

**BEFORE THE ALCOHOLIC BEVERAGE CONTROL APPEALS BOARD
OF THE STATE OF CALIFORNIA**

AB-9651

File: 20-520430; Reg: 16084776

7-ELEVEN, INC. and ALI'S ENTERPRISES, INC. 2,
dba 7-Eleven Store #39551
3101 South Overland Avenue, Suite A & B,
Los Angeles, CA 90034-3759,
Appellants/Licensees

v.

DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL,
Respondent

Administrative Law Judge at the Dept. Hearing: Matthew G. Ainley

Appeals Board Hearing: May 3, 2018
Los Angeles, CA

ISSUED MAY 30, 2018

Appearances: *Appellants:* Ralph Barat Saltsman and Donna J. Hooper, of Solomon, Saltsman & Jamieson, as counsel for 7-Eleven, Inc. and Ali's Enterprises, Inc. 2,

Respondent: Matthew S. Gaughan, as counsel for Department of Alcoholic Beverage Control.

OPINION

7-Eleven, Inc. and Ali's Enterprises, Inc. 2, doing business as 7-Eleven Store #39551, appeal from a decision of the Department of Alcoholic Beverage Control¹ suspending their license for 15 days because their clerk sold an alcoholic beverage to a police minor decoy, in violation of Business and Professions Code section 25658, subdivision (a).

¹The decision of the Department, dated May 12, 2017, is set forth in the appendix.

FACTS AND PROCEDURAL HISTORY

Appellants' off-sale beer and wine license was issued on October 22, 2012. On September 29, 2016, the Department filed an accusation against appellants charging that, on April 28, 2016, appellants' clerk, Zulfiqar Taj Notta (the clerk), sold an alcoholic beverage to 18-year-old Robert Corleto. Although not noted in the accusation, Corleto was working as a minor decoy for the Los Angeles Police Department (LAPD) at the time.

At the administrative hearing held on February 23, 2017, documentary evidence was received and testimony concerning the sale was presented by Corleto (the decoy) and by LAPD Detective Ralph Barone. Appellants presented no witnesses.

Testimony established that, on April 28, 2016, Detective Barone entered the licensed premises followed shortly thereafter by the decoy. The decoy went to the cooler and selected a 25-ounce can of Bud Light beer which he took to the counter. When it was his turn, he set the beer down and the clerk asked to see his identification. The decoy handed the clerk his California driver's license which had a portrait orientation and showed his correct date of birth—showing him to be 18 years of age. The license also contained a red stripe indicating "AGE 21 IN 2019." (Exh. 2.) The clerk looked at the license and completed the sale without asking any age-related questions. The decoy exited the store followed by Barone. A few minutes later the decoy and Detective Barone re-entered the premises and conducted a face-to-face identification of the clerk, a photo of the decoy and clerk together was taken (exh. 3), and the clerk was issued a citation. These facts are not at issue in this matter.

On March 27, 2017, the administrative law judge (ALJ) submitted a proposed decision, sustaining the accusation and suspending the license for a period of 15 days.

Thereafter, on April 3, 2017, the Department's Administrative Hearing Office sent a letter from its Chief ALJ to both appellants and Department counsel, inviting the submission of comments on the proposed decision, stating that the proposed decision and any comments submitted will be submitted to the Director of ABC in 14 days.

Appellants submitted comments to the Director, arguing that neither the Administrative Procedure Act (APA) nor the ABC Act authorize the Department to permit the parties in a disciplinary procedure to comment on a proposed decision, and that by requesting submission of these comments, the Department exceeded the authority granted to it by the APA.

On May 3, 2017, the Department adopted the proposed decision in its entirety, and on May 12, 2017, the Department issued its Certificate of Decision.

Appellants then filed a timely appeal contending the Department's commenting procedure violates the APA.

DISCUSSION

Appellants contend that the Department's commenting procedure violates the APA because it is contrary to the intent of the legislature, is an underground regulation, and encourages illegal ex parte communications.

