STATE OF WASHINGTON
GAMBLING COMMISSION

In the Matter of the Suspension or Revocation of the License to Conduct Gambling Activities of: Gerald H. Sharpe Edmonds, Washington, Licensee.	)	NO. CR 2014-00193 **NOTICE OF ADMINISTRATIVE CHARGES AND OPPORTUNITY FOR AN ADJUDICATIVE PROCEEDING**

I.

The Washington State Gambling Commission issued Gerald H. Sharpe license number 68-02619, authorizing Card Room Employee activity, formerly at Club Hollywood Casino and currently at the Hideaway Casino.

The Commission issued this license, which expires on June 14, 2015, subject to the licensee's compliance with state gambling laws and Commission rules.

II.

David Trujillo, Director of the Washington State Gambling Commission, charges the licensee with the following violations of the Washington State Gambling Act, 9.46 RCW, and WAC Title 230.

SUMMARY:

On January 22, 2014, Gerald H. Sharpe, a licensed card room employee formerly at Club Hollywood Casino, took $100. Mr. Sharpe gave a player $100 in casino chips, and the player gave Mr. Sharpe a $100 bill in return. Mr. Sharpe took the $100 bill and placed it into a money clip he took out of his pants pocket. He then placed the money clip with the $100 bill into his pocket. Mr. Sharpe admitted taking the $100.

FACTS:

1) On January 23, 2014, Todd Marshall, General Manager at Club Hollywood, contacted a Washington State Gambling Commission Special Agent (agent) via e-mail. Mr. Marshall's message said he suspended Mr. Sharpe, and he attached a Club Hollywood "Record Of Corrective Action" form. The form stated: "On January 22, 2014 at 11:40 a.m., Gerald brought a rack of chips ($100) to a player to sell. After the player gave Gerald $100 for the rack, he and the player had a brief conversation. After the conversation was over, Gerald pulled his money clip from his pocket, put the $100 bill in it, and put it back in his pocket. Due to this incident, the poker bank was short $100 at the 4 p.m. shift change."

2) Commission staff received a Personnel Termination Notification, terminating Mr. Sharpe, on January 23, 2014.

3) On January 29, 2014, a different agent went to Club Hollywood and met with Mr. Marshall. Mr. Marshall provided the agent with the surveillance DVD and an Incident Report completed by Surveillance Observer Mohamed Saout. Mr. Saout wrote that Mr. Sharpe gave a player $100 in blue chips and then "appeared to have [a] $100 bill in his hand presumably from the sale of the blue chips, and he proceeded to mix it with his own money and put it in his pocket."

4) The agent reviewed the surveillance video and observed the following:

- On January 22, 2014, at approximately 11:39:22, a customer is talking to Mr. Sharpe at the poker podium.
- At 11:39:39, Mr. Sharpe takes a rack of chips ($100) out of the poker chip cabinet, walks over to the poker table, and sets the rack of chips down.
- At 11:39:43, the customer handed Mr. Sharpe money in exchange for the chips. Mr. Sharpe takes the money with his right hand, talks with the customer, and then walks over to the poker podium.
- At 11:40:12, Mr. Sharpe walks in the view of the camera and sets down (1) $100 bill on the poker podium face down.
- At 11:40:15, Mr. Sharpe pulls a money clip with money in it out of his right front pants pocket.
- At 11:40:19, Mr. Sharpe opens the money clip and picks up the $100. He then puts the $100 bill on top of the money he already had in his money clip and fans the money out. Mr. Sharpe folds all of the bills and puts them into the money clip. He then moves the money clip with the $100 bill towards his right front pants pocket with his right hand.

5) On January 31, 2014, the agent received an e-mail from Christopher Struthers, Casino Operations Manager at Club Hollywood. In the e-mail, Mr. Struthers wrote that he attached Poker Floor Supervisor Evan Yesberger's statement and the poker daily card room summary.

6) Mr. Yesberger wrote that his poker bank was $100 short when he counted it in the afternoon. He contacted surveillance to see if they could determine what happened. Mr. Yesberger added that at the end of his shift nothing had been found. "Seeing that I was distraught, Jerry (Mr. Sharpe's nickname), a poker dealer on my shift, offered to lend me $100 to pay for the bank shortage. I accepted his offer."

7) On February 5, 2014, the agent interviewed Mr. Sharpe at the Washington State Gambling Commission's Everett office. The agent asked Mr. Sharpe to explain the incident. Mr. Sharpe stated that he had worked at Club Hollywood for two years as a poker dealer. Mr. Sharpe stated

that as a dealer he would play in the poker games and would buy and sell himself chips. Mr. Sharpe stated he brought the customer $100 in chips and then the customer gave him $100 in exchange for the chips. He stated that the customer probably handed him the money. Mr. Sharpe stated that he put the money in his pocket and that it was something he would do because he would get called to do other things and it left his hands free to do other things.

