it was required. In other applications Sanchez filled out, he only had to disclose  
24 felony convictions and he assumed this Application was the same. Sanchez testified that he just  
25 scanned the Application and did not read it correctly.

26           32. Sanchez testified that at the time he filled out the Application, he did not realize that  
27 he was on probation. Sanchez admits that he was informed that a condition of his negotiated plea  
28 agreement was that he would be on probation, but he didn’t realize it was a “whole probation,”

1 because he did not have to meet with a probation officer or check in with anyone.

2 APPLICABLE LEGAL STANDARDS

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

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

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

14 36. An “unqualified person” means a person who is found to be unqualified pursuant to  
15 the criteria set forth in Section 19857, and “disqualified person” means a person who is found to  
16 be disqualified pursuant to the criteria set forth in Section 19859. (Bus. & Prof. Code, § 19823,  
17 subd. (b).)

18 37. The Commission has the power to take actions deemed to be reasonable to ensure that  
19 no ineligible, unqualified, disqualified, or unsuitable persons are associated with controlled  
20 gambling activities. (Bus. & Prof. Code, § 19824).

21 38. The burden of proving his or her qualifications to receive any license from the  
22 Commission is on the applicant. (Bus. & Prof. Code, § 19856(a); CCR section 12060, subd. (j).)

23 39. No gambling license shall be issued unless, based on all of the information and  
24 documents submitted, the Commission is satisfied that the applicant is a person of good character,  
25 honesty, and integrity. (Bus. & Prof. Code, § 19857, subd. (a).)

26 40. An application for a license will be denied if the Commission finds that the applicant  
27 has not satisfied the requirements of Business and Professions Code section 19857. (CCR section  
28 12040, subd. (a)(1).)

1           41. The Commission shall deny a license to any applicant who is disqualified for failure of  
2 the applicant to provide information, documentation, and assurances required by this chapter or  
3 requested by the chief, or failure of the applicant to reveal any fact material to qualification, or the  
4 supplying of information that is untrue or misleading as to a material fact pertaining to the  
5 qualification criteria. (Bus. & Prof. Code, § 19857, subd. (b).)

6           42. An application for a license will be denied if the Commission finds that the applicant  
7 has not satisfied the requirements of Business and Professions Code section 19859. (CCR section  
8 12040, subd. (a)(2).)

9           43. An applicant for licensing or for any approval or consent required by this chapter,  
10 shall make full and true disclosure of all information to the department and the Commission as  
11 necessary to carry out the policies of this state relating to licensing, registration, and control of  
12 gambling. (Bus. & Prof. Code, § 19866.)

13           44. The Bureau relies, in large part, on the applicant's disclosures while conducting a  
14 background investigation. The failure to honestly, accurately, and completely disclose  
15 information on an application subverts the Bureau's efforts to conduct a thorough and complete  
16 investigation. (Bus. & Prof. Code, §§ 19866, 19826, subd. (a).)

17           45. Both the substance of an applicant's disclosures, and the truthfulness and  
18 thoroughness of an applicant's disclosures, are considered by the Bureau in making a  
19 recommendation as to the applicant's suitability for licensure, and by the Commission in making  
20 a determination whether to approve or deny a license application. (Bus. & Prof. Code, §§ 19866,  
21 19824, subs. (a) & (b), 19826, subd. (a).)

22                           ASSESSMENT OF SANCHEZ'S SUITABILITY FOR LICENSURE

23           46. Sanchez was convicted of misdemeanor disturbing the peace after a public argument  
24 involving his former girlfriend. Sanchez has completed the terms of his sentence, including  
25 payment of fines, community service, and completing a period of probation. Sanchez has no other  
26 criminal history.

27           47. Additionally, Sanchez has no derogatory employment history in the controlled  
28 gambling industry. Sanchez testified that he has been successful in his position and is relied upon



1 by his employer. Based on the foregoing, the Commission does not find that Sanchez is  
2 unqualified for licensure under Business and Professions Code section 19857, on the basis of his  
3 conviction. However, for the reasons provided below, the Commission finds that Sanchez is  
4 disqualified from licensure based on his failure to disclose his conviction on the Application.  
5 Therefore, the Commission must deny Sanchez's Application.

6 48. Sanchez filled out the Application approximately three months after his conviction  
7 while he was still in the process of carrying out the requirements of his sentence, such as  
8 payments of fines, completion of community service, probation, and attending a domestic  
9 violence treatment program. A representative of Blackstone told Sanchez to be truthful when  
10 filling out the Application. Sanchez testified that he rushed through the Application and  
11 mistakenly thought that it only required disclosure of felony convictions and he thought he was  
12 on a different type of probation that did not need to be disclosed.

13 49. However, the plain language of the Application required Sanchez to disclose any plea  
14 of nolo contendere or conviction of a misdemeanor or a felony. Sanchez checked "No," falsely  
15 indicating that he had never been convicted or pled nolo contendere to a crime. Further, Sanchez  
16 wrote "N/A N/A" on additional questions asking him to explain the factual circumstances leading  
17 to any disclosed convictions. Further, the Application did not specify any particular type of  
18 probation, it merely asked, "are you currently on probation," to which Sanchez responded, "No."  
19 Sanchez additionally wrote "N/A" to the next portion of the Application requesting details about  
20 an applicant's probation status. Thus, Sanchez read the questions closely enough to check "No"  
21 and write "N/A" on portions where he should have disclosed his criminal history.