The APA defines the term "regulation" broadly: "Regulation' means every rule, regulation, order, or standard of general application or the amendment, supplement, or revision of any rule, regulation, order, or standard adopted by any state agency to implement, interpret, or make specific the law enforced or administered by it, or to govern its procedure." (Gov. Code, § 11342.600.) "[I]f it looks like a regulation, reads like a regulation, and acts like a regulation, it will be treated as a regulation whether or not the agency in question so labeled it." (*State Water Resources Control Bd. v. Office*

of *Admin. Law* (1993) 12 Cal.App.4th 697, 702 [16 Cal.Rptr.2d 25].)

The APA requires that all regulations be adopted through the formal rulemaking process.

No state agency shall issue, utilize, enforce, or attempt to enforce any guideline, criterion, bulletin, manual, instruction, order, standard of general application, or other rule, which is a regulation, as defined in Section 11342.600, unless the guideline, criterion, bulletin, manual, instruction, order, standard of general application, or other rule has been adopted as a regulation and filed with the Secretary of State pursuant to this chapter.

(Gov. Code, § 11340.5(a).) All regulations are subject to the APA rulemaking process unless expressly exempted by statute. (Gov. Code, § 11346; *Engelmann v. State Bd. of Education* (1991) 2 Cal.App.4th 47, 59 [3 Cal.Rptr.2d 264].) Compliance with the rulemaking process is mandatory; where a regulation was not properly adopted, it has no legal effect. (*Armistead v. State Personnel Bd.* (1978) 22 Cal.3d 198, 204-205 [149 Cal.Rptr. 1].)

A regulation is exempt if it “relates only to the internal management of the state agency.” (Gov. Code, § 11340.9(d).) This exception, however, is narrow. (See *Armistead, supra*; *Stoneham v. Rushen* (1982) 137 Cal.App.3d 729, 736 [188 Cal.Rptr. 130].) “Where the challenged policy goes beyond merely prioritizing or allocating internal resources and may significantly affect others outside the agency . . . such a policy goes beyond the agency’s internal management and is subject to adoption as a regulation under the APA.” (*Center for Biological Diversity v. Dept. of Fish & Wildlife* (2015) 234 Cal.App.4th 214, 262 [183 Cal.Rptr.3d 736]; see also *Stoneham, supra*, at p. 736 [inmate classification scheme was rule of general application significantly affecting male prison population].)

In *Tidewater*, the California Supreme Court outlined a two-part test:

A regulation subject to the APA thus has two principal identifying characteristics. [Citation.] First, the agency must intend its rule to apply generally, rather than in a specific case. The rule need not, however, apply universally; a rule applies generally so long as it declares how a certain class of cases will be decided. [Citation.] Second, the rule must "implement, interpret, or make specific the law enforced or administered by [the agency], or . . . govern [the agency's] procedure." (Gov. Code, §11342, subd. (g).)

(*Tidewater Marine Western, Inc. v. Bradshaw* (1996) 14 Cal.4th 557, 571 [59 Cal.Rptr.2d 186].)

While much of the Department's General Order number 2016-02, issued on February 17, 2016 and entitled *Ex Parte and Decision Review* (hereinafter, General Order), merely regulates internal case management procedures, certain provisions affect the due process rights of licensees. In particular, section 3, paragraphs 5 and 6 introduce the new comment procedure, which occurs before the Department Director in his or her decision making capacity:

5. Upon receipt of a proposed decision from an Administrative Law Judge, AHO [the Administrative Hearing Office] shall forward a copy of the proposed decision to each of the parties, including OLS [the Office of Legal Services] and the Director via the Administrative Records Secretary. In addition, AHO shall include a notification that the parties may submit comments regarding the proposed decision for the Director's consideration, that comments must be mailed to the Administrative Records Secretary, and that the Director will withhold any action on the matter for fourteen days from the date the proposed decision is mailed to the parties. Upon the written agreement of the parties, the Director may act on the proposed decision prior to the expiration of the fourteen-day withhold period.

