

STATE OF WASHINGTON
GAMBLING COMMISSION

In the Matter of the Revocation of the Class III) NO. CR 2010-01179
Certification to Conduct Gambling Activities of:)
)
Phillip W. Jones) **NOTICE OF ADMINISTRATIVE**
Pacific, Washington,) **CHARGES AND OPPORTUNITY**
) **FOR AN ADJUDICATIVE**
) **PROCEEDING**
Class III Employee.)

I.

The Washington State Gambling Commission issued Class III Employee certification¹ number 69-31295 to Phillip W. Jones authorizing Class III Employee activity for the Muckleshoot Tribe.

The certification expires on May 27, 2011, and was issued subject to Mr. Jones' compliance with state gambling laws, rules, the Muckleshoot Tribal/State Compact and the Class IIIA Conditional Gaming License Agreement between Mr. Jones and the Muckleshoot Gaming Commission.

II.

Rick Day, Director of the Washington State Gambling Commission, charges Phillip W. Jones with the following violations of the Washington State Gambling Act, 9.46 RCW, WAC Title 230, and Section V of the Muckleshoot Tribal/State Compact:

1) On May 3, 2010, Phillip W. Jones, an enrolled Muckleshoot Tribal Member, submitted an application for a Class III Employee certification. On May 5, 2010, Commission staff notified the Muckleshoot Tribe that Mr. Jones did not qualify for certification because of his outstanding court fines and fees totaling \$4,300 and his criminal history, which included the following:

- October 2009, No Contact Order Violation conviction, which resulted in Mr. Jones being on probation until October 2011;
- August 2009, Assault Fourth Degree, Domestic Violence and Resisting Arrest convictions; and
- April 2008, Make False Statement to a Public Servant (deferred sentence).

2) Under the Muckleshoot Tribal/State Compact, tribal members who do not qualify for a certification may be granted one with specific conditions. Therefore, on May 12, 2010, the

¹ Class III Employee certification is issued to employees working at Tribal casinos. The certification authorizes similar activities as the Card Room Employee (CRE) license issued to individuals working at commercial house-banked card rooms. However, Mr. Jones' conditional certification only allows him to work for the Muckleshoot Tribe.

Muckleshoot Tribe requested a conditional certification for Phillip W. Jones based on the conditions of the Class IIIA Conditional Gaming License Agreement (agreement) submitted by the Tribe and signed by Mr. Jones and the Muckleshoot Gaming Commission.

- 3) The terms of the agreement require that Mr. Jones make payments on unpaid court ordered fines and fees and failure to comply with a Judge's ruling are grounds for revoking his Class III Employee Certification. If Mr. Jones did not follow the terms of the agreement, then the conditional certification would be revoked.
- 4) Additionally, on May 28, 2010, the Muckleshoot Tribal Gaming Agency notified the Assistant Director of Licensing Operations by e-mail that the agreement also should include the following grounds for suspension or revocation of Mr. Jones' conditional certification: "any new arrests that may occur once he has been certified by WSGC (Washington State Gambling Commission), or any violations of probation or his deferral." The e-mail also stated that Mr. Jones was aware of the seriousness of his charges and that any new arrests might result in him losing his Class III Employee Certification.
- 5) On May 28, 2010, the Assistant Director of Licensing Operations approved Mr. Jones' conditional Class III Employee certification based on the terms set out in the agreement.
- 6) In August 2010, Mr. Jones failed to comply with a Judge's ruling and violated a No Contact Order. As a result, he was arrested and convicted of No Contact Order Violation. Mr. Jones was sentenced to 365 days in jail, with 362 days suspended, to pay court fines of \$518, have no criminal violations, enroll in a certified domestic violence program, and serve 24 months of probation.
- 7) As a result of his August 2010 No Contact Order Violation conviction:
 - Mr. Jones' total outstanding court fines and fees increased to \$4,818.
 - In addition to being on probation until October 2011 from a previous No Contact Order Violation, Mr. Jones is on probation until August 2012.
 - The deferral for Mr. Jones' April 2008 Making a False Statement to a Public Servant charge was revoked, and he is now guilty of this charge.
- 8) Mr. Jones violated the terms of his conditional certification agreement and demonstrated willful disregard for court orders when he failed to pay court ordered fines, fees, and repeatedly violated No Contact Orders. Additionally, Mr. Jones' August 2009 Assault Fourth Degree and Resisting Arrest convictions involve physical harm to individuals, a threat of physical harm against another person, or an intention to inflict physical harm on another person.
- 9) Because of his actions, criminal history, and outstanding fines and fees, Mr. Jones poses a threat to the effective regulation of gaming and enhances the chance of unfair illegal practices. As a result, Mr. Jones has failed to establish by clear and convincing evidence the necessary qualifications for certification under RCW 9.46.153(1).

