

2016 JUN 17 PM 4:01

1 KAMALA D. HARRIS
Attorney General of California
2 SARA J. DRAKE
Senior Assistant Attorney General
3 RONALD L. DIEDRICH
Deputy Attorney General
4 WILLIAM P. TORNGREN
Deputy Attorney General
5 State Bar No. 58493
1300 I Street, Suite 125
6 P.O. Box 944255
Sacramento, CA 94244-2550
7 Telephone: (916) 323-3033
8 Fax: (916) 327-2319
E-mail: William.Torngren@doj.ca.gov
Attorneys for the Complainant

9
10 **BEFORE THE**
CALIFORNIA GAMBLING CONTROL COMMISSION
11 **STATE OF CALIFORNIA**
12

13 **In the Matter of the Accusation Against:**

14 **KINGS CASINO LLC (GEOW-003406;**
15 **GEOW-003407), doing business as The**
16 **Tavern at Stones Gambling Hall (GEGE-**
17 **001337) and doing business as The Saloon at**
Stones Gambling Hall (GEGE-001336);

18 **RYAN E. STONE (GEOW-003408; GEOW-**
003409; GEOW-003487; GEOW-003499);

19 **MASIS A. KEVORKIAN (GEOW-003410;**
20 **GEOW-003411; GEOW-003486; GEOW-**
003498);

21 **KERMIT D. SCHAYLTZ (GEOW-003413;**
22 **GEOW-003414; GEOW-003488; GEOW-**
003496); and

23 **KING'S CASINO MANAGEMENT CORP.**
24 **(GEOW-003482; GEOW-003483).**

25 **6508 and 6510 Antelope Road**
26 **Citrus Heights, CA 95621**

27 **Respondents.**
28

OAH No.

BGC Case No. HQ 2016-00002AC

ACCUSATION

1 Complainant alleges as follows:

2 **PARTIES**

3 1. Wayne J. Quint, Jr. (Complainant) brings this Accusation solely in his official
4 capacity as the Chief of the California Department of Justice, Bureau of Gambling Control
5 (Bureau).

6 2. Respondent The Tavern at Stones Gambling Hall (Tavern) is a licensed
7 gambling establishment, California State Gambling License Number GEGE-001337. It is a 17-
8 table card room operating at 6510 Antelope Road, Citrus Heights, California 95621.

9 Respondent The Saloon at Stones Gambling Hall (Saloon) is a licensed gambling establishment,
10 California State Gambling License Number GEGE-001336). It is a 17-table card room
11 operating at 6508 Antelope Road, Citrus Heights, California 95621.

12 3. Respondent Ryan E. Stone (Mr. Stone), license numbers GEOW-003408 and
13 GEOW-003499, is endorsed on Tavern's license. He is endorsed on Saloon's license as license
14 numbers GEOW-003409 and GEOW-003487. Respondent Masis A. Kevorkian (Mr.
15 Kevorkian), license numbers GEOW-003410 and GEOW-003498, is endorsed on Tavern's
16 license. He is endorsed on Saloon's license as license numbers GEOW-003411 and GEOW-
17 3486. Respondent Kermit D. Schayltz (Mr. Schayltz), license numbers GEOW-003413 and
18 003496, is endorsed on Tavern's license. He is endorsed on Saloon's license as license
19 numbers GEOW-003414 and GEOW-003488.

20 4. Respondent King's Casino, LLC (LLC), license number GEOW-003406, does
21 business as Tavern and is endorsed on Tavern's license. The LLC, under license number
22 GEOW-003407, does business as Saloon and is endorsed on Saloon's license. Respondent
23 King's Management Corp. (Corporation) is endorsed on Tavern's license under license number
24 GEOW-003482. The Corporation is endorsed on Saloon's license under license number
25 GEOW-003483.

