

1 ROB BONTA
Attorney General of California
2 NANCY A. KAISER
Supervising Deputy Attorney General
3 STEPHEN D. SVETICH
Deputy Attorney General
4 State Bar No. 272370
300 So. Spring Street, Suite 1702
5 Los Angeles, CA 90013
Telephone: (213) 269-6734
6 Facsimile: (916) 731-2126
E-mail: Stephen.Svetich@doj.ca.gov
7 *Attorneys for Complainant*

8
9 **BEFORE THE**
CALIFORNIA GAMBLING CONTROL COMMISSION
10 **STATE OF CALIFORNIA**

11
12 In the Matter of the Accusation Against:

BGC Case No. BGC-HQ2023-00001AC

13 **HANH THI HUYNH**
14 

ACCUSATION

15 **Third Party Player License No. TPPL-**
024855,
16 **Third Party Worker Regular License No.**
TPWK-000127,

17 Respondent.
18

19 **PARTIES**

20 1. Yolanda Morrow (“Complainant”) brings this Accusation solely in her official
21 capacity as the Director of the California Department of Justice, Bureau of Gambling Control
22 (“Bureau”).

23 2. On or about April 8, 2019, the California Gambling Control Commission
24 (“Commission”) issued Third Party Registrant—Player License Number TPPL-024855 to Hanh
25 Thi Huynh (“Respondent”). The Third Party Registrant—Player License was cancelled on
26 August 4, 2020 upon the issuance of a Third Party Player License to Respondent under the same
27 license number, and the Third Party Registrant—Player License is now null and void.
28

1 3. On or about August 4, 2020, the Commission issued Third Party Player License
2 Number TPPL-024855 to Respondent. The Third Party Player License expired on August 31,
3 2021, and has not been renewed. It is currently inactive.

4 4. On or about February 25, 2021, the Commission issued Third Party Worker
5 Temporary License Number TPWK-000127 to Respondent. The Third Party Worker Temporary
6 License was cancelled on August 11, 2022 upon the issuance of a Third Party Worker Regular
7 License to Respondent under the same license number, and the Third Party Worker Temporary
8 License is now null and void.

9 5. On or about August 11, 2022, the Commission issued Third Party Worker Regular
10 License Number TPWK-000127 to Respondent. The Third Party Worker Regular License has
11 been active at all times relevant to the allegations herein and is scheduled to expire on August 31,
12 2024, unless renewed.

13 **RESPONDENT'S DESIGNATED AGENT**

14 6. On or about January 26, 2021, Respondent designated Jordan Aman, as her
15 Designated Agent on file with the Bureau. His address is 645 W. 9th Street, Unit 110-425, Los
16 Angeles, CA 90015.

17 **JURISDICTION, STANDARD OF PROOF, AND COST RECOVERY**

18 7. This Accusation is brought before the Commission under the authority of the
19 following laws. All section references are to the Business and Professions Code ("Code") unless
20 otherwise indicated.

21 8. The Commission has jurisdiction over the operation and concentration of gambling
22 establishments and all persons and things having to do with operation of gambling
23 establishments. (Code, § 19811, subd. (b); § 19984.)¹ The Commission has all powers necessary
24 and proper to fully and effectually carry out the policies and procedures of the Gambling Control
25 Act (Code, § 19800, et seq.). (Code, § 19824.) The Commission's responsibilities include
26 assuring that no unqualified person, or any person "whose operations are conducted in a manner
27 _____

28 ¹ The statutes and regulations applicable to this Accusation are quoted in pertinent part in Appendix A.

1 that is inimical to the public health, safety, and welfare” has any direct or indirect material
2 involvement with a licensed gambling operation. (Code, § 19823, subd. (a)(2).)

3 9. The Act is an exercise of the police power of the state intended to protect the public’s
4 health, safety and general welfare. The Act is to be liberally interpreted to effectuate that purpose.
5 (Code, § 19971.)

6 10. The Legislature has declared that a license is a “revocable privilege, and no holder
7 acquires any vested right therein or thereunder.” (Code, § 19801, subd. (k).) The Act tasks the
8 Bureau with, among other responsibilities, monitoring the conduct of licensees, investigating
9 suspected violations of the Act, and initiating disciplinary actions. (Code, §§ 19826, subds. (b),
10 (c), (e), 19930, subd. (b).)

