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10 **BEFORE THE**
 11 **CALIFORNIA GAMBLING CONTROL COMMISSION**
 12 **STATE OF CALIFORNIA**

14
 15 In the Matter of the Statement of Reasons for
 Denial of Application for a Work Permit
 16 Renewal for:

17 **BRANDT GOODWIN**
 [Redacted]

18 **Respondent.**

CGCC Case No.: CGCC-2022-0210-8
 BGC Case No.: BGC-HQ2022-00003SL

19 **STATEMENT OF REASONS**

20
 21
 22 Complainant alleges as follows:

23 **PARTIES**

24 1. Yolanda Morrow (Complainant) submits this Statement of Reasons for denial of an
 25 Application for a Work Permit Renewal in her official capacity as Director of the California
 26 Department of Justice, Bureau of Gambling Control (Bureau).

27 2. Brant Goodwin (Respondent) seeks approval of his Application for Work Permit
 28 Renewal (Application) by the California Gambling Control Commission (Commission).

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THE APPLICATION AND THIS PROCEEDING

3. In June 2021, the Bureau received Respondent’s Application to renew his work permit, which indicated that Respondent had been convicted of a crime since last filing a work permit application. The work permit was set to expire on September 30, 2021, and after two extensions by the Commission, it was extended to March 31, 2022.

4. On February 15, 2022, the Commission notified Respondent of its decision to refer consideration of Respondent’s Application to an evidentiary hearing to be held pursuant to the Gambling Control Act, Business and Professions Code section 19800 et seq. (Act), and California Code of Regulations, title 4, section 12054, subdivision (a)(2).¹ Included with that written notice was a Notice of Defense form for Respondent to complete and return.

5. On or about March 8, 2022, the Commission received Respondent’s completed Notice of Defense form.

JURISDICTION AND BURDEN OF PROOF

6. The Commission has jurisdiction over the licensing of all persons and things having to do with the operation of gambling establishments. (Bus. & Prof. Code, §§ 19811, subd. (b), 19850.) The Commission’s responsibilities include assuring that licenses are not issued to unqualified or disqualified persons and that no unqualified or disqualified person is materially involved with a licensed gambling operation. (Bus. & Prof. Code, § 19823, subd. (a).) The Commission has all powers necessary and proper to carry out the Act’s policies and purposes, including the powers to take actions to ensure that no ineligible, unqualified, disqualified, or unsuitable persons are associated with controlled gambling activities. (Bus. & Prof. Code, § 19824, subds. (b) & (d).)

7. Respondent has the burden of proving that he is suitable to hold a work permit. (Bus. & Prof. Code, § 19856, subd. (a).)

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¹ The statutes and regulations applicable to this Statement of Reasons are quoted in pertinent part in Appendix A.

1 **FIRST CAUSE FOR DENIAL**

2 **(Conviction of a Crime of Moral Turpitude)**

3 8. Respondent’s Application is subject to denial because he engaged in illegal behavior,
4 demonstrating a willingness to violate the law and a conscious disregard for the health, safety,
5 and welfare of others. Specifically, on or about April 15, 2021, Respondent was convicted of
6 violating Health and Safety Code section 11358, subdivision (c), cultivating more than six living
7 cannabis plants, a misdemeanor, in the case of *The People of the State of California v. Brandt*
8 *Jeffrey Goodwin* (Super. Ct. Nevada, 2020, Case No. F20-000401).

9 9. In *People v. Gabriel* (2012) 206 Cal.App.4th 450, the court evaluated “whether
10 simple cultivation of marijuana [under Health and Safety Code section 11358] is necessarily an
11 act involving moral turpitude.” (*Gabriel*, at p. 458.) The court concluded that “cultivation of
12 marijuana, with its potential for promoting drug trafficking, demonstrates a readiness to do evil,
13 and is thus also a crime of moral turpitude.” (*Id.* at p. 459.) Here, Respondent’s conviction was
14 for the cultivation of marijuana, an act adjudicated to be a crime of moral turpitude.

15 10. Pursuant to Business and Professions Code section 19859, subdivision (d), the
16 Commission “shall deny a license to any applicant who is disqualified” for a misdemeanor
17 conviction involving

18 moral turpitude within the 10-year period immediately preceding
19 the submission of an application, unless the applicant has been
20 granted relief pursuant to Section 1203.4, 1203.4a, or 1203.45 of
21 the Penal Code; provided, however, that the granting of relief
22 pursuant to Section 1203.4, 1203.4a, or 1203.45 of the Penal Code
shall not constitute a limitation on the discretion of the commission
under Section 19856 or affect the applicant’s burden under Section
19857.

23 Here, Respondent’s conviction of a crime involving moral turpitude occurred in April 2021,
24 which was within the 10-year period immediately preceding his application in June 2021, and
25 there is no evidence that he has been granted any relief from the conviction. Therefore, his
26 conviction is a basis for mandatory denial under Business and Professions Code section 19859,
27 subdivision (d).

1 (Bus. & Prof. Code, §§ 19856, 19857, 19859, subds. (a) and (d) [mandatory denial]; Cal. Code.
2 Regs., tit. 4, § 12040, subds. (a)(1), (2) [mandatory denial].)

3 **SECOND CAUSE FOR DENIAL OF APPLICATION**

4 **(Unqualified for Licensure – Good Character, Honesty, and Integrity)**

5 11. Respondent’s Application is subject to mandatory denial pursuant to California Code
6 of Regulations, title 4, section 12040, subdivisions (a)(1) and (2) and Business and Professions
7 Code section 19859, subdivisions (a) and (d), and/or discretionary denial pursuant to Business
8 and Professions Code sections 19856 and 19857, subdivisions (a) and (b). The facts and
9 circumstances surrounding Respondent’s marijuana cultivation and the discovery of same by law
10 enforcement demonstrate that Respondent lacks the requisite good character, honesty and
11 integrity and/or poses a threat to the public interest of this state, or to the effective regulation and
12 control of controlled gambling, or creates or enhances the dangers of unsuitable, unfair, or illegal
13 practices, methods, and activities in the conduct of controlled gambling. The following are
14 relevant examples:

15 a. Respondent was found to possess 425 marijuana plants, which is significantly
16 more than the six he was legally permitted to possess pursuant to Health and Safety Code section
17 11358, subdivision (c).