26 5. Tavern, Saloon, the LLC, the Corporation and Messrs. Stone, Kevorkian, and
27 Schayltz are referred to collectively as "Respondents."
28

1 6. The California Gambling Control Commission (Commission) issued the above-
2 described licenses to Respondents. In addition to those licenses, the following licenses are
3 shown as pending on the Commission's website:

- 4 a. Mr. Stone: GEOW-003561 pending with respect to the Seven Mile Casino;
5 GEOW-003659 pending with respect to Casino M8trix;
6 b. Mr. Kevorkian: GEOW-003563 pending with respect to the Seven Mile Casino;
7 GEOW-003660 pending with respect to Casino M8trix; and
8 c. Mr. Schayltz: GEOW-003571 pending with respect to the Seven Mile Casino;
9 GEOW-003661 pending with respect to Casino M8trix.

10 **SUMMARY OF THE CASE**

11 7. This proceeding seeks to discipline Respondents' licenses by suspension or
12 revocation and imposition of fines and monetary penalties as allowed by law. Respondents are
13 not suitable for continued licensure under the Gambling Control Act (Act) and regulations
14 adopted pursuant to the Act. As alleged in this Accusation, Respondents engaged in the
15 following acts and omissions:

- 16 a. Respondents entered into a venture by which they, or their affiliates, paid
17 substantial sums of monies to assist others in renovating and moving a card room
18 in Chula Vista, California. In return for the substantial sums of monies,
19 Respondents, or their affiliates, obtained the rights to an ownership interest in the
20 Chula Vista card room. Respondents failed to disclose to the Bureau this
21 financing arrangement and the creation of their, or their affiliate's, rights to own
22 the Chula Vista card room. Respondents, as well as the owners of the Chula
23 Vista card room, failed to disclose facts necessary for the Commission to make
24 informed licensing determinations, and for the Bureau to make informed
25 licensing recommendations. The public trust is broken and the necessary
26 regulation of controlled gambling in California is undermined, when licensees,
27 or applicants for licensing, fail to disclose material information to the
28 Commission and the Bureau.

1 b. Respondents or their affiliates, who were not licensed as the Chula Vista card
2 room's owners, participated in decisions regarding the card room's operations
3 and policies. Respondents, as well as the owners of the Chula Vista card room,
4 did not disclose this participation to the Bureau or the Commission. The public
5 trust is broken and the necessary regulation of controlled gambling in California
6 is undermined, when undisclosed, unlicensed persons exercise improper
7 influence over gambling operations.

8 Pursuant to the Act and as a consequence of their acts and omissions, Respondents are
9 unqualified for, disqualified from, and unsuitable for continued licensure without discipline.
10 Respondents' continued licensure without appropriate discipline is inimical to the public health,
11 safety, and welfare and a danger to the effective regulation of controlled gambling.

12 JURISDICTION AND COST RECOVERY

13 8. The Commission has jurisdiction over the operation and concentration of
14 gambling establishments and all persons and things having to do with operation of gambling
15 establishments. (Bus. & Prof. Code, § 19811, subd. (b).)¹ The Act tasks the Bureau with,
16 among other responsibilities, investigating suspected violations of the Act and initiating
17 disciplinary actions. (Bus. & Prof. Code, §§ 19826, subs. (c) & (e) & 19930, subd. (b).) Upon
18 the Bureau filing an accusation, the Commission proceeds under Government Code section
19 11500 et seq. (Bus. & Prof. Code, § 19930, subd. (b); see Cal. Code Regs., tit. 4, § 12554, subd.
20 (a).) The Commission's disciplinary powers include, among other things, revocation,
21 suspension, imposition of conditions, and imposition of a fine or monetary penalty. (Cal. Code
22 Regs., tit. 4, § 12554, subd. (d).)

23 9. In a matter involving revocation or suspension, the Bureau may recover its costs
24 of investigation and prosecuting the proceeding. (Bus. & Prof. Code, § 19930, subd. (d).)

25
26
27 ¹ The statutes and regulations applicable to this Accusation are quoted in pertinent part
28 in Appendix A.

