STATE OF WASHINGTON
GAMBLING COMMISSION

In the Matter of the Revocation of Certification to Conduct Gambling Activities of:	)	NO. CR 2010-00665
Gary Schultz Raymond, Washington,	)	**NOTICE OF ADMINISTRATIVE CHARGES AND OPPORTUNITY FOR AN ADJUDICATIVE PROCEEDING**
Class III Employee.	)	

I.

The Washington State Gambling Commission issued Gary Schultz the following certification:[1] Number 69-19530, authorizing Class III Employee activity formerly with the Shoalwater Bay Tribe.

The certification expires on September 8, 2010, and was issued subject to the Class III Employee's compliance with the Shoalwater Bay Tribal/State Compact and state gambling laws and rules.

II.

Rick Day, Director of the Washington State Gambling Commission, charges the Class III Employee with the following violations of the Washington State Gambling Act, 9.46 RCW, WAC Title 230, and the Shoalwater Bay Tribal/State Compact:

1) On March 30, 2010, the Class III Employee, while working as the Casino Shift Manager, was told by other casino staff that there were abandoned credits on a player terminal.[2] The Class III Employee instructed Security Officers to leave the abandoned credits on the player terminal instead of turning them into the lost and found. Additionally, the Class III Employee failed to notify the Surveillance Department of the abandoned credits. The Class III Employee actions violated the casino's policy and procedures.

2) The Class III Employee admitted to the Shoalwater Bay Tribal Gaming Commission that he told an off duty Class III Employee about the abandoned credits, and he "gave her permission to play them." The off duty Class III Employee went to the player terminal and played the abandoned credits.

[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.

[2] A player terminal is a piece of equipment on which patrons play the Tribal Lottery System.

3) On May 4, 2010, the Shoalwater Bay Tribal Gaming Commission revoked the Class III Employee's Tribal Gaming License. The Shoalwater Bay Tribal Gaming Commission determined that the Class III Employee failed to protect patron property on the gambling floor and 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.

4) The Class III Employee has failed to establish by clear and convincing evidence the necessary qualifications for certification under RCW 9.46.153(1). Therefore, under Section V(C) of the Shoalwater Bay Tribal/State Compact, RCW 9.46.075 (1), and (8), and WAC 230-03-085 (1) and (8), grounds exist to revoke Gary Schultz's certification.

Section V(C) of the Shoalwater Bay Tribal/State Compact.
The State Gaming Agency[3] may revoke, suspend or deny a State Certification under the provisions RCW 9.46.075, and rules promulgated thereunder, for any reason it deems to be in the public interest. In addition, these reasons shall include, but shall not be limited to, when an applicant or holder of certification: (The following subsections apply.)

(1) Is determined to be a person who because of prior activities poses a threat to effective regulation of gaming or creates or enhances the chances of unfair or illegal practices, methods and activities being used in the conduct of the gaming activities permitted pursuant to this Compact.
(2) 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.

[3] Section II (AA) of the Shoalwater Bay Tribal/State Compact defines "State Gaming Agency" as the Washington State Gambling Commission.

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.

(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) 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.

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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 Shoalwater Bay Tribal/State Compact.

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 a request for hearing will result in the entry of a default order REVOKING your 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

RICK DAY, DIRECTOR

SUBSCRIBED AND SWORN TO before me this 15th day of July, 2010.

NOTARY PUBLIC in and for the State of Washington residing at Puyallup, WA
My commission expires on July 16-2013

DAN J. BUCKLEY
COMMISSION EXPIRES
NOTARY
PUBLIC
JULY 16, 2013
STATE OF WASHINGTON

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 day of July, 2010

Maureen Pratt
Communications and Legal Department
Washington State Gambling Commission