

STATE OF WASHINGTON  
GAMBLING COMMISSION

In the Matter of the Suspension of the Licenses )  
to Conduct Gambling Activities of: )  
Mt. Index Cafe )  
Index, Washington, )  
Licensee. )  
\_\_\_\_\_ )

NO. CR 2010-01406

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

I.

The Washington State Gambling Commission issued Mt. Index Cafe, organization number 00-19172, the following licenses:

- Number 05-19566, authorizing Class "A" Punchboard Pull-Tab activity; and
- Number 65-07157, authorizing Class "D" Public Card Room activity.

The licenses expire on March 31, 2011, 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) In August 2009, Mt. Index Cafe received a written warning for failure to timely submit its first and second quarters of 2009 punchboard/pull-tab activity report. The written warning notified the licensee that failure to submit an activity report may lead to the suspension or revocation of its gambling license.

2) Mt. Index Cafe failed to timely submit its punchboard/pull-tab activity report for the first and second quarters of 2010. The activity report was due at our administrative office by July 30, 2010. However, the activity report was not received until August 23, 2010, in violation of WAC 230-14-284(2).

3) On August 26, 2010, a Commission Special Agent (agent) issued a Notice of Violation and Settlement (NOVAS)<sup>1</sup> to the licensee for failing to timely submit its punchboard/pull-tab activity report for the first and second quarters of 2010. However, the licensee failed to pay the NOVAS.

<sup>1</sup> A NOVAS identifies the violation, and in this case, gives the recipient the opportunity to pay a fine and submit its delinquent report to settle the matter.

4) Mt. Index Cafe's failure to timely submit its activity report demonstrates the licensee's willful disregard for complying with state administrative rules. Therefore, grounds exist for the suspension of Mt. Index Cafe's licenses to conduct gambling activities, based on RCW 9.46.075(1) and WAC 230-03-085(1) and (7).

**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 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.

**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.

(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.

**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.

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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 **SUSPENDING YOUR LICENSES FOR 30 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

SUBSCRIBED AND SWORN TO before me  
this 7 day of January, 2011.

*Michelle M. Pardee*  
NOTARY PUBLIC in and for the State of  
Washington residing at LACEY  
My commission expires on 6/16/2013

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 7 day of January, 2011

*Margaret Prebill*  
Communications and Legal Department  
Washington State Gambling Commission



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*[Handwritten signature]*

*[Faint handwritten notes and text]*



STATE OF WASHINGTON )  
 ) ss  
 COUNTY OF THURSTON )

I hereby certify that I have this day caused a true and correct copy of the document upon all parties  
 of record in the proceeding by mailing a copy thereof, properly addressed  
 with postage prepaid, by registered mail to each party to the  
 proceeding or his or her attorney or authorized agent.

Dated at Olympia, Washington this \_\_\_\_\_ day of \_\_\_\_\_

Washington State Gambling Commission  
 Communications and Legal Department