6. The Administrative Records Secretary shall forward only the proposed decision and comments submitted by the parties to the Director on the 15th day after mailing of the proposed decision by AHO. Comments received after the 14th day will be forwarded immediately to the Director.

(General Order #1016-02, § 3, ¶¶ 5-6.)

Only appellants submitted comments on the proposed decision to the Director on

the issue of the commenting procedure. In their respective briefs, the parties agree that the comments did not alter the outcome of the case, but disagree on whether the outcome is relevant.

Under the *Tidewater* test, the Department's General Order—in particular, the two paragraphs at issue here—constitutes an unenforceable underground regulation. First, the General Order itself expresses an intent that it will apply generally. It states: "Although the procedures described herein are intended to apply to all cases, this policy is not intended to provide parties with any substantive rights." (General Order, *supra*, at § 2.) It orders general compliance with its terms, including paragraphs 5 and 6: "Effective immediately, the following protocols shall be followed with respect to matters litigated before the Administrative Hearing Office." (*Id.* at § 3.) The general applicability is therefore obvious on the face of the General Order itself.

While the General Order's subsequent language attempts to minimize its general applicability, those statements are either manifestly misleading, or merely incorporate an element of agency discretion; they do not negate its general applicability. For example, the disclaimer that "this policy is not intended to provide parties with any substantive rights" (*ibid.*) is misleading because the General Order itself necessarily affects the parties' substantive due process hearing rights under the APA by creating a new, non-statutory level of informal written argument before the Department Director. (See generally Gov. Code, § 11425.10 *et seq.*) Regardless, the General Order need not create substantive rights in order to constitute a regulation subject to the APA. (See Gov. Code, § 11342.600.)

Moreover, a regulation is not exempt from the rulemaking process simply because it entails an element of agency discretion. The General Order states that

"[w]here deviation is necessary or warranted in particular situations, such deviation shall not be considered a violation of this policy." (General Order, *supra*, at § 2.) This is pure discretion; there is no explanation of what these "particular situations" might be.

Licensees—a class affected by the General Order—cannot control or predict whether the Department will apply the General Order to their case or instead ignore it.

According to the terms of the General Order, they presumably have no substantive right to appeal the Department's exercise of discretion. (See *ibid.* ["[T]his policy is not intended to provide parties with any substantive rights".]) Until the Department chooses to inform them otherwise, licensees must simply assume that the terms of the General Order will apply to their disciplinary proceedings and prepare accordingly. The General Order applies generally, and therefore satisfies the first half of the two-part *Tidewater* test.

Paragraphs 5 and 6—as well as other provisions within the General Order—supplement and "make specific" the Department's post-hearing decision making procedures. (See *id.* at § 3, ¶¶ 5-6; see also Gov. Code, § 11425.10(a)(2) ["The agency shall make available to the person to which the agency action is directed a copy of the governing procedure."].) As the General Order itself notes, it is "intended to insure that the Department adopts the most efficient and legally compliant protocols for the review of proposed decisions." (General Order, *supra*, at § 1.) The General Order therefore easily satisfies the second part of the *Tidewater* test.

The Court in *Tidewater* went on to outline several exceptions to the rulemaking requirements, including case-specific adjudications, private advice letters, and restatements or summaries, without commentary, of past case-specific decisions. (*Tidewater, supra*, at p. 571.) Additionally, as noted above, the legislature may enact

individual statutory exceptions. In our opinion, no exception applies.

The General Order is therefore a regulation—under the definition supplied by the Government Code and the Court in *Tidewater*—and its adoption improperly circumvented the APA rulemaking process. It is therefore an underground regulation.

This conclusion alone, however, does not necessarily merit reversal. (See *Tidewater, supra*, at pp. 576-577.) As the Court observed in *Tidewater*,

If, when we agreed with an agency's application of a controlling law, we nevertheless rejected that application simply because the agency failed to comply with the APA [rulemaking procedures], then we would undermine the legal force of the controlling law. Under such a rule, an agency could effectively repeal a controlling law simply by reiterating all its substantive provisions in improperly adopted regulations.

(*Tidewater, supra*, at p. 577.)

