

STATE OF WASHINGTON  
GAMBLING COMMISSION

In the Matter of the Revocation of the License )  
to Conduct Gambling Activities of: )  
)  
)  
Jacob C. Shepherd )  
Oak Harbor, Washington, )  
)  
Licensee. )  
\_\_\_\_\_ )

NO. CR 2013-02236

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

I.

The Washington State Gambling Commission issued Jacob C. Shepherd license number 68-29920, authorizing Card Room Employee activity. The license expires on April 1, 2014, and was issued subject to Mr. Shepherd'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:**

Mr. Shepherd violated Commission rules and a 2012 Settlement Agreement by becoming the subject of three bench warrants, including one for a gross misdemeanor charge (Driving Under the Influence).

**FACTS:**

1) Administrative charges were previously issued against the licensee on June 11, 2012, for failure to quash an outstanding warrant. A Settlement Order was issued on September 10, 2012, to resolve those charges. The Settlement Order provided as follows:

- Mr. Shepherd agreed to a ten-day suspension of his license, with three days deferred, provided that the licensee does not violate any of Washington's gambling statutes or regulations for one (1) year.
- Mr. Shepherd also agreed to comply with all court orders and that "issuance of a warrant for his arrest will be a violation of [the 2012] Settlement Order. If a warrant is issued, the Director will issue charges for the revocation of Mr. Shepherd's license."

- 2) A Gambling Commission Special Agent (agent) examined the Judicial Information System (JIS)<sup>1</sup> record for Mr. Shepherd on November 26, 2013, which showed three outstanding bench warrants as of that date: Driving with License Suspended and Operate Motor Vehicle without Ignition Interlock; Physical Control; and Driving Under the Influence. Based on the terms of the September 2012 Settlement Order concerning additional warrants, grounds exist to revoke Mr. Shepherd's license.
- 3) JIS also showed that Mr. Shepherd was charged with Driving With License Suspended 2<sup>nd</sup> Degree in May 2013.
- 4) Although Mr. Shepherd is not currently linked to an employer, he has an active license and could become employed by a house banked card room or a tribal casino.

#### **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.

(8) Fails to prove, by clear and convincing evidence, that he, she or it is qualified in accordance with the provisions of this chapter.

##### **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.

(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.

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<sup>1</sup> The Judicial Information System is the primary information system for courts in Washington. It provides case management automation to appellate, superior, limited jurisdiction and juvenile courts.

(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 (d) Habit.

**3) RCW 9.46.153 Applicants and licensees – Responsibilities and duties**

(1) 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;

Mr. Shepherd has demonstrated willful disregard for complying with court orders, resulting in violation of a settlement order, as well as three outstanding warrants. As a result, he has failed to establish, by clear and convincing evidence, that he is qualified to hold a gambling license, in violation on RCW 9.46.153. Therefore, grounds exist to revoke Jacob Shepherd's license under RCW 9.46.075(1) and (8) and WAC 230-03-085(1), (3), (6), and (8).

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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.

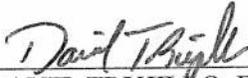
**In order to have a hearing or discuss settlement options**, the enclosed request for hearing must be completed and returned to the Gambling Commission **within 23 days** from the date of the mailing of this notice.

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.

IV.

I have read this Notice of Administrative Charges and Opportunity for an Adjudicative Proceeding, know the contents of it, believe it to be true, and have executed this Notice in my capacity as Director of the Washington State Gambling Commission.

Dated December 20, 2013

  
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DAVID TRUJILLO, DIRECTOR

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 23 day of December, 2013  
