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**GAMBLING COMMISSION  
COMM & LEGAL DIVISION**

STATE OF WASHINGTON  
GAMBLING COMMISSION

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**GAMBLING COMMISSION  
COMM & LEGAL DIVISION**

In the Matter of the Revocation of the License to )  
Conduct Gambling Activities of: )  
  
William R. Wagner )  
Kennewick, Washington, )  
  
Licensee. )

NO. CR 2011-00968

**SETTLEMENT ORDER**

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FEB 22 2012

**OAH-Olympia**

This Settlement Order is entered into between the Washington State Gambling Commission and William R. Wagner. Stephanie Happold, Assistant Attorney General, and Melinda Froud, Staff Attorney, represent the Gambling Commission. Mr. Wagner is represented by Nicholas D. Jones, Attorney at Law.

I.

The Washington State Gambling Commission issued William R. Wagner the following license: Number 68-14907, authorizing Card Room Employee activity, formerly with Crazy Moose Casino in Pasco and Coyote Bob's Casino in Kennewick.

The license expires on September 12, 2012, and was issued subject to Mr. Wagner's compliance with state gambling laws and rules.

II.

On August 22, 2011, the licensee was served with the Findings of Fact, Conclusions of Law and Order of Summary Suspension. On September 2, 2011, Mr. Wagner requested a stay hearing and an administrative hearing on his revocation proceedings. The stay hearing was held September 9, 2011. An Order Denying Stay was issued on September 9, 2011. A prehearing conference was held November 8, 2011, where parties agreed upon an administrative hearing set for February 13, 2012.

III.

The following summary of facts and violations were alleged in the Order of Summary Suspension:

On July 18, 2011, William R. Wagner, licensee, was charged with Assault in the Second Degree with Aggravating Circumstances. Mr. Wagner allegedly assaulted his 14-year-old minor daughter causing her substantial bodily harm. The charges were currently pending at the time the Order of Summary Suspension was served.

Mr. Wagner has failed to establish clearly and convincingly that he is qualified for licensure, as required by RCW 9.46.153(1). As a result, there are grounds to revoke William R. Wagner's license based on RCW 9.46.075(1), (8), and (9), and WAC 230-03-085(1) and (8).

#### **VIOLATIONS:**

##### **1) RCW 9.46.075 Denial, suspension, or revocation of license, application, 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 certified employee, 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.

(9) Is subject to current prosecution or pending charges, or a conviction which is under appeal, for any of the offenses included under subsection (4)<sup>1</sup> of this section: PROVIDED, That at the request of an applicant for an original license, the commission may defer decision upon the application during the pendency of such prosecution or appeal.

##### **2) 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, certified employee, or anyone holding a substantial interest in the applicant's or certified employee'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.

##### **3) 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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<sup>1</sup> RCW 9.46.075(4) includes the following offenses: "...or of any crime, whether a felony or misdemeanor involving any gambling activity or physical harm to individuals or involving moral turpitude."

## IV.

Mr. Wagner has waived his right to a hearing based on the terms and conditions of this Settlement Order and further agrees to the following:

- 1) William R. Wagner shall surrender his gambling license. **The signed Settlement Order and Mr. Wagner's license must be received by Commission staff on or before February 10, 2012**, and mailed to Commission Headquarters at the following address:

Washington State Gambling Commission  
Attention: Communications and Legal Division  
P.O. Box 42400  
Olympia, WA 98504-2400

**Or delivered** (in person or via private courier) to the following address:

Washington State Gambling Commission  
Attention: Communications and Legal Division  
4565 7<sup>th</sup> Avenue SE; Fourth Floor  
Lacey, WA 98503

- 2) In the event Mr. Wagner subsequently applies for a certification or gambling license, he will be subject to all the Commission's investigative procedures for processing an application for a gambling license. Furthermore, no promises or assurances have been made to Mr. Wagner that he will receive a certification or license from the Commission should he apply.

- 3) Mr. Wagner shall have no involvement directly or indirectly, whether paid or unpaid, in the operation, ownership, or financing of any business in Washington State which is applying for, or holds, a gambling license or permit or is involved with any gambling activity, including punchboard/pull-tab activity. However, this does not prevent Mr. Wagner from working in any non-gambling activity, such as employment in restaurants located in establishments engaged in authorized gambling activity.

DATED this 28 day of February, 2012.



Administrative Law Judge

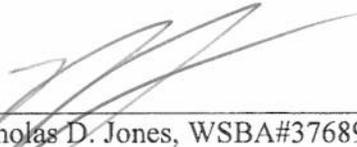
By his signature, the Licensee  
Understands and accepts the terms  
And conditions of this Order

APPROVED FOR ENTRY:

  
\_\_\_\_\_  
William R. Wagner, Licensee (Date) 2-8-12

APPROVED AS TO FORM:

  
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Stephanie U. Happold, WSBA# 38112  
Assistant Attorney General,  
Representing the Washington State  
Gambling Commission

  
\_\_\_\_\_  
Nicholas D. Jones, WSBA#37689 (Date) 2/8/12  
Attorney at Law,  
Representing William R. Wagner

  
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Melinda Froud, WSBA# 26792  
Staff Attorney,  
Washington State Gambling Commission