11 11. Upon the Bureau filing an accusation, the Commission proceeds under Government
12 Code section 11500 et seq. (Code, § 19930, subd. (b); see Cal. Code Regs., tit. 4, § 12554(a).)
13 The Commission’s disciplinary powers include, among other things, license revocation, license
14 suspension, imposing a condition on a license, and requiring payment of a fine or monetary
15 penalty. (Code, § 19930, subd. (c); Cal. Code Regs., tit. 4, § 12554(d).)

16 12. In an accusation brought under the Act, the standard of proof is the preponderance of
17 the evidence. (Cal. Code Regs., tit. 4, § 12554 (c).)

18 13. In a matter involving discipline of a license, the Bureau may recover its costs of
19 investigation and prosecuting the proceeding. (Code, § 19930, subd. (d).)

20 **FACTS**

21 14. On October 20, 2022, Respondent was working as a third-party player for Knighted
22 Ventures, LLC, at Bay 101 Casino (“Bay 101”) in San Jose, California. During the incident
23 described below, Respondent was working at her assigned table when a Bay 101 employee
24 observed Respondent acting suspiciously. The employee thought Respondent might be stealing
25 because of the way she was concealing chips while she moved them, and he reported the incident
26 to Bay 101’s general manager.

27 15. Knighted Ventures’ general manager confronted Respondent regarding the
28 allegations. Respondent admitted to him that she took chips and concealed them inside of her

1 clothing. She also disclosed to him that she took the chips to another casino to gamble and
2 exchange them with people for money. Respondent stated she would hide one of her hands with
3 her other hand while grabbing a handful of \$100 chips, and then she would place the chips in her
4 shirt near her shoulder area, where they would slide down into her bra. Respondent admitted to
5 the general manager that she had been doing this for approximately two to three weeks, and that
6 she had stolen a total of \$5,000 to \$6,000 worth of chips.

7 16. Knighted Ventures' general manager reported the incident to police. On October 20,
8 2022, at approximately 2306 hours, San Jose Police Department officers responded to Bay 101.
9 The general manager told officers that Respondent stole approximately \$1,200 of chips that night.
10 After taking witness statements and collecting surveillance footage showing Respondent's theft,
11 the officers arrested Respondent for grand theft (Penal Code section 487, subd. (a)). Respondent
12 waived her Miranda rights and provided a statement to the responding officers. Respondent
13 admitted to the officers that on October 20, 2022, between approximately 3:00 p.m. and 5:00
14 p.m., she stole approximately \$1,100 in chips from Knighted Ventures. Respondent also admitted
15 to officers that she had stolen chips from Knighted Ventures several times before, but she could
16 not recall how many times. Respondent stated she started stealing chips approximately one
17 month prior to the incident because she was stressed out with a family situation and owed a lot of
18 money to people. Respondent admitted that over the course of the month, she stole
19 approximately \$5,000 to \$6,000 in chips from Knighted Ventures.

20 17. Knighted Ventures and Bay 101 staff subsequently reviewed video surveillance
21 footage of Respondent's shift and determined the total amount of her theft to be \$5,000.

22 18. Respondent previously held a Gaming Work Permit issued by the San Jose Police
23 Department. As a result of the incident alleged herein, on November 29, 2022, the San Jose
24 Police Department issued a Statement of Decision revoking Respondent's Gaming Work Permit.
25 The Statement of Decision indicates that the San Jose Police Department issued a Notice of Intent
26 to Revoke Respondent's Gaming Work Permit on November 4, 2022, and that Respondent failed
27 to respond timely to the Notice.
28

1 **FIRST CAUSE FOR DISCIPLINE**

2 **(Dishonest, Fraudulent, or Deceptive Activities)**

3 19. Respondent is subject to disciplinary action pursuant to Business and Professions
4 Code sections 19824, subdivision (b), and 19930, in connection with California Code of
5 Regulations, title 4, section 12560(c)(2), in that Respondent engaged in dishonest, fraudulent, or
6 deceptive activities in connection with controlled gambling or the provision of player services.
7 Specifically, in September and October 2022, Respondent stole approximately \$5,000 in chips
8 while working for Knighted Ventures at Bay 101 Casino. Complainant refers to and by this
9 reference incorporates the allegations set forth above in paragraphs 14 through 18, inclusive, as
10 though set forth fully herein.

11 **SECOND CAUSE FOR DISCIPLINE**

12 **(Committing Act Punishable as a Crime)**

13 20. Respondent is subject to disciplinary action pursuant to Business and Professions
14 Code sections 19824, subdivision (b), and 19930, in connection with California Code of
15 Regulations, title 4, section 12560(c)(3), in that Respondent committed an act punishable as a
16 crime which substantially relates to the duties and qualifications of the licensee or which occurred
17 in a gambling establishment. Specifically, in September and October 2022, Respondent stole
18 approximately \$5,000 in chips while working for Knighted Ventures at Bay 101 Casino.
19 Complainant refers to and by this reference incorporates the allegations set forth above in
20 paragraphs 14 through 18, inclusive, as though set forth fully herein.

21 **THIRD CAUSE FOR DISCIPLINE**

22 **(Conduct Inimical to Health, Welfare, or Safety of the General Public)**

23 21. Respondent is subject to disciplinary action pursuant to Business and Professions
24 Code sections 19824, subdivision (b), and 19930, in connection with California Code of
25 Regulations, title 4, section 12560(c)(4), in that Respondent engaged in conduct on the premises
26 of a gambling establishment or in connection with controlled gambling or the provision of
27 proposition player services which is inimical to the health, welfare, or safety of the general
28 public. Specifically, in September and October 2022, Respondent stole approximately \$5,000 in

1 chips while working for Knighted Ventures at Bay 101 Casino. Complainant refers to and by this
2 reference incorporates the allegations set forth above in paragraphs 14 through 18, inclusive, as
3 though set forth fully herein.

4 **FOURTH CAUSE FOR DISCIPLINE**

5 **(Dishonest, Fraudulent, or Unfairly Deceptive Activities)**

6 22. Respondent is subject to disciplinary action pursuant to Business and Professions
7 Code sections 19824, subdivision (b), and 19930, in connection with California Code of
8 Regulations, title 4, section 12560(d)(10), in that Respondent engaged in dishonest, fraudulent, or
9 unfairly deceptive activities in connection with controlled gambling. Specifically, in September
10 and October 2022, Respondent stole approximately \$5,000 in chips while working for Knighted
11 Ventures at Bay 101 Casino. Complainant refers to and by this reference incorporates the
12 allegations set forth above in paragraphs 14 through 18, inclusive, as though set forth fully herein.

13 **FIFTH CAUSE FOR DISCIPLINE**

14 **(Larceny)**

15 23. Respondent is subject to disciplinary action pursuant to Business and Professions
16 Code sections 19824, subdivision (b), and 19930, in connection with California Code of
17 Regulations, title 4, section 12560(d)(12), in that Respondent committed, attempted, or conspired
18 to commit larceny against a gambling licensee or upon the premises of a gambling establishment.
19 Specifically, in September and October 2022, Respondent stole approximately \$5,000 in chips
20 while working for Knighted Ventures at Bay 101 Casino. Complainant refers to and by this
21 reference incorporates the allegations set forth above in paragraphs 14 through 18, inclusive, as
22 though set forth fully herein.

23 **SIXTH CAUSE FOR DISCIPLINE**

24 **(No Longer Meets Criterion for Eligibility for Licensure)**

25 24. Respondent is subject to disciplinary action pursuant to Business and Professions
26 Code sections 19824, subdivision (b), and 19930, in connection with California Code of
27 Regulations, title 4, section 12560(e)(2), in that Respondent no longer meets any criterion for
28 eligibility, pursuant to California Code of Regulations, title 4, section 12040. Specifically, as a

1 result of Respondent's theft of approximately \$5,000 in chips while working for Knighted
2 Ventures at Bay 101 Casino, Respondent is no longer eligible for licensure pursuant to Business
3 and Professions Code sections 19857 and 19859 and California Code of Regulations, title 4,
4 section 12040(a). Complainant refers to and by this reference incorporates the allegations set
5 forth above in paragraphs 14 through 18, inclusive, as though set forth fully herein.

6 **PRAYER**

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

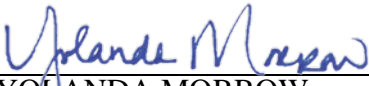
9 1. Disciplining Third Party Worker Regular License Number TPWK-000127, issued to
10 Hanh Thi Huynh;

11 2. Ordering Hanh Thi Huynh to pay the California Department of Justice, Bureau of
12 Gambling Control, the reasonable costs of the investigation and enforcement of this case,
13 pursuant to Business and Professions Code section 19930, subdivision (d)(1); and,

14 3. Imposing fines or monetary penalties against Hanh Thi Huynh, according to proof
15 and to the maximum extent allowed by law; and

16 4. Taking such other and further action as deemed necessary and proper.

17
18
19 DATED: April 19, 2024



YOLANDA MORROW
Director
Bureau of Gambling Control
Department of Justice
State of California
Complainant

20
21
22
23 LA2024600531
24 66564431.docx
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

APPENDIX A
STATUTORY AND REGULATORY PROVISIONS

BUSINESS AND PROFESSIONS CODE

1. Business and Professions Code section 19801 provides, in pertinent part:

....

(k) In order to effectuate state policy as declared herein, it is necessary that gambling establishments, activities, and equipment be licensed, that persons participating in those activities be licensed or registered, that certain transactions, events, and processes involving gambling establishments and owners of gambling establishments be subject to prior approval or permission, that unsuitable persons not be permitted to associate with gambling activities or gambling establishments, and that gambling activities take place only in suitable locations. Any license or permit issued, or other approval granted pursuant to this chapter, is declared to be a revocable privilege, and no holder acquires any vested right therein or thereunder.

....

2. Business and Professions Code section 19811, subdivision (b), provides:

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.

3. 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.

4. 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,² including, without limitation, the power to do all of the following:

² “Chapter” refers to Business and Professions Code, division 8, chapter 5, (commencing with section 19800), also known as the Gambling Control Act.

1

2 (b) For any cause deemed reasonable by the commission, deny any application
3 for a license, permit, or approval provided for in this chapter or regulations adopted
4 pursuant to this chapter, limit, condition, or restrict any license, permit, or approval,
5 or impose any fine upon any person licensed or approved. The commission may
6 condition, restrict, discipline, or take action against the license of an individual owner
7 endorsed on the license certificate of the gambling enterprise whether or not the
8 commission takes action against the license of the gambling enterprise.

9

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

13

14 5. Business and Professions Code section 19825 provides:

15 The commission may require that any matter of an adjudicative nature
16 regarding a license, permit, or finding of suitability, that the commission is authorized
17 or required to consider in an evidentiary hearing, including a hearing held pursuant to
18 Section 19870, be heard and determined in accordance with Chapter 5 (commencing
19 with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

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

21 The department³ shall perform all investigatory functions required by this
22 chapter, as well as auditing functions under tribal gaming compacts, and shall have all
23 of the following responsibilities:

24

25 (b) To monitor the conduct of all licensees and other persons having a material
26 involvement, directly or indirectly, with a gambling operation or its holding company,
27 for the purpose of ensuring that licenses are not issued or held by, and that there is no
28 direct or indirect material involvement with, a gambling operation or holding
company by ineligible, unqualified, disqualified, or unsuitable persons, or persons
whose operations are conducted in a manner that is inimical to the public health,
safety, or welfare.

(c) To investigate suspected violations of this chapter or laws of this state
relating to gambling, including any activity prohibited by Chapter 9 (commencing
with Section 319) or Chapter 10 (commencing with Section 330) of Title 9 of Part 1
of the Penal Code.

. . . .

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

³ “Department” refers to the Department of Justice. (Code, § 19805, subd. (h).)

1 (f) To adopt regulations reasonably related to its functions and duties as
specified in this chapter.

2

3 7. Business and Professions Code section 19850 provides, in part:

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

9 8. Business and Professions Code section 19857 provides:

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

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

13 (b) A person whose prior activities, criminal record, if any, reputation, habits,
14 and associations do not pose a threat to the public interest of this state, or to the
15 effective regulation and control of controlled gambling, or create or enhance the
dangers of unsuitable, 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.

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

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

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

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

22

23 10. Business and Professions Code section 19984 provides, in part:

24 Notwithstanding any other law, a licensed gambling enterprise may contract
25 with a third party for the purpose of providing proposition player services at a
gambling establishment, subject to the following conditions:

26

27 (b) (1) The commission shall establish reasonable criteria for, and require the
28 licensure and registration of, any person or entity that provides proposition player
services at gambling establishments pursuant to this section, including owners,

1 supervisors, and players. The commission may impose licensing requirements,
2 disclosures, approvals, conditions, or limitations as it deems necessary to protect the
3 integrity of controlled gambling in this state, and may assess, and the department may
4 collect, reasonable fees and deposits as necessary to defray the costs of providing this
5 regulation and oversight.

6

7 11. Business and Professions Code section 19910 provides:

8 The Legislature finds that to protect and promote the health, safety, good order,
9 and general welfare of the inhabitants of this state, and to carry out the policy
10 declared by this chapter, it is necessary that the department ascertain and keep itself
11 informed of the identity, prior activities, and present location of all gambling
12 enterprise employees and independent agents in the State of California, and when
13 appropriate to do so, recommend to the commission for approval persons for
14 employment in gambling establishments as provided in this article.

15 12. Business and Professions Code section 19930 provides, in pertinent part:

16

17 (b) If, after any investigation, the department is satisfied that a license, permit,
18 finding of suitability, or approval should be suspended or revoked, it shall file an
19 accusation with the commission in accordance with Chapter 5 (commencing with
20 Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

21 (c) In addition to any action that the commission may take against a license,
22 permit, finding of suitability, or approval, the commission may also require the
23 payment of fines or penalties. However, no fine imposed shall exceed twenty
24 thousand dollars (\$20,000) for each separate violation of any provision of this chapter
25 or any regulation adopted thereunder.

26 (d) In any case in which the administrative law judge recommends that the
27 commission revoke, suspend, or deny a license, the administrative law judge may,
28 upon presentation of suitable proof, order the licensee or applicant for a license to pay
the department the reasonable costs of the investigation and prosecution of the case.

(1) The costs assessed pursuant to this subdivision shall be fixed by the
administrative law judge and may not be increased by the commission. When
the commission does not adopt a proposed decision and remands the case to the
administrative law judge, the administrative law judge may not increase the
amount of any costs assessed in the proposed decision.

(2) The department may enforce the order for payment in the superior
court in the county in which the administrative hearing was held. The right of
enforcement shall be in addition to any other rights that the department may
have as to any licensee directed to pay costs.

(3) In any judicial action for the recovery of costs, proof of the
commission's decision shall be conclusive proof of the validity of the order of
payment and the terms for payment.

29

30 (f) For purposes of this section, "costs" include costs incurred for any of the

1 following:

2 (1) The investigation of the case by the department.

3 (2) The preparation and prosecution of the case by the Office of the
4 Attorney General.

5 13. Business and Professions Code section 19943 provides, in pertinent part:

6

7 (b) Any person or business described in subdivision (a), with actual knowledge
8 of the requirements of regulations adopted by the commission pursuant to subdivision
9 (d) of Section 19841, that knowingly and willfully fails to comply with the
10 requirements of those regulations shall be liable for a monetary penalty. The
11 commission may impose a monetary penalty for each violation. However, in the first
12 proceeding that is initiated pursuant to this subdivision, the penalties for all violations
13 shall not exceed a total sum of ten thousand dollars (\$10,000). If a penalty was
14 imposed in a prior proceeding before the commission, the penalties for all violations
15 shall not exceed a total sum of twenty-five thousand dollars (\$25,000). If a penalty
16 was imposed in two or more prior proceedings before the commission, the penalties
17 for all violations shall not exceed a total sum of one hundred thousand dollars
18 (\$100,000).

