

STATE OF WASHINGTON
GAMBLING COMMISSION

In the Matter of the Revocation of the License)
to Conduct Gambling Activities of:)
)
J & D Millennium, Inc.)
d/b/a The Jet Bar & Grill)
Mill Creek, Washington,)
)
Licensee.)

NO. CR 2011-00751

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

I.

The Washington State Gambling Commission issued J & D Millennium, Inc., d/b/a The Jet Bar & Grill, organization number 00-22301, the following license:

Number 05-21000, authorizing Class "A" Punchboard/Pull-Tab activity.

The license expires on March 31, 2012, and was issued subject to J & D Millennium, Inc., d/b/a The Jet Bar & Grill's, compliance with state gambling laws and rules.

II.

Rick Day, Director of the Washington State Gambling Commission, charges J & D Millennium, Inc., d/b/a The Jet Bar & Grill, with the following violations of the Washington State Gambling Act, 9.46 RCW, and WAC Title 230:

1) On June 6, 2011, The Jet Bar & Grill was issued gambling license number 05-21000, authorizing Class "A" Punchboard/Pull-Tab activity by inadvertence or mistake. When Commission staff ran the criminal history check, they ran it using the name "Steve Dorn" rather than "Stephen A. Dorn." No criminal history came back for "Steve Dorn," even though he was convicted in 2008 for professional gambling. Because of this, a gambling license was issued for J & D Millennium, Inc. d/b/a The Jet Bar & Grill, by mistake.

2) Stephen A. Dorn is the 50% owner of J & D Millennium, Inc., d/b/a Jet Bar and Grill. Mr. Dorn is therefore a substantial interest holder¹. All substantial interest holders in licensed gambling organization must meet the qualifications to hold a license.

3) A review of Mr. Dorn's criminal history reflects a 2008 conviction for misdemeanor Professional Gambling, Third Degree, a three year old conviction for professional gambling is a disqualifying factor. A review of court documents issued relative to this conviction reflect that

¹ A substantial interest holder is defined at WAC 230-03-045 as a person who has actual or potential influence over the management or operation of any organization, association or other business entity.

Mr. Dorn was conducting illegal poker games at his place of business for a profit. Mr. Dorn was sentenced 365 days in jail, with all 365 days suspended, 12 months probation, and ordered to pay a fine.

4) Commission staff was involved in the investigation giving rise to Mr. Dorn's 2008 conviction. Commission records reflect:

- In April 2006, Mr. Dorn was given a verbal warning by Commission Special Agents (agents) when agents observed an illegal poker game underway in a business owned by Mr. Dorn called The Jet Deck.
- In September 2006, an agent returned to the business and again found an illegal poker game underway. Mr. Dorn subsequently closed the business.
- In November 2007, Mr. Dorn opened a new business called The Jet Bar & Grill. An agent again observed an illegal poker game in progress.
- In December 2007, a search warrant was served at The Jet Bar & Grill; an agent observed a poker game in progress. Mr. Dorn was arrested and admitted that there was a Texas Hold'em poker tournament underway for money in his bar. Mr. Dorn admitted that he didn't have a gambling license and he "clearly recalled the warning he had received from the gambling agent when he was operating the Jet Deck Bar & Grill." Mr. Dorn said he hadn't gotten around to getting a license and said that he "figured that it was no big deal and would only involve a small fine."

5) This conviction of a substantial interest holder for illegal gambling activity establishes that the J & D Millennium, d/b/a The Jet Bar & Grill, poses a threat to the effective regulation of gaming or creates or increases the likelihood of unfair or illegal practices, methods, and activities in the conduct of gambling activities, and The Jet Bar & Grill has failed to establish by clear and convincing evidence the necessary qualifications for licensure under RCW 9.46.153(1).

6) Therefore, under RCW 9.46.075 (1), (3), (4), (8), and (10), RCW 9.46.153 and WAC 230-03-085(1), (3), and (8), grounds exist to revoke J & D Millennium, d/b/a The Jet Bar & Grill's, license.

RCW 9.46.075 Denying, suspending, or revoking an application, 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 the licensee, or any person with any interest therein:

(The following subsections apply.)

(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.

(3) Has obtained a license or permit by fraud, misrepresentation, concealment, or through inadvertence or mistake.

(4) Has been convicted of, or forfeited bond upon a charge of, or pleaded guilty to, forgery, larceny, extortion, conspiracy to defraud, willful failure to make required payments or reports to a governmental agency at any level, or filing false reports therewith, or of any similar offense or offenses, or of bribing or otherwise unlawfully influencing a public official or employee of any state or the United States, or of any crime, whether a felony or misdemeanor involving any gambling activity or physical harm to individuals or involving moral turpitude.

(8) Fails to prove, by clear and convincing evidence, that he is qualified in accordance with the provisions of this chapter.

(10) Has pursued or is pursuing economic gain in an occupational manner or context which is in violation of the criminal or civil public policy of this state if such pursuit creates probable cause to believe that the participation of such person in gambling or related activities would be inimical to the proper operation of an authorized gambling or related activity in this state. For the purposes of this section, occupational manner or context shall be defined as the systematic planning, administration, management or execution of an activity for financial gain.

WAC 230-03-085 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; or

(8) Poses a threat to the effective regulation of gambling, or 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; or (b) Criminal record; or (c) Reputation; or (d) Habits; or (e) Associations.

RCW 9.46.153(1) Applicants and Licensees-Responsibilities and duties

It shall be the affirmative responsibility of each applicant and licensee to establish by clear and convincing evidence the necessary qualifications for licensure of each person required to be qualified under this chapter, as well as the qualifications of the facility in which the licensed activity will be conducted.

III.

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

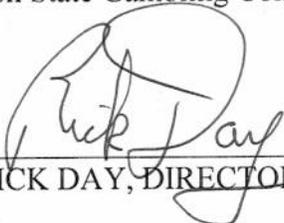
The J & D Millennium, Inc. d/b/a The Jet Bar & Grill will have the opportunity to have a hearing on the alleged violations.

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.

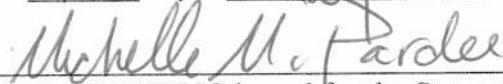
STATE OF WASHINGTON)
) ss.
COUNTY OF THURSTON)

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, DIRECTOR

SUBSCRIBED AND SWORN TO before me
this 12 day of July, 2011.



NOTARY PUBLIC in and for the State of

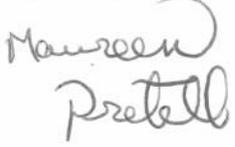
Washington residing at Lacey.

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 13 day of July, 2011



Communications and Legal Department
Washington State Gambling Commission

