

STATE OF WASHINGTON  
GAMBLING COMMISSION

In the Matter of the Denial of the Application )  
to Conduct Gambling Activities of: )  
Nosratollah Moradi )  
Applicant. )  
\_\_\_\_\_ )

NO. CR 2008-01308

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

I.

The Washington State Gambling Commission received the following application from Nosratollah Moradi, of Cheney, to work at Big Daddy's CBG, in Spokane:

68-01516, Authorizing Class "B" House-Banked Card Room Employee Activity.

The application was made subject to the applicant's compliance with state gambling laws and Commission rules.

II.

Rick Day, Director of the Washington State Gambling Commission, charges the applicant with the following violations of the Washington State Gambling Act, 9.46 RCW, WAC Title 230:

**SUMMARY:**

- Mr. Moradi admitted that in 2001, while working as a Casino Manager, he took \$1,988 from his employer and used the money to place wagers at a racetrack.
- Mr. Moradi had his previous application for a gambling license denied based on his actions.

**FACTS:**

- 1) In 2001, Mr. Moradi, while working as a Casino Manager, admitted to taking \$1,988 in cash from a card room deposit<sup>1</sup> and used the money to place wagers at a racetrack in Post Falls, Idaho. These actions operated fraud and deceit on his employer.
- 2) Mr. Moradi prepared a written statement confessing to the theft and explaining that he took the money because he had a gambling problem and other personal problems.

---

<sup>1</sup> As the Casino Manager, Mr. Moradi was responsible for taking the deposits for the Card Room to the bank.

- 3) Because the victim declined to press charges, the Spokane County Prosecuting Attorney did not file criminal charges.
- 4) Also in 2001 on six occasions, Mr. Moradi did not deposit checks received by the card room within two banking days<sup>2</sup>.
- 5) Mr. Moradi's license expired in February 2002 and he did not renew.
- 6) In August 2002, Mr. Moradi reapplied for a Card Room Employee license. In November 2002, the Director issued administrative charges for the denial of his application. (Case Report 2001-00681)
- 7) A hearing was held in December 2002. In February 2003, an Administrative Law Judge (ALJ) issued a Findings of Fact, Conclusions of Law, and Initial Order upholding the Director's denial of Mr. Moradi's application for a Card Room Employee license.
- 8) In March 2003, Mr. Moradi timely submitted his Petition for Review. The Petition was held before the Commissioners in May 2003, and Mr. Moradi did not appear at that hearing. The Commissioners issued a Final Order, upholding the ALJ's Initial Order denying Mr. Moradi's license application.
- 9) Mr. Moradi filed a Petition for Reconsideration of the Commissioners' Order. The Petition was heard at the August 2003 Commission meeting. At that meeting, the Commissioners denied Mr. Moradi's application.
- 10) Based on Mr. Moradi's prior actions and the denial of his previous application for a gambling license:
  - He has demonstrated that he poses a threat to the effective regulation of gaming or creates or increases the likelihood of unfair or illegal practices, methods, and activities in the conduct of gambling activities.
  - He has pursued economic gain in an occupational manner, which creates probable cause to believe that his participation in gambling or related activities would be harmful to the proper operation of an authorized gambling in this state.
  - He has engaged in an act that operated fraud or deceit on his employer. (RCW 9.46.190)
  - He has failed to establish by clear and convincing evidence the necessary qualifications for licensure under RCW 9.46.153.
- 11) Therefore, under RCW 9.46.075(1), (8), and (10) and WAC 230-03-085(1) and (8), grounds exist to deny Nosratollah Moradi's application.

---

<sup>2</sup> Former WAC 230-40-845(4) Procedures for exchange of checks submitted by gaming patrons at cashier's cage. All checks received shall be deposited in the licensee's bank account within two banking days after receipt. Effective January 1, 2008, this rule is now referenced in WAC 230-15-580(3).

**VIOLATIONS:**

- **RCW 9.46.075(1) and (8), (10)** state:

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:

(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.

(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.

- **WAC 230-03-085(1) and (8)**, Denying, suspending, or revoking an application, license or permit, states:

We may deny, suspend, or revoke any application, license or permit, when the applicant, licensee, or anyone holding a substantial interest in the applicant's or licensee's business or organization:

(1) Commits any act that constitutes grounds for denying, suspending, or revoking licenses or permits under RCW 9.46.075; 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; or
- (b) Criminal record; or
- (c) Reputation; or
- (d) Habits; or
- (e) Associations.

\\

\\

- **RCW 9.46.153(1)** states:

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.

- **RCW 9.46.190** provides:

Any person, association, or organization operating any gambling activity who or which, directly or indirectly, shall in the course of such operation:

- (1) Employ any device, scheme, or artifice to defraud; or
- (2) Make any untrue statement of a material fact, or omit to state a material fact necessary in order to make the statement made not misleading, in the light of the circumstances under which said statement is made; 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.

\\

\\

\\

\\

\\

\\

\\

\\

\\

III.

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

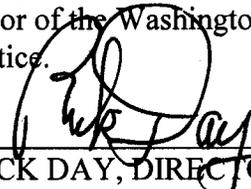
The applicant will have the opportunity to have a hearing on the alleged violations.

**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 this document will result in the entry of a default order DENYING your application.

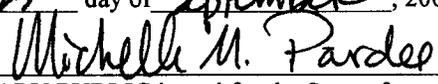
STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF THURSTON )

Rick Day, being duly sworn on oath, says: That he has read this Notice of Administrative Charges and Opportunity for An Adjudicative Proceeding for Nosratollah Moradi, knows the contents of it, believes it to be true, that he is the Director of the Washington State Gambling Commission, and in that capacity has executed said Notice.

  
\_\_\_\_\_  
RICK DAY, DIRECTOR

STATE OF WASHINGTON )  
 )  
COUNTY OF THURSTON )

SUBSCRIBED AND SWORN TO before me  
this 23<sup>rd</sup> day of September, 2008.

  
\_\_\_\_\_  
NOTARY PUBLIC in and for the State of  
Washington residing at Lacey

My commission expires on June 15, 2009

I hereby certify that I have this day served a copy of the document upon all parties of record in the proceeding by mailing a copy thereof, 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<sup>rd</sup> day of September, 2008

Communications and Legal Department  
Washington State Gambling Commission



