

STATE OF WASHINGTON
GAMBLING COMMISSION

In the Matter of the Revocation of)
the License to Conduct Gambling Activities of:) NO. CR 2012-00499
) 2012-00467
)
Admiral Pub) **FINDINGS, CONCLUSIONS,**
Seattle, Washington,) **DECISION, AND FINAL**
) **ORDER IN DEFAULT**
Licensee.)

THE MATTER of the revocation of the license to conduct gambling activities of Admiral Pub having come before the Commission on August 9, 2012, the Commission makes the following Findings of Fact, Conclusions of Law, and issues the following Decision and Order:

FINDINGS OF FACT

I.

The Washington State Gambling Commission issued Admiral Pub license number 00-21090, authorizing Punchboard/Pull-Tab activity. The license expires on September 30, 2012, and was issued subject to the licensee's compliance with state gambling laws and rules.

II.

On May 25, 2012, Director Rick Day issued administrative charges to Admiral Pub, by certified and regular mail. Admiral Pub did not respond to the charges and waived their right to a hearing and pursuant to RCW 34.05.440; this final order may be entered in default.

III.

1) Admiral Pub has not submitted its quarterly activity report for the third and fourth quarters of 2011, which was due on January 30, 2012. This is the most recent in a series of failures to submit activity reports since original licensure in 2007.

2) In 2008, the licensee received a Notice of Violation and Settlement (NOVAS)¹ for failure to submit its activity report. The licensee also received a NOVAS in 2009 and another in 2010 for failure to submit prior activity reports.

3) By not submitting activity reports to Commission staff within the due dates, Admiral Pub is in violation of WAC 230-14-284(1) and (2).

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.

4) As of April 16, 2012, Admiral Pub had not submitted its punchboard/pull-tab activity report for the third and fourth quarters of 2011, despite verbal reminders by a Commission Special Agent to the bar manager (on or about February 23, 2012) and to the owner (on or about April 10, 2012).

5) Admiral Pub's repeated failure to submit its activity reports demonstrates its willful disregard for complying with state administrative rules. Therefore, grounds exist for the revocation of Admiral Pub's license to conduct gambling activities, based on RCW 9.46.075(1) and WAC 230-03-085(1), (3), and (7).

CR 2012-00499

1) Following an anonymous complaint received by the Northwest Field Office, an undercover agent with the Gambling Commission (agent) visited the Admiral Pub. The complaint alleged that the Admiral Pub hosted weekly cash poker games on Thursdays.

2) The agent arrived at the Admiral Pub on Thursday, February 9, 2012, at approximately 6:30 p.m. Upon arrival, the agent observed a sign above the bar advertising poker games on Tuesday and Thursday evenings beginning at 6:30 p.m.

3) At approximately 7:30 p.m., the agent observed a white male named "Robbie" collecting cash and distributing entry cards, which would determine the placement of players for the tournament. The agent entered the tournament along with other patrons.

4) The game was structured for a \$15 buy-in with \$10 re-buys, which several patrons purchased. The dealer, "Robbie," appeared to keep the cash on his person or in an aluminum chip tray nearby.

5) During the course of the tournament two bartenders regularly served players.

6) Although the agent left before completion of the tournament, it appeared that all money "Robbie" collected went back to the players.

7) Operation of a cash card game at a commercial food and drink establishment requires a Class "D" card room license from the Washington State Gambling Commission per RCW 9.46.070(2). According to Commission records, Admiral Pub does not hold and never has held a Class "D" license.²

8) Eric Galanti is the president and highest ranking member of the Admiral Pub. The agent met with Mr. Galanti on April 10, 2012. During the meeting, the agent discussed the poker games at his establishment. Mr. Galanti confirmed that players exchange cash during Thursday night

² The City of Seattle Municipal Code 5.52 does not authorize card rooms within the city limits and therefore Admiral Pub would be ineligible for a Class "D" license from the Gambling Commission.

games.³ He told the agent that Thursday nights are different to activities conducted the other nights of the week, when cash is not exchanged.

9) Mr. Galanti told the agent that the establishment does not make any money during the tournament and neither does the dealer, as all the money goes back to the players. During the meeting, the agent instructed Mr. Galanti to stop hosting cash poker tournaments.

10) Admiral Pub operated unlicensed cash card games in violation of RCW 9.46.221, and grounds therefore exist for the suspension or revocation of Admiral Pub's license to conduct gambling activities, based on RCW 9.46.075(1) and WAC 230-03-085(1), (3), and (7).

VIOLATIONS:

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 subsection applies.)

(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 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.

³ During other nights of the week Admiral Pub uses the services of Jokers Wild Promotions, to hold promotional contests of chance, including card games that are free to play. These games do not involve any cash or fees to enter and are not considered gambling activity.

RCW 9.46.221 Professional gambling in the second degree.

(1) A person⁴ is guilty of professional gambling in the second degree if he or she engages in, or knowingly causes, aids, abets, or conspires with another to engage in professional gambling as defined in this chapter, and:

(d) Maintains a "gambling premises" as defined in this chapter

RCW 9.46.0269 Professional gambling

(The following subsection applies.)

(1) A person is engaged in "professional gambling" for the purposes of this chapter when:

(a) Acting other than as a player or in the manner authorized by this chapter, the person knowingly engages in conduct which materially aids any form of gambling activity.

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.

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⁴ RCW 9.46.0289 "Whoever," "person"

"Whoever" and "person," as used in this chapter, include natural persons, corporations, and partnerships and associations or persons; and when any corporate officer, director or stockholder or any partner authorizes, participates in, or knowingly accepts benefits from any violation of this chapter committed by his or her corporation or partnership, he or she shall be punishable for such violation as if it had been directly committed by him or her.

IV.

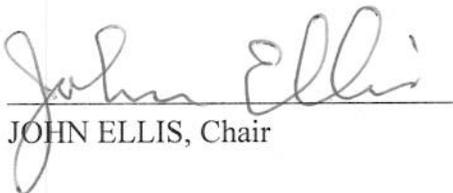
CONCLUSIONS OF LAW

The circumstances specified in the Findings of Facts in section III above constitute grounds for the revocation of Admiral Pub's license to conduct gambling activities under the authority of RCW 9.46.075, and WAC 230-03-085.

DECISION AND ORDER

The Washington State Gambling Commission HEREBY ORDERS: Admiral Pub's Punchboard/ Pull-Tab license to conduct gambling activities is REVOKED.

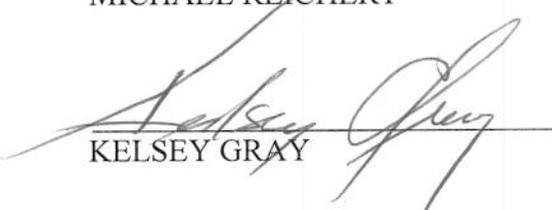
DATED this 9th day of August, 2012.



JOHN ELLIS, Chair

MICHAEL REICHERT

MIKE AMOS



KELSEY GRAY



MARGARITA PRENTICE

PRESENTED BY:



Amy B. Hunter, WSBA# 23773
Administrator, Communications and Legal Division
Washington State Gambling Commission

NOTICE: RCW 34.05.440(3) provides that within seven (7) days after service of a default order the party against whom it was entered may file a written motion requesting that the order be vacated and stating the grounds relied upon.

WAC 230-17-040(3) requires that motions be served on the parties listed below:

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Communications & Legal Division
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