10) Therefore, under the Muckleshoot Tribal/State Compact V(C), RCW 9.46.075(1), (4), and (8), and WAC 230-03-085(1), (2), (3), and (8) grounds exist to revoke Phillip W. Jones' Class III Employee certification.

Muckleshoot Tribal/State Compact Section V(C)

The State Gaming Agency² may revoke or suspend a State certification under the provisions of RCW 9.46.075, and rules promulgated there under, or for any reason or reasons it deems to be in the public interest. In addition, these reasons shall include, but shall not be limited to when a holder of certification:

(The following subsections apply.)

(1) Is determined to be a person whose prior activities, criminal record, if any, or reputation, habits and associations pose a threat to the effective regulation of gaming or create or enhance the chances of unfair or illegal practices, methods and activities in the conduct of the gaming activities or the person has violated, failed or refused to comply with the provisions, requirements, conditions, limitations or duties imposed by any provision of a Tribal/State Compact.

(3) Has had a Tribal or State gaming license revoked or denied during the twelve (12) months prior to the date of receipt of the application; is currently on probation; or has demonstrated a willful disregard for compliance with gaming regulatory authority in any jurisdiction, including offenses that could subject the individual or entity to suspension, revocation or forfeiture of a gaming license.

For the purpose of reviewing any application for a state certification and for considering the denial, suspension or revocation of any state certification the state gaming agency may consider any prior criminal conduct or current probationary status of the applicant or holder of certification and the provisions of RCW 9.95.240 and of chapter 9.96A RCW shall not apply to such cases.

RCW 9.46.075 Suspending or revoking license 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.

(4) Has been convicted of, or forfeited bond upon a charge of, or pleaded guilty to, forgery, larceny, extortion, conspiracy to defraud, wilful 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

² Washington State Gambling Commission, as referred to in the Muckleshoot Tribal/State Compact, Section II (U).

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 Suspending or revoking license or permit

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:

(The following subsections apply.)

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

(2) Has been convicted of, or forfeited bond on a charge of, or pleaded guilty to a misdemeanor or felony crime involving physical harm to individuals. "Physical harm to individuals" includes any form of criminal assault, any crime involving a threat of physical harm against another person, or any crime involving an intention to inflict physical harm on another person.

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

(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, WAC Title 230, and the Muckleshoot Tribal/State Compact.

The certified employee 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 Class III Employee certification.

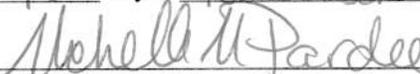
STATE OF WASHINGTON)
) ss.
COUNTY OF THURSTON)

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.



RICK DAY, DIRECTOR

SUBSCRIBED AND SWORN TO before me
this 12 day of November, 2010.



NOTARY PUBLIC in and for the State of

Washington residing at Lacey

My commission expires on June 16, 2013

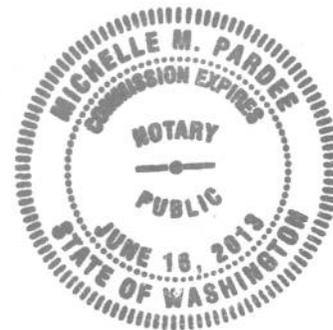
STATE OF WASHINGTON)
) ss.
COUNTY OF THURSTON)

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 12 day of November, 2010



Communications and Legal Department
Washington State Gambling Commission





I hereby certify that I have this day saved a copy of the document upon its filing
to 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 to their attorney or authorized agent.

Dated this _____ day of _____, 2015.

Washington State Gambling Commission
Communications and Legal Department

STATE OF WASHINGTON)
COUNTY OF THURSTON)