18 b. On July 3, 2020, detectives with the Nevada County Sheriff’s Office were
19 conducting cannabis cultivation reconnaissance aboard a helicopter and observed a large hoop
20 house containing cannabis plants and several outdoor plants at Respondent’s property, estimated
21 to be approximately 200 marijuana plants in total. Thereafter, the Nevada County Code
22 Enforcement conducted an inspection of the property and found no cannabis plants on the
23 property. Approximately three weeks later, the Nevada County Sheriff’s Office determined the
24 plants were back on the property and surmised that Respondent temporarily moved the plants off
25 the property to avoid fines.

26 c. Respondent was deceitful to an investigating officer when he informed the
27 officer that he planned to use the marijuana for medicinal purposes but also admitted that his
28 plants would yield approximately 50 pounds of marijuana, much more than he could personally

1 consume. Conversely, in his written explanation to the Bureau of the events surrounding his
2 conviction, he admitted that cannabis cultivation was “lucrative” and that he needed money once
3 his employer, the Towers Casino, closed due to COVID-19, thus effectively admitting that the
4 growing of the marijuana was not for his personal medical use but was instead for profit.
5 Respondent’s admission of the true purpose of the cannabis on his property indicates his
6 awareness of the materiality of the untrue statement and the misleading nature of the information
7 he provided to the officer and his desire to conceal the truth from the officer.

8 d. Along with the conviction related to the cultivation of more than six marijuana
9 plants, Respondent’s property was found to be in violation of sections 13260 and 13264(A) of the
10 California Water Code, which relate to water discharge and permits and inspections that were
11 required. It was also determined that he violated the California Building Code section 105.1 by
12 having an unpermitted indoor cultivation in his garage and fencing over six feet high. Finally, it
13 was also determined that he violated the Nevada County General Code, section G-IV 8.2 dealing
14 with the collection and storage of waste.

15 12. These actions, taken collectively, demonstrate that his license is subject to mandatory
16 denial because he is not a person of good character, honesty, and integrity, and that he poses a
17 threat to the effective regulation and control of controlled gambling.

18 (Bus. & Prof. Code, §§ 19856, 19857, 19859, subds. (a) and (d) [mandatory denial]; Cal. Code.
19 Regs., tit. 4, § 12040, subds. (a)(1), (2) [mandatory denial].)

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PRAYER

WHEREFORE, Complainant requests that a hearing be held on the matters alleged herein, and that following the hearing, the Commission issue a decision:

1. Denying Respondent’s Application for Work Permit Renewal;
2. Voiding Respondent’s License No. GEWP-002653; and
3. Taking such other and further action as the Commission may deem appropriate.

Dated: September 7, 2022



YOLANDA MORROW, Director
Bureau of Gambling Control
California Department of Justice

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APPENDIX A

STATUTORY AND REGULATORY PROVISIONS

1. Business and Professions Code section 19811 provides, in part:
(b) Jurisdiction, including jurisdiction over operation and concentration, and supervision over gambling establishments in this state and over all persons or things having to do with the operations of gambling establishments is vested in the commission.

2. Business and Professions Code section 19823 provides:

(a) The responsibilities of the commission include, without limitation, all of the following:

(1) Assuring that licenses, approvals, and permits are not issued to, or held by, unqualified or disqualified persons, or by persons whose operations are conducted in a manner that is inimical to the public health, safety, or welfare.

(2) Assuring that there is no material involvement, directly or indirectly, with a licensed gambling operation, or the ownership or management thereof, by unqualified or disqualified persons, or by persons whose operations are conducted in a manner that is inimical to the public health, safety, or welfare.

(b) For the purposes of this section, “unqualified person” means a person who is found to be unqualified pursuant to the criteria set forth in Section 19857, and “disqualified person” means a person who is found to be disqualified pursuant to the criteria set forth in Section 19859.

3. Business and Professions Code section 19824 provides, in part:

The commission shall have all powers necessary and proper to enable it fully and effectually to carry out the policies and purposes of this chapter, including, without limitation, the power to do all of the following:

* * *

(b) For any cause deemed reasonable by the commission, deny any application for a license, permit, or approval provided for in this chapter or regulations adopted pursuant to this chapter limit, condition, or restrict any license, permit, or approval, or impose any fine upon any person licensed or approved. The commission may condition, restrict, discipline, or take action against the license or an individual owner

1 endorsed on the license certificate of the gambling enterprise whether
2 or not the commission takes action against the license of the gambling
enterprise.

3 * * *

4 (d) Take actions deemed to be reasonable to ensure that no
ineligible, unqualified, disqualified, or unsuitable persons are associated
5 with controlled gambling activities.

6
7 4. Business and Professions Code section 19826 provides, in part:

8 The department . . . shall have all of the following responsibilities:

9 * * *

10 (c) To investigate suspected violations of this chapter or laws
11 of this state relating to gambling

12 * * *

13 (e) To initiate, where appropriate, disciplinary actions as
14 provided in this chapter. In connection with any disciplinary action,
the department may seek restriction, limitation, suspension, or
15 revocation of any license or approval, or the imposition of any fine
upon any person licensed or approved.

16
17 5. Business and Professions Code section 19850 provides, in part:

18 Every person who, either as owner, lessee, or employee, whether
for hire or not, either solely or in conjunction with others, deals,
19 operates, carries on, conducts, maintains, or exposes for play any
controlled game in this state, or who receives, directly or indirectly,
20 any compensation or reward, or any percentage or share of the money
or property played, for keeping, running, or carrying on any controlled
21 game in this state, shall apply for and obtain from the commission, and
shall thereafter maintain, a valid state gambling license, key employee
22 license, or work permit, as specified in this chapter.

