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STATE OF WASHINGTON  
OFFICE OF ADMINISTRATIVE HEARINGS  
FOR THE GAMBLING COMMISSION

GAMBLING COMMISSION  
COMM & LEGAL DIVISION

In the Matter of the Revocation of the  
License to Conduct Gambling Activities  
of:

SEAN A. SKIPWITH  
Tacoma, Washington,

Licensee.

OAH No. 2012-GMB-0032  
GC No. CR 2012-00458

*CORRECTED* INITIAL ORDER  
REVOKING GAMBLING LICENSE

The Initial Order in this case was issued on August 2, 2012. The Commission filed a Motion to Correct Scrivener's Errors on August 8, 2012. The undersigned Administrative Law Judge finds that the Commission's motion is well taken and now issues this Corrected Initial Order Revoking Gambling License. Deleted language appears as a strikethrough, and new language appears in *italics*.

Administrative Law Judge John M. Gray conducted an administrative hearing in this matter on June 20, 2012, at the Gambling Commission Office, 4565 7<sup>th</sup> Avenue, Lacey, Washington.

Stephanie U. Happold, Assistant Attorney General, appeared and represented the Washington State Gambling Commission ("Commission"). Julie Sullivan, Special Agent with the Commission, appeared as witness for the Commission.

Sean Skipwith ("Mr. Skipwith"), the Licensee, appeared and represented himself.

On April 20, 2012, the Director of the Commission caused a Notice of Administrative Charges and Opportunity for an Adjudicative Proceeding ("Notice of Administrative

AMENDED INITIAL ORDER REVOKING  
PUBLIC CARD ROOM EMPLOYEE  
LICENSE

Charges”) to be issued against Mr. Skipwith. The Director alleged that Mr. Skipwith failed to pay court ordered fines and fees, and that he currently owes \$3,558, currently in collections due to nonpayment. The Commission proposed to revoke Mr. Skipwith’s public card room employee license. The Commission served the Notice of Administrative Charges on Mr. Skipwith. The record is silent regarding the method and date of service on Mr. Skipwith, but Mr. Skipwith filed his request for an administrative hearing on April 30, 2012.

The Commission issued the Notice of Hearing on May 31, 2012, notifying Mr. Skipwith of the time and the place of the administrative hearing.

The Commission offered ~~nine~~ *twenty-six* exhibits, numbered 1 through 26, all of which were admitted without objection. Mr. Skipwith offered no exhibits.

The Administrative Law Judge, having considered the evidence, now enters the following Findings of Fact:

FINDINGS OF FACT

1. Mr. Skipwith is an individual who possesses public card room employee license (“CRE”), License No. 68-29927, type 6968, class B, first issued by the Commission in 2010. He works at the Macau Casino in Lakewood, Washington. Without more, that license will expire on April 6, 2013.

~~2. On February 13, 2012, the Commission assigned Special Agent Stephanie Beach to investigate whether Ms. Nelson continues to qualify for certification based on her criminal history.~~

32. Special Agent Sullivan has ten years of experience with the Commission. She has completed all of the training assigned to her, including programs offered by the Washington State Criminal Justice Training Commission. She is a nationally certified fraud examiner. She is also a criminal justice major at Washington State University. She works in the Commission's Criminal History Investigation Unit.

4-3. Special Agent Sullivan investigated, using the Judicial Information System ("JIS"), and on the Defendant Case History ("DCH") screen saw that Mr. Skipwith has seventeen traffic violations or convictions, ten of which have unpaid fines on his record. All of the traffic violations occurred in Pierce County, Washington, and all of the court appearances were scheduled to be held in City of Fircrest Municipal Court, City of Lakewood Municipal Court, or Pierce County District Court. The oldest violation occurred on September 4, 2000, and the most recent violation occurred on May 25, 2011. The total amount of unpaid fines is \$3,558 as of the date of this hearing.

