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**BEFORE THE**  
**CALIFORNIA GAMBLING CONTROL COMMISSION**  
**STATE OF CALIFORNIA**

**In the Matter of the First Amended  
Accusation Against:**  
  
**FULL RACK ENTERTAINMENT INC.**  
**(GEOW-003303), doing business as Towers  
Casino (GEGE-001318),**  
  
**JOHN ROBINSON (GEOW-003305),  
shareholder and officer,**  
  
**JAMEY ROBINSON (GEOW-003304),  
shareholder and officer,**  
  
**115 Bank Street, Grass Valley, CA 95945**  
  
**Respondents.**

**BGC Case No. HQ2020-00002AC**  
  
**OAH No.**  
  
**FIRST AMENDED ACCUSATION**

1 Complainant alleges as follows:

2 **PARTIES**

3 1. Stephanie Shimazu (Complainant) brings this First Amended Accusation solely  
4 in her official capacity as the Director of the California Department of Justice, Bureau of  
5 Gambling Control (Bureau).

6 2. Respondent Full Rack Entertainment, Inc. (Corporation), State Gambling  
7 License Number GEOW-003303, does business as Towers Casino (Casino). The Casino is an  
8 eight-table card room presently operating at 115 Bank Street, Grass Valley, California.

9 3. The Corporation's shareholders are Jamey Robinson and John Robinson, State  
10 Gambling License Numbers GEOW-003304 and GEOW-003305, respectively. They each hold  
11 a 50-percent interest in the Corporation and are endorsed on the Casino's State Gambling  
12 License, Number GEOW-001318, as the Corporation's shareholders.

13 4. The Corporation, Jamey Robinson, and John Robinson are referred to  
14 collectively as "Respondents" in this Accusation

15 5. The California Gambling Control Commission (Commission) issued the above-  
16 described licenses to Respondents pursuant to the Gambling Control Act (Act) (Bus. & Prof.  
17 Code, § 19800 et seq.).

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

19 6. The Commission has jurisdiction over the operation and concentration of  
20 gambling establishments and all persons and things having to do with operation of gambling  
21 establishments. (Bus. & Prof. Code, § 19811, subd. (b).)<sup>1</sup> The Commission has all powers  
22 necessary and proper to fully and effectually carry out the policies and procedures of the Act.  
23 (Bus. & Prof. Code, § 19824.) The Commission's responsibilities include assuring that no  
24 unqualified person, or any person whose operations are conducted in a manner that is inimical  
25 to the public health, safety, and welfare, has any direct or indirect material involvement with a  
26 licensed gambling operation. (Bus. & Prof. Code, § 19823, subd. (a)(2).)

27 \_\_\_\_\_  
28 <sup>1</sup> The statutes and regulations applicable to this First Amended Accusation are quoted in  
pertinent part in Appendix A.

1           7.       The Act tasks the Bureau with, among other responsibilities, monitoring the  
2 conduct of licensees, investigating suspected violations of the Act, and initiating disciplinary  
3 actions. (Bus. & Prof. Code, §§ 19826, subds. (b), (c), (e), 19930, subd. (b).) Upon the Bureau  
4 filing an accusation, the Commission proceeds under Government Code section 11500 et seq.  
5 (Bus. & Prof Code, § 19930, subd. (b); see Cal. Code Regs., tit. 4, § 12554, subd. (a).) The  
6 Commission’s disciplinary powers include, among other things, license revocation, license  
7 suspension, imposing a condition on a license, and requiring payment of a fine or monetary  
8 penalty. (Bus. & Prof. Code, § 19930, subd. (c); Cal. Code Regs., tit. 4, § 12554, subd. (d).)

9           8.       In an accusation brought under the Act, the standard of proof is the  
10 preponderance of the evidence. (Cal. Code Regs., tit. 4, § 12554, subd. (c).)

11           9.       In a matter involving discipline of a license, the Bureau may recover its costs of  
12 investigation and prosecuting the proceeding. (Bus. & Prof. Code, § 19930, subd. (d).)

13                   **THE DUTY TO OPERATE IN A SUITABLE MANNER TO PROTECT PUBLIC**  
14                   **HEALTH, SAFETY, AND GENERAL WELFARE**

15           10.       The Act is an exercise of the police power of the state intended to protect the  
16 public’s health, safety and welfare. The Act is to be liberally interpreted to effectuate that  
17 purpose. (Bus. & Prof. Code, § 19971.) The Act requires comprehensive regulation to  
18 maintain the public trust that permissible gambling will not endanger the public health, safety,  
19 and welfare. (Bus. & Prof. Code, § 19801, subd. (g).)

20           11.       The Act requires that all gambling establishments be operated in a manner  
21 suitable to protect the public health, safety, and general welfare. The responsibility for  
22 employing and maintaining suitable methods of operation rests with the owners. (Bus. & Prof.  
23 Code, § 19920.) The failure to meet this responsibility constitutes grounds for license  
24 revocation. (*Ibid.*) No owner licensee shall operate a card room in violation of the Act. (Bus.  
25 & Prof. Code, § 19922.)

26                   **COVID-19 EMERGENCY AND THE GOVERNOR’S ORDERS**

27           12.       The United States is in the midst of an unprecedented public health crisis with  
28 the worldwide COVID-19 Pandemic (Pandemic) caused by the SARS-CoV-2 virus (Virus).

1 Like the rest of the country, the state is in the grip of this Pandemic. As of mid-May 2020, in  
2 California, the Virus had infected more than 86,000 people and killed more than 3,500.<sup>2</sup>

3 13. On March 4, 2020, the Governor proclaimed a State of Emergency to exist as  
4 result of the threat of the spread of COVID-19. On March 20, 2020, the Governor issued  
5 Executive Order N-33-20, which incorporated the directives of the Public Health Officer issued  
6 under the California Health and Safety Code, and ordered “all individuals living in the State to  
7 stay home or at their place of residence except as needed to maintain continuity of operations of  
8 the federal critical infrastructure sectors . . . .”<sup>3</sup> These actions by the Governor reduced large  
9 sectors of economic activity in the state to prevent the spread of the Virus and the resultant  
10 serious sickness and death from COVID-19.

11 14. On May 4, 2020, the Public Health Officer issued the Pandemic Roadmap  
12 (Roadmap), which set forth a four-stage framework for reopening California’s economy while  
13 considering the continuing danger that the spread of COVID-19 posed to the public as follows:  
14 “safety and preparation (Stage 1), reopening of lower-risk workplaces and other spaces (Stage  
15 2), reopening of higher-risk workplaces and other spaces (Stage 3), and finally an easing of  
16 final restrictions leading to the end of the stay at home order (Stage 4).”<sup>4</sup> The Roadmap’s goal  
17 is to open the state in a way that minimizes the risk of increasing the number of COVID-19  
18 cases. The Roadmap is incorporated into the Governor’s May 4, 2020 Executive Order N-60-  
19 20.<sup>5</sup>

20 15. Entertainment venues, including gaming, gambling and arcade venues, such as  
21 the Casino, are higher risk workplaces permitted to open only in the Roadmap’s Stage 3. As of  
22

23 <sup>2</sup> These figures were obtained from the State of California’s COVID-19 website at  
24 <https://covid19.ca.gov/>. They were current as of May 21, 2020.

25 <sup>3</sup> Executive Order N-33-20 is available at <https://covid19.ca.gov/img/Executive-Order-N-33-20.pdf>.

26 <sup>4</sup> For background, see the State of California’s COVID-19 site on county variances for  
27 reopening at <https://covid19.ca.gov/roadmap-counties/>.

28 <sup>5</sup> Executive Order N-60-20 is available at <https://www.gov.ca.gov/wp-content/uploads/2020/05/5.4.20-EO-N-60-20.pdf>.

1 May 18, 2020, when the violations alleged in this First Amended Accusation occurred, no  
2 county in the state had been authorized to advance to the Roadmap's Stage 3.

3 **THE CASINO REOPENING AND THE BUREAU'S**  
4 **EMERGENCY ORDERS**

5 16. Prior to May 18, 2020, Respondents closed the Casino in accordance with the  
6 Governor's executive orders. On May 18, 2020, however, the Casino reopened in violation of  
7 the Governor's Executive Order N-33-20, as modified by Executive Order N-60-20  
8 (collectively, Executive Orders). Upon reopening, Respondents were operating the Casino in a  
9 manner that threatened the public health, safety, and general welfare. On May 19, 2020, the  
10 Bureau issued and served an Emergency Order on Respondents pursuant to Business and  
11 Professions Code section 19931. Exhibit 1 to this First Amended Accusation is a true copy of  
12 the Emergency Order. The Emergency Order directed the Casino to immediately suspend and  
13 cease all gambling and gambling-related activities and close the gambling establishment. The  
14 Emergency Order advised Respondents of their right to a hearing.<sup>6</sup>

15 17. On June 10, 2020, in anticipation of the permitted reopening of California card  
16 rooms under the Roadmap's Stage 3 conditions, the Bureau issued and served an Amended  
17 Emergency Order on Respondents pursuant to Business and Professions Code section 19931.  
18 Exhibit 2 to this First Amended Accusation is a true copy of the Amended Emergency Order.  
19 The Amended Emergency Order authorizes the Casino to reopen in accordance with guidelines  
20 and rules issued by state and local agencies to protect public health and mitigate the spread of  
21 COVID-19. The Amended Emergency Order advised Respondents of their right to a hearing.

22 **CAUSE FOR DISCIPLINE**

23 **(Failing to Protect the Public Health, Safety, and General Welfare)**

24 18. Respondents' licenses are subject to discipline because Respondents reopened  
25 the Casino in violation of the Executive Orders. These Executive Orders were issued by the  
26 Governor to protect the public health, safety, and general welfare of California's citizens. By

27 <sup>6</sup> Subsequent to the Emergency Order and in accordance with Business and Professions  
28 Code section 19931, subdivision (d), the Bureau filed and served the initial Accusation on May  
21, 2020.

1 reopening without authorization, Respondents violated both the Executive Orders and the Act,  
2 putting the public at risk. Additionally, while acting in violation of the law, Respondents  
3 operated the Casino in a manner that threatened, and failed to protect, the public health, safety  
4 and general welfare.

5 (Bus. & Prof. Code, §§ 19857, 19920, 19922; Cal. Code Regs., tit. 4, § 12568, subd. (c)(3);  
6 Gov. Code, § 8665; Health & Saf. Code, § 120275.)

7 **PRAYER**

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

10 1. Disciplining State Gambling License Number GEOW-003303, issued to  
11 respondent Full Rack Entertainment, Inc., including suspension or revocation as appropriate;

12 2. Disciplining State Gambling License Number GEOW-003304, issued to  
13 respondent Jamey Robinson, including suspension or revocation as appropriate;

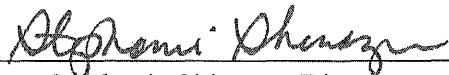
14 3. Disciplining State Gambling License Number GEOW-003305, issued to  
15 Respondent John Robinson, including suspension or revocation as appropriate;

16 4. Imposing fines or monetary penalties against Respondents, jointly and severally,  
17 according to proof and to the maximum extent allowed by law;

18 5. Awarding the Bureau the costs of investigation and costs of bringing this First  
19 Amended Accusation before the Commission, pursuant to Business and Professions Code  
20 section 19930, subdivisions (d) and (f), in a sum according to proof; and

21 6. Taking such other and further action as the Commission may deem appropriate.  
22

23 Dated: June 11, 2020



24 Stephanie Shimazu, Director  
25 Bureau of Gambling Control  
26 California Department of Justice  
27  
28

1                                 **APPENDIX A – STATUTORY AND REGULATORY PROVISIONS**

2   **Jurisdictional Provisions**

3                    1.    Business and Professions Code section 19811 provides, in part:

4   (b)   Jurisdiction, including jurisdiction over operation and  
5   concentration, and supervision over gambling establishments in this state  
6   and over all persons or things having to do with the operations of gambling  
7   establishments is vested in the commission.

8                    2.    Business and Professions Code section 19823 provides:

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

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

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

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

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

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

28   \* \* \*

29   (b)   For any cause deemed reasonable by the commission, . . . limit,  
30   condition, or restrict any license, permit, or approval, or impose any fine  
31   upon any person licensed or approved. The commission may condition,  
32   restrict, discipline, or take action against the license of an individual owner  
33   endorsed on the license certificate of the gambling enterprise whether or  
34   not the commission takes action against the license of the gambling  
35   enterprise.

   \* \* \*

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

4 4. Business and Professions Code section 19825 provides:

5 The commission may require that any matter that the commission is  
6 authorized or required to consider in a hearing or meeting of an  
7 adjudicative nature regarding the denial, suspension, or revocation of a  
8 license, permit, or a finding of suitability, be heard and determined in  
9 accordance with Chapter 5 (commencing with Section 11500) of Part 1 of  
10 Division 3 of Title 2 of the Government Code.

11 5. Business and Professions Code section 19826 provides, in part:

12 The department<sup>7</sup> . . . shall have all of the following responsibilities:

13 \* \* \*

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

22 (c) To investigate suspected violations of this chapter or laws of this  
23 state relating to gambling . . . .

24 \* \* \*

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

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

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<sup>7</sup> "Department" refers to the Department of Justice. (Bus. & Prof. Code, § 19805, subd.  
(h).)



