

STATE OF WASHINGTON
GAMBLING COMMISSION

In the Matter of the Suspension or Revocation of the)
Certification to Conduct Gambling Activities of:)
)
John Sagatu)
Auburn, Washington,)
)
Class III Employee.)
_____)

NO. CR 2010-01384

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

I.

The Washington State Gambling Commission issued John Sagatu certification¹ number 69-03374, authorizing Class III Employee activity with the Muckleshoot Tribe.

The certification expires on October 8, 2011, and was issued subject to the Class III Employee's compliance with state gambling laws and rules and the Muckleshoot Tribal/State Compact.

II.

David Trujillo, Deputy Director of the Washington State Gambling Commission, charges John Sagatu with the following violations of the Washington State Gambling Act, 9.46 RCW, WAC Title 230, and the Muckleshoot Tribe/State Compact:

- 1) In October 2009, Director Rick Day issued administrative charges against John Sagatu because he failed to pay court-ordered fines and fees and owed \$6,424.00. (\$5,424 had been sent to collections.) However, in November 2009, the Director dismissed the administrative charges.
- 2) Then in December 2009, a Commission Special Agent (agent) sent the Muckleshoot Tribal Gaming Agency notification that John Sagatu owed \$6,424 in court ordered fines and fees. In the letter, the agent encouraged Mr. Sagatu to comply with his court obligations to avoid possible administrative action in the future.
- 3) In October 2010, an agent conducted a criminal history check on Mr. Sagatu and determined that he still owes \$6,424 in court ordered fines and fees with \$5,424 still in collections, and has five Failures to Appear on his record. Since October 2009, Mr. Sagatu has not made any payments towards his court obligations.

¹ The Commission issues Class III Certifications to employees working at Tribal casinos. Certifications allow similar activities as Card Room Employee (CRE) licenses issued to persons working at commercial house-banked card rooms. Class III Employees may transfer their certifications to a CRE license and work at commercial card rooms by sending Commission staff a transfer form and the accompanying fee.

4) Based on his failure to pay court-ordered court fines and fees, Mr. Sagatu has demonstrated willful disregard for complying with court orders, and that he poses a threat to the effective regulation of gaming and enhances the chance of unfair illegal practices.

5) Therefore, Mr. Sagatu has failed to establish by clear and convincing evidence the necessary qualifications for certification under RCW 9.46.153(1), and under Section V.C. of the Muckleshoot Tribe/State Compact, RCW 9.46.075(1) and (8), and WAC 230-03-085(1), (3), and (8), grounds exist to suspend or revoke John Sagatu's certification.

Section V.C. of the Muckleshoot Tribe/State Compact

The State Gaming Agency² may revoke, suspend or deny 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 subsection applies.)

(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 permitted pursuant to this Compact; 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.

RCW 9.46.075 Denying, suspending, or revoking an application, 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.

(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

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.

(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

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

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.

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 Tribe/State Compact.

The Class III 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 certification.

STATE OF WASHINGTON)
) ss.
COUNTY OF THURSTON)

David Trujillo, 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 Deputy Director of the Washington State Gambling Commission, and in that capacity has executed said Notice.

David Trujillo

David Trujillo, Deputy Director

SUBSCRIBED AND SWORN TO before me
this 21 day of December, 2010.
Michelle M. Pardee

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 21 day of December, 2010

Marcus Pretell

Communications and Legal Department
Washington State Gambling Commission

