

Received

JUL 01 2014

Gambling Commission  
Comm. & Legal Division  
STATE OF WASHINGTON  
GAMBLING COMMISSION

Received

JUN 25 2014

Gambling Commission  
Comm. & Legal Division

In the Matter of the Suspension of the License to Conduct Gambling Activities of:	)	
	)	NO. CR 2014-00193
	)	
Gerald H. Sharpe	)	<b>SETTLEMENT ORDER</b>
Edmonds, Washington,	)	
	)	
Licensee.	)	
_____	)	

I.

This Settlement Order is entered into between the Washington State Gambling Commission and Gerald H. Sharpe. Gregory Rosen, Assistant Attorney General, and Melinda Froud, Staff Attorney, represent the Gambling Commission. Gerald H. Sharpe, licensee, represents himself.

II.

The Washington State Gambling Commission issued Gerald H. Sharpe license number 68-02619, authorizing Card Room Employee activity, formerly at Club Hollywood Casino and currently at the Hideaway Casino.

The Commission issued this license, which expires on June 14, 2015, subject to the licensee's compliance with state gambling laws and Commission rules.

III.

The Director issued a Notice of Administrative Charges and Opportunity for an Adjudicative Proceeding to the licensee on May 23, 2014. On June 2, 2014, Commission staff received the licensee's request for a hearing. The following summary of facts and violations were alleged in the Notice of Administrative Charges.

IV.

**SUMMARY:**

On January 22, 2014, Gerald H. Sharpe, a licensed card room employee formerly at Club Hollywood Casino, took \$100. Mr. Sharpe gave a player \$100 in casino chips, and the player gave Mr. Sharpe a \$100 bill in return. Mr. Sharpe took the \$100 bill and placed it into a money clip he took out of his pants pocket. He then placed the money clip with the \$100 bill into his pocket. Mr. Sharpe admitted taking the \$100.

W

## **VIOLATIONS:**

**1) RCW 9.46.075 Denial, suspension, or revocation of certification, 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 he 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: (The following subsections apply.)

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

(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.

**3) RCW 9.46.190 Violations relating to fraud or deceit.**

Any person or association or organization operating any gambling activity who or which, directly or indirectly, shall in the course of such operation: (The following subsections apply.)

(1) Employ any device, scheme, or artifice to defraud;

(3) Engage in any act, practice or course of operation as would operate as a fraud or deceit upon any person;

Shall be guilty of a gross misdemeanor subject to the penalty set forth in RCW 9A.20.021.

**4) 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.

Gerald H. Sharpe admitted to taking \$100 and putting it in his pocket while on duty at Club Hollywood Casino, in violation of RCW 9.46.190. Mr. Sharpe has failed to establish by clear and convincing evidence that he is qualified, as required by RCW 9.46.153(1). As a result, there are grounds to suspend or revoke Gerald Sharpe's license based on RCW 9.46.075(1), and (8), and WAC 230-03-085(1) and (8).

V.

The licensee acknowledges that he has read the Notice of Administrative Charges and understands the facts contained in it. Mr. Sharpe has waived his right to a hearing based on the terms and conditions of this Settlement Order.

1) Gerald H. Sharpe agrees that his license is **suspended for a period of twenty (20) days**, provided that:

- a) **Six (6) days of the suspension shall not be currently served, but shall be deferred for a period of one year** from the date of entry of this Settlement Order, subject to the following: The licensee agrees not to violate the terms of this Settlement Order, or any of Washington's gambling statutes or regulations during the one (1) