

STATE OF WASHINGTON
GAMBLING COMMISSION

In the Matter of the Suspension or Revocation of)
the License to Conduct Gambling Activities of:)
Panda Woks Restaurant)
Pasco, Washington,)
Licensee.)

NO. CR 2014-00257

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

I.

The Washington State Gambling Commission issued Panda Woks Restaurant license number 05-07811, authorizing Class "B" PunchBoard/Pull-Tab activity. The Commission issued this license, which expires on March 31, 2014, subject to the licensee's compliance with state gambling laws and Commission rules.

II.

SUMMARY:

The licensee, Panda Woks Restaurant (Panda Woks), failed to timely submit its Punchboard/Pull-Tab Quarterly Activity Report (QAR) for the third and fourth quarters of 2012, and all quarters of 2013.

FACTS:

- 1) Panda Woks failed to submit its punch board/pull-tab QARs for the third and fourth quarters of 2012, the first and second quarters of 2013, and the third and fourth quarters of 2013. The reports were due January 30, 2013, July 30, 2013, and January 30, 2014, respectively.
- 2) The licensee has the following history of submitting its QARs:

Quarter	Due Date	Date Received
3 rd & 4 th quarter 2011	January 30, 2012	March 16, 2012
1 st & 2 nd quarters 2012	July 30, 2012	July 31, 2012
3 rd & 4 th quarters 2012	January 30, 2013	Not received
1 st & 2 nd quarters 2013	July 30, 2013	Not received
3 rd & 4 th quarters 2013	January 30, 2014	Not received

- 3) On February 27, 2012, Panda Woks received a \$300 Notice of Violation and Settlement (NOVAS)¹ for failure to submit required activity reports. The licensee paid the NOVAS and submitted its QAR for the third and fourth quarters of 2011.

¹NOVAS- Notice of Violation and Settlement identifies the violation and gives the licensee the opportunity to pay a fine to settle the matter.

4) On February 28, 2013, after being alerted by Commission staff that the licensee had not turned its required QAR for the first and second quarters of 2012, two Gambling Commission Special Agents (agents) went to the licensed premises and spoke with the owner, Ngun C. Lau, about the late QAR. Ms. Lau said she was aware of the late report and said there was some confusion between her and the accountant; she would get the report in as soon as possible. Panda Woks was issued a \$500 NOVAS for not submitting its activity reports. The licensee paid the NOVAS, but did not submit its outstanding QAR.

5) On March 20, 2013, an agent received an e-mail from Karen Clayton, of Clayton Accounting and Tax Service, who said she was trying to complete the QAR but had misplaced the login information to complete the form online. The agent directed her to call Commission staff's Research Analyst to obtain information and help.

6) On August 23, 2013, after the QAR had not been turned in for the first and second quarters of 2013, a field agent verified that the business was open. The field agent notified an agent in the Commission's Financial Investigations Unit, who prepared a case report.

7) On February 27, 2014, after the licensee failed to submit its QAR for the third and fourth quarters of 2013, the case agent forwarded a second case report to the Commission's Communication & Legal Division, recommending administrative charges.

VIOLATIONS:

1) RCW 9.46.075(1) and (5) 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 subsections apply.)

(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.

(7) 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.

3) WAC 230-14-284 Activity reports for punchboard and pull-tab licensees

Punchboards and pull-tab licensees must submit an activity report to the Commission. Licensees must complete the report in the format we require and must:

(The following subsections apply.)

- (1) Cover the periods: (a) January 1 through June 30; and (b) July 1 through December 31; and
- (2) Be received at our administrative office or postmarked no later than thirty days following the end of the reporting period.

Panda Woks has shown willful disregard by repeatedly failing to submit activity reports to Commission staff within the due dates, and by failing to submit some at all, in violation of WAC 230-14-284(1) and (2). Therefore, grounds exist for the suspension or revocation of Panda Woks' license to conduct gambling activities, based on RCW 9.46.075(1), and WAC 230-03-085(1), (3), and (7).

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III.

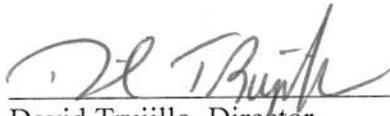
Jurisdiction of this proceeding is based on 9.46 RCW, Gambling, chapter 34.05 RCW, the Administrative Procedure Act, and WAC Title 230.

The licensee will have the opportunity to have a hearing on the alleged violations. In order to have a hearing, the enclosed REQUEST FOR HEARING must be completed in full by the licensee or representative 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 THIS DOCUMENT WILL RESULT IN THE ENTRY OF A DEFAULT ORDER FOR 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.

February 28, 2014
Date



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 3 day of March, 2014
