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STATE OF WASHINGTON  
GAMBLING COMMISSION

GAMBLING COMMISSION  
COMM & LEGAL DEPT

In the Matter of the Revocation and Summary )  
Suspension of the License to Conduct )  
Gambling Activities of: )  
 )  
OIC<sup>1</sup> Of Washington )  
Yakima, Washington )  
 )  
Licensee. )  
\_\_\_\_\_ )

No. CR 2012-01652

**SETTLEMENT ORDER**

The Washington State Gambling Commission and the licensee, OIC of Washington, enter into this Settlement Order to resolve the Order of Summary Suspension issued against the licensee. Stephanie U. Happold, Assistant Attorney General, and Melinda Froud, Staff Attorney, represent the Gambling Commission. Steve Mitchell represents the licensee.

I.

The Washington State Gambling Commission issued OIC of Washington the following licenses:

- Number 03-00868, Authorizing Class "A" Amusement Game activity;
- Number 01-02270, Authorizing Class "H" Bingo activity; and
- Number 05-04765, Authorizing Class "F" Nonprofit Punchboard/Pull-tab activity.

The Commission issued the licenses, which expire on June 30, 2013, subject to the licensee's compliance with state gambling laws and Commission rules.

II.

The Director issued an Order of Summary Suspension on December 17, 2012, directing the licensee to stop operating bingo activities immediately upon service of the Order. The Order also seeks to revoke OIC of Washington's bingo license. On December 31, 2012, Commission staff received the licensee's request for hearing.

**SUMMARY:**

OIC of Washington had a negative adjusted cash flow for the two consecutive quarters ending in June 30, 2012, and September 30, 2012.

<sup>1</sup> Opportunities Industrialization Center (OIC) of Washington is a non-profit organization providing community services through federal, state and local agencies.

## **VIOLATIONS:**

### **1) RCW 9.46.075 Denial, suspension, or revocation of license, application, 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) 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.

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

### **2) 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, certified employee, or anyone holding a substantial interest in the applicant's or certified employee's business or organization commits any act that constitutes grounds for denying, suspending, or revoking licenses or permits under RCW 9.46.075.

(The following subsection applies.)

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

### **3) WAC 230-10-375 Failing to maintain a positive cash flow**

(The following subsections apply.)

(1) Bingo licensees must measure adjusted cash flow quarterly to ensure that they maintain a positive cash flow and are not operating primarily for gambling purposes.

(2) If a licensee does not maintain a positive cash flow from the bingo operation during any two consecutive license year quarters, measured independently, the director summarily suspends the organization's bingo license.

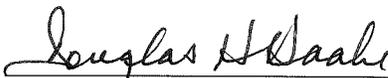
The licensee's failure to maintain a positive cash flow for two consecutive quarters demonstrates that it is using program funds to subsidize the bingo activities and operating primarily for gambling purposes, in violation of WAC 230-10-375. As a result, there are grounds to revoke OIC of Washington's bingo license based on RCW 9.46.075(1) and (8), and WAC 230-03-085(1).

## **III.**

The licensee acknowledges reading and understanding the facts and charges alleged in the Order of Summary Suspension.

- 1) The licensee, OIC of Washington, has waived its right to a hearing, and has agreed to surrender its gambling licenses.
- 2) If OIC of Washington reapplies, it shall be required to establish, by clear and convincing evidence, that it is qualified to hold a gambling license.
- 3) **The signed Settlement Order and OIC of Washington's gambling licenses must be received by Commission staff no later than February 19, 2013.**

DATED this 6 day of March, 2013.

  
Administrative Law Judge

APPROVED FOR ENTRY:

By the signature below, the licensee understands the terms and conditions contained in the settlement order.

 2-1-13  
Steve Mitchell, CEO (Date)  
OIC of Washington

APPROVED AS TO FORM:

 2/22/13  
Stephanie U. Happold, WSBA#38112  
Assistant Attorney General  
Representing the Washington State  
Gambling Commission

  
Melinda Froud, WSBA #26792  
Lead Staff Attorney,  
Washington State Gambling Commission