1 **REGULATION, SUITABILITY, AND THE DUTY OF DISCLOSURE**

2 10. Operating a card room in California is a revocable privilege. (Bus. & Prof.
3 Code, § 19801, subd. (k).) The Act provides for comprehensive regulation to prevent that
4 privilege from being abused. Comprehensive regulation maintains the public trust that
5 permissible gambling will not endanger the public health, safety, and welfare. That
6 comprehensive regulation covers all persons, practices, and associations related to the operation
7 of lawful gambling establishments. (Bus. & Prof. Code, § 19801, subd. (h).)

8 11. Under the Act, the Commission’s responsibilities include assuring that no
9 unqualified or disqualified person, or any person whose operations are conducted in a manner
10 that is inimical to the public health, safety, and welfare, has any direct or indirect material
11 involvement with a licensed gambling operation. (Bus. & Prof. Code, § 19823, subd. (a)(2).)

12 12. Determining whether a person is suitable, or whether a person has material
13 involvement in a licensed gambling operation, begins with providing truthful information to the
14 Bureau. Accordingly, the Act directs that every applicant for licensing or any approval required
15 by the Act make full and true disclosure of all information necessary to carry out the state’s
16 policies relating to licensing and control of gambling. (Bus. & Prof. Code, § 19866.)

17 13. The Act makes unqualified for licensure any person who is not of good
18 character, honesty, and integrity. (Bus. & Prof. Code, § 19857, subd. (a).) The Act also makes
19 unqualified for licensure any person whose prior activities and associations pose a threat to
20 effective regulation and control of controlled gambling, or create or enhance the dangers of
21 unsuitable, unfair, or illegal practices, methods, and activities in carrying on the business and
22 financial arrangements incidental to the conduct of controlled gambling. (Bus. & Prof. Code, §
23 19857, subd. (b).)

24 **FIRST CAUSE FOR DISCIPLINE**

25 **(Unqualified for Continued Licensure)**

26 14. Respondents’ gambling licenses are subject to discipline, pursuant to Business
27 and Professions Code sections 19823 and 19857, subdivisions (a) and (b), and California Code
28 of Regulations, title 4, section 12554, subdivision (d). Respondents’ continued licensure

1 without substantial discipline is inimical to public health, safety, and welfare. Respondents'
2 prior activities and associations pose a threat to the effective regulation and control of
3 controlled gambling, and create or enhance the dangers of unsuitable, unfair, or illegal
4 practices, methods, and activities in carrying on the business and financial arrangements
5 incidental to the conduct of controlled gambling. Respondents' conduct in their dealings with
6 the Commission and the Bureau demonstrate that they are unqualified for licensure or subject to
7 discipline. That conduct includes, but is not limited to, the following acts and omissions:

- 8 a. Respondents failed to make full and true disclosure of information necessary to
9 carry out the state's policies relating to licensing and control of gambling.
10 Respondents did not disclose agreements regarding financing and ownership
11 arrangements. Respondents, or their affiliates, funded a \$3 million loan made to
12 the owners of a card room in Chula Vista, which was to be secured by the assets
13 of the Chula Vista gambling establishment upon approval by the Commission.
14 In addition, with the Commission's approval, the loan was convertible at
15 Respondents' option into an ownership interest in the Chula Vista card room.
16 The loan proceeds were used in that gambling establishment's operations and to
17 construct new premises. Respondents, or their affiliates, also acquired a 50-
18 percent interest in the Chula Vista card room's new premises, and guaranteed
19 commercial loans for improvements. In sum, Respondents, or their affiliates,
20 had in essence entered into a venture to renovate a property, relocate a gambling
21 establishment, and become co-owners when they had not been licensed to do so.
22 Even though Respondents had license applications and other approvals pending
23 before the Commission, they failed to disclose the venture, for which they were
24 financing sources and through which they had obtained an option to acquire an
25 ownership interest; they also failed to disclose their involvement in the Chula
26 Vista card room. This breached Respondents' duties under the Act and made
27 them unqualified for licensing.

1 b. Additionally, without being licensed to do so, Respondents participated, in part,
2 in the management of the Chula Vista card room. Respondents, either directly or
3 through the Chula Vista card room's owners, were involved with certain
4 employment decisions, and advised on certain operational policies, practices, and
5 operations, for the card room. Respondents, or their affiliates, thus exercised
6 improper influence over the gambling operation. Respondents' failure to
7 disclose this conduct prevented both the Bureau and the Commission from
8 learning the true extent of their involvement in the Chula Vista card room's
9 affairs.