23
24 6. Business and Professions Code section 19853, subdivision (a) provides:

25 The commission, by regulation or order, may require that the
26 following persons register with the commission, apply for a finding of
suitability as defined in subdivision (i) of 19805, or apply for a gambling
27 license:

28 * * *

1 (3) Any person who does business on the
2 premises of a licensed gambling establishment.

3 7. Business and Professions Code section 19856 provides:

4 (a) Any person who the commission determines is qualified to
5 receive a state license, having due consideration for the proper protection
6 of the health, safety, and general welfare of the residents of the State of
7 California and the declared policy of this state, may be issued a license.
The burden of proving his or her qualifications to receive any license is
on the applicant.

8 (b) An application to receive a license constitutes a request for a
9 determination of the applicant's general character, integrity, and ability to
participate in, engage in, or be associated with, controlled gambling.

10 (c) In reviewing an application for any license, the commission
11 shall consider whether issuance of the license is inimical to public health,
12 safety, or welfare, and whether issuance of the license will undermine
13 public trust that the gambling operations with respect to which the license
14 would be issued are free from criminal and dishonest elements and would
be conducted honestly.

15 8. Business and Professions Code section 19857 provides:

16 No gambling license shall be issued unless, based on all of the
17 information and documents submitted, the commission is satisfied that the
applicant is all of the following:

18 (a) A person of good character, honesty, and integrity.

19 (b) A person whose prior activities, criminal record, if any,
20 reputation, habits, and associations do not pose a threat to the public
21 interest of this state, or to the effective regulation and control of
22 controlled gambling, or create or enhance the dangers of unsuitable,
23 unfair, or illegal practices, methods, and activities in the conduct of
controlled gambling or in the carrying on of the business and
financial arrangements incidental thereto.

24 (c) A person that is in all other respects qualified to be licensed
25 as provided in this chapter.

26 9. Business and Professions Code section 19859 provides, in part:

27 The commission shall deny a license to any applicant who is
28 disqualified for any of the following reasons:

1 (a) Failure of the applicant to clearly establish eligibility and
2 qualification in accordance with this chapter.

3 (b) Failure of the applicant to provide information,
4 documentation, and assurances required by this chapter or requested
5 by the chief, or failure of the applicant to reveal any fact material to
6 qualification, or the supplying of information that is untrue or
misleading as to a material fact pertaining to the qualification
criteria.

7 * * *

8 (d) Conviction of the applicant for any misdemeanor involving
9 dishonesty or moral turpitude within the 10-year period
10 immediately preceding the submission of the application, unless the
11 applicant has been granted relief pursuant to Section 1203.4,
12 1203.4a, or 1203.45 of the Penal Code; provided, however, that the
13 granting of relief pursuant to Section 1203.4, 1203.4a, or 1203.45 of
14 the Penal Code 32 shall not constitute a limitation on the discretion
15 of the commission under Section 19856 or affect the applicant's
16 burden under Section 19857.

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18
19 10. Business and Professions Code section 19866 provides:

20 An applicant for licensing or for any approval or consent
21 required by this chapter, shall make full and true disclosure of all
22 information to the department and the commission as necessary to
23 carry out the policies of this state relating to licensing, registration,
24 and control of gambling.

25
26
27 11. Business and Professions Code section 19870 provides:

28 (a) The commission, after considering the recommendation of
the chief and any other testimony and written comments as may be
presented at the meeting, or as may have been submitted in writing 36
to the commission prior to the meeting, may deny the application,
grant a license to an applicant who it determines to be qualified to hold
the license, or refer the application to an evidentiary hearing.

(b) When the commission grants an application for a license or
approval, the commission may limit or place restrictions on the license
or approval as it may deem necessary in the public interest, consistent
with the policies described in this chapter.

(c) When an application is denied, the commission shall prepare
and file a detailed statement of its reasons for the denial.

1 (d) All proceedings at a meeting of the commission relating to a
2 license application shall be recorded stenographically or by audio or
video recording.

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

11 12. Business and Professions Code section 19871 provides:

12 (a) The commission meeting described in Section 19870 shall
13 be conducted in accordance with regulations of the commission and as
14 follows:

15 (1) Oral evidence shall be taken only upon oath or
16 affirmation.

17 (2) Each party shall have all of the following rights:

18 (A) To call and examine witnesses.

19 (B) To introduce exhibits relevant to the
20 issues of the case.

21 (C) To cross-examine opposing
22 witnesses on any matters relevant to the issues,
23 even though the matter was not covered on direct
24 examination.

25 (D) To impeach any witness, regardless
26 of which party first called the witness to testify.

27 (E) To offer rebuttal evidence.

28 (3) If the applicant does not testify in his or her own
29 behalf, he or she may be called and examined as if under cross-
30 examination.

31 (4) The meeting need not be conducted according to
32 technical rules relating to evidence and witnesses. Any relevant
33 evidence may be considered, and is sufficient in itself to support a
34 finding, if it is the sort of evidence on which responsible persons
35 are accustomed to rely in the conduct of serious affairs, regardless
36 of the existence of any common law or statutory rule that might
37 make improper the admission of that evidence over objection in a

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civil action.

(b) Nothing in this section confers upon an applicant a right to discovery of the department’s investigative reports or to require disclosure of any document or information the disclosure of which is otherwise prohibited by any other provision of this chapter.

13. Business and Professions Code section 19971 provides:

This act is an exercise of the police power of the state for the protection of the health, safety, and welfare of the people of the State of California, and shall be liberally construed to effectuate those purposes.

14. Business and Professions Code section 19984, subdivision (b), provides, in part:

The commission shall establish reasonable criteria for, and require the licensure and registration of, any person or entity that provides proposition player services to gambling establishments pursuant to this section, including owners, supervisors, and players . . . The commission may impose licensing requirements, disclosures, approvals, conditions, or limitations as it deems necessary to protect the integrity of controlled gambling in this state. . . .