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

9 \* \* \*

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

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

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

19 \* \* \*

20 (5) Impose any fine or monetary penalty consistent with  
21 Business and Professions Code sections 19930, subdivision (c), and  
22 19943, subdivision (b)

### 23 Cost Recovery Provisions

24 7. Business and Professions Code section 19930 provides, in part:

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

\* \* \*

(d) In any case in which the administrative law judge recommends that  
the commission revoke, suspend, or deny a license, the administrative law  
judge may, 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 (1) The costs assessed pursuant to this subdivision shall be fixed  
2 by the administrative law judge and may not be increased by the  
3 commission. When the commission does not adopt a proposed decision  
4 and remands the case to the administrative law judge, the administrative  
5 law judge may not increase the amount of any costs assessed in the  
6 proposed decision.

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

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

14 \* \* \*

15 (f) For purposes of this section, "costs" include costs incurred for any  
16 of the following:

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

18 (2) The preparation and prosecution of the case by the Office of  
19 the Attorney General.

20 **Specific Statutory and Regulatory Provisions**

21 8. Business and Professions Code, section 19801 provides, in part:

22 (g) Public trust that permissible gambling will not endanger public  
23 health, safety, or welfare requires that comprehensive measures be  
24 enacted to ensure that gambling is free from criminal and corruptive  
25 elements, that it is conducted honestly and competitively, and that it is  
26 conducted in suitable locations.

27 (h) Public trust and confidence can only be maintained by strict  
28 comprehensive regulation of all persons, locations, practices,  
associations, and activities related to the operation of lawful gambling  
establishments and the manufacture and distribution of permissible  
gambling equipment.

(i) All gambling operations, all persons having a significant  
involvement in gambling operations, all establishments where gambling  
is conducted, and all manufacturers, sellers, and distributors of gambling  
equipment must be licensed and regulated to protect the public health,  
safety, and general welfare of the residents of this state as an exercise of  
the police powers of the state.

1  
2 (k) In order to effectuate state policy as declared herein, it is  
3 necessary that gambling establishments, activities, and equipment be  
4 licensed, that persons participating in those activities be licensed or  
5 registered, that certain transactions, events, and processes involving  
6 gambling establishments and owners of gambling establishments be  
7 subject to prior approval or permission, that unsuitable persons not be  
8 permitted to associate with gambling activities or gambling  
9 establishments . . . . Any license or permit issued, or other approval  
10 granted pursuant to this chapter, is declared to be a revocable privilege,  
11 and no holder acquires any vested right therein or thereunder.

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19 9. Business and Professions Code section 19857 provides:

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

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

24 (b) A person whose prior activities, criminal record, if any,  
25 reputation, habits, and associations do not pose a threat to the public  
26 interest of this state, or to the effective regulation and control of  
27 controlled gambling, or create or enhance the dangers of unsuitable,  
28 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.

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

10. Business and Professions Code section 19920 provides:

It is the policy of the State of California to require that all  
establishments wherein controlled gambling is conducted in this state  
be operated in a manner suitable to protect the public health, safety,  
and general welfare of the residents of the state. The responsibility for  
the employment and maintenance of suitable methods of operation  
rests with the owner licensee, and willful or persistent use or toleration  
of methods of operation deemed unsuitable by the commission or by  
local government shall constitute grounds for license revocation or  
other disciplinary action.

11. Business and Professions Code section 19922 provides:

No owner licensee shall operate a gambling enterprise in violation  
of any provision of this chapter or any regulation adopted pursuant to  
this chapter.

1 12. Business and Professions Code section 19971 provides:

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

6 13. California Code of Regulations, title 4, section 12568, subdivision (c), provides, in  
7 part:

8 A state gambling license, finding of suitability, or approval granted  
9 by the Commission . . . and an owner license for a gambling  
10 establishment if the owner licensee has committed a separate violation  
11 from any violations committed by the gambling establishment shall be  
12 subject to revocation by the Commission on any of the following  
13 grounds:

14 \* \* \*

15 (3) If the Commission finds the holder no longer meets any  
16 criterion for eligibility, qualification, suitability or continued  
17 operation, including those set forth in Business and Professions  
18 Code section 19857, 19858, or 19880, as applicable, or

19 (4) If the Commission finds the holder currently meets any of  
20 the criteria for mandatory denial of an application set forth in  
21 Business and Professions Code sections 19859 or 19860.

22 14. California Government Code section 8665, provides:

23 Any person who violates any of the provisions of this chapter or  
24 who refuses or willfully neglects to obey any lawful order or regulation  
25 promulgated or issued as provided in this chapter, shall be guilty of a  
26 misdemeanor and, upon conviction thereof, shall be punishable by a  
27 fine of not to exceed one thousand dollars (\$1,000) or by imprisonment  
28 for not to exceed six months or by both such fine and imprisonment.