10 SECOND CAUSE FOR DISCIPLINE

11 (Failing To Reveal Material Information to the Bureau)

12 15. Respondents' gambling licenses are subject to discipline, pursuant to Business
13 and Professions Code sections 19823, 19857, subdivisions (a) and (b), and California Code of
14 Regulations, title 4, section 12554, subdivision (d). Respondents' continued licensure is
15 inimical to public health, safety, and welfare. Respondents' prior activities and associations
16 pose a threat to the effective regulation and control of controlled gambling, and create or
17 enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities in
18 carrying on the business and financial arrangements incidental to the conduct of controlled
19 gambling. Respondents breached their duty of full and true disclosure to the Commission and
20 the Bureau. Respondents failed to reveal to, and concealed from, the Bureau material
21 information regarding their holding financial interests, indebtedness, prospective ownership
22 interests, and other agreements, including, but not limited to, the following:

23 a. Respondents failed to make full and true disclosure of information necessary to
24 carry out the state's policies relating to licensing and control of gambling.
25 Respondents did not disclose agreements regarding financing and ownership
26 arrangements. Respondents, or their affiliates, funded a \$3 million loan made to
27 the owners of a card room in Chula Vista, which was to be secured by the assets
28 of the Chula Vista gambling establishment upon approval by the Commission.

1 In addition, with the Commission's approval, the loan was convertible at
2 Respondents' option into an ownership interest in the Chula Vista card room.
3 The loan proceeds were used in that gambling establishment's operations and to
4 construct new premises. Respondents, or their affiliates, also acquired a 50-
5 percent interest in the Chula Vista card room's new premises, and guaranteed
6 commercial loans for improvements. In sum, Respondents, or their affiliates,
7 had in essence entered into a venture to renovate a property, relocate a gambling
8 establishment, and become co-owners when they had not been licensed to do so.
9 Even though Respondents had license applications and other approvals pending
10 before the Commission, they failed to disclose the venture, for which they were
11 financing sources and through which they had obtained an option to acquire an
12 ownership interest; they also failed to disclose their involvement in the Chula
13 Vista card room. This breached Respondents' duties under the Act and made
14 them unqualified for licensing.

15 b. Additionally, without being licensed to do so, Respondents participated, in part,
16 in the management of the Chula Vista card room. Respondents, either directly or
17 through the Chula Vista card room's owners, were involved with certain
18 employment decisions, and advised on certain operational policies, practices, and
19 operations, for the card room. Respondents, or their affiliates, thus exercised
20 improper influence over the gambling operation. Respondents' failure to
21 disclose this conduct prevented both the Bureau and the Commission from
22 learning the true extent of their involvement in the Chula Vista card room's
23 affairs.

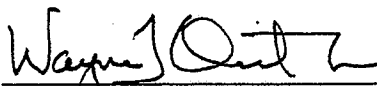
24 **PRAYER**

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

27 1. Revoking, suspending, or otherwise disciplining California State Gambling
28 License Number GEGE-001337, issued to Respondent The Tavern at Stones Gambling Hall;

- 1 2. Revoking, suspending, or otherwise disciplining California State Gambling
- 2 License Number GEGE-001336, issued to Respondent The Saloon at Stones Gambling Hall;
- 3 3. Revoking, suspending, or otherwise disciplining California State Gambling
- 4 License Numbers GEOW-003406 and 003407, issued to Respondent King's Casino, LLC;
- 5 4. Revoking, suspending, or otherwise disciplining California State Gambling
- 6 License Numbers GEOW-003408, GEOW-003499, GEOW-003409, and GEOW-003487,
- 7 issued to Respondent Ryan Stone;
- 8 5. Revoking, suspending, or otherwise disciplining California State Gambling
- 9 License Numbers GEOW-003410, GEOW-003498, GEOW-003411, GEOW-003486, issued to
- 10 Respondent Masis Kevorkian;
- 11 6. Revoking, suspending, or otherwise disciplining California State Gambling
- 12 License Numbers GEOW-003413, GEOW-003496, GEOW-003414, and GEOW-003488,
- 13 issued to Respondent Kermit Schayltz;
- 14 7. Fining, or imposing monetary penalties against, Respondents, jointly and
- 15 severally, according to proof and to the maximum extent allowed by law;
- 16 8. Awarding Complainant the costs of investigation and costs of bringing this
- 17 Accusation before the Commission, pursuant to Business and Professions Code section 19930,
- 18 subdivisions (d) and (f), in a sum according to proof; and
- 19 9. Taking such other and further action as the Commission may deem appropriate.