22 50. The aforementioned facts indicate to the Commission that Sanchez was aware that he  
23 had recently been convicted of a crime and was on probation, but made a choice not to disclose  
24 this information on the Application. Additionally, if Sanchez were truly confused as to whether  
25 he were on probation, he should have sought out the correct information before filling out the  
26 Application and signing it under penalty of perjury.

27 51. All of the information requested on the application has been considered through the  
28 legislative and regulatory processes and determined necessary in order for the Commission to

1 discharge its duties properly. An applicant is neither expected, nor permitted, to determine the  
2 importance of the information requested, and instead is required to provide true, accurate, and  
3 complete information as requested. To address any issues in completing the application, and to  
4 ensure that the information disclosed on an application is “true, accurate, and complete,” the  
5 burden is on the applicant to carefully and thoroughly read the application, and to seek assistance  
6 with filling out the application if necessary. The applicant is responsible for both the information  
7 they disclose, and for failing to disclose required information, on the application.

8 52. The existence of, and details regarding, an applicant’s criminal history are facts  
9 material to the qualification for licensure of an applicant. For instance, they may affect the  
10 assessment of the applicant’s general character, honesty, integrity, and/or ability to participate in  
11 controlled gambling. They may lead to a finding that the issuance of a license to such an applicant  
12 would be inimical to public health, safety, or welfare, or undermine public trust that the gambling  
13 operations with respect to which the license would be issued are free from criminal and dishonest  
14 elements, and would be conducted honestly. An applicant’s criminal history may be sufficient to  
15 support a factual finding and legal conclusion that the applicant is disqualified from licensure, or  
16 poses a threat to the public interest of this state, to the effective regulation and control of  
17 controlled gambling, or creates or enhances the dangers of unsuitable, unfair, or illegal practices,  
18 methods, and activities in the conduct of controlled gambling or in the carrying on of the business  
19 and financial arrangements thereto.

20 53. Sanchez was required to disclose on the Application that he was convicted of a  
21 misdemeanor, the approximate date of conviction, the arresting agency, court location, and a  
22 description of the factual circumstances that led to the conviction. The Bureau only determined  
23 that Sanchez had been convicted of a misdemeanor and was on probation through conducting its  
24 background investigation. By failing to disclose his conviction and probation status, Sanchez  
25 failed to provide information required by the Act. By failing to provide information required by  
26 the Act on his Application, Sanchez’s Application is subject to denial pursuant to Business and  
27 Professions Code section 19859, subdivision (b) and CCR section 12040, subdivision (a)(2).

28 54. All documentary and testimonial evidence submitted by the parties that is not

1 specifically addressed in this Decision and Order was considered but not used by the Commission  
2 in making its determination on Sanchez's Application.

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

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

NOTICE OF APPLICANT’S APPEAL RIGHTS

Sanchez has the following appeal rights available under state law:

CCR section 12064, subdivisions (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. A request for reconsideration must be:

(1) Made in writing to the Commission, copied to the Complainant. The Bureau may provide a written response to the Commission within 10 calendar days of receipt of the request; and

(2) Received by the Commission and Complainant within 30 calendar days of service of the decision, or before the effective date specified in the decision, whichever is earlier.

(b) A request for reconsideration must 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 (f) provides:

A decision of the commission after an evidentiary hearing, 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 held to consider that petition, 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.

CCR section 12066, subdivision (c) provides, in part:

Neither the right to petition for judicial review nor the time for filing the petition will be affected by failure to seek reconsideration.

///  
///  
///


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

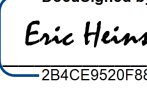
**ORDER**

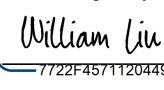
- 1. Dominic Sanchez’s Application for Third-Party Proposition Player Services Employee Type License is DENIED.
- 2. Dominic Sanchez’s Third-Party Worker Temporary License, number TPWK-002001 is void and cannot be used hereafter pursuant to CCR section 12122, subdivision (d).
- 3. Dominic Sanchez may immediately reapply for a license or work permit.
- 4. No costs are awarded.
- 5. Each side to pay its own attorneys’ fees.

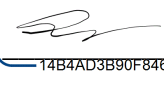
This Order is effective on July 3, 2023.

Dated: 6/2/2023 Signature:   
DocuSigned by: Paula LaBrie  
38D0AB38C651466...  
 Paula LaBrie, Chair

Dated: 6/2/2023 Signature:   
DocuSigned by: Cathleen Galgiani  
3D1DB086F9274AA...  
 Cathleen Galgiani, Commissioner

Dated: 6/2/2023 Signature:   
DocuSigned by: Eric Heins  
2B4CE9520F8845C...  
 Eric Heins, Commissioner

Dated: 6/2/2023 Signature:   
DocuSigned by: William Liu  
7722F4571120449...  
 William Liu, Commissioner

Dated: 6/2/2023 Signature:   
DocuSigned by: Edward Yee  
14B4AD3B90F8462...  
 Edward Yee, Commissioner