8) Mr. Sharpe stated he remembered putting the $100 into his pocket and then into his money clip. He thought the money was his. Throughout the interview, Mr. Sharpe stated he did not need the money and would only have taken the $100 on accident.

9) Mr. Sharpe provided a written statement that said he was a poker dealer and what was "on tape was purely accidental," and "everything I did was done without me trying to hide or conceal anything." Mr. Sharpe added that, "I and other dealers sometimes sell chips and put money in his [sic] pocket to keep both hands free and to keep money from being lost."

10) Mr. Yesberger stated that the $100 bill was not given back to Mr. Sharpe.

VIOLATIONS

1) RCW 9.46.075 Denial, suspension, or revocation of certification, application, or permit
The Commission may deny an application, or suspend or revoke any license or permit issued by it, for any reason or reasons, it deems to be in the public interest. These reasons shall include, but not be limited to, cases wherein the applicant or licensee, or any person with any interest therein: (The following subsections apply.)

(1) Has violated, failed or refused to comply with the provisions, requirements, conditions, limitations or duties imposed by chapter 9.46 RCW and any amendments thereto, or any rules adopted by the Commission pursuant thereto, or when a violation of any provision of chapter 9.46 RCW, or any Commission rule, has occurred upon any premises occupied or operated by any such person or over which he or she has substantial control.

(8) Fails to prove, by clear and convincing evidence, that he is qualified in accordance with the provisions of this chapter.

2) WAC 230-03-085 Denying, suspending, or revoking an application, license or permit
We may deny, suspend, or revoke any application, license or permit, when the applicant, certified employee, or anyone holding a substantial interest in the applicant's or certified employee's business or organization:
(The following subsections apply.)

(1) Commits any act that constitutes grounds for denying, suspending, or revoking licenses or permits under RCW 9.46.075.

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(8) Poses a threat to the effective regulation of gambling, or creates or increases the likelihood of unfair or illegal practices, methods, and activities in the conduct of gambling activities, as demonstrated by:
(a) Prior activities.

3) RCW 9.46.190 Violations relating to fraud or deceit.
Any person or association or organization operating any gambling activity who or which, directly or indirectly, shall in the course of such operation:
(The following subsections apply.)

(1) Employ any device, scheme, or artifice to defraud;
(3) Engage in any act, practice or course of operation as would operate as a fraud or deceit upon any person;

Shall be guilty of a gross misdemeanor subject to the penalty set forth in RCW 9A.20.021.

4) RCW 9.46.153(1) Applicants and licensees-Responsibilities and duties
It shall be the affirmative responsibility of each applicant and licensee to establish by clear and convincing evidence the necessary qualifications for licensure of each person required to be qualified under this chapter, as well as the qualifications of the facility in which the licensed activity will be conducted.

Gerald H. Sharpe admitted to taking $100 and putting it in his pocket while on duty at Club Hollywood Casino, in violation of RCW 9.46.190. Mr. Sharpe has failed to establish by clear and convincing evidence that he is qualified, as required by RCW 9.46.153(1). As a result, there are grounds to suspend or revoke Gerald Sharpe's license based on RCW 9.46.075(1), and (8), and WAC 230-03-085(1) and (8).

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III.

Jurisdiction of this proceeding is based on 9.46 RCW, Gambling, chapter 34.05 RCW, the Administrative Procedure Act, and WAC Title 230.

You have the right to a hearing. To have a hearing, or to settle the case, the Gambling Commission must receive the hearing request form back from you within 23 days. After we receive this form, we will call you about settlement options. If you do not return the form on time, your license will be revoked (taken away) and you cannot work. (RCW 34.05.440.)

IV.

I have read this Notice of Administrative Charges and Opportunity for an Adjudicative Proceeding, know the contents of it, believe it to be true, and have executed this Notice in my capacity as Director of the Washington State Gambling Commission.

Dated May 23, 2014

DAVID TRUJILLO, DIRECTOR

STATE OF WASHINGTON)
)
COUNTY OF THURSTON)

I certify I have this day served a copy of the document upon all parties of record in the proceeding by mailing a copy, properly addressed with postage prepaid, by regular and certified mail to each party to the proceeding or his or her attorney or authorized agent.

Dated at Olympia, Washington this 23 day of May, 2014