29 15. California Health and Safety Code section 120275, provides:

30 Any person who, after notice, violates, or who, upon the demand  
31 of any health officer, refuses or neglects to conform to, any rule, order,  
32 or regulation prescribed by the department respecting a quarantine or  
33 disinfection of persons, animals, things, or places, is guilty of a  
34 misdemeanor.

1 Authority for Emergency Order

2 16. Business and Professions Code section 19931 provides:

3 (a) The department may issue any emergency orders against an  
4 owner licensee or any person involved in a transaction requiring prior  
5 approval that the department deems reasonably necessary for the  
6 immediate preservation of the public peace, health, safety, or general  
7 welfare.

8 (b) The emergency order shall set forth the grounds upon which  
9 it is based, including a statement of facts constituting the alleged  
10 emergency necessitating the action.

11 (c) The emergency order is effective immediately upon issuance  
12 and service upon the owner licensee or any agent of the licensee  
13 registered with the department for receipt of service, or, in cases  
14 involving prior approval, upon issuance and service upon the person  
15 or entity involved, or upon an agent of that person or entity authorized  
16 to accept service of process in this state. The emergency order may  
17 suspend, limit, condition, or take other action in relation to the license  
18 of one or more persons in an operation without affecting other  
19 individual licensees, registrants, or the licensed gambling  
20 establishment. The emergency order remains effective until further  
21 order of the commission or final disposition of any proceeding  
22 conducted pursuant to subdivision (d).

23 (d) Within two calendar days after issuance of an emergency  
24 order, the department shall file an accusation with the commission  
25 against the person or entity involved. Thereafter, the person or entity  
26 against whom the emergency order has been issued and served is  
27 entitled to a hearing which, if so requested, shall commence within 10  
28 business days of the date of the request if a gambling operation is  
closed by the order, and in all other cases, within 30 calendar days of  
the date of the request. On application of the department, and for good  
cause shown, a court may extend the time within which a hearing is  
required to be commenced, upon those terms and conditions that the  
court deems equitable.

# **EXHIBIT 1**

1 XAVIER BECERRA  
Attorney General of California  
2 SARA J. DRAKE  
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*Attorneys for Complainant*

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

16 **In the Matter of the Emergency Order re:**  
17 **FULL RACK ENTERTAINMENT INC.**  
18 **(GEOW-003303), doing business as Towers**  
**Casino (GEGE-001318),**  
19 **JOHN ROBINSON (GEOW-003305),**  
20 **shareholder and officer,**  
21 **JAMEY ROBINSON (GEOW-003304),**  
22 **shareholder and officer,**  
23 **115 Bank Street, Grass Valley, CA 95945**  
24 **Respondents.**

**BGC Case No. BGC-HQ2020-00002AC**  
**EMERGENCY ORDER**  
(Bus. & Prof. Code, § 19931)

1 **EMERGENCY ORDER**

2 **TO: FULL RACK ENTERTAINMENT INC. (GEOW-003303), doing business**  
3 **as Towers Casino (GEGE-001318), and its shareholders and officers JOHN**  
4 **ROBINSON (GEOW-003305) and JAMEY ROBINSON (GEOW-003304)**

5 STEPHANIE SHIMAZU, solely in her official capacity as Director of the California  
6 Department of Justice, Bureau of Gambling Control (Bureau), HEREBY ORDERS, that Full  
7 Rack Entertainment, Inc. (Corporation), doing business as Towers Casino (Casino), its  
8 shareholders and officers John Robinson and Jamey Robinson, and any entity or individual  
9 operating under or endorsed upon State Gambling License Number GEGE-001318, shall,  
10 EFFECTIVE IMMEDIATELY:

11 1. Suspend and cease any and all gambling and gambling-related activities at the  
12 Casino and close the gambling establishment. The Casino must remain closed until further  
13 notice.

14 2. Within 48 hours of issuance and service of this Emergency Order, the Casino  
15 shall provide proof satisfactory to the Bureau of its then-existing chip liability to patrons and its  
16 third-party provider of proposition player services (third-party provider). If any chip liability  
17 exists, the Casino shall fully fund and maintain a separate, specifically designated, insured  
18 account with a financial institution into which an amount equal to the chip liability shall be  
19 deposited. The funds in this account shall be used only to redeem chips. No withdrawals shall  
20 be made from this account without the Bureau's prior written consent. The account shall not be  
21 used as collateral, or encumbered, or hypothecated in any fashion. Within 72 hours of issuance  
22 and service of this Emergency Order, the Casino shall provide proof satisfactory to the Bureau  
23 of the amount deposited in this account and that the account is fully funded.