15. California Code of Regulations, title 4, section 12040 provides, in part:

(a) An application for an initial or renewal license:

(1) Will be denied if the Commission finds that the applicant has not satisfied the requirements of Business and Professions Code section 19857; or,

(2) Will be denied if the Commission finds that any of the provisions of Business and Professions Code section 19859 apply to the applicant.

16. California Code of Regulations, title 4, section 12056, subdivision (a) provides, in part:

If the Commission elects to hold an evidentiary hearing, . . . the hearing will be conducted as a GCA hearing under Section 12060, unless the Executive Director or the Commission determines the hearing should be conducted as an APA hearing under Section 12058.

17. California Code of Regulations, title 4, section 12060, provides:

(a) If the Executive Director determines it is appropriate, he or she may set an application for consideration at a GCA hearing in advance of a meeting pursuant to Section 12054. The Executive Director will give notice to the applicant, pursuant to paragraph (2) subsection (c) of Section 12052, to the Office of the Attorney General, and to the Bureau no later than 90 calendar days in advance of the GCA hearing. The Executive Director’s determination will be based on information contained in the

1 Bureau's report or other appropriate sources including, without limitation, a request
2 from the Bureau or applicant as well as the Commission's operational considerations.

3 (b) When a GCA hearing is elected pursuant to Section 12056, subsection (a), the
4 Executive Director will give notice to the applicant, pursuant to paragraph (2)
5 subsection (c) of Section 12052, to the Office of the Attorney General, and to the
6 Bureau no later than 60 calendar days in advance of the GCA hearing.

7 (c) An applicant may request that his, her, or its GCA hearing be held at a
8 Southern California location instead of the Commission's principal office in
9 Sacramento, by completing the appropriate section on the Notice of Defense, CGCC-
10 CH1-03 (Rev. 08/21). The request must be made on the initial Notice of Defense
11 form submitted to the Commission and Bureau within the timeframes specified on the
12 form.

13 (1) The Executive Director will approve a Southern California GCA
14 hearing, if the request is timely made on the initial Notice of Defense form
15 and meets all of the following criteria:

16 (A) The GCA hearing is estimated by Commission staff to last no
17 longer than four hours.

18 (B) The primary residence of the applicant is located in one of the
19 following counties: Imperial, Kern, Los Angeles, Orange, Riverside, San
20 Diego, San Luis Obispo, San Bernardino, Santa Barbara, or Ventura.

21 (C) A GCA hearing will be noticed for a Southern California
22 location only when it is in the best public interest, promotes judicial
23 economy, and comports with the Commission's availability.

24 (2) If at any time before the hearing, the Executive Director determines
25 that the criteria in subparagraphs (A) through (C) of paragraph (1) are no
26 longer met, Commission staff may cancel the Southern California GCA
27 hearing and issue a new notice for a hearing at the Commission's principal
28 office in Sacramento.

(d) The presiding officer and her or his support staff will have no communication
with the Commission or Commission staff upon the merits of an application prior to
the evidentiary hearing. The Executive Director will designate a presiding officer
which will be:

(1) A member of the Commission's legal staff; or,

(2) An Administrative Law Judge.

(e) The applicant or the complainant, or the applicant and the complainant, may
request a continuance in writing to the Executive Director stating the reason for the
continuance and any proposed future hearing dates. The Executive Director or
Commission may approve the request. For a Southern California GCA hearing, if a
continuance is granted, the hearing may be scheduled in Sacramento or Southern

1 California based on the criteria specified in subparagraphs (A) through (C) of
2 paragraph (1) of subsection (c).

3 (f) The complainant will provide to the applicant, subject to subsection (b) of
4 Section 12056, at least 45 calendar days prior to the GCA hearing, and the applicant
5 must provide to the complainant, at least 30 calendar days prior to the GCA hearing,
6 the following items:

7 (1) A list of potential witnesses with the general subject of the testimony
8 of each witness;

9 (2) Copies of all documentary evidence intended to be introduced at the
10 hearing and not previously provided;

11 (3) Reports or statements of parties and witnesses, if available; and

12 (4) All other written comments or writings containing relevant evidence.

13 (g) A presiding officer will rule on the admissibility of evidence and on any
14 objections raised except for objections raised under subsection (h). A ruling by the
15 presiding officer is final.

16 (1) In advance of the GCA hearing, upon a motion of a party or by order
17 of the presiding officer, the presiding officer may conduct a pre-hearing
18 conference, either in person, via teleconference, or by email exchange, subject
19 to the presiding officer's availability and will issue a pre-hearing order if
20 appropriate or requested by either party. The pre-hearing conference and
21 order may address the following:

22 (A) Evidentiary issues;

23 (B) Witness and exhibit lists;

24 (C) Alterations in the Bureau recommendation;

25 (D) Stipulations for undisputed facts and/or the admission of
26 evidence including without limitation the Bureau's report;

27 (E) Authorizing offsite livestreaming appearances for parties or
28 witnesses if good cause has been presented and only if the process for
offsite livestreaming has been approved by the Executive Director; and,

(F) Other issues that may be deemed appropriate to promote the
orderly and prompt conduct of the hearing.

(2) The GCA hearing need not be conducted according to technical rules
of evidence. Any relevant evidence may be considered, and is sufficient in
itself to support findings if it is the sort of evidence on which reasonable

1 persons are accustomed to rely in the conduct of serious affairs, regardless of
2 the existence of any common law or statutory rule that might make improper
the admission of that evidence over objection in a civil action.

3 (h) The Commission may, at any time upon a showing of prejudice by the
4 objecting party:

5 (1) Prohibit the testimony of any witness or the introduction of any
6 documentary evidence that has not been disclosed pursuant to subsection (f);
or

7 (2) Continue any meeting or hearing as necessary to mitigate any
8 prejudice.

9 (i) The complainant will present all facts and information in the Bureau report, if
10 any, and the results of the Bureau's background investigation, and the basis for any
11 recommendation, if the Bureau filed one with the Commission according to Business
12 and Professions Code section 19868, to enable the Commission to make an informed
decision on whether the applicant has met his, her, or its burden of proof. The
complainant may but is not required to recommend or seek any particular outcome
during the evidentiary hearing, unless it so chooses.

13 (j) The burden of proof is always on the applicant to prove his, her, or its
14 qualifications to receive any license or other approval under the Act.

15 (k) The applicant may choose to represent himself, herself, or itself, or may retain
16 an attorney or lay representative. Lay representatives may assist the applicant but are
not authorized to serve as an attorney as otherwise defined and regulated by state law.

17 (l) Except as otherwise provided in subsection (h), the complainant and applicant
18 will have the right to call and examine witnesses under oath; to introduce relevant
19 exhibits and documentary evidence; to cross-examine opposing witnesses on any
20 relevant matter, even if the matter was not covered in direct examination; to impeach
any witness, regardless of which party first called the witness to testify; and to offer
rebuttal evidence. If the applicant does not testify on his, her or its behalf, the
applicant may be called and examined, under oath, as if under cross-examination.

21 (m) Oral evidence will be taken upon oath or affirmation, which may be
22 administered by the Executive Director, a member of the Commission, or the
presiding officer if an Administrative Law Judge.

23 (n) At the conclusion of the evidentiary hearing, the members of the Commission
24 will take the matter under submission, may discuss the matter in a closed session
meeting, and may schedule future closed session meetings for deliberation.

25
26 18. California Code of Regulations, title 4, section 12122, subdivision (d), provides:

27 (d) Upon issuance or denial of a license or Commission work permit by the
28 Commission, the temporary license will become void and cannot be used
thereafter.

1 19. California Code of Regulations, title 4, section 12130, subdivision (d), provides:

2 (d) A TPPPS [Third-Party Proposition Player Services] registration includes
3 all conditions of a temporary license provided in subsections (a), (b), and
4 subsections (d) and (e) of Section 12122.

5 20. California Code of Regulations, title 4, section 12270, subdivisions (b)(8) and
6 (b)(9), provide:

7 (b) . . .

8 * * *

9 (8) That proposition player services must be provided in the
10 gambling establishment only in compliance with laws and regulations pertaining to
11 controlled gambling.

12 (9) That proposition player services may be provided only by
13 authorized players with current licensing under Chapter 2.

14 21. California Building Code section 105.1 provides:

15 Where any owner or authorized agent intends to construct, enlarge, alter, repair,
16 move, demolish or change the occupancy of a building or structure, or to erect, install,
17 enlarge, alter, repair, remove, convert, or replace any electrical, gas, mechanical, or
18 plumbing system, the regulation of which is governed by this code, or to cause any
19 such work to be done, shall first make application to the building official and obtain
20 the required permit. The applicant shall obtain the required building permit(s) from
21 the building department prior to any construction or placement of any building,
22 structure or equipment on the property. The applicant shall obtain an approved final
23 building inspection and certificate of occupancy from the building department prior to
24 any use or occupancy of the building, or structure.

25 22. California Water Code section 13260 provides:

26 (a) Each of the following persons shall file with the appropriate regional board
27 a report of the discharge, containing the information that may be required by the
28 regional board:

(1) A person discharging waste, or proposing to discharge waste, within
any region that could affect the quality of the waters of the state, other than into a
community sewer system.

(2) A person who is a citizen, domiciliary, or political agency or entity of
this state discharging waste, or proposing to discharge waste, outside the boundaries
of the state in a manner that could affect the quality of the waters of the state within
any region.

(3) A person operating, or proposing to construct, an injection well.

1 (b) No report of waste discharge need be filed pursuant to subdivision (a) if the
2 requirement is waived pursuant to Section 13269.

3 (c) Each person subject to subdivision (a) shall file with the appropriate
4 regional board a report of waste discharge relative to any material change or proposed
change in the character, location, or volume of the discharge.

5 (d) (1) (A) Each person who is subject to subdivision (a) or (c) shall submit an
6 annual fee according to a fee schedule established by the state board.

7 (B) The total amount of annual fees collected pursuant to this section
8 shall equal that amount necessary to recover costs incurred in connection with the
issuance, administration, reviewing, monitoring, and enforcement of waste discharge
9 requirements and waivers of waste discharge requirements.

10 (C) Recoverable costs may include, but are not limited to, costs incurred
11 in reviewing waste discharge reports, prescribing terms of waste discharge
requirements and monitoring requirements, enforcing and evaluating compliance with
12 waste discharge requirements and waiver requirements, conducting surface water and
groundwater monitoring and modeling, analyzing laboratory samples, adopting,
13 reviewing, and revising water quality control plans and state policies for water quality
control, and reviewing documents prepared for the purpose of regulating the
14 discharge of waste, and administrative costs incurred in connection with carrying out
these actions.

15 (D) In establishing the amount of a fee that may be imposed on a
16 confined animal feeding and holding operation pursuant to this section, including, but
not limited to, a dairy farm, the state board shall consider all of the following factors:

17 (i) The size of the operation.

18 (ii) Whether the operation has been issued a permit to operate
19 pursuant to Section 1342 of Title 33 of the United States Code.

20 (iii) Any applicable waste discharge requirement or conditional
21 waiver of a waste discharge requirement.

22 (iv) The type and amount of discharge from the operation.

23 (v) The pricing mechanism of the commodity produced.

24 (vi) Any compliance costs borne by the operation pursuant to state
25 and federal water quality regulations.

26 (vii) Whether the operation participates in a quality assurance
27 program certified by a regional water quality control board, the state board, or a
federal water quality control agency.
28

1 (2) (A) Subject to subparagraph (B), the fees collected pursuant to this
2 section shall be deposited in the Waste Discharge Permit Fund, which is hereby
3 created. The money in the fund is available for expenditure by the state board, upon
4 appropriation by the Legislature, solely for the purposes of carrying out this division.

5 (B) (i) Notwithstanding subparagraph (A), the fees collected pursuant to
6 this section from stormwater dischargers that are subject to a general industrial or
7 construction stormwater permit under the national pollutant discharge elimination
8 system (NPDES) shall be separately accounted for in the Waste Discharge Permit
9 Fund.

10 (ii) Not less than 50 percent of the money in the Waste Discharge
11 Permit Fund that is separately accounted for pursuant to clause (i) is available, upon
12 appropriation by the Legislature, for expenditure by the regional board with
13 jurisdiction over the permitted industry or construction site that generated the fee to
14 carry out stormwater programs in the region.

15 (iii) Each regional board that receives money pursuant to clause (ii)
16 shall spend not less than 50 percent of that money solely on stormwater inspection
17 and regulatory compliance issues associated with industrial and construction
18 stormwater programs.

19 (3) A person who would be required to pay the annual fee prescribed by
20 paragraph (1) for waste discharge requirements applicable to discharges of solid
21 waste, as defined in Section 40191 of the Public Resources Code, at a waste
22 management unit that is also regulated under Division 30 (commencing with Section
23 40000) of the Public Resources Code, shall be entitled to a waiver of the annual fee
24 for the discharge of solid waste at the waste management unit imposed by paragraph
25 (1) upon verification by the state board of payment of the fee imposed by Section
26 48000 of the Public Resources Code, and provided that the fee established pursuant to
27 Section 48000 of the Public Resources Code generates revenues sufficient to fund the
28 programs specified in Section 48004 of the Public Resources Code and the amount
appropriated by the Legislature for those purposes is not reduced.

(e) Each person that discharges waste in a manner regulated by this section
shall pay an annual fee to the state board. The state board shall establish, by
regulation, a timetable for the payment of the annual fee. If the state board or a
regional board determines that the discharge will not affect, or have the potential to
affect, the quality of the waters of the state, all or part of the annual fee shall be
refunded.

(f) (1) The state board shall adopt, by emergency regulations, a schedule of fees
authorized under subdivision (d). The total revenue collected each year through
annual fees shall be set at an amount equal to the revenue levels set forth in the
Budget Act for this activity. The state board shall automatically adjust the annual fees
each fiscal year to conform with the revenue levels set forth in the Budget Act for this
activity. If the state board determines that the revenue collected during the preceding
year was greater than, or less than, the revenue levels set forth in the Budget Act, the
state board may further adjust the annual fees to compensate for the over and under
collection of revenue.

1 (2) The emergency regulations adopted pursuant to this subdivision, any
2 amendment thereto, or subsequent adjustments to the annual fees, shall be adopted by
3 the state board in accordance with Chapter 3.5 (commencing with Section 11340) of
4 Part 1 of Division 3 of Title 2 of the Government Code. The adoption of these
5 regulations is an emergency and shall be considered by the Office of Administrative
6 Law as necessary for the immediate preservation of the public peace, health, safety,
and general welfare. Notwithstanding Chapter 3.5 (commencing with Section 11340)
of Part 1 of Division 3 of Title 2 of the Government Code, any emergency regulations
adopted by the state board, or adjustments to the annual fees made by the state board
pursuant to this section, shall not be subject to review by the Office of Administrative
Law and shall remain in effect until revised by the state board.

7 (g) The state board shall adopt regulations setting forth reasonable time limits
8 within which the regional board shall determine the adequacy of a report of waste
discharge submitted under this section.

9 (h) Each report submitted under this section shall be sworn to, or submitted
10 under penalty of perjury.

11 (i) The regulations adopted by the state board pursuant to subdivision (f) shall
12 include a provision that annual fees shall not be imposed on those who pay fees under
13 the national pollutant discharge elimination system until the time when those fees are
again due, at which time the fees shall become due on an annual basis.

14 (j) A person operating or proposing to construct an oil, gas, or geothermal
15 injection well subject to paragraph (3) of subdivision (a) shall not be required to pay a
16 fee pursuant to subdivision (d) if the injection well is regulated by the Division of Oil
17 and Gas of the Department of Conservation, in lieu of the appropriate California
18 regional water quality control board, pursuant to the memorandum of understanding,
entered into between the state board and the Department of Conservation on May 19,
1988. This subdivision shall remain operative until the memorandum of
understanding is revoked by the state board or the Department of Conservation.

19 (k) In addition to the report required by subdivision (a), before a person
20 discharges mining waste, the person shall first submit both of the following to the
regional board:

21 (1) A report on the physical and chemical characteristics of the waste that
22 could affect its potential to cause pollution or contamination. The report shall include
23 the results of all tests required by regulations adopted by the board, any test adopted
24 by the Department of Toxic Substances Control pursuant to Section 25141 of the
25 Health and Safety Code for extractable, persistent, and bioaccumulative toxic
substances in a waste or other material, and any other tests that the state board or
regional board may require, including, but not limited to, tests needed to determine
the acid-generating potential of the mining waste or the extent to which hazardous
substances may persist in the waste after disposal.

26 (2) A report that evaluates the potential of the discharge of the mining
27 waste to produce, over the long term, acid mine drainage, the discharge or leaching of
28 heavy metals, or the release of other hazardous substances.

1 (l) Except upon the written request of the regional board, a report of waste
2 discharge need not be filed pursuant to subdivision (a) or (c) by a user of recycled
3 water that is being supplied by a supplier or distributor of recycled water for whom a
4 master recycling permit has been issued pursuant to Section 13523.1.

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23. California Water Code section 13264 provides:

(a) No person shall initiate any new discharge of waste or make any material changes in any discharge, or initiate a discharge to, make any material changes in a discharge to, or construct, an injection well, prior to the filing of the report required by Section 13260 and no person shall take any of these actions after filing the report but before whichever of the following occurs first:

(1) The issuance of waste discharge requirements pursuant to Section 13263.

(2) The expiration of 140 days after compliance with Section 13260 if the waste to be discharged does not create or threaten to create a condition of pollution or nuisance and any of the following applies:

(A) The project is not subject to the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code).

(B) The regional board is the lead agency for purposes of the California Environmental Quality Act, a negative declaration is required, and at least 105 days have expired since the regional board assumed lead agency responsibility.

(C) The regional board is the lead agency for the purposes of the California Environmental Quality Act, and environmental impact report or written documentation prepared to meet the requirements of Section 21080.5 of the Public Resources Code is required, and at least one year has expired since the regional board assumed lead agency responsibility.

(D) The regional board is a responsible agency for purposes of the California Environmental Quality Act, and at least 90 days have expired since certification or approval of environmental documentation by the lead agency.

(3) The issuance of a waiver pursuant to Section 13269 .

(b) The Attorney General, at the request of a regional board, shall petition the superior court for the issuance of a temporary restraining order, preliminary injunction, or permanent injunction, or combination thereof, as may be appropriate, prohibiting any person who is violating or threatening to violate this section from doing any of the following, whichever is applicable:

(1) Discharging the waste or fluid.

(2) Making any material change in the discharge.

(3) Constructing the injection well.

1 (c)(1) Notwithstanding any other provision of law, moneys collected under this
2 division for a violation pursuant to paragraph (2) of subdivision (a) shall be deposited
in the Waste Discharge Permit Fund and separately accounted for in that fund.

3 (2) The funds described in paragraph (1) shall be expended by the state board,
4 upon appropriation by the Legislature, to assist regional boards, and other public
5 agencies with authority to clean up waste or abate the effects of the waste, in cleaning
up or abating the effects of the waste on waters of the state or for the purposes
6 authorized in Section 13443 .

7 24. Fish and Gaming Code section 5650 provides:

8 (a) Except as provided in subdivision (b), it is unlawful to deposit in, permit to
9 pass into, or place where it can pass into the waters of this state any of the following:

10 (1) Any petroleum, acid, coal or oil tar, lampblack, aniline, asphalt,
11 bitumen, or residuary product of petroleum, or carbonaceous material or substance.

12 (2) Any refuse, liquid or solid, from any refinery, gas house, tannery,
13 distillery, chemical works, mill, or factory of any kind.

14 (3) Any sawdust, shavings, slabs, or edgings.

15 (4) Any factory refuse, lime, or slag.

16 (5) Any cocculus indicus.

17 (6) Any substance or material deleterious to fish, plant life, mammals, or
18 bird life.

19 (b) This section does not apply to a discharge or a release that is expressly
20 authorized pursuant to, and in compliance with, the terms and conditions of a waste
21 discharge requirement pursuant to Section 13263 of the Water Code or a waiver
22 issued pursuant to subdivision (a) of Section 13269 of the Water Code issued by the
23 State Water Resources Control Board or a regional water quality control board after a
24 public hearing, or that is expressly authorized pursuant to, and in compliance with,
the terms and conditions of a federal permit for which the State Water Resources
Control Board or a regional water quality control board has, after a public hearing,
issued a water quality certification pursuant to Section 13160 of the Water Code. This
section does not confer additional authority on the State Water Resources Control
Board, a regional water quality control board, or any other entity.

25 (c) It shall be an affirmative defense to a violation of this section if the
26 defendant proves, by a preponderance of the evidence, all of the following:

27 (1) The defendant complied with all applicable state and federal laws and
28 regulations requiring that the discharge or release be reported to a government
agency.

1 (2) The substance or material did not enter the waters of the state or a
2 storm drain that discharges into the waters of the state.

3 (3) The defendant took reasonable and appropriate measures to
4 effectively mitigate the discharge or release in a timely manner.

5 (d) The affirmative defense in subdivision (c) does not apply and may not be
6 raised in an action for civil penalties or injunctive relief pursuant to Section 5650.1.

7 (e) The affirmative defense in subdivision (c) does not apply and may not be
8 raised by any defendant who has on two prior occasions in the preceding five years,
9 in any combination within the same county in which the case is prosecuted, either
10 pleaded nolo contendere, been convicted of a violation of this section, or suffered a
11 judgment for a violation of this section or Section 5650.1. This subdivision shall
12 apply only to cases filed on or after January 1, 1997.

13 (f) The affirmative defense in subdivision (c) does not apply and may not be
14 raised by the defendant in any case in which a district attorney, city attorney, or
15 Attorney General alleges, and the court finds, that the defendant acted willfully.

16 25. Fish and Gaming Code section 5656 provides:

17 Any recovery or settlement of money damages, including, but not limited to,
18 civil penalties arising out of any civil action filed and maintained by the Attorney
19 General in the enforcement of this article shall be deposited in the Fish and Wildlife
20 Pollution Account in the Fish and Game Preservation Fund.

21 26. Fish and Gaming Code section 1602 provides:

22 (a) An entity shall not substantially divert or obstruct the natural flow of, or
23 substantially change or use any material from the bed, channel, or bank of, any river,
24 stream, or lake, or deposit or dispose of debris, waste, or other material containing
25 crumbled, flaked, or ground pavement where it may pass into any river, stream, or
26 lake, unless all of the following occur:

27 (1) The department receives written notification regarding the activity in
28 the manner prescribed by the department. The notification shall include, but is not
limited to, all of the following:

(A) A detailed description of the project's location and a map.

(B) The name, if any, of the river, stream, or lake affected.

(C) A detailed project description, including, but not limited to,
construction plans and drawings, if applicable.

(D) A copy of any document prepared pursuant to Division 13
(commencing with Section 21000) of the Public Resources Code .

1 (E) A copy of any other applicable local, state, or federal permit or
2 agreement already issued.