The Department maintains the submission of comments pursuant to the General Order did not change the outcome of this case while appellants maintain that it is speculative to assert that the procedure had no effect on the outcome. However, in resolving due process issues surrounding the submission of secret ex parte hearing reports, the *Quintanar* Court rejected the Department's position:

The Department implies no remedy is necessary because any submission was harmless; according to the Department, the decision maker could have inferred the contents of the reports of hearing (to wit, a summary of the hearing and requested penalty) from the record. We are not persuaded. First, because the Department has refused to make copies of the reports of hearing part of the record, despite a Board order that it do so, whether their contents are as innocuous as the Department portrays them to be is impossible to determine. Second, although both sides no doubt would have liked to submit a secret un rebutted review of the hearing to the ultimate decision maker or decision maker's advisors, only one side had that chance. The APA's administrative adjudication bill of rights was designed to eliminate such one-sided occurrences. We will not countenance them here. Thus, reversal of the Department's orders is required.

(*Dept. of Alcoholic Bev. Control v. Alcoholic Bev. Control Appeals Bd. (Quintanar)*)

(2006) 40 Cal.4th 1, 17 [50 Cal.Rptr.3d 585].)

If the Department's improper adoption of its General Order were the sole issue, then the Department would be correct; as in *Tidewater*, we would have no grounds for reversal. However, the issue here is also one of due process. Did the Department's comment procedure deprive appellants of any of the due process rights guaranteed by Chapter 4.5 of the APA? If it did, then according to *Quintanar*, the outcome of the case is not relevant.

The APA provides detailed guidance on permissible communications, including post-hearing communications with a decision maker. Generally,

While the proceeding is pending there shall be no communication, direct or indirect, regarding any issue in the proceeding, to the presiding officer from an employee or representative of an agency that is a party or from an interested person outside the agency, without notice and an opportunity for all parties to participate in the communication.

(Gov. Code, § 11430.10(a); see also Law Rev. Com. com, § 11430.10 (1995)

[extending applicability to agency heads or others delegated decision-making powers].)

Subsequent provisions outline exceptions to this rule, none of which apply here. (See Gov. Code, §§ 11430.20, 11430.30.) Additionally, the APA sets out procedural remedies should a decision maker receive an improper ex parte communication. (Gov. Code, §§ 11430.40; 11430.50.)

The Law Revision Committee comments accompanying section 11430.10, however, allow for communications initiated by the decision maker:

While this section precludes an adversary from communicating with the presiding officer, it does not preclude the presiding officer from communicating with an adversary. . . . Thus it would not prohibit an agency head from communicating to an adversary that a particular case should be settled or dismissed. However, a presiding officer should give assistance or advice with caution, since there may be an appearance of unfairness if assistance or advice is given to some parties but not others.

(Law. Rev. Com. com., § 11430.10 (1995).) Similarly, the *Quintanar* court suggested the Department's hearing reports might be permissible if they complied with the APA:

The APA bars only advocate-decision maker *ex parte* contacts, not all contacts. Thus, for example, nothing in the APA precludes the ultimate decision maker from considering posthearing briefs submitted by, and served on, each side. The Department if it so chooses may continue to use the report of hearing procedure, so long as it provides licensees a copy of the report and the opportunity to respond. (Cf. § 11430.50 [contacts with presiding officer or decision-maker must be public, and all parties must be afforded opportunity to respond].)

(*Quintanar, supra*, at p. 17.)

While the General Order was unquestionably adopted without regard to APA rulemaking procedures, we cannot say that the comment procedure itself, as applied in this case, violated appellants' APA due process rights. It appears that the Department tailored its comment procedure to the *Quintanar* decision—appellants submitted a post-hearing brief, which was duly served on the Department and included in the administrative record. This is sufficient to satisfy the statutory requirement that all parties receive “notice and an opportunity . . . to participate in the communication.” (Gov. Code, § 11430.10.)

