

STATE OF WASHINGTON  
GAMBLING COMMISSION

In the Matter of the Revocation of the License )  
to Conduct Gambling Activities of: )  
 )  
Christopher J. Smith )  
Everett, Washington, )  
 )  
Licensee. )  
\_\_\_\_\_ )

NO. CR 2014-00466

**NOTICE OF ADMINISTRATIVE  
CHARGES AND OPPORTUNITY  
FOR AN ADJUDICATIVE  
PROCEEDING**

I.

The Washington State Gambling Commission issued Christopher J. Smith license number 68-22124, authorizing Card Room Employee activity, formerly at Club Hollywood in Shoreline.

The Commission issued this license, which expires on June 15, 2014, 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 February 23, 2014, Christopher Smith, cage cashier for Silver Dollar Casino, took a gaming chip and cash from the cashier's cage and falsified eight documents over a three-day period to conceal the theft. Mr. Smith was also found in the possession of the controlled substances Oxycodone and Xanax without a prescription.

**FACTS:**

1) On February 24, 2014, Steve Charie, general manager of the Silver Dollar Casino, informed a Washington State Gambling Commission Special Agent (agent) that two dimes and a penny were found in a rack of \$25 casino chips in the cashier cage.

2) On February 24, 2014, the agent went to the Silver Dollar Casino surveillance room and met with Mr. Charie and Christina Singer, surveillance manager. Ms. Singer played a surveillance recording from February 24, 2014, where cage cashier Christina Proffitt is observed counting casino chips. The agent observed her remove a rack of casino chips from the cabinet, spread out 20 of the chips, and remove two dimes and a penny that appeared to have been placed in the center of the rack. The coins were alternated between chips. Based on \$.21 cents placed on the rack and a \$25 chip missing, there was a total of \$24.79 missing.

- 3) Mr. Smith wrote a sworn statement stating he worked as a cage cashier at Silver Dollar Casino for the last five years. He stated he took a \$25 chip from the fill cabinet and placed it on the counter. He then placed the \$25 chip in the main cash drawer. He placed two dimes and a penny in place of the chip to make it look like the rack was full. He then stated he took the \$25 chip and placed it in his pocket and signed the cage documents indicating all of the money was present.
- 4) Mr. Smith further stated around Thanksgiving 2013, he stole \$5 in cash from the cashier's cage while working. Mr. Smith said he took the \$25 chip and \$5 cash because he works two jobs and cares for his terminally ill mother. Mr. Smith was advised that he was under arrest for theft and forgery. While searching Mr. Smith, the agent found a small zip-lock bag in Mr. Smith's front right pants pocket. The agent observed six orange pills and two blue pills. Mr. Smith said two of the pills were Oxycodone, and the six other pills were Xanax. Mr. Smith said he did not have a prescription for them and bought them from his friend's sister; he buys about ten pills from her at a time.
- 5) On February 27, 2014, the agent was notified by Mr. Charie the card room had a surveillance recording of cage cashier Christopher Smith taking a \$25 casino chip from a rack and replacing it with coins.
- 6) On February 27, 2014, the agent met with Mr. Charie, Ms. Singer, and Rasalie Sadler, accounting manager at the Silver Dollar Casino.
- 7) Ms. Singer played a surveillance recording for the agent dated February 23, 2014. Mr. Smith placed what appeared to be coins in the center of \$35 casino chips. Mr. Smith placed two other stacks of chips on top of the rack with the coins in it. The agent could not clearly tell if Mr. Smith removed a chip from the rack.
- 8) Ms. Singer stated on February 24, 2014, she was notified by Ms. Proffitt that during cage verification, Ms. Proffitt found two dimes and a penny in the central barrel of a rack of \$25 chips. Ms. Singer later provided a sworn statement dated February 28, 2014. When the three coins were removed from the rack, Ms. Singer stated she observed one \$25 chip missing. The rack was \$24.79 short. Ms. Singer stated she was requested by Mr. Charie to review all cage interactions with the rack of green chips in question.
- 9) Ms. Singer further stated she observed Mr. Smith, on February 23, 2014, step outside the cage door at 05:23 hours and reach into his pocket with his right hand. Mr. Smith was observed pulling an unknown amount of coins out of his pocket before dropping some on the floor. He picked up the coins and then re-entered the cage at 05:24, where he immediately opened up the chip cabinet. Mr. Singer stated she observed Mr. Smith remove the top rack of chips and place it next to the stack on the counter. He ran his finger down the side of the rack. Mr. Smith closed the chip cabinet doors with both hands while keeping the fingers of his right hand curled, then he moved his hand down and placed an item into his pocket.
- 10) Ms. Sadler provided the agent with a copy of Cage Inventory Count Sheet dated February 23, 2014 and February 24, 2014. Mr. Smith signed a total of six documents where he

intentionally mislead the Silver Dollar Casino into believing there was \$24.79 more in cash or chips in the cashier cage than he knew to be true. Based on Mr. Smith placing the coins in the rack to simulate a \$25 casino chip being present, and signing documents attesting to the chip being present six times over the course of two days, he appears to have intentionally been trying to misrepresent the value of the chips and cash in the cashier's cage.

11) Mr. Smith was transported to Snohomish County Jail and booked for Forgery, Theft in the 3<sup>rd</sup> Degree, and Possession of a Controlled Substance.

12) Criminal charges of Theft in the 3<sup>rd</sup> Degree, Forgery, and Possession of a Controlled Substance have been recommended to the Snohomish County Prosecutor.

## **VIOLATIONS**

### **1) RCW 9.46.075 Denial, suspension, or revocation of license, 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.

(7) Makes a misrepresentation of, or fails to disclose, a material fact to the commission;

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

(10) Has pursued or is pursuing economic gain in an occupational manner or context which is in violation of the criminal or civil public policy of this state if such pursuit creates probable cause to believe that the participation of such person in gambling or related activities would be inimical to the proper operation of an authorized gambling or related activity in this state. For the purposes of this section, occupational manner or context shall be defined as the systematic planning, administration, management or execution of an activity for financial gain.

### **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.

(3) Has demonstrated willful disregard for complying with ordinances, statutes, administrative rules, or court orders, whether at the local, state, or federal level; or

(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.

**4) RCW 9.46.190 Violations Related 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) Employs any device, scheme, or artifice to defraud; or

(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.

**5) 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.

On February 23, 2014, Christopher Smith, cage cashier for Silver Dollar Casino, stole a \$25 chip from the cashier's cage and falsified six documents over a two-day period to conceal the theft, in violation of RCW 9.46.190. In addition, Mr. Smith was also found in the possession of the controlled substance Oxycodone and Xanax. Mr. Smith has failed to establish clearly and convincingly that he is qualified for licensure, as required by RCW 9.46.153(1). As a result, there are grounds to revoke Christopher J. Smith's license based on RCW 9.46.075(1), (7), (8), and (10), and WAC 230-03-085(1), (3), and (8).

III.

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

The licensee will have the opportunity to have a hearing on the alleged violations.

In order to have a hearing or discuss settlement options, the enclosed request for hearing must be completed and returned to the Gambling Commission within 23 days from the date of the mailing of this notice.

Based on RCW 34.05.440, failure to return a request for hearing will result in the entry of a default order REVOKING your license.

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 4/3/2014

  
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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, property 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 7 day of APRIL, 2014  


