

STATE OF WASHINGTON
GAMBLING COMMISSION

In the Matter of the Suspension of the Licenses)
to Conduct Gambling Activities of:)
)
The Royal Club, LLC)
d/b/a Roman Casino,)
Seattle, Washington)
)
Licensee.)
_____)

NO. CR 2011-00140

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

I.

The Washington State Gambling Commission issued The Royal Club, d/b/a Roman Casino, organization number 00-17613, the following licenses:

Number 67-00057, authorizing Class "15" House-Banked Card Room activity; and
Number 05-09639, authorizing Class "L" Punchboard/Pull-Tab activity.

The licenses expire on March 31, 2012, 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) From February 2010 to August 2010, Roman Casino operated Progressive Four Card Poker (PFCP). When Roman Casino operated PFCP, it deposited the player funds collected for the progressive jackpot into Roman Casino's general fund bank account. However, progressive jackpot funds are required to be deposited into a separate bank account. By depositing progressive jackpot prize funds into the general fund bank account rather than a separate bank account, Roman casino violated WAC 230-15-720(1).

2) In August 2010, Roman Casino discontinued PFCP and the progressive jackpot funds remained in Roman Casino's general fund bank account. However, when a progressive card game is removed from play, the progressive jackpot funds must be distributed according to WAC 230-15-710. By keeping progressive jackpot funds in the general fund bank account rather than appropriately distributing the funds, Roman Casino violated WAC 230-15-710(2).

3) In February 2011, Roman Casino distributed the progressive jackpot prize funds from PFCP in accordance with WAC 230-15-710.

4) Therefore, under RCW 9.46.075(1) and WAC 230-03-085(1) grounds exist to suspend Roman Casino's licenses.

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 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 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 subsection applies.)

(1) Commits any act that constitutes grounds for denying, suspending, or revoking licenses or permits under RCW 9.46.075.

WAC 230-15-720 Deposit and reconciliation requirements for progressive jackpot prizes.

(The following subsection applies.)

(1) House-banked card game licensees must deposit all progressive jackpot funds in a separate bank account at least weekly.

WAC 230-15-710 Permanently removing a progressive jackpot or a portion of a progressive jackpot from play.

(1) Players have a vested interest in the posted or advertised progressive jackpot prize.

(2) Licensees must:

(a) Submit a detailed distribution plan to us in writing and receive written approval before removing any progressive jackpot prizes from play; and

(b) Prominently post a notice and the distribution plan, including if they plan to close the business, at least ten days before they begin the process of removing the jackpot and distributing the funds; and

(c) Distribute the funds in one or more of the following ways:

(i) Offering the prize on a different house-banked game; or

(ii) Offering the prize in an approved free tournament in which funds must be distributed within sixty days from the date of approval; or

(iii) Donating the money to the Washington State Council on Problem Gambling.

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 14 day of April, 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 14 day of April, 2011

Mawson Prebitt

Communications and Legal Department
Washington State Gambling Commission