20
21 Dated: June 15th, 2016



WAYNE J. QUINT, JR., Chief
Bureau of Gambling Control
California Department of Justice

22
23
24
25
26
27
28

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

APPENDIX A – STATUTORY AND REGULATORY PROVISIONS

Jurisdictional Provisions

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

- 2. Business and Professions Code section 19823 provides:
 - (a) The responsibilities of the commission include, without limitation, all of the following:
 - (1) Assuring that licenses, approvals, and permits are not issued to, or held by, unqualified or disqualified persons, or by persons whose operations are conducted in a manner that is inimical to the public health, safety, or welfare.

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

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

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

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

* * *

- (b) For any cause deemed reasonable by the commission, . . . limit, condition, or restrict any license, permit, or approval, or impose any fine upon any person licensed or approved. The commission may condition, restrict, discipline, or take action against the license of an individual owner endorsed on the license certificate of the gambling enterprise whether or not the commission takes action against the license of the gambling 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 19826 provides, in part:

5 The department^[2] . . . shall have all of the following responsibilities:

6 * * *

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

9 * * *

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

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

16 (a) Upon the filing with the Commission of an accusation by the
17 Bureau recommending revocation, suspension, or other discipline of a
18 holder of a license, registration, permit, finding of suitability, or approval,
19 the Commission shall proceed under Chapter 5 (commencing with section
20 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

21 * * *

22 (d) Upon a finding of a violation of the Act, any regulations adopted
23 pursuant thereto, any law related to gambling or gambling establishments,
24 violation of a previously imposed disciplinary or license condition, or laws
25 whose violation is materially related to suitability for a license,
26 registration, permit, or approval, the Commission may do any one or more
27 of the following:

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

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

* * *

(4) Impose any condition, limitation, order, or directive . . . ;

² "Department" refers to the Department of Justice. (Bus. & Prof. Code, § 19805, subd. (h).)

1 (5) Impose any fine or monetary penalty consistent with
2 Business and Professions Code sections 19930, subdivision (c), and
3 19943, subdivision (b)

4 **Cost Recovery Provisions**

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

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

10 * * *

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

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

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

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

* * *

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

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

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

1 Specific Statutory and Regulatory Provisions

2 7. Business and Professions Code, section 19801 provides, in part:

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

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

14 * * *

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

25 8. Business and Professions Code section 19850 provides, in part:

26 Every person . . . who receives, directly or indirectly, any
27 compensation or reward, or any percentage or share of the money or
28 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 In any criminal prosecution for violation of
this section, the punishment shall be as provided in Section 337j of the
Penal Code.

9 9. Business and Professions Code section 19852 provides, in part:

[A]n owner of a gambling enterprise that is not a natural person shall
not be eligible for a state gambling license unless each of the following
persons individually applies for an obtains a state gambling license:

* * *

1 (i) Every employee, agent, guardian, personal representative,
2 lender, or holder of indebtedness of the owner who, in the judgment of
3 the commission, has the power to exercise significant influence over the
4 gambling operation.

5 10. Business and Professions Code section 19855 provides, in part:

6 [E]very person who, by statute or regulation, is required to hold a state
7 license shall obtain the license prior to engaging in the activity or
8 occupying the position with respect to which the license is required.

9 11. Business and Professions Code section 19857 provides:

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

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

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

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

23 12. Business and Professions Code section 19866 provides:

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

13. 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.

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. 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.