54. On September 4, 2000, a law enforcement officer ("LEO") charged Mr. Skipwith with speeding (RCW 46.61.400.31U) and driving without a license (RCW 46.20.015). A case was filed against Mr. Skipwith in Lakewood Municipal Court, case number IN0039609. The record shows a finding of committed on both offenses. The Court assessed fines and fees of \$807. Mr. Skipwith failed to abide by a time pay agreement and still owes \$284. The collection agent is AllianceOne Receivables. The amount remains uncollected as of June 20, 2012. Exhibits, 4, 25, and 26.

AMENDED INITIAL ORDER REVOKING  
PUBLIC CARD ROOM EMPLOYEE  
LICENSE

65. On June 29, 2002, a LEO charged Mr. Skipwith with a noise disturbance violation of Lakewood Municipal Code 36.010(1). A case was filed against Mr. Skipwith in Lakewood Municipal Court, case number IN0054912. The record shows a finding of committed. The Court assessed fines and fees of \$125. Mr. Skipwith failed to abide by a time pay agreement and still owes the full \$125. The collection agent is AllianceOne Receivables. The amount remains uncollected as of June 20, 2012. Exhibits 4, 23, and 24.

76. On February 26, 2004, a LEO charged Mr. Skipwith with a violation of ch. 46.61 RCW, failure to yield the right of way. A case was filed against Mr. Skipwith in Pierce County District Court, case number 4YU194038. The record shows a finding of committed. The Court assessed fines and fees of \$205. Pierce County assigned the unpaid fines and fees for collection to OSI Collections. The amount remains uncollected as of June 20, 2012. Exhibits 4, 21, and 22.

87. On April 1, 2005, a LEO charged Mr. Skipwith with a violation of RCW 46.61.688, failing to wear a seat belt. A case was filed against Mr. Skipwith in Pierce County District Court, case number 5Y4365624. The record shows a finding of committed. The Court assessed fines and fees of \$153. Pierce County assigned the unpaid fines and fees for collection to OSI Collections. The amount remains uncollected as of June 20, 2012. Exhibits 4, 19, and 20.

98. On January 20, 2008, a LEO charged Mr. Skipwith with a violation of RCW 46.20.342(1)(c), driving while license suspended, third degree. A case was filed

AMENDED INITIAL ORDER REVOKING  
PUBLIC CARD ROOM EMPLOYEE  
LICENSE

against Mr. Skipwith in the City of Fircrest Municipal Court, case number C00039148. The record shows a finding of guilty. Mr. Skipwith has not paid \$425.50, which remains unpaid as of June 20, 2012. The collection agent is AllianceOne Receivables. Exhibits 4, 17, and 18.

409. Also on January 20, 2008, the LEO charged Mr. Skipwith with failure to renew his vehicle registration, operating a motor vehicle without proof of insurance, and improperly using or switching or altering vehicle license plates. A case was filed against Mr. Skipwith in the City of Fircrest Municipal Court, case number I00056584. The record shows findings of committed on all three charges. Mr. Skipwith has not paid \$456 as of June 20, 2012. The collection agent is AllianceOne Receivables. Exhibits 4, 15, and 16.

4110. On February 22, 2010, a LEO charged Mr. Skipwith with a violation of RCW 46.20.342(1)(c), driving while license suspended, third degree. A case was filed against Mr. Skipwith in the City of Fircrest Municipal Court, case number C00040218. The record shows a finding of guilty. Mr. Skipwith has not paid \$595 as of June 20, 2012. The collection agent is AllianceOne Receivables. Exhibits 4, 13, and 14.

4211. Also on February 22, 2010, the LEO charged Mr. Skipwith with operating a motor vehicle without proof of insurance and operating a motor vehicle with illegal license plates or without license plates. A case was filed against Mr. Skipwith in the City of Fircrest Municipal Court, case number I00061435. The record shows a finding

AMENDED INITIAL ORDER REVOKING  
PUBLIC CARD ROOM EMPLOYEE  
LICENSE

of committed on both charges. Mr. Skipwith has not paid \$412 as of June 20, 2012. The collection agent is AllianceOne Receivables. Exhibits 4, 11, and 12.

