

STATE OF WASHINGTON
GAMBLING COMMISSION

In the Matter of the Suspension or Revocation)
of the License to Conduct Gambling Activities of:)
)
Vernon A. Mitchell)
Tacoma, Washington,)
)
Licensee.)
_____)

NO. CR 2012-00897

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

I.

The Washington State Gambling Commission issued Vernon A. Mitchell license number 68-30105, authorizing Card Room Employee activity at Golden Nugget Casino in Shoreline. The license expires on July 18, 2013, and was issued subject to the licensee's compliance with state gambling laws and rules.

II.

David Trujillo, Deputy 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) On July 16, 2011, a Gambling Commission Special Agent (agent) was assigned to Mr. Mitchell's case to investigate whether he continued to qualify for a license while having a large amount of court-ordered fines and fees in collections due to nonpayment. Commission staff became aware of these fines and fees during a routine annual criminal history check.
- 2) In a post-licensing investigation, the agent determined that Vernon A. Mitchell first applied for and was granted a license in July 2010. Since 2010, Mr. Mitchell has been the subject of six new court cases, resulting in five new cases being sent to collections due to nonpayment. He is also the subject of two active warrants; one is a gross misdemeanor, out of Lakewood Municipal Court.
- 3) As part of the agent's investigation, she conducted a criminal history background check and determined that Mr. Mitchell has eight Failures to Appear or Failures to Remit active and two warrants on his record.
- 4) The following is a breakdown of Mr. Mitchell's criminal history listed from the date of violation, the charge, warrant status and the dollar amount owed in collections:
 - 12/01/2011- Fail to Signal, \$176;
 - 12/01/2011- DWLS 2nd Degree, active warrant;
 - 01/10/2011- DUI, active warrant, \$1,178.90;
 - 10/07/2010- Speeding 35 MPH Over, \$350;
 - 09/22/2010- No Valid Operator's License, \$250;
 - 09/22/2010- Speeding 5 MPH Over, \$155;

- 07/16/2010- No Valid Operator's License, \$200;
- 11/22/2009- Speeding 10 MPH Over, \$165;
- 05/20/2009- Negligent Driving 2nd Degree, \$602; and
- 01/04/2007- No Valid Operator's License.

Mr. Mitchell failed to make payments on the above court-ordered fines and fees, resulting in a total of \$3,076.90 being sent to collections.

- 5) On July 16, 2012, the agent sent a letter to Mr. Mitchell and his employer notifying them of the court debt that he has accumulated and of his outstanding warrants. The letter notified them that based on his "pattern of criminal history, to include failure to comply with court ordered fines, fees, and obligations and the dollar amount of the fines and fees in collections, we feel that he may pose a threat to the effective regulation of gaming and enhances the chance of unfair or illegal practices, methods or activities of the gaming activity due to the financial pressure facing him." The letter also stated that, "we are concerned that since he failed to comply with the judge's rulings, he may not comply with internal control requirements or adhere to the direction of the Washington State Gambling Commission" and that the agent was going to recommend the revocation of his gambling license.
- 6) Mr. Mitchell has failed to prove by clear and convincing evidence the necessary qualifications for licensure, in violation of RCW 9.46.153. Therefore, under RCW 9.46.075(1) and (8) and WAC 230-03-085(1), (3), (6), (8), and grounds exist to suspend or revoke Vernon A. Mitchell's 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.

(6) Is the subject of an outstanding gross misdemeanor or felony arrest warrant.

(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.

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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STATE OF WASHINGTON)
COUNTY OF THURSTON)

I hereby certify that I have served a copy of this document upon all parties to the proceeding by regular and certified mail to each party to the proceeding, and the attorney or authorized agent.

Dated at _____ Washington this _____ day of _____

Washington State Gambling Commission
Communications and Legal Department

III.

Jurisdiction of this proceeding is based on 9.46 RCW, Gambling, chapter 34.05 RCW, the Administrative Procedure Act, and WAC Title 230.

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 license.

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, DEPUTY DIRECTOR

SUBSCRIBED AND SWORN TO before me
this 3 day of August, 2012.

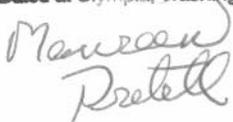

NOTARY PUBLIC in and for the State of
Washington residing at Thurston County
My commission expires on December 2, 2015



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 6 day of August, 2012



Communications and Legal Department
Washington State Gambling Commission