It is true that the present parties were not given the opportunity to respond to their adversary's post-hearing comments. The “opportunity to respond,” however—as opposed to the opportunity “to participate in the communication”—is part of the procedural remedy when the decision maker receives an unsolicited *ex parte* communication. (See Gov. Code §§ 11430.40, 11430.50 [providing opposing party a ten-day window, following disclosure, to respond to *ex parte* communication].) In context, the *Quintanar* Court required the “opportunity to respond” if the Department continued to accept one-sided *ex parte* hearing reports from its own attorneys. If, as

here, the decision maker instead simultaneously offers both parties the opportunity to submit comment, then both parties have had the opportunity to participate in the conversation, and the statutes require no further opportunity for response. (See Gov. Code, §§ 11430.10 through 11430.50.)

We agree with appellants that the Department's General Order is an underground regulation that was adopted in violation of APA rulemaking requirements. Nevertheless, the General Order's comment procedure—as applied in the present case—did not impact appellants' due process rights, and therefore does not merit reversal. The Board will not hesitate to reverse in the future, however, should it be proven that appellants' due process rights were adversely affected by this comment procedure.

ORDER

The decision of the Department is affirmed.²

BAXTER RICE, CHAIRMAN
PETER J. RODDY, MEMBER
JUAN PEDRO GAFFNEY RIVERA, MEMBER
ALCOHOLIC BEVERAGE CONTROL
APPEALS BOARD

²This final order is filed in accordance with Business and Professions Code section 23088, and shall become effective 30 days following the date of the filing of this order as provided by section 23090.7 of said code.

Any party, before this final order becomes effective, may apply to the appropriate court of appeal, or the California Supreme Court, for a writ of review of this final order in accordance with Business and Professions Code section 23090 et seq.

APPENDIX

**BEFORE THE
DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL
OF THE STATE OF CALIFORNIA**

**IN THE MATTER OF THE ACCUSATION
AGAINST:**

ALI'S ENTERPRISES INC 2
7-ELEVEN
3101 S OVERLAND AVE, STE A & B
LOS ANGELES, CA 90034-3759

OFF-SALE BEER ANE WINE - LICENSE

Respondent(s)/Licensee(s)
Under the Alcoholic Beverage Control Act

CERRITOS DISTRICT OFFICE

AB 9651
File: 20-520430

Reg: 16084776

CERTIFICATE OF DECISION

It is hereby certified that, having reviewed the findings of fact, determination of issues, and recommendation in the attached proposed decision, the Department of Alcoholic Beverage Control adopted said proposed decision as its decision in the case on May 3, 2017. Pursuant to Government Code section 11519, this decision shall become effective 30 days after it is delivered or mailed.

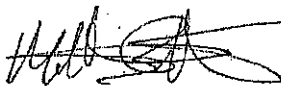
Any party may petition for reconsideration of this decision. Pursuant to Government Code section 11521(a), the Department's power to order reconsideration expires 30 days after the delivery or mailing of this decision, or if an earlier effective date is stated above, upon such earlier effective date of the decision.

Any appeal of this decision must be made in accordance with Business and Professions Code sections 23080-23089. For further information, call the Alcoholic Beverage Control Appeals Board at (916) 445-4005, or mail your written appeal to the Alcoholic Beverage Control Appeals Board, 300 Capitol Mall, Suite 1245, Sacramento, CA 95814.

On or after June 22, 2017, a representative of the Department will contact you to arrange to pick-up the license certificate.

Sacramento, California

Dated: May 12, 2017



Matthew D. Botting
General Counsel

2017 SEP 15 AM 9:00
RECEIVED
ABC APPEALS BOARD

**BEFORE THE
DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL
OF THE STATE OF CALIFORNIA**

IN THE MATTER OF THE ACCUSATION AGAINST:

Ali's Enterprises, Inc. 2
dba 7-Eleven
3101 S. Overland Ave., Stes. A & B
Los Angeles, California 90034-3759

Respondent

} File: 20-520430

} Reg.: 16084776

} License Type: 20

} Word Count: 11,000

} Reporter:

} Cathryn Azama

} California Reporting

Off-Sale Beer and Wine License

PROPOSED DECISION

Administrative Law Judge Matthew G. Ainley, Administrative Hearing Office, Department of Alcoholic Beverage Control, heard this matter at Cerritos, California, on February 23, 2017.

