

STATE OF WASHINGTON
GAMBLING COMMISSION

In the Matter of the Revocation of the License to)
Conduct Gambling Activities of:)
)
)
Mario I. Gastelum)
Sunnyside, Washington,)
)
Licensee.)

NO. CR 2013-00527

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

I.

The Washington State Gambling Commission issued license number 68-20866 to Mario I. Gastelum, authorizing Card Room Employee activity, formerly at RC's in Sunnyside. The license expires on November 28, 2013, and was issued subject to the licensee's compliance with state gambling laws and rules.

II.

David Trujillo, 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:

SUMMARY:

Mario Gastelum admitted falsifying poker tournament records and taking approximately \$600 of prize money from tournaments at RC's Casino during the last year.

FACTS:

- 1) On February 22, 2013, a Washington State Gambling Commission Special Agent (agent) received a call from Charles Jacobs, Casino Manager at RC's Casino. Mr. Jacobs informed the agent that a theft had occurred involving poker tournament re-buy monies on February 17, 2013.
- 2) On February 27, 2013, the agent met with Mr. Jacobs and Rob Rice, owner of RC's Casino. Mr. Jacobs explained that the tournament had an initial \$10 buy-in and a \$5 entry fee. After the first buy-in, the players could do unlimited re-buys at \$10 for each. Each re-buy goes into the prize pool. The players would pass the dealer the money for a re-buy, the dealer would place the cash in a stack next to the chip tray, hand the player the correct amount of tournament chips and then place a "tick" mark on a sticky note on the table. The dealer would then collect the re-buys from all the tables and start completing a tournament summary form.

- 3) The re-buy column on the summary form was then completed by card room employee Mario Gastelum to match the prize money collected from the re-buys. However, money was removed from the prize pool.
- 4) On March 26, 2013, the agent met with Mr. Rice, who had reported another theft from a March 21, 2013, poker tournament. The agent determined approximately \$50.00 was taken on March 21, 2013, while utilizing this scheme.
- 5) On March 27, 2013, the agent contacted Mario Gastelum, who agreed to meet with agents at the Sunnyside Police Department. The agent asked Mr. Gastelum if he knew why he was asked to meet the agent, to which he stated, "no." He mentioned he attempted to go to RC's Casino the previous night, as a customer not an employee. He was told to leave the premises by Lea Porntharavongse, Floor Supervisor, and that Mr. Rice would be contacting him. The agent asked Mr. Gastelum if he had any idea why he would not be allowed in, and why the owner would be contacting him. He said, "no."
- 6) The agents began questioning him about money being taken from the poker tournament prize pool. Mr. Gastelum stated he didn't know what the agents were talking about. The agent mentioned that they had surveillance video they reviewed. Mr. Gastelum then said on occasion the prize pool had extra money in it and he split that among the dealers. The agent questioned how there could be extra money in the prize pool. Mr. Gastelum admitted that it wasn't his money to take, but he was frustrated to see \$900-\$1,200 of prizes being paid out, and the winners would only tip \$5. He said the tips should have been around 10%. He said it wasn't right for him to take the money. The agent told Mr. Gastelum that if he was willing to give a written statement admitting to taking the money, the agent wouldn't go to the prosecutor for theft charges. He agreed to cooperate.
- 7) Mr. Gastelum wrote a statement and admitted to taking \$10-\$30 per tournament. Over the past year, he thinks he has taken approximately \$600.

VIOLATIONS:

1) 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.

(2) Knowingly causes, aids, abets, or conspires with another to cause, any person to violate any of the laws of this state or the rules of the commission;

(10) Has pursued or is pursuing economic gain in an occupational manner or context which is in violation of the criminal or civil public policy of this state if such pursuit creates probable cause to believe that the participation of such person in gambling or related activities would be inimical to the proper operation of an authorized gambling or related activity in this state. For the purposes of this section, occupational manner or context shall be defined as the systematic planning, administration, management or execution of an activity for financial gain.

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, 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.

3) RCW 9.46.190 Violations relating to fraud or deceit.

Any person or association or organization operating any gambling activity who or which, directly or indirectly, shall in the course of such operation:

(The following subsections apply.)

(1) Employ any device, scheme, or artifice to defraud; or

(3) Engage in any act, practice or course of operation as would operate as a fraud or deceit upon any person;

Shall be guilty of a gross misdemeanor subject to the penalty set forth in RCW 9A.20.021.

4) 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.

Mario Gastelum admitted taking \$10-\$30 per poker tournament at RC's Casino for the past year, totaling approximately \$600, and admitted he knew this was wrong. By taking prize money, he defrauded poker tournament players, in violation of RCW 9.46.190. Mario Gastelum has failed to establish clearly and convincingly that he is qualified for licensure, as required by RCW 9.46.153(1). Therefore, under RCW 9.46.075(1), (2), and (10), and WAC 230-03-085(1) and (8), grounds exist to revoke Mario I. Gastelum's license.

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 REVOCATION of 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 Director of the Washington State Gambling Commission, and in that capacity has executed said Notice.

David Trujillo

DAVID TRUJILLO, DIRECTOR

SUBSCRIBED AND SWORN TO before me
this 26 day of September, 2013.

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)
)
COUNTY OF THURSTON)

I certify I have this day served a copy of the document upon all parties of record in the proceeding by mailing a copy, property 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 27 day of September, 2013