

STATE OF WASHINGTON
GAMBLING COMMISSION

In the Matter of the Revocation of the)
License to Operate Gambling Activities of:)
Ry Khim)
Seattle, Washington,)
Licensee.)

NO. CR 2012-00626

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

I.

The Washington State Gambling Commission issued Ry Khim the following license: Number 68-09128, authorizing Card Room Employee activity with the Golden Nugget Casino in Tukwila. The license expires on May 13, 2013, and was issued subject to Mr. Khim'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 Chapter 9.46 RCW, and WAC Title 230.

SUMMARY:

In April 2012, Mr. Khim pled guilty to Felony Unlawful Possession of a Controlled Substance. On May 1, 2012, Mr. Khim applied to renew his card room employee license.

FACTS:

- 1) On May 8, 2012, a Washington State Gambling Commission Special Agent (agent) was assigned to Mr. Khim's file to investigate whether he continues to qualify for licensure.
- 2) The agent requested and received certified copies of court documents relative to Mr. Khim's drug charges filed in Snohomish County Superior Court on February 11, 2011. Those documents reflect the following:
 - On April 17, 2012, Mr. Khim was charged with Unlawful Possession of a Controlled Substance, a felony, in an Amended Information filed in Pierce County Superior Court. The prosecuting attorney alleged that Mr. Khim was found in possession of cocaine on February 14, 2012.
 - On April 18, 2012, Mr. Khim pled guilty to this charge. The court found that his chemical dependency contributed to the offense. He was sentenced to one day in confinement, 12 months of community custody, and payment of fees. He is also prohibited from "use or possession of

controlled substances, association [with] drug users or sellers..." and is required to undergo a drug evaluation and any recommended follow up treatment.

3. Mr. Khim also failed to notify Commission staff of the felony charges filed against him and of the disposition, in violation of WAC 230-06-085(1) and (2).
4. Mr. Khim's felony conviction establishes 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. Therefore, grounds exist to revoke the license issued to Ry Khim based upon RCW 9.46.075(1), (7), and (8), and WAC 230-03-085(1), (5), (7), (8).

VIOLATIONS:

- 1) **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.
- 2) **RCW 9.46.075(7)** provides the Commission may revoke any license where the licensee makes a misrepresentation of, or fails to disclose, a material fact to the Commission.
- 3) **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.
- 5) **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.
- 6) **WAC 230-03-085(5)** provides that the Commission may revoke any license when a licensee is serving a period of probation or community supervision imposed as a sentence for any criminal offense.
- 8) **WAC 230-03-085(7)** provides that the Commission may revoke any and all licenses or permits of any holder, when the holder 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; or
- 9) **WAC 230-03-085(8)** provides that the Commission may revoke any and all licenses or permits of any holder, when the holder 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.
- 10) **WAC 230-06-085(1)** provides that 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.

11) RCW 9.46.153 (1) provides that 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, and WAC Title 230.

STATE OF WASHINGTON)
) ss.
COUNTY OF THURSTON)

Rick Day, being first duly sworn on oath, deposes and says: He has read this Notice of Administrative Charges and Opportunity for An Adjudicative Proceeding, knows the contents, and believes the same to be true, and that he is the duly appointed and qualified Director of the Washington State Gambling Commission and in that capacity has executed these Charges.

Rick Day

RICK DAY, DIRECTOR

SUBSCRIBED AND SWORN TO before me
this 22 day of JUNE, 2012.

Maureen Pretell

NOTARY PUBLIC in and for the State of

Washington residing at Thurston County
My Commission expires on December 2, 2015

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 22 day of JUNE 2012

Maureen Pretell

Communications and Legal Department
Washington State Gambling Commission



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STATE OF WASHINGTON)
COUNTY OF THURGOOD)

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 registered and certified mail to each party to the proceeding, or to their attorney or authorized agent.

Dated at Olympia, Washington this _____ day of _____

Washington State Gaming Commission
Communications and Legal Department