

STATE OF WASHINGTON
GAMBLING COMMISSION

In the Matter of the Suspension or Revocation of)
the License to Conduct Gambling Activities of:)
)
Willoughby's Restaurant & Lounge)
Yelm, Washington,)
)
Licensee.)
_____)

NO. CR 2010-01408

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

I.

The Washington State Gambling Commission issued Willoughby's Restaurant & Lounge, organization number 00-21797, license number 05-20789, authorizing Class "C" 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.

Dave Trujillo, Deputy 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 February 10, 2010, and August 10, 2010, Willoughby's Restaurant & Lounge received written warnings for failure to timely submit its punchboard/pull-tab activity reports. The written warnings notified the licensee that failure to submit an activity report may lead to the suspension or revocation of its gambling license.
- 2) Willoughby's Restaurant & Lounge's punchboard/pull-tab activity report for the first and second quarters of 2010 was due at our administrative office by July 30, 2010. However, the licensee did not submit the activity report to Commission staff, in violation of WAC 230-14-284(2).
- 3) On October 15, 2010, a Commission Special Agent (agent) e-mailed Diana Bloom, owner of Willoughby's Restaurant & Lounge, and told her she needed to file the licensee's punchboard/pull-tab activity report for the first and second quarters of 2010. The agent attached a copy of the August 10, 2010, warning letter and a blank punchboard/pull-tab activity report for the first and second quarters of 2010. Ms. Bloom did not respond to the agent's e-mail.

4) On October 19, 2010, the agent contacted Ms. Bloom by telephone and told her that because she failed to submit Willoughby's Restaurant & Lounge's punchboard/pull-tab activity report for the first and second quarters of 2010, the agent had issued a Notice of Violation and Settlement (NOVAS)¹ to the licensee.

5) On November 16, 2010, the agent spoke to Timothy Willoughby, Ms. Bloom's husband, about the NOVAS. Mr. Willoughby did not know about the late activity report and asked if it was too late to resolve the matter. The agent told Mr. Willoughby that if he submitted the late activity report and paid the NOVAS fine by November 19, 2010, then the matter would be closed.

6) On November 19, 2010, Ms. Bloom came to the Gambling Commission headquarters and paid the \$300 NOVAS fine. Ms. Bloom asked Commission staff what paperwork she needed to submit and staff gave her a blank punchboard/pull-tab activity report for the first and second quarters of 2010. Ms. Bloom told staff that she would fax the completed activity report back to staff later that day.

7) The agent also spoke to Ms. Bloom on November 19, 2010, and told her that she needed to fax the completed activity report to staff by today. Ms. Bloom told the agent that she would do that.

8) Commission staff did not receive the licensee's activity report. As a result, the agent e-mailed Ms. Bloom on November 29, 2010, reminding her that she was to fax us the activity report on November 19, 2010. The agent also wrote in the e-mail that to resolve this matter, Ms. Bloom needed to submit both the activity report and payment of the fine. Ms. Bloom did not respond to the agent's e-mail.

9) As of December 21, 2010, the licensee has not submitted its punchboard/pull-tab activity report for the first and second quarters of 2010.

10) Willoughby's Restaurant & Lounge's failure to submit its activity report demonstrates its willful disregard for complying with state administrative rules. Therefore, grounds exist for the suspension of Willoughby's Restaurant & Lounge's license to conduct gambling activities, based on RCW 9.46.075(1) and WAC 230-03-085(1), (3), and (7).

RCW 9.46.075(1) 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

¹ 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.

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.
- (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 230-14-284 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.



STATE OF WASHINGTON
COUNTY OF THURSTON

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

Date at Olympia, Washington this _____ day of _____

Washington State Gambling Commission
Commissioners and Legal Department

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 REVOKING YOUR LICENSE.

STATE OF WASHINGTON)
) ss.
COUNTY OF THURSTON)

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

STATE OF WASHINGTON)
) ss
COUNTY OF THURSTON)

Dave Trujillo
Dave Trujillo, Deputy Director

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.

SUBSCRIBED AND SWORN TO before me this 21 day of December, 2010.

Dated at Olympia, Washington this 21 day of December, 2010

Michelle M. Pardee
NOTARY PUBLIC in and for the State of Washington residing at LACEY

Marcus Pretell Communications and Legal Department
Washington State Gambling Commission

My commission expires on June 16, 2013