4312. On May 25, 2011, a LEO charged Mr. Skipwith with three violations of the RCW, including 46.12.101, failure to transfer title, RCW 46.20.342(1)(c), driving while license suspended, third degree, RCW 46.20.017, and no drivers license on his person while operating a motor vehicle. A case was filed against Mr. Skipwith in the City of Lakewood Municipal Court, case number 1Z0378792. The record shows that the first charge was dismissed, the second charge was amended, and the third charge was affirmed as committed. Mr. Skipwith has not paid \$176 as of June 20, 2012. The collection agent is AllianceOne Receivables. Exhibits 4, 9, and 10.

4413. Also on May 25, 2011, the LEO charged Mr. Skipwith with two violations of the RCW, including RCW 46.30.020, operating a motor vehicle without proof of insurance, and RCW 46.16.260. A case was filed against Mr. Skipwith in the City of Lakewood Municipal Court, case number 1Z0378793. The record shows findings of committed on both charges. Mr. Skipwith has not paid \$726 as of June 20, 2012. The collection agent is AllianceOne Receivables. Exhibits 4, 7, and 8.

4514. On April 3, 2012, Special Agent Sullivan wrote to Mr. Skipwith informing him that she investigated him and of the Commission's concern that "since you have filed failed to comply with a judge's rulings, you may not comply with internal control requirements or adhere to the direction of the Washington State Gambling

Commission.” She concluded by informing him that she would prepare a case report in anticipation of a Commission decision to revoke his gambling license. Exhibit 5.

4615. Also on April 3, 2012, Special Agent Sullivan wrote to John McNutt of the Macau Casino, informing him of substantially the same information she provided to Mr. Skipwith. Exhibit 6.

4716. Special Agent Sullivan wrote Commission Case Report number 2012-00458 and submitted in on April 4, 2012. She recommended that the Commission revoke Mr. Skipwith’s gambling license because “he poses a threat to the effective regulation of gaming as demonstrated through his prior activities, criminal record and habitual unwillingness and willful disregard to comply with court orders.” Exhibit 1.

4817. Mr. Skipwith works as a security guard at the Macau Casino, and has been employed there for approximately two years. He carries chips to the casino vault and the cage, checks identification badges, sweeps, cleans, and performs other duties as instructed. He earns \$11 per hour. He has expenses that include student loans and anticipates filing a Chapter 7 bankruptcy, although he had not filed as of June 20, 2012. He has earned his GED and hopes to attend welding school in September. He hopes to pay the unpaid fines eventually.

#### CONCLUSIONS OF LAW

From the foregoing Findings of Fact, the Administrative Law Judge now enters the following Conclusions of Law:

AMENDED INITIAL ORDER REVOKING  
PUBLIC CARD ROOM EMPLOYEE  
LICENSE

1. The undersigned Administrative Law Judge has jurisdiction to hear and initially decide this matter in an adjudicative proceeding. RCW 34.05.485(1)(c), 34.12.030(1), 9.46.095 and WAC 230-17-025.

2. Mr. Skipwith holds a public card room employee license and is subject to RCW 9.46.075 and WAC 230-03-085.

3. The Commission has the broad purpose of protecting the public by insuring that those activities authorized by chapter 9.46 RCW do not maliciously affect the public and do not breach the peace. RCW 9.46.010.

4. The public policy of the state of Washington on gambling is to keep the criminal element out of gambling and to promote the social welfare of the people by limiting the nature and scope of gambling activities and by strict regulation and control. All factors incident to the activities authorized in chapter 9.46 RCW shall be closely controlled, and the provisions of this chapter shall be liberally construed to achieve such end. RCW 9.46.010.

5. Mr. Skipwith has, in ten cases in Washington State, either been found guilty of criminal traffic violations or been found to have committed traffic infractions, been fined for those violations or infractions, and has failed to pay those fines. These fines have been long-standing; the oldest dates back to 2000. The total amount remaining unpaid as of the date of this hearing is \$3,558.