24 3. Within 48 hours of issuance and service of this Emergency Order, the Casino  
25 shall provide proof satisfactory to the Bureau of its then-existing patron and third-party provider  
26 funds liability. If any patron funds liability exists, the Casino shall fully fund and maintain a  
27 separate, specifically designated, insured account with a financial institution into which an  
28 amount equal to the patron and third-party provider funds liability shall be deposited. The



1 funds in this account shall be used only to redeem patron and third-party provider funds on  
2 deposit. No withdrawals shall be made from this account without the Bureau's prior written  
3 consent. The account shall not be used as collateral, or encumbered, or hypothecated in any  
4 fashion. Within 72 hours of issuance and service of this Emergency Order, the Casino shall  
5 provide proof satisfactory to the Bureau of the amount deposited in this account and that the  
6 account is fully funded.

7 **GROUND FOR THIS EMERGENCY ORDER**

8 **Jurisdiction – Licensure**

9 1. The Corporation is an owner-licensee, owns and operates, and does business as  
10 the Casino. The Corporation's shareholders and officers are John Robinson and Jamey  
11 Robinson, who are endorsed on the Casino's state gambling license. The Casino is an eight-  
12 table card room presently operating at 115 Bank Street, Grass Valley, California.

13 2. The California Gambling Control Commission (Commission) issued the above-  
14 described owner licenses, which will expire on December 31, 2020.

15 **Factual Basis – Failure to Protect the Public Health, Safety, and General Welfare**

16 3. In March 2020, the Governor of the State of California (Governor) proclaimed a  
17 State of Emergency in response to the SARS-CoV-2, also known as the COVID-19, pandemic  
18 (Pandemic). Under his emergency authority, the Governor issued several executive orders to  
19 protect the public health, safety, and welfare by requiring closure of many California  
20 businesses, including licensed gambling establishments (card rooms). Pursuant to those  
21 executive orders, all California card rooms, including the Casino, are required to be closed.  
22 While some closures are being lifted by the Governor, partially or in phases, no card rooms,  
23 including the Casino, have been permitted to reopen legally. The Pandemic continues.

24 4. The Casino reopened to the public, in violation of the Governor's executive orders,  
25 on May 18, 2020. The Casino remains open and operating in violation of law and is thus  
26 endangering the public health, safety, and general welfare.

27 5. In view of the foregoing, the Casino's continued operation poses an immediate  
28 threat to the public health, safety, and welfare. The Casino's continued operation also

1 undermines the public's trust and confidence that the Casino employs and maintains suitable  
2 methods of operation to protect the public health, safety, and general welfare.

3 **AUTHORITY FOR EMERGENCY ORDER**

4 6. Public trust and confidence in licensed, controlled gambling can be maintained  
5 only by strict compliance with the laws and regulations related to the operation of licensed  
6 gambling establishments. (Bus. & Prof. Code, § 19801, subd. (h).)

7 7. All gambling establishment owners, gambling establishments, and gambling  
8 operations must be licensed and regulated to protect the public health, safety, and general  
9 welfare. (Bus. & Prof. Code, § 19801, subd. (i).)

10 8. All gambling establishments must be operated in a manner suitable to protect the  
11 public health, safety, and general welfare of the state's residents. The responsibility for the  
12 employment and maintenance of suitable methods of operation rests with the licensed owner.  
13 (Bus. & Prof. Code, § 19920.)

14 9. No licensed owner shall operate a gambling enterprise in violation of any  
15 provision of the Gambling Control Act or any regulation adopted pursuant thereto. (Bus. &  
16 Prof. Code, § 19922.)

17 10. The Bureau may issue an emergency order against an owner licensee when the  
18 Bureau deems it reasonably necessary for the immediate preservation of the public peace,  
19 health, safety, or general welfare. (Bus. & Prof. Code, § 19931, subd. (a).)

20 11. This Emergency Order is effective immediately upon issuance and service on the  
21 Corporation or upon any agent of the Corporation registered with the Bureau for receipt of  
22 service. (Bus. & Prof. Code, § 19931, subd. (c).)

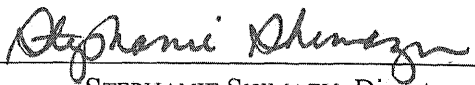
23 12. This Emergency Order is effective until further order of the Commission or until  
24 final disposition of any proceeding conducted pursuant to Business and Professions Code  
25 section 19931, subdivision (d). (Bus. & Prof. Code, § 19931, subd. (c).)