Matthew S. Gaughan, Attorney, represented the Department of Alcoholic Beverage Control.

Jennifer L. Oden, attorney-at-law, represented respondent Ali's Enterprises, Inc. 2.

The Department seeks to discipline the Respondent's license on the grounds that, on or about April 28, 2016, the Respondent, through its agent or employee, sold, furnished, or gave alcoholic beverages to Robert Corleto, an individual under the age of 21, in violation of Business and Professions Code section 25658(a).¹ (Exhibit 1.)

Oral evidence, documentary evidence, and evidence by oral stipulation on the record was received at the hearing. The matter was argued and submitted for decision on February 23, 2017.

FINDINGS OF FACT

1. The Department filed the accusation on September 29, 2016.

¹ All statutory references are to the Business and Professions Code unless otherwise noted.

2. The Department issued a type 20, off-sale beer and wine license to the Respondent for the above-described location on October 22, 2012 (the Licensed Premises).
3. There is no record of prior departmental discipline against the Respondent's license.
4. Robert Corleto was born on February 16, 1998. He served as a minor decoy during an operation conducted by LAPD on April 28, 2016. On that date he was 18 years old.
5. Corleto appeared and testified at the hearing. On April 28, 2016, he was 5'8 tall and weighed 140 pounds. He was wearing blue jeans and a reddish sweatshirt with a hood. The hood was down at all times he was inside the Licensed Premises. His hair was short on the sides and spikey on top. (Exhibit 3.) His appearance at the hearing was basically the same, except that he was three pounds heavier and he had a buzz cut (his hair was short and the same length all around).
6. On April 28, 2016, Det. Ralph Barone entered the Licensed Premises. Corleto entered shortly thereafter, followed by Ofcr. Guerrero. Corleto went to the refrigerator and selected a 25-oz. can of Bud Light beer, which he took to the register. When it was his turn, he set the beer down on the counter. The clerk, Zulfiqar Taj Notta, asked to see his ID. Corleto handed his California driver license (exhibit 2) to Notta, who looked at it. Notta handed the ID back to Corleto and told him the price of the beer. Corleto paid, received some change, then exited with the beer. Det. Barone also exited.
7. Outside, Det. Barone contacted Corleto. Corleto told Det. Barone that the clerk had sold beer to him. Ofcr. Guerrero remained inside and contacted Notta.
8. Corleto and Det. Barone re-entered the Licensed Premises and went to the register where Notta was speaking to the officers. Notta looked at them as they approached. One of the officers asked him to identify the person who sold him the beer. He pointed to Notta and said that he had. Corleto and Notta were three to four feet apart, facing each other, at the time.
9. Corleto initially testified that the identification took place while Notta was speaking to the officers. Shortly thereafter, he further explained that Notta was not actually speaking to the officers at the moment he identified him. Det. Barone testified that Notta was not otherwise engaged when Corleto identified him. He later indicated that Corleto identified the seller as the person to whom Ofcr. Guerrero was speaking.
10. Det. Barone had Corleto and Notta stand next to each other and took a photo of them (Exhibit 3.) Notta was subsequently cited.

11. April 28, 2016 was Corleto's first time acting as a decoy. He went to a total of six locations, two of which (including the Licensed Premises) sold alcoholic beverages to him. Corleto has been a cadet with LAPD since 2013. As part of his cadet training, he received law-enforcement training which included traffic, accidents, and investigations. He had been on some ride-alongs. On April 28, 2016, he held the rank of cadet sergeant. As of the date of the hearing his rank was cadet lieutenant. His responsibilities as a sergeant included training recruits, supervising cadets, and handling problems.

