

STATE OF WASHINGTON
GAMBLING COMMISSION

In the Matter of the Suspension of the Licenses to)
Conduct Gambling Activities of:) NO. CR 2014-00583
)
Fraternal Order of Eagles #02327) **SETTLEMENT ORDER**
Monroe, Washington,)
)
Licensee.)
_____)

I.

This Settlement Order is entered into between the Washington State Gambling Commission and Fraternal Order of Eagles #02327. Gregory Rosen, Assistant Attorney General, and Melinda Froud, Staff Attorney, represent the Gambling Commission. Bill Harden, President, represents FOE #02327.

II.

The Washington State Gambling Commission issued Fraternal Order of Eagles #02327, organization number 00-00467, the following licenses:

- Number 05-02498, authorizing Class “B” Punchboard Pull-Tab activity; and
- Number 08-00201, authorizing Class “A” Combination activity.

The licenses expire on June 30, 2014, and were issued subject to the licensee’s compliance with state gambling laws and regulations.

III.

The Director issued a Notice of Administrative Charges and Opportunity for an Adjudicative Proceeding to the licensee on May 29, 2014. On June 20, 2014, Commission staff received the licensee’s request for a hearing. The following summary of facts and violations were alleged in the Notice of Administrative Charges.

IV.

SUMMARY:

Fraternal Order of Eagles #02327 (FOE) failed to keep all of the winning pull-tabs for the required length of time, failed to ensure some winners printed their names on the pull-tab or winner’s record, and failed to produce accurate monthly income summaries.

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VIOLATIONS:

1) RCW 9.46.075 Denying, suspending, or revoking a 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 subsection applies.)

(1) 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) WAC 230-03-085 Denying, suspending, or revoking a 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.

3) WAC 230-14-110 Recording winners.

When punch board or pull-tab players win more than twenty dollars or merchandise prizes with a retail value over twenty dollars, operators must make a record by:

(The following subsection applies.)

(1) Having winners print their name and date of birth, in ink, on the side of the winning punch or tab opposite the winning symbol(s) and verifying the winner's identity and recording the current date and initialing the winning punch or tab.

4) WAC 230-14-265 Retention requirements for punch boards and pull-tab series.

(The following subsections apply.)

(1) Punch board and pull-tab operators must keep all punch boards or pull-tab series removed from play, including, at least:

(c) All winning punches or tabs.

(4) Operators must retain punch board or pull-tab series removed from play for:

(a) Charitable or nonprofit operators - Four months following the last day of the month in which the board or series was removed from play.

5) WAC 230-14-285 Monthly income summary.

(The following subsection applies.)

(1) Punch board and pull-tab licensees must prepare a detailed monthly income summary for punch board and pull-tab series removed from play in the format we require either manually or electronically.

Fraternal Order of Eagles #02327 (FOE), failed to keep all of the winning pull-tabs for the required length of time, failed to ensure some winners printed their names on the pull-tab or winner's record, and failed to produce accurate monthly income summaries, in violation of WAC 230-14-110, WAC 230-14-265, and WAC 230-14-285. Therefore, grounds exist for the suspension or revocation of FOE #02327's licenses to conduct gambling activities, based on RCW 9.46.075(1) and WAC 230-03-085(1) and (3).

V.

The licensee acknowledges that it has read the Notice of Administrative Charges and understands the facts contained in it. The licensee has waived its right to a hearing based on the terms and conditions of this Settlement Order.

1) FOE #02327 agrees that its license is **suspended for a period of ten (10) days**, provided that:

- a) **Three (3) days of the suspension shall not be currently served, but shall be deferred for a period of one year** from the date of entry of this Settlement Order, subject to the following: The licensee agrees not to violate the terms of this Settlement Order, or any of Washington's gambling statutes or regulations during the one (1) year term. If the licensee violates this Settlement Order or gambling statutes or regulations, and if the violation is the type that warrants the filing of administrative or criminal charges, then the Director may impose the three-day deferred suspension of the current gambling license and any subsequently acquired gambling licenses.
- b) The parties agree that the Director of the Washington State Gambling Commission, pursuant to this Settlement Order, has discretion to determine whether the licensee has violated any term of this Settlement Order. In the event the Director determines that a violation has occurred, he may suspend the license issued to the licensee, and any subsequently acquired licenses, for up to three days, by mailing or delivering a Notice of Administrative Charges to the licensee. This suspension shall be in addition to any consequences of the new violation. The licensee shall be afforded the opportunity to have an Adjudicative Proceeding, which includes a hearing on the alleged violations.
- c) **The licensee shall serve the remaining seven (7) days of this suspension, as follows:**
 - **The suspension period will begin at 8:00 a.m. on July 18, 2014, and runs through July 24, 2014.**
 - **The licensee may resume gambling activities at 8:00 a.m. on July 25, 2014.**

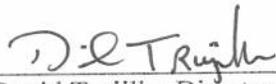
d) During this period of suspension, the licensee shall not conduct any gambling activities.

2) **The signed Settlement Order must be received by Commission staff by July 14, 2014.**
Please mail 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 7th Avenue SE; Third Floor
Lacey, WA 98503



David Trujillo, Director,
Washington State Gambling Commission

7-18-14

(Date Signed)

APPROVED FOR ENTRY:
By its signature, the licensee
understands and accepts the terms
and conditions of this Order.

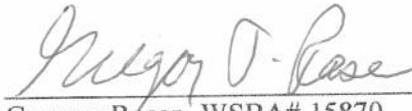
APPROVED AS TO FORM:



Bill Harden, President
FOE #02327

7-14-14

(Date)



Gregory Rosen, WSBA# 15870
Assistant Attorney General
Representing the Washington State
Gambling Commission



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