

STATE OF WASHINGTON  
GAMBLING COMMISSION

In the Matter of the Suspension or Revocation of the)  
License to Conduct Gambling Activities of: )  
)  
Jay S. Hines )  
Olympia, Washington, )  
)  
Licensee. )

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NO. CR 2011-01439

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

I.

The Washington State Gambling Commission issued Jay Hines license number 63-00335, authorizing Service Supplier<sup>1</sup> activity.

The certification expires on November 18, 2012, 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:

- 1) Southwest Surveillance provides video surveillance systems for casinos in Washington State. As a representative of Southwest Surveillance, Mr. Hines has access to controlled areas in gambling facilities. Due to the sensitivity of these areas, Mr. Hines is required to be licensed.
- 2) On November 17, 2011, a Commission Special Agent (agent) was assigned to investigate licensee Jay Hines' qualifications for continued licensure in light of his outstanding court-ordered fines and fees.
- 3) The agent determined that Mr. Hines failed to pay court-ordered fines and fees, and has had \$3,287 sent to collections due to his nonpayment. As a result of his fines and fees being in collections, the court issued Mr. Hines eleven Failures to Appear. Through his actions, Mr. Hines has demonstrated willful disregard for complying with court orders.
- 3) The agent reviewed Mr. Hines' license file and found that previously, in 2010, an agent sent a letter to Mr. Hines and his employer, Southwest Surveillance. The letter notified Mr. Hines and his employer of Commission staff's concerns regarding Mr. Hines' unpaid fines and fees. At that time, \$2,685 had been sent to collections. The agent also wrote in the letter that although Commission staff was not pursuing administrative action at that time, Mr. Hines was encouraged to begin complying with his court obligations to avoid revocation of his license in the future.

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<sup>1</sup> Under WAC 230-03-210 a person must apply for a gambling service supplier license if you perform any of the following gambling-related services for compensation: (f) Installing, integrating, maintaining, or servicing digital surveillance systems that allow direct access to the operating system.

4) On November 17, 2011, the agent sent Mr. Hines and Southwest Security a notification letter regarding Mr. Hines' increased collection balances. The letter also stated that based on his pattern of criminal history, including his failure to comply with court ordered fines and fees, Mr. Hines may pose a threat to the effective regulation of gaming and enhance the chances of unfair or illegal practices. Commission staff was also concerned that since Mr. Hines had failed to comply with a judge's rulings, he may not comply with internal control requirements or adhere to the direction of the Commission in the future. The purpose of the letter was to notify the licensee and his employer that the agent was going to start writing a case report stating why Mr. Hines may not continue to qualify for certification, and that the agent would recommend revocation of Hines' license.

5) Based on the licensee's failure to pay court-ordered fines and fees and his willful disregard of court orders, he poses a threat to the effective regulation of gaming and enhances the chance of unfair illegal practices. Therefore, Mr. Hines has failed to establish by clear and convincing evidence the necessary qualifications for licensure under RCW 9.46.153(1).

6) Therefore, under RCW 9.46.075(1) and (8), and WAC 230-03-085(1), (3), and (8), grounds exist to suspend or revoke Jay Hines' license.

**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 demonstrated by: (a) Prior activities; or (b) Criminal record; or (c) Reputation; or (d) Habits; or (e) Associations.