12. Corleto appeared his age at the time of the decoy operation. Based on his overall appearance, i.e., his physical appearance, dress, poise, demeanor, maturity, and mannerisms shown at the hearing, and his appearance and conduct in the Licensed Premises on April 28, 2016, Corleto displayed the appearance which could generally be expected of a person under 21 years of age under the actual circumstances presented to Notta.

13. Except as set forth in this decision, all other allegations in the accusation and all other contentions of the parties lack merit.

CONCLUSIONS OF LAW

1. Article XX, section 22 of the California Constitution and section 24200(a) provide that a license to sell alcoholic beverages may be suspended or revoked if continuation of the license would be contrary to public welfare or morals.
2. Section 24200(b) provides that a licensee's violation, or causing or permitting of a violation, of any penal provision of California law prohibiting or regulating the sale of alcoholic beverages is also a basis for the suspension or revocation of the license.
3. Section 25658(a) provides that every person who sells, furnishes, gives, or causes to be sold, furnished, or given away, any alcoholic beverage to any person under the age of 21 years is guilty of a misdemeanor.
4. Cause for suspension or revocation of the Respondent's license exists under Article XX, section 22 of the California State Constitution and sections 24200(a) and (b) on the basis that on April 28, 2016, the Respondent's clerk, Zulfiqar Taj Notta, inside the Licensed Premises, sold an alcoholic beverage to Robert Corleto, a person under the age of 21, in violation of Business and Professions Code section 25658(a). (Findings of Fact ¶¶ 4-12.)

5. The Respondent argued that the decoy operation at the Licensed Premises failed to comply with rules 141(b)(2)² and 141(b)(5) and, therefore, the accusation should be dismissed pursuant to rule 141(c). With respect to rule 141(b)(2), the Respondent argued that Corleto appeared to be mature—he was calm and collected and, based on his experience and training as a cadet—had the appearance of a young police officer. This argument is rejected. Corleto's appearance was consistent with that of a typical 18 or 19 year old. There is no evidence that his training and experience had any impact upon his appearance or his behavior. Moreover, since Notta did not testify, the impact of such training and experience upon Notta's evaluation of Corleto's age is speculative. (Finding of Fact ¶ 12.)

With respect to rule 141(b)(5), the Respondent argued that an effective face-to-face identification was not conducted since Notta was engaged in a conversation with Ofcr. Guerrero at the time of the identification. This argument is rejected. The testimony of both witnesses established that Ofcr. Guerrero was speaking to Notta throughout the identification and citation process. When asked about the specific moment Corleto identified Notta, the witnesses indicated that the conversation stopped and Notta was not otherwise engaged. Coupled with the fact that Notta looked at Corleto as he approached, it is clear that he was aware he was being identified. (Findings of Fact ¶¶ 8-9.)

PENALTY

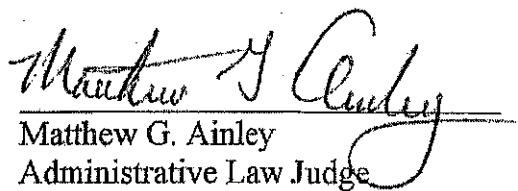
The Department requested that the Respondent's license be suspended for a period of 15 days. The Respondent argued that a mitigated penalty was appropriate given its nearly five years of discipline-free operation (from the date the license issued through the date of the hearing). Although any period of discipline-free operation is always worth noting, the Respondent's 3½ years (from the date the license issued through the date of the violation) is insufficient to warrant any mitigation in this case. There was no evidence of aggravation presented by the Department nor was there any evidence of mitigation presented by the Respondent. The penalty recommended herein complies with rule 144.

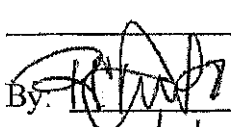
² All rules referred to herein are contained in title 4 of the California Code of Regulations unless otherwise noted.

ORDER

The Respondent's off-sale beer and wine license is hereby suspended for a period of 15 days.

Dated: March 27, 2017


Matthew G. Ainley
Administrative Law Judge

<input checked="" type="checkbox"/> Adopt
<input type="checkbox"/> Non-Adopt: _____
By:  _____
Date: <u>5/3/17</u> _____