

STATE OF WASHINGTON  
GAMBLING COMMISSION

In the Matter of the Suspension of the Licenses )  
to Conduct Gambling Activities of: )  
)  
Aces Casino & Sports Bar )  
5200 172<sup>nd</sup> Street NE, Suite D )  
Arlington, Washington, )  
)  
Licensee. )  
\_\_\_\_\_ )

No. CR 2010-00096

**NOTICE OF ADMINISTRATIVE  
CHARGES AND OPPORTUNITY  
FOR A HEARING**

I.

The Washington State Gambling Commission issued Aces Casino & Sports Bar (Aces), organization number 00-21677, the following licenses:

Number 67-00277, Authorizing Class "11" House-Banked Card Room Activity; and  
Number 05-20739, Authorizing Class "B" Punchboard/Pull-Tab Activity.

The licenses expire on September 30, 2010, and were issued subject to the licensee's compliance with state gambling laws and regulations.

II.

Rick Day, 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 January 14, 2010, a Commission Special Agent (agent) discovered that the licensee failed to:

- Retain seven consecutive days of digital surveillance recordings, in violation of WAC 230-15-319(2)(a); and
- Record equipment malfunctions on the surveillance activities malfunction log, in violation of WAC 230-15-330.

2) The agent spoke to the licensee's General Manager. The General Manager told the agent that he knew about the violations and intentionally did not report the violations. The General Manger told employees to not report the violations as he was hoping the agent would not discover the violations, in violation of RCW 9.46.153(3).

- 3) The week before, on January 8, 2009, the licensee self-reported that it failed to retain seven consecutive days of digital surveillance recordings in a violation of WAC 230-15-319(2)(a). The licensee received a Notice of Violation and Settlement (NOVAS<sup>1</sup>) for this violation. (CR 2009-01853)
- 4) Additionally, October 20, 2009, the licensee received a Warning Letter for the same violation of WAC 230-15-319(2)(a). (CR 2009-01572)
- 5) The licensee's repeated violation of WAC 230-15-319(2)(a) demonstrates the licensee's willful disregard for complying with administrative rules. Therefore, grounds exist to suspend the licenses under RCW 9.46.075(1) and WAC 230-03-085(1) and (3).

**RCW 9.46.075(1) Denying, Suspending or revoking a license or permit.**

The Commission may 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 licensee, or any person with any interest therein:

- (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.

**WAC 230-03-085 Denying, Suspending or revoking a license or permit.**

We may suspend or revoke any license or permit, when the licensee or anyone holding a substantial interest in the licensee's business or organization:

(The following subsection(s) 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.
- (8) 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.

**RCW 9.46.153 Applicants and licensees — Responsibilities and duties.**

(The following subsection applies.)

- (3) All licensees, and persons having any interest in licensees, including but not limited to employees and agents of licensees, and other persons required to be qualified under this chapter or rules of the Commission shall have a duty to inform the Commission or its staff of any action or omission which they believe would constitute a violation of this chapter or rules adopted pursuant thereto. No person who so informs the Commission or the staff shall be discriminated against by an applicant or licensee because of the supplying of such information.

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<sup>1</sup>NOVAS –A Notice of Violation and Settlement identifies the violation and gives the licensee the opportunity to pay a fine to settle the matter.

**WAC 230-15-319 Retaining video recordings.**

(The following subsection applies.)

(2) Licensees must keep:

(a) All recordings for seven gambling days, for example, Monday's gambling day recording may be recorded over on Tuesday of the following week.

**WAC 230-15-330 Keeping a surveillance activities log.**

Class F and house-banked card game licensees must keep a log of all surveillance activities in the format we require.

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 SUSPENDING your licenses for 15 days.

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF THURSTON )

Rick Day, 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.

*Rick Day*  
\_\_\_\_\_  
RICK DAY, DIRECTOR

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.

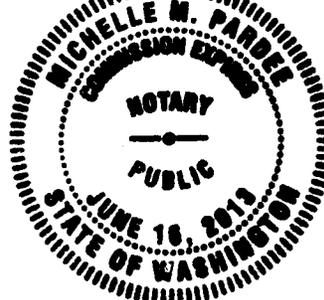
Dated at Olympia, Washington this 19<sup>th</sup> day of March, 2010

Communications and Legal Department  
Washington State Gambling Commission

*Mauraean Pretell*

SUBSCRIBED AND SWORN TO before me  
this 18 day of March, 2010.

*Michelle M. Pardee*  
\_\_\_\_\_  
NOTARY PUBLIC in and for the State of  
Washington residing at LACEY  
My commission expires on June 16, 2013



CR 2010-00096