6. RCW 9.46.075(1) provides that the Commission may suspend or revoke any license or permit issued by it, for any reason or reasons it deems to be in the public interest, including failing to comply with chapter 9.46 RCW and Title 230 WAC.

7. RCW 9.46.075(8) provides that the Commission may suspend or revoke any license or permit issued by it where the applicant or licensee fails to prove, by clear and convincing evidence, that he, she or it is qualified in accordance with the provisions of chapter 9.46 RCW.

8. WAC 230-03-085 provides that the Commission may suspend or revoke any license or permit when the licensee (1) commits any act that constitutes grounds for denying, suspending, or revoking licenses or permits under RCW 9.46.075, or (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) when the licensee poses a threat to the effective regulation of gambling, or increases the likelihood of unfair or illegal practices, methods, and activities in the conduct of gambling activities, as demonstrated by prior activities, criminal record, reputation, habits, or associations.

9. The Commission proved by a preponderance of the evidence that Mr. Skipwith's gambling license should be revoked because he has violated, failed or refused to comply with the provisions, requirements, conditions, limitations or duties imposed by chapter 9.46 RCW. RCW 9.46.075(1).

AMENDED INITIAL ORDER REVOKING  
PUBLIC CARD ROOM EMPLOYEE  
LICENSE

10. The Commission proved by a preponderance of the evidence that Mr. Skipwith's gambling license should be revoked because he has failed to prove, by clear and convincing evidence, that he is qualified in accordance with the provisions of ch. 9.46 RCW. RCW 9.46.075(8).

11. The Commission proved by a preponderance of the evidence that Mr. Skipwith's gambling license should be revoked because he committed acts – failing to pay his court-ordered fines and fees – that constitute grounds for denying, suspending, or revoking licenses or permits under RCW 9.46.075. WAC 230-03-085(1).

12. The Commission proved by a preponderance of the evidence that Mr. Skipwith's gambling license should be revoked because of his willful disregard for comply with ordinances, statutes, administrative rules, and court orders, at the state and local level. WAC 230-03-085(3).

13. The Commission proved by a preponderance of the evidence that Mr. Skipwith's gambling license should be revoked because his prior activities, criminal record, and habits pose a threat to the effective regulation of gambling, and creates or increases the likelihood of unfair or illegal practices, methods, and activities in the conduct of gambling activities. WAC 230-03-085(8).

14. Each licensee has an affirmative responsibility to establish, by clear and convincing evidence, his continuing qualifications for licensure. RCW 9.46.153(1). Each holder of a license issued pursuant to ch. 9.46 RCW is subject to continuous scrutiny regarding his general character, integrity, and ability to engage in, or associate

with, gambling or related activities impacting this state. RCW 9.46.153(7). Mr. Skipwith failed to establish, by clear and convincing evidence, his continuing qualifications for licensure. The evidence shows frequent motor vehicle violations. Ultimately, however, the Commission's real concern with Mr. Skipwith is his failure to pay the fines and fees the Court ordered him to pay as a consequence of his traffic violations. The Commission is understandably concerned that Mr. Skipwith, as a holder of a gambling license, will not comply with the statutes enacted by the Legislature and the administrative rules adopted by the Commission as they relate to gambling. I have noted, in Mr. Skipwith's favor, that the Commission presented no evidence of misfeasance or malfeasance with regard to gambling activity per se (nor did the Commission contend that he had). Nonetheless, Mr. Skipwith failed to present any clear and convincing evidence that he continues to be qualified for a gambling license while repeatedly violating other provisions of the law. Mr. Skipwith has shown a disregard for the courts' orders requiring him to pay fines and fees in an astonishing high amount of money for an individual. He has let these fines and fees go unpaid for much longer than he should have. The heart of his argument is that he cannot afford to pay the fines and fees. He has had his public card room employee license since 2010. He has access to the chips and to money, the casino vault, and the casino cage. In each of the instances of unpaid traffic violations cited in the Findings of Fact, the government has assigned the unpaid amounts to collection agencies for collection. The

AMENDED INITIAL ORDER REVOKING  
PUBLIC CARD ROOM EMPLOYEE  
LICENSE

risk posed to the Commission's efforts to keep crime out of gambling in this state is there.

