

STATE OF WASHINGTON
GAMBLING COMMISSION

In the Matter of the Suspension or Revocation of)
the License to Conduct Gambling Activities of:) NO. CR 2010-00563
)
Red Dog Saloon)
Maple Valley, Washington,) **NOTICE OF ADMINISTRATIVE**
) **CHARGES AND OPPORTUNITY**
) **FOR AN ADJUDICATIVE**
Licensee.) **PROCEEDING**
_____)

I.

The Washington State Gambling Commission issued Red Dog Saloon, organization number 00-21256, the following license:

Number 05-20554 Authorizing Class "A" Punchboard/Pull-Tab Activity.

The license expires on March 31, 2011, and was 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 violation(s) of the Washington State Gambling Act, 9.46 RCW, and WAC Title 230:

- Red Dog Saloon failed to pay the required fees of \$729 in connection with exceeding their Punch Board/Pull-Tab license class for their license year ending in March 31, 2009.
- The licensee was licensed for Class "A" Punchboard/Pull-Tab Activity which is authorized to have annual gross gambling receipts up to \$50,000.
- On November 13, 2009, a Commission Customer Service Specialist sent the licensee a letter and an Exceeding Class Notice, which reflected that the licensee had gross gambling receipts of \$65,214 for its license year ending March 31, 2009. The letter requested that the licensee pay the exceeding class fees within 30 days. Gambling Commission staff left two voicemail messages regarding this matter in the mailbox for Red Dog Saloon President, Patrick McDonald on December 29, 2010, and January 28, 2010. As of June 10, 2010, the licensee had not paid the exceeding class fee.
- As a result, the licensee was operating at Class "B" Punchboard/Pull-Tab Activity which is authorized to have annual gross gambling receipts up to \$100,000.

Red Dog Saloon has the following history:

August 1, 2008 - The licensee failed to timely submit Quarterly Activity Reports (QARs) for quarters one and two of 2008. They submitted the QAR's late and paid a fine on September 5, 2008.

February 13, 2008 - The licensee failed to timely submit QARs for quarters three and four of 2007. They submitted the QARs late and paid a fine on February 28, 2008.

March 31, 2008 - The licensee exceeded its license class for the period of June 14, 2007 through March 31, 2008. The licensee paid the upgrade fee, the new license fee, and an exceeding class fee.

Therefore, under RCW 9.46.075(1), WAC 230-06-130(1), and (2)(a), and (b), WAC 230-03-085(1), (3), and (7), grounds exist to suspend or revoke Red Dog Saloon's license.

RCW 9.46.075(1) 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) 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(1), (3), and (7) 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;

(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 230-06-130(1), and (2)(a), and (b) Exceeding license class:
(The following subsections apply.)

- (1) Licensees must not exceed the gross gambling receipts limits for their license class during any annual license period.
- (2) Licensees must apply a projection of year-to-date receipts to the remaining period of their license and, if it indicates that it is reasonably likely that they may exceed their license, they must immediately:
 - (a) Apply for a license that authorizes the anticipated level of gross gambling receipts; and
 - (b) Submit the fee required for the new license, minus the amount originally submitted for the previous license, plus a change of classification fee.

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 this document will result in the entry of a default order REVOKING your licenses.

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 Deputy Director of the Washington State Gambling Commission, and in that capacity has executed said Notice.

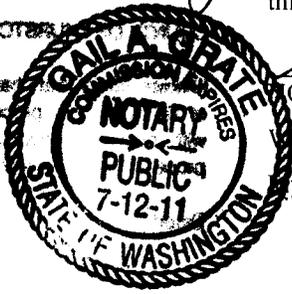
Julie L. Spring

 RICK DAY, DIRECTOR

SUBSCRIBED AND SWORN TO before me
 this 24 day of Aug, 2010.

Saul A. Grate

 NOTARY PUBLIC in and for the State of
 Washington residing at Olympia
 My Commission expires on 7-12-11



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STATE OF WASHINGTON)

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COUNTY OF WASHINGTON)



Whereby it is shown 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 24th day of June, 2010

Communications and Legal Department
Washington State Gambling Commission

Marcus Perata