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

15
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.**
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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 **GROUNDS 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).)

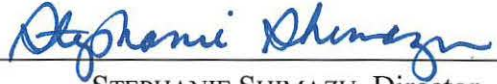
23 12. This Emergency Order is effective until further order of the Commission or until
24 final disposition of any proceeding conducted pursuant to Business and Professions Code
25 section 19931, subdivision (d). (Bus. & Prof. Code, § 19931, subd. (c).)

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.

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7 Dated: May 19, 2020



8 STEPHANIE SHIMAZU, Director
9 California Department of Justice,
10 Bureau of Gambling Control

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