



1 ROB BONTA  
 Attorney General of California  
 2 SARA J. DRAKE  
 Senior Assistant Attorney General  
 3 T. MICHELLE LAIRD  
 Supervising Deputy Attorney General  
 4 JAMES G. WAIAN  
 Deputy Attorney General  
 5 State Bar No. 152084  
 600 West Broadway, Suite 1800  
 6 San Diego, CA 92101  
 P.O. Box 85266  
 7 San Diego, CA 92186-5266  
 Telephone: (619) 738-9335  
 8 Fax: (619) 645-2012  
 E-mail: James.Waian@doj.ca.gov  
 9 *Attorneys for Complainant*

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

15 In the Matter of the Statement of Reasons for  
 16 Denial of Application for Third-Party  
 Proposition Player Services License for:

**BGC Case No. BGC-HQ2020-00028SL**  
**CGCC Case No. CGCC-2020-1015-6Civ**

18 **JOLYN CABAIS GARRIDO**

**STATEMENT OF REASONS**

19 [REDACTED]  
 20 [REDACTED]  
 21 Registration Number TPPL-024369,

22 **Respondent.**

1 Complainant alleges as follows:

2 **PARTIES**

3 1. Yolanda Morrow (Complainant) brings this Statement of Reasons for Denial of  
4 Application for Third-Party Proposition Player Services License solely in her official capacity as  
5 the Acting Director of the California Department of Justice, Bureau of Gambling Control  
6 (Bureau).

7 2. On or about November 20, 2019, the California Gambling Control Commission  
8 (Commission) issued third-party proposition player services registration number TPPL-024369 to  
9 Jolyn Cabais Garrido (Respondent) to allow for her employment as a third-party proposition  
10 player for Knighted Ventures, LLC, a registered third-party proposition player services provider,  
11 registration number TPPP-000109.

12 **THE APPLICATION AND THIS PROCEEDING**

13 3. On or about December 4, 2019, Respondent submitted an initial Application for  
14 Third-Party Proposition Player Services License for Supervisor, Player or Other Employee,  
15 together with a Level I Supplemental Information form (collectively, Application), to the Bureau.

16 4. On or about August 20, 2020, the Bureau submitted a Third-Party Player Initial  
17 Background Investigation Report to the Commission recommending that Respondent's  
18 Application be denied.

19 5. At its October 15, 2020 meeting, the Commission referred consideration of  
20 Respondent's Application to an evidentiary hearing to be conducted pursuant to Business and  
21 Professions Code sections 19870 and 19871, and California Code of Regulations, title 4, section  
22 12056, subdivision (a).<sup>1</sup>

23 6. On or about November 3, 2020, the Commission notified Respondent of the  
24 Commission's decision to refer the matter to an evidentiary hearing. Included with that written  
25 notice was a Notice of Defense form for Respondent to complete and return.

26  
27 <sup>1</sup> The statutes and regulations applicable to this Statement of Reasons are quoted in  
28 pertinent part in Appendix A.



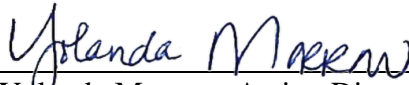
1 (Bus. & Prof. Code, §§ 19856, 19857, 19859, subds. (a) & (b) [mandatory denial], 19866; Cal.  
2 Code. Regs., tit. 4, §§ 12122, subd. (d), 12130, subd. (d).)

3  
4 **PRAYER**

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

- 7 1. Denying Respondent's Application for Third-Party Proposition Player Services  
8 License;  
9 2. Voiding Respondent's registration number TPPL-024369; and  
10 3. Taking such other and further action as the Commission may deem appropriate.

11  
12 Dated: May 6, 2021

13   
14 Yolanda Morrow, Acting Director  
15 Bureau of Gambling Control  
16 California Department of Justice  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28



1 4. Business and Professions Code, section 19853, subdivision (a), provides:

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

5 \* \* \*

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

8 5. Business and Professions Code section 19856 provides, in part:

9 (a) The burden of proving his or her qualifications to receive any license is on the  
10 applicant.

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

14 6. Business and Professions Code, section 19857 provides:

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

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

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

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

27 7. Business and Professions Code section 19859 provides, in part:

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

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

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

---

<sup>4</sup> "Chief" refers to the Director of the Bureau. (Bus. & Prof. Code, § 19805, subd. (d).)

1 8. Business and Professions Code section 19866 provides:

2 An applicant for licensing or for any approval or consent required by this chapter,  
3 shall make full and true disclosure of all information to the department<sup>5</sup> and the  
4 commission as necessary to carry out the policies of this state relating to licensing,  
registration, and control of gambling.

5 9. Business and Professions Code, section 19870 provides:

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

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

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

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

14 (e) A decision of the commission denying a license or approval, or imposing any  
15 condition or restriction on the grant of a license or approval may be reviewed by  
16 petition pursuant to Section 1085 of the Code of Civil Procedure. Section 1094.5 of  
17 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.

18 10. Business and Professions Code, section 19871 provides:

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

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

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

23 (A) To call and examine witnesses.

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

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

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

27 <sup>5</sup> "Department" refers to the Department of Justice. (Bus. & Prof. Code, § 19805, subd.  
28 (h).)

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

(E) To offer rebuttal evidence.

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

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

- 11. 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 . . .

**REGULATIONS**

- 12. 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 . . .

- 13. California Code of Regulations, title 4, section 12060 provides, in part:  
  - (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 Bureau's report or other appropriate sources including, without limitation, a request from the Bureau or applicant as well as the Commission's operational considerations.
  - (b) When the Commission has elected to hold a GCA hearing, 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 60 calendar days in advance of the GCA hearing.



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

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

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

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

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

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

(b) . . .

\* \* \*

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

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