3 (F) Any other information required by the department.

4 (2) The department determines the notification is complete in accordance
5 with Chapter 4.5 (commencing with Section 65920) of Division 1 of Title 7 of the
6 Government Code , irrespective of whether the activity constitutes a development
7 project for the purposes of that chapter.

8 (3) The entity pays the applicable fees, pursuant to Section 1609 .

9 (4) One of the following occurs:

10 (A)(i) The department informs the entity, in writing, that the
11 activity will not substantially adversely affect an existing fish or wildlife resource,
12 and that the entity may commence the activity without an agreement, if the entity
13 conducts the activity as described in the notification, including any measures in the
14 notification that are intended to protect fish and wildlife resources.

15 (ii) Each region of the department shall log the notifications of
16 activities where no agreement is required. The log shall list the date the notification
17 was received by the department, a brief description of the proposed activity, and the
18 location of the activity. Each item shall remain on the log for one year. Upon
19 written request by any person, a regional office shall send the log to that person
20 monthly for one year. A request made pursuant to this clause may be renewed
21 annually.

22 (B) The department determines that the activity may substantially
23 adversely affect an existing fish or wildlife resource and issues a final agreement to
24 the entity that includes reasonable measures necessary to protect the resource, and the
25 entity conducts the activity in accordance with the agreement.

26 (C) A panel of arbitrators issues a final agreement to the entity in
27 accordance with subdivision (b) of Section 1603 , and the entity conducts the activity
28 in accordance with the agreement.

(D) The department does not issue a draft agreement to the entity
within 60 days from the date notification is complete, and the entity conducts the
activity as described in the notification, including any measures in the notification
that are intended to protect fish and wildlife resources.

(b)(1) If an activity involves the routine maintenance and operation of
water supply, drainage, flood control, or waste treatment and disposal facilities,
notice to and agreement with the department shall not be required after the initial
notification and agreement, unless the department determines either of the following:

(A) The work described in the agreement has substantially
changed.

1 (B) Conditions affecting fish and wildlife resources have
2 substantially changed, and those resources are adversely affected by the activity
conducted under the agreement.

3 (2) This subdivision applies only if notice to, and agreement with, the
4 department was attained prior to January 1, 1977, and the department has been
5 provided a copy of the agreement or other proof of the existence of the agreement that
satisfies the department, if requested.

6 (c) Notwithstanding subdivision (a), the department is not required to
7 determine whether the notification is complete or otherwise process the notification
until the department has received the applicable fees.

8 (d)(1) Notwithstanding subdivision (a), an entity shall not be required to
9 obtain an agreement with the department pursuant to this chapter for activities
10 authorized by a license or renewed license for cannabis cultivation issued by the
Department of Food and Agriculture for the term of the license or renewed license if
all of the following occur:

11 (A) The entity submits all of the following to the department:

12 (i) The written notification described in paragraph (1) of
13 subdivision (a).

14 (ii) A copy of the license or renewed license for cannabis
15 cultivation issued by the Department of Food and Agriculture that includes the
requirements specified in Section 26060.1 of the Business and Professions Code .

16 (iii) The fee specified in paragraph (3) of subdivision (a).

17 (B) The department determines in its sole discretion that
18 compliance with the requirements specified in Section 26060.1 of the Business and
19 Professions Code that are included in the license will adequately protect existing fish
and wildlife resources that may be substantially adversely affected by the cultivation
20 without the need for additional measures that the department would include in a draft
streambed alteration agreement in accordance with Section 1603 .

21 (C) The department notifies the entity in writing that the exemption
22 applies to the cultivation authorized by the license or renewed license.

23 (2) The department shall notify the entity in writing whether the
24 exemption in paragraph (1) applies to the cultivation authorized by the license or
25 renewed license within 60 days from the date that the notification is complete and the
fee has been paid.

26 (3) If an entity receives an exemption pursuant to this subdivision and
27 fails to comply with any of the requirements described in Section 26060.1 of the
Business and Professions Code that are included in the license, the failure shall
28 constitute a violation under this section, and the department shall notify the
Department of Food and Agriculture of any enforcement action taken.

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(e) It is unlawful for any entity to violate this chapter.

27. Health and Safety Code section 11358, subdivision (c) provides:

Each person who plants, cultivates, harvests, dries, or processes cannabis plants, or any part thereof, except as otherwise provided by law, shall be punished as follows:

* * *

(c) Each person 18 years of age or over who plants, cultivates, harvests, dries, or processes more than six living cannabis plants shall be punished by imprisonment in a county jail for a period of not more than six months or by a fine of not more than five hundred dollars (\$500), or by both that fine and imprisonment.

28. Nevada County General Code section G-IV 8.2 provides:

A. Every Single Family dwelling unit or Commercial Business, except those properties that are impractical or impossible to access, those that meet self-hauler requirements in this article, or Commercial Business Owners that receive a waiver as set forth in this article, (throughout this article, Commercial Business includes Multi-Family Residential Dwellings of 5 or more units, unless otherwise excluded) in the County shall be required to subscribe with the Franchised Collector(s) for Garbage Container, Recycling Container and Organics Container collection; comply with the relevant sections of this article, state law and local ordinances; and to pay for the collection and disposal of such containers.

B. The County’s designated Enforcement Agent is authorized to administer an SB 1383 permit system to monitor compliance with the requirements of this article. Generators are required to obtain a SB 1383 permit and pay associated application or enforcement fees, should such fees be incurred. The Board of Supervisors may, by resolution or a Memorandum of Understanding, place a limit on the permit rates, fees and charges.

C. No provision of this chapter shall be construed to prevent any person from self-hauling their own waste in their own vehicles or composting in the rear yard of their residence, provided that such composting does not constitute a nuisance to neighboring property because it is injurious to health or is offensive to the senses. Nor shall any provision of this article limit the right of any person to donate or sell Recyclable Materials.

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