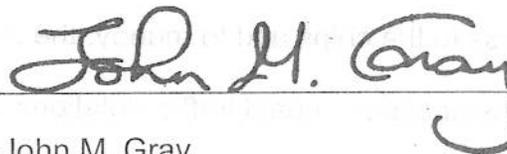
15. I conclude that the Commission's evidence has established that the revocation of Mr. Skipwith's license to act as a public card room employee is in the public interest. The available evidence shows that Mr. Skipwith has frequently disregarded his obligation to pay his criminal and non-criminal fines. His failure to pay his fines not only reflects on his unwillingness to comply with the traffic laws and the judicially imposed consequences of his misbehavior, but, more importantly in this case, it also raises the question of his willingness to comply with the statutes and administrative rules relating to gambling, and thus raises a question whether he represents a threat to the effective regulation of gambling.

INITIAL ORDER

IT IS HEREBY ORDERED That the public card room employee license number 68-29927 of Sean Skipwith be, and the same is, REVOKED.

~~A request that this order be vacated must be filed within seven days of service of this order, stating the grounds relied upon. RCW 34.05.440(3).~~

DATED at Olympia, Washington, this 18<sup>th</sup> day of July ~~September~~, 2012.



John M. Gray  
Administrative Law Judge  
Office of Administrative Hearings

AMENDED INITIAL ORDER REVOKING  
PUBLIC CARD ROOM EMPLOYEE  
LICENSE

## NOTICE TO THE PARTIES

Initial orders must be entered in accordance with RCW 34.05.461(3). WAC 230-17-085(1). An initial order becomes the final order unless a party files a petition for review of the initial order as explained in WAC 230-17-090. WAC 230-17-085(2). RCW 34.05.464 governs the review of initial orders. WAC 230-17-090(1). Any party to an adjudicative proceeding may file a petition for review of an initial order. Parties must file the petition for review with us within twenty days of the date of service of the initial order unless otherwise stated. Parties must serve copies of the petition to all other parties or their representatives at the time the petition for review is filed. WAC 230-17-090(2). Petitions must specify the portions of the initial order the parties disagree with and refer to the evidence in the record on which they rely to support their petition. WAC 230-17-090(3). Any party to an adjudicative proceeding may file a reply to a petition for review of an initial order. Parties must file the reply with us within thirty days of the date of service of the petition and must serve copies of the reply to all other parties or their representatives at the time the reply is filed. WAC 230-17-090(4). Any party may file a cross appeal. Parties must file cross appeals with us within ten days of the date the petition for review was filed with us. WAC 230-17-090(5). Copies of the petition or the cross appeal must be served on all other parties or their representatives at the time the petition or appeal is filed. WAC 230-17-090(6). After we receive the petition or appeal, the commissioners review it at a regularly scheduled commission meeting within one hundred twenty days and make a final order. WAC 230-17-090(7).

### Certification of Mailing

I certify that I mailed true and correct copies of the **Corrected Initial Order of Dismissal Based on Default Revoking Gambling License** to the following parties, postage prepaid this 18<sup>th</sup> day of July September 2012 at Tacoma, Washington.



Legal Secretary

Sean Skipwith  
871 120<sup>th</sup> St. S.  
Tacoma, WA 98444

Stephanie U. Happold  
Assistant Attorney General  
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AMENDED INITIAL ORDER REVOKING  
PUBLIC CARD ROOM EMPLOYEE  
LICENSE

Washington State Gambling  
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AMENDED INITIAL ORDER REVOKING  
PUBLIC CARD ROOM EMPLOYEE  
LICENSE