

STATE OF WASHINGTON  
GAMBLING COMMISSION

In the Matter of the Revocation of the License )  
to Conduct Gambling Activities of: )  
 )  
Robert J. Mercado III, )  
Walla Walla, Washington, )  
 )  
Licensee. )  
\_\_\_\_\_ )

NO. CR 2009-01009

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

I.

The Washington State Gambling Commission issued Robert J. Mercado III the following license: Number 68-25241, Authorizing Card Room Employee at Blue Mountain Casino in Walla Walla.

The license expires on May 31, 2010, and was issued subject to the licensee's compliance with state gambling laws and rules.

II.

Rick Day, 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:

- On April 9, 2009, the licensee was convicted of Violation of the Uniform Controlled Substance Act (VUCSA) - Delivery of Marijuana, and placed on probation until April 2010. While he was a licensed card room employee, the licensee sold marijuana to a police confidential informant.
- This conviction establishes that the licensee poses a threat to the effective regulation of gaming and has failed to establish by clear and convincing evidence the necessary qualifications for certification under RCW 9.46.153(1).
- Therefore, under RCW 9.46.075(1), (4), and (8), and WAC 230-03-085(1), (5), and (8), grounds exist to revoke the license of Robert J. Mercado III.

**RCW 9.46.075 Denying, suspending, or revoking an application, license or permit**

(The following subsections apply)

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:

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(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;

(4) Has been convicted of, or forfeited bond upon a charge of, or pleaded guilty to, forgery, larceny, extortion, conspiracy to defraud, willful failure to make required payments or reports to a governmental agency at any level, or filing false reports therewith, or of any similar offense or offenses, or of bribing or otherwise unlawfully influencing a public official or employee of any state or the United States, or of any crime, whether a felony or misdemeanor involving any gambling activity or physical harm to individuals or involving moral turpitude;

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

**WAC 230-03-085 Denying, suspending, or revoking an application, license or permit**

(The following subsections apply)

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;

(5) Is serving a period of probation or community supervision imposed as a sentence for any juvenile, misdemeanor, or felony criminal offense, whether or not the offense is covered under RCW 9.46.075(4);

(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 Applicants and licensees-Responsibilities and duties**

(The following subsection applies)

(1) 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.

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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.

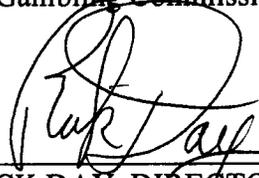
The licensee will have the opportunity to have a hearing on the alleged violations.

**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 this document will result in the entry of a default order REVOKING your license.

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, 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.



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RICK DAY, DIRECTOR

STATE OF WASHINGTON )  
 ) ss  
COUNTY OF THURSTON )

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 15<sup>th</sup> day of July, 2009

Communications and Legal Department  
Washington State Gambling Commission



SUBSCRIBED AND SWORN TO before me this 15<sup>th</sup> day of July, 2009.



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NOTARY PUBLIC in and for the State of

Washington residing at Lacey

My commission expires on June 16, 2013