26 13. Among other rights, the person or entity against whom the Emergency Order has  
27 been issued and served is entitled to a hearing which, if so requested, shall commence within 10  
28 business days of the date of the request if a gambling establishment is closed by the order, and

1 in all other cases, within 30 calendar days of the date of the request. On application of the  
2 Bureau, and for good cause shown, a court may extend the time within which the hearing is  
3 required to be commenced, upon those terms and conditions that the court deems equitable.  
4 (Bus. & Prof. Code, § 19931, subd. (d).)

5 IT IS SO ORDERED.

6  
7 Dated: May 19, 2020

  
STEPHANIE SHIMAZU, Director  
California Department of Justice,  
Bureau of Gambling Control

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**EXHIBIT 2**

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*Attorneys for Complainant*  
9

10 **BEFORE THE**  
11 **CALIFORNIA GAMBLING CONTROL COMMISSION**  
12 **STATE OF CALIFORNIA**  
13  
14

15 **In the Matter of the Emergency Order re:**

16 **FULL RACK ENTERTAINMENT INC.**  
17 **(GEOW-003303), doing business as Towers**  
**Casino (GEGE-001318),**

18 **JOHN ROBINSON (GEOW-003305),**  
19 **shareholder and officer,**

20 **JAMEY ROBINSON (GEOW-003304),**  
21 **shareholder and officer,**

22 **115 Bank Street, Grass Valley, CA 95945**

23 **Respondents.**  
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**BGC Case No. HQ2020-00002AC**

**AMENDED EMERGENCY ORDER**  
**(Bus. & Prof. Code, § 19931)**

1 AMENDED EMERGENCY ORDER

2 **TO: FULL RACK ENTERTAINMENT INC. (GEOW-003303), doing business**  
3 **as Towers Casino (GEGE-001318), and its shareholders and officers JOHN**  
4 **ROBINSON (GEOW-003305) and JAMEY ROBINSON (GEOW-003304)**

5 STEPHANIE SHIMAZU, solely in her official capacity as Director of the California  
6 Department of Justice, Bureau of Gambling Control (Bureau), HEREBY AMENDS the original  
7 Emergency Order issued on May 19, 2020, and ORDERS, that Full Rack Entertainment, Inc.  
8 (Corporation), doing business as Towers Casino (Casino), its shareholders and officers John  
9 Robinson and Jamey Robinson, and any entity or individual operating under or endorsed upon  
10 State Gambling License Number GEGE-001318, shall, EFFECTIVE IMMEDIATELY:

11 1. Suspend and cease any and all gambling and gambling-related activities at the  
12 Casino and close the gambling establishment. The Casino must remain closed in accordance  
13 with this Amended Emergency Order's provisions.

14 2. With the Bureau's prior written consent, the Casino may resume gambling and  
15 gambling-related activities and reopen the gambling establishment if, and only for as long as, all  
16 of the following conditions are met:

17 a. Unless the Bureau determines or directs otherwise in writing, the Casino  
18 shall submit a plan for reopening (Reopening Plan), as well as any other required  
19 documents, to both the Bureau and the California Gambling Control Commission  
20 (Commission), as contemplated in the California Department of Public Health (CDPH)  
21 and the Division of Occupational Safety and Health (Cal/OSHA) publication "Covid-19  
22 Industry Guidance: Cardrooms, Satellite Wagering Facilities, and Racetracks."<sup>1</sup>

23 b. The Reopening Plan and other documents submitted pursuant to CDPH  
24 and Cal/OSHA guidance shall, to the greatest extent feasible, be consistent with any  
25 guidance promulgated by CDPH, Cal/OSHA, and any other state or local agency, before  
26 the Casino may reopen for business.

27 <sup>1</sup> A copy of this document may be viewed here: [https://covid19.ca.gov/pdf/guidance-](https://covid19.ca.gov/pdf/guidance-cardrooms-racetracks.pdf)  
28 [cardrooms-racetracks.pdf](https://covid19.ca.gov/pdf/guidance-cardrooms-racetracks.pdf).

1           c.       The Casino shall abide by all laws, regulations, and orders, including,  
2           without limitation, any further orders and guidance from CDPH, Cal/OSHA, the  
3           Commission, the Bureau, and any other state or local agency. This specifically includes,  
4           but is not limited to, any emergency regulations that may be adopted by the  
5           Commission.

6           d.       The Casino shall abide by and obey immediately any future order to  
7           cease or modify its operations for public health reasons.

8           **GROUND FOR THE ORIGINAL AND THIS AMENDED EMERGENCY ORDER**

9                           **Jurisdiction – Licensure**

10          1.       The Corporation is an owner-licensee, owns and operates, and does business as  
11          the Casino. The Corporation’s shareholders and officers are John Robinson and Jamey  
12          Robinson, who are endorsed on the Casino’s state gambling license. The Casino is an eight-  
13          table card room presently operating at 115 Bank Street, Grass Valley, California.

14          2.       The Commission issued the above-described owner licenses, which will expire  
15          on December 31, 2020.

16                           **Factual Basis – Failure to Protect the Public Health, Safety, and General Welfare**

17          3.       In March 2020, the Governor of the State of California (Governor) proclaimed a  
18          State of Emergency in response to the SARS-CoV-2, also known as the COVID-19, pandemic  
19          (Pandemic). Under his emergency authority, the Governor issued several executive orders to  
20          protect the public health, safety, and welfare by requiring closure of many California  
21          businesses, including licensed gambling establishments (card rooms). Pursuant to those  
22          executive orders, all California card rooms, including the Casino, are required to be closed.  
23          While some closures are being lifted by the Governor, partially or in phases, no card rooms,  
24          including the Casino, have been permitted to reopen legally. The Pandemic continues.

25          4.       The Casino reopened to the public, in violation of the Governor’s executive orders,  
26          on May 18, 2020. Until the issuance and service of the original Emergency Order, the Casino  
27          was open and operating in violation of law and was thus endangering the public health, safety,  
28          and general welfare.

1           5.     In view of the foregoing, the Casino's continued operation, and opening without  
2 complying with state and local rules, regulations, and orders, posed an immediate threat to the  
3 public health, safety, and welfare. The Casino's continued operation, or opening without  
4 complying with state and local rules, regulations, and orders, also undermined the public's trust  
5 and confidence that the Casino employs and maintains suitable methods of operation to protect  
6 the public health, safety, and general welfare.

7                               **AUTHORITY FOR AMENDED EMERGENCY ORDER**

8           6.     Public trust and confidence in licensed, controlled gambling can be maintained  
9 only by strict compliance with the laws and regulations related to the operation of licensed  
10 gambling establishments. (Bus. & Prof. Code, § 19801, subd. (h).)

11          7.     All gambling establishment owners, gambling establishments, and gambling  
12 operations must be licensed and regulated to protect the public health, safety, and general  
13 welfare. (Bus. & Prof. Code, § 19801, subd. (i).)

14          8.     All gambling establishments must be operated in a manner suitable to protect the  
15 public health, safety, and general welfare of the state's residents. The responsibility for the  
16 employment and maintenance of suitable methods of operation rests with the licensed owner.  
17 (Bus. & Prof. Code, § 19920.)

18          9.     No licensed owner shall operate a gambling enterprise in violation of any  
19 provision of the Gambling Control Act or any regulation adopted pursuant thereto. (Bus. &  
20 Prof. Code, § 19922.)

21          10.    The Bureau may issue an emergency order against an owner licensee when the  
22 Bureau deems it reasonably necessary for the immediate preservation of the public peace,  
23 health, safety, or general welfare. (Bus. & Prof. Code, § 19931, subd. (a).)

24          11.    The original Emergency Order was, and this Amended Emergency Order is,  
25 effective immediately upon issuance and service on the Corporation or upon any agent of the  
26 Corporation registered with the Bureau for receipt of service. (Bus. & Prof. Code, § 19931,  
27 subd. (c).)

28          12.    The original Emergency Order was, and this Amended Emergency Order is,

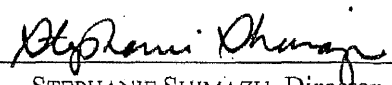


1 effective until further order of the Commission or until final disposition of any proceeding  
2 conducted pursuant to Business and Professions Code section 19931, subdivision (d). (Bus. &  
3 Prof. Code, § 19931, subd. (c).)

4 13. Among other rights, the person or entity against whom the original Emergency  
5 Order and this Amended Emergency Order have been issued and served is entitled to a hearing  
6 which, if so requested, shall commence within 10 business days of the date of the request if a  
7 gambling establishment is closed by the order, and in all other cases, within 30 calendar days of  
8 the date of the request. On application of the Bureau, and for good cause shown, a court may  
9 extend the time within which the hearing is required to be commenced, upon those terms and  
10 conditions that the court deems equitable. (Bus. & Prof. Code, § 19931, subd. (d).)

11 IT IS SO ORDERED.

12  
13 Dated: June 10, 2020

  
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STEPHANIE SHIMAZU, Director  
California Department of Justice,  
Bureau of Gambling Control

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