

STATE OF WASHINGTON
GAMBLING COMMISSION

In the Matter of the Summary Suspension of the)
License to Operate Gambling Activities of:) NO. CR 2010-00889
)
Iovko Margaritov) **FINDINGS OF FACT,**
Lewiston, Idaho,) **CONCLUSIONS OF LAW,**
) **AND ORDER OF SUMMARY**
) **SUSPENSION OF LICENSE**
Licensee.)

RCW 9.46.070(17) authorizes the Washington State Gambling Commission (Commission) to summarily suspend¹ a license, subject to final action by the Commission. The Director has reviewed this Order of Summary Suspension and has issued it for service.

This order takes effect when served on the licensee, representative, or agent. A Commission Special Agent shall seize Iovko Margaritov's license and he must stop conducting gambling activities.

FINDINGS OF FACT

I.

Rick Day is Director of the Washington State Gambling Commission and issues this order. Jurisdiction of this proceeding is based on chapter 9.46 RCW, Gambling, chapter 34.05 RCW, the Administrative Procedure Act, and Title 230 WAC.

II.

The Washington State Gambling Commission issued Iovko Margaritov the following license:

Number: 68-24055, Authorizing Card Room Employee Activity at Lancer Lanes Restaurant and Casino in Clarkston.

The Commission issued this license, which expires on July 23, 2011, subject to the licensee's compliance with state gambling laws and Commission rules.

¹ WAC 230-17-165 defines summary suspension as immediately taking a license or permit from a person or organization which prevents them from operating or conducting gambling activities.

III.

After a thorough review of the report by a Commission Special Agent about the facts in this matter, the Director accepts the report as true and has determined that the summary suspension is necessary.

IV.

SUMMARY:

On August 5, 2010, Iovko Margaritov pled guilty to three counts of Possession of a Controlled Substance and one count of Solicitation to Deliver a Controlled Substance (Marijuana). Additionally, Mr. Margaritov failed report to Commission staff within thirty days that criminal charges were filed against him in April 2010.

FACTS:

1) On July 2, 2010, Iovko Margaritov submitted his gambling license renewal application with an attached statement disclosing that in April he was charged with three Felony Delivery of Controlled Substance charges and one Felony Possession with Intent to Deliver charge. The licensee disclosed, "The reason for these charges is that a customer approached me after work and asked if I could help him find marijuana, I told him that I do not sell or indulge in such activities; however, I have some acquaintance that can help him out. I delivered an ounce to him 3 times in the next week and a half and it turned out that the customer was an informant for the Quad Cities Drug Task Force."

2) A Commission Special Agent (agent) reviewed Mr. Magaritov's criminal history and found that on April 8, 2010, he was charged with three counts of Delivery of a Controlled Substance (Marijuana) and one count Possession of a Controlled Substance with Intent to Deliver (Marijuana).

3) The Statement of Arresting Officer and Preliminary Finding of Probable Cause states the following:

- a) On March 30, 2010, April 2, 2010, and April 7, 2010, Mr. Margaritov sold Marijuana to a confidential informant (CI) working with law enforcement. The sales took place in Mr. Margaritov's car and the CI bought the drugs with marked money.
- b) On April 7, 2010, an officer with the Clarkston Police Department arrested Mr. Margaritov on three counts of delivery of controlled substance.

- c) Police Officers searched Mr. Margaritov's vehicle and found:
- The marked money used by the CI to purchase marijuana.
 - In the glove box, a jar of 2 grams of a green leafy substance that smelled like marijuana.
 - In a backpack in the back seat, approximately one-quarter pound of a green leafy substance that smelled like marijuana.
- d) Mr. Magaritov told Police Officers, "he and his roommates smoke marijuana and that he only bought marijuana to sell some of it and smoke the profits."

4) On August 5, 2010, Iovko Margaritov pled guilty to three counts of Possession of a Controlled Substance, a class C felony, and one count of Solicitation to Deliver a Controlled Substance (Marijuana). Mr. Magaritov was sentenced 365 days of confinement, which can include work release or school release, and twelve months of community custody with the Department of Corrections.

CONCLUSIONS OF LAW

I.

- 1) **RCW 9.46.070** provides that the Commission shall have the following powers and duties: The Commission may authorize the Director to temporarily suspend licenses subject to final action by the Commission.
- 2) **WAC 230-17-165 Summary suspensions.**
- (1) "Summary suspension" means immediately taking a license or permit from a person or organization which prevents them from operating or conducting gambling activities.
- (2) The Commission delegates its authority to the director to issue an order to summarily suspend any license or permit if the director determines that a licensee has performed one or more of the actions identified in RCW 9.46.075 as posing a threat to public health, safety, or welfare.
- (3) The Commission deems the following actions of a licensee constitute an immediate danger to the public safety and welfare.
(The following subsections apply.)
- (a) Failing or refusing to comply with the provisions, requirements, conditions, limitations, or duties imposed by chapter 9.46 RCW or any rules adopted by the Commission.
- (d) Being convicted of, or forfeiting of a bond on a charge of, or having pled guilty to:
- (vii) Any crime, whether a felony or misdemeanor involving moral turpitude.

On March 30, 2010, April 2, 2010, and April 7, 2010, Iovko Margaritov sold Marijuana to a confidential informant (CI) working with law enforcement. On April 8, 2010, Mr. Magaritov was charged with three counts of Delivery of a Controlled Substance (Marijuana) and one count Possession of a Controlled Substance with Intent to Deliver (Marijuana). On August 5, 2010,

Iovko Margaritov pled guilty to three counts of Possession of a Controlled Substance and one count of Solicitation to Deliver a Controlled Substance (Marijuana).

Iovko Margaritov's actions constitute an immediate danger to public safety and welfare based on him violating WAC 230-17-165(3)(a) and (d)(vii), and are a basis for Mr. Margaritov to immediately stop conducting gambling activities.

3) **RCW 9.46.075(1)** provides the Commission may revoke any license for any reason or reasons, it deems to be in the public interest.

4) **WAC 230-03-085(1)** provides that the Commission may revoke any license when a licensee commits any act that constitutes grounds under RCW 9.46.075 for revoking a license, or commits any other act that the Commission determines constitutes a sufficient reason in the public interest for revoking a license.

5) **WAC 230-03-085(8)** provides that the Commission may revoke any and all licenses or permits of any holder, when the licensee 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.

6) **RCW 9.46.075(4)** provides the Commission may revoke any license when a licensee 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 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.

7) **WAC 230-03-085(5)** provides that the Commission may revoke any and all licenses or permits of any holder, when the licensee 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).

On August 5, 2010, Iovko Margaritov pled guilty to three counts of Possession of a Controlled Substance and one count of Solicitation to Deliver a Controlled Substance (Marijuana). Mr. Margaritov was sentenced 365 days of confinement, which can include work release or school release, and twelve months of community custody with the Department of Corrections.

Mr. Margaritov's activities and criminal history demonstrate that he 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 a result, there are grounds to revoke Iovko Margaritov's license based on RCW 9.46.075(1) and (4) and WAC 230-03-085(1), (5), and (8).

8) WAC 230-06-085(1) Report criminal actions filed.

Licensees must report to us in writing within thirty days all criminal actions filed against the licensee, any manager of the licensed gambling activity, the business organization, or any person holding a substantial interest in the business organization.

9) **WAC 230-03-085(7)** provides that the Commission may revoke any and all licenses or permits of any holder, when the licensee fails to provide us with any information required under Commission rules within the time required, or, if the rule establishes no time limit, within thirty days after receiving a written request from us.

Although criminal charges were filed against him in April 2010, Mr. Magaritov failed to report the charges until July 2010, in violation of WAC 230-06-085(1).

10) **RCW 9.46.075(8)** provides the Commission may revoke any license when a licensee fails to prove, by clear and convincing evidence, that he is qualified in accordance with the provisions of this chapter.

11) 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.

Because of his actions and criminal history, Iovko Margaritov has failed to establish clearly and convincingly, as required by RCW 9.46.153(1), that he is qualified to be licensed. As a result, there are grounds to revoke Iovko Margaritov's license based on RCW 9.46.075 (8).

II.

Iovko Margaritov's actions are an immediate danger to public safety and welfare, and the licensee has failed to comply with chapter 9.46 RCW or Commission rules. The immediate suspension of Mr. Margaritov's gambling activity is required to protect public safety and welfare.

ORDER

Based on the FINDINGS OF FACT AND CONCLUSIONS OF LAW and the Director's authority under RCW 34.05.422, RCW 9.46.070(17), and WAC 230-17-165, the Director orders that Iovko Margaritov's license is summarily suspended, pending a formal hearing by an Administrative Law Judge.

STATEMENT OF RIGHTS

(1) You may ask for a stay of this Order. To do so, you must complete and return to the Commission the enclosed Application for Stay Hearing form within fifteen (15) days from the date you receive this Order. If the Commission receives a timely request, we will hold a hearing within seven (7) days as required by WAC 230-17-170(3). The stay hearing will determine if your suspension should continue, or whether the suspension may be modified.

At the stay hearing, you will have to prove by clear and convincing evidence that:

- (a) You will likely win at hearing; and
(b) If your suspension continues, you will suffer serious injury. Under this section, loss of income from licensed activities is not considered serious injury; and
(c) Removing the immediate suspension will not hurt others in this case; and
(d) The threat to the public safety or welfare does not justify continuing the suspension, or that modifying the suspension will adequately protect the public.

(2) You also have a right to a hearing on the revocation of your license. To do so, you must complete and return to the Commission the enclosed Application for Hearing form within twenty (20) days from the date you receive this order. If you do NOT request a hearing, we will enter an Order of Default revoking your license under RCW 34.05.440.

If you have any questions regarding the rights stated above, please contact Michelle Pardee, Paralegal, at (360) 486-3465 or 1-800-345-2529, extension 3465.

STATE OF WASHINGTON)
) ss.
COUNTY OF THURSTON)

Rick Day, under oath, declares that he has read this Order of Summary Suspension of License, knows its contents, and believes it to be true, and affirms that he is the Director of the Washington State Gambling Commission and in that capacity has executed this Order of Summary Suspension of the License.

[Signature of Rick Day]
Rick Day, Director

SUBSCRIBED AND SWORN TO before me this
30 day of August, 2010.

[Signature of Michelle M. Pardee]
NOTARY PUBLIC in and for the State of
Washington, residing at: LACEY
My Commission expires on June 16, 2013