19

20 14. Business and Professions Code section 19971 provides, in pertinent part:

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

24 **CALIFORNIA CODE OF REGULATIONS**

25 15. California Code of Regulations, title 4, section 12002 provides, in part:

26 Unless otherwise specified, the definitions in Business and Professions Code
27 section 19805, supplemented by the definitions found in Chapter 10 of Title 9 of Part
28 1 of the Penal Code (commencing with section 330), govern the construction of this
division. As used in this division:

. . . .

(d) "Authorized player" means any natural person associated with a particular
TPPPS business license, including a subcontractor or independent contractor, whose
duties include the play in a controlled game on behalf of the TPPPS business license.
All TPPPS supervisor licensees must be authorized players. A TPPPS worker licensee
may be an authorized player. A TPPPS owner type licensee, if a natural person, may
be an authorized player.

. . . .

(a) "Registrant" means a person having a valid registration issued by the
Commission.

1

2 (ao) "Temporary license" means a preliminary license or Commission work
3 permit issued to an applicant prior to action on an initial license application, with
4 appropriate conditions, limitations or restrictions determined on a case-by-case basis
5 and, for the purposes of this division also includes:

6 (1) The following licenses:

7

8 (H) Temporary TPPPS worker license.

9

10 (av) "TPPPS worker license" means a license issued to any natural person
11 employed or hired by a TPPPS business licensee, including a subcontractor or
12 independent contractor, whose duties include being at a gambling establishment, but
13 who does not have any supervisory responsibilities identified in a job duty statement
14 or otherwise empowered to make discretionary decisions that regulate TPPPS
15 operations, including, without limitation, the authority to, on behalf of the TPPPS
16 business licensee, to authorize or approve the distribution of currency, chips, or other
17 wagering instruments to players engaged in the provision of third-party proposition
18 player services in a gambling establishment.

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

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

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

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

25

26 17. California Code of Regulations, title 4, section 12550 provides, in part:

27 (a) The purpose of this chapter is to set forth disciplinary procedures and
28 guidelines applicable to the holder of any license, registration, permit, finding of
suitability, or approval issued by the Commission. This chapter does not apply to any
denial proceedings under the Act.

(b) The disciplinary guidelines in this chapter are designed to promote fairness
and flexibility in dealing with a wide range of disciplinary scenarios. Variation in
penalties based on circumstances and factors in aggravation or mitigation are part of
this disciplinary scheme to promote compliance with applicable laws and regulations.

. . . .

18. California Code of Regulations, title 4, section 12554 provides, in part:

(a) Upon the filing with the Commission of an accusation by the Bureau
recommending revocation, suspension, or other discipline of a holder of a license,
registration, permit, finding of suitability, or approval, the Commission will proceed

1 under Chapter 5 (commencing with section 11500) of Part 1 of Division 3 of Title 2
2 of the Government Code.

3

4 (c) The Administrative Law Judge and Commission will base their decisions on
5 written findings of fact, including findings concerning any relevant aggravating or
6 mitigating factors. Findings of fact will be based upon a preponderance of the
7 evidence standard. The “preponderance of the evidence standard” is such evidence as
8 when considered and compared with that opposed to it, has more convincing force,
9 and produces a belief in the mind of the fact-finder that what is sought to be proved is
10 more likely true than not true.

11 (d) Upon a finding of a violation of the Act, any regulations adopted pursuant
12 thereto, any law related to gambling or gambling establishments, violation of a
13 previously imposed disciplinary or license condition, or laws whose violation is
14 materially related to suitability for a license, registration, permit, or approval, the
15 Commission may do any one or more of the following:

16 (1) Revoke the license, registration, permit, finding of suitability, or
17 approval;

18 (2) Suspend the license, registration, or permit;

19 (3) Order the licensing authority of a city, county, or city and county, to
20 revoke a local work permit, pursuant to Business and Professions Code section
21 19914, subdivision (a),

22 (4) Impose any condition, limitation, order, or directive (including but not
23 limited to a directive to divest an interest in a business entity pursuant to
24 Business and Professions Code, section 19879);

25 (5) Impose any fine or monetary penalty consistent with Business and
26 Professions Code sections 19930, subdivision (c), and 19943, subdivision (b);

27 (6) Stay, in whole or in part, the imposition of a revocation or suspension
28 against the holder of a license, registration, work permit, finding of suitability,
or approval, or

(7) Order the holder to pay a monetary penalty in lieu of all or a portion
of a suspension. Within the guidelines of Business and Professions Code
sections 19930, subdivision (c), and 19943, subdivision (b):

. . . .

(E) If the respondent is a holder of a work permit or TPPPS worker
license, or a person not otherwise described above, the monetary penalty
will be \$50 per day for the number of calendar-days for which the
suspension is stayed.

. . . .

(i) Any order to pay the costs of investigation or prosecution of the case shall be
fixed pursuant to Business and Professions Code section 19930, subdivision (d).

(j) For multiple violations, or for suspensions imposed by other jurisdictions

1 based on the same violations, the decision must state whether any Commission-
2 imposed suspensions must run consecutively or concurrently.

3 (k) Where a violation arises from a practice that is repeated many times an hour
4 or day in the conduct of controlled games, each instance of the practice will not be
5 charged as a separate violation; however, the frequency and duration of the practice
6 will be treated as aggravating or mitigating factors.

7 19. California Code of Regulations, title 4, section 12556 provides:

8 Factors in mitigation may reduce a minimum penalty of suspension listed in
9 this chapter, either in number of days suspended and/or in the proposal to stay a
10 suspension for a period of probation and the payment of any monetary penalty.
11 Factors in aggravation may increase a penalty or be taken into consideration in
12 determining whether or not to allow a suspension to be stayed upon payment of a
13 monetary penalty. If presented by complainant or respondent, the Commission will
14 consider the following factors in mitigation or aggravation of the penalty imposed:

15 (a) Violation of any previously imposed or agreed upon condition, restriction or
16 directive.

17 (b) Whether or not the conduct was knowing, willful, reckless, or inadvertent.

18 (c) The extent to which respondent cooperated with the Bureau or Commission
19 during the investigation of the violation.

20 (d) The extent to which respondent was honest with the Bureau or Commission
21 during the investigation of the violation.

22 (e) The extent to which respondent is willing to reimburse or otherwise make
23 whole any person who has suffered a loss due to the violation.

24 (f) Whether respondent has initiated remedial measures to prevent similar
25 violations.

26 (g) The extent to which respondent realized an economic gain from the
27 violation.

28 (h) Disciplinary history of respondent, repeated offenses of the same or similar
nature, or evidence that the unlawful act was part of a pattern or practice, including
the frequency or duration of any pattern or practice which violates applicable law.

(i) Any other aggravating factors, including any factors which the Commission
determines to bear on the health, safety, or welfare of the public.

(j) The extent to which there was actual or potential harm to the public or to any
patron.

(k) The extent to which a cardroom business licensee, key employee licensee,
TPPPS owner type licensee, or TPPPS supervisor licensee exercised due diligence in
management or supervision.

(l) If the violation was caused by an employee category licensee or independent
contractor of an owner category licensee, the extent to which the owner category
licensee knew or should have known of the employee category licensee's or
independent contractor's improper conduct; the level of authority of the employee

1 category licensee or independent contractor involved and the extent to which the
2 employee category licensee or independent contractor acted within the scope of his or
3 her authority in committing the violation.

4 (m) If the violation was caused by an owner category licensee, the extent to
5 which the owner category licensee knew or should have known of the improper
6 conduct.

7 (n) If the violation was caused or committed by a TPPPS category licensee, the
8 extent to which the cardroom business licensee or TPPPS owner type licensee knew
9 or should have known of the TPPPS category licensee's improper conduct.

10 (o) Any relevant evidence offered by respondent in mitigation of the violation.

11 20. California Code of Regulations, title 4, section 12560 provides, in pertinent part:

12

13 (c) A TPPPS employee type licensee will be subject to a minimum monetary
14 penalty of \$100 and/or a suspension of three calendar-days and a maximum penalty
15 of revocation if the Commission finds that:

16 (1) The TPPPS employee type licensee has violated or is out of
17 compliance with conditions, limitations, orders, or directives imposed
18 by the Commission, either as part of an initial license, renewal
19 licensee, or pursuant to disciplinary action;

20 (2) The TPPPS employee type licensee has engaged in any
21 dishonest, fraudulent, or deceptive activities in connection with
22 controlled gambling or the provision of proposition player services;

23 (3) The TPPPS employee type licensee has committed any act
24 punishable as a crime, not otherwise listed in these disciplinary
25 guidelines, which substantially relates to the duties and qualifications
26 of the licensee, or which occurred in a gambling establishment or the
27 associated adjacent property;

28 (4) The TPPPS employee type licensee has engaged in any
conduct on the premises of the gambling establishment or in
connection with controlled gambling or the provision of proposition
player services which is inimical to the health, welfare, or safety of the
general public;

(5) The TPPPS employee type licensee has either failed to wear
a badge, worn a badge which was covered, worn a false or altered
badge, worn another person's badge, or worn an expired badge;

(6) The TPPPS employee type licensee has engaged in fighting
or has intentionally provoked a patron or employee of a cardroom
business licensee;

(7) The TPPPS employee type licensee has maliciously or
willfully destroyed or damaged the property of a cardroom business
licensee, cardroom employee type licensee, or patron;

(8) The TPPPS employee type licensee has accepted tips,

1 gratuities, complimentaries, or gifts from a cardroom category licensee
or cardroom businesses licensee's patrons;

2 (9) The TPPPS employee committed, attempted to commit, or
3 conspired to commit any act prohibited by the Act or this chapter; or,

4 (10) The TPPPS employee type licensee has failed to comply
with California Code of Regulations, Title 4, Section 12290.

5 (d) A TPPPS employee type licensee will be subject to a minimum monetary
6 penalty of \$300 and/or a suspension of five calendar-days and a maximum penalty of
revocation if the Commission finds that:

7 (1) The TPPPS employee type licensee has intentionally misrepresented a
8 material fact on an application, or supplemental application for licensure or
approval;

9 (2) The TPPPS employee type licensee has been cheating, pursuant to
10 Penal Code, section 337x;

11 (3) The TPPPS employee type licensee has committed extortion (as that
12 term is defined in Chapter 7 of Title 13 of Part 1 of the Penal Code,
commencing with section 518);

13 (4) The TPPPS employee type licensee has committed loan-sharking (as
that term is used in Civil Code section 1916-3, subdivision (b));

14 (5) The TPPPS employee type licensee has conducted or negotiated
15 illegal sales of controlled substances (as that term is used in Chapter 1
of Division 10 of the Health and Safety Code) or dangerous drugs (as that term is used in Business and Professions
16 Code, section 4022);

17 (6) The TPPPS employee type licensee has committed bribery (as that
18 term is used in Penal Code section 67 or 67.5);

19 (7) The TPPPS employee type licensee has committed money laundering
20 (as that term is used in Chapter 10 of Title 7 of Part 1 of the Penal Code,
commencing with section 186.9);

21 (8) The TPPPS employee type licensee has granted rebates to patrons
22 without full disclosure, in violation of California Code of Regulations, Title 4,
Section 12270, subsection (b)(18);

23 (9) The TPPPS employee type licensee intentionally misrepresented a
material fact on an application or supplemental application for licensure

24 (10) The TPPPS employee type licensee engaged in any dishonest,
25 fraudulent, or unfairly deceptive activity in connection with controlled
gambling, including any violation of laws related to cheating;

26 (11) The TPPPS employee type licensee concealed or refused to disclose
27 any material fact in any inquiry by the Bureau or the Commission;

28 (12) The TPPPS employee type licensee committed, attempted to commit,
or conspired to commit an act of embezzlement or larceny;

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

(13) The TPPPS employee type licensee has been lawfully excluded from being present upon the premises of any licensed gambling establishment for any reason relating to cheating or any violation of the Act;

(14) The TPPPS employee type licensee bought or sold chips other than to or from the house, except for exchanging with a patron, chips of one denomination for chips of another denomination;

(15) The TPPPS employee type licensee lent money or chips to a gambling enterprise patron; or,

(16) The TPPPS employee type licensee made a wager that was not specifically authorized by the game rules as approved by the Bureau.

(e) A TPPPS category licensee will be subject to revocation if the Commission finds that:

....

(2) The TPPPS employee type licensee no longer meets any criterion for eligibility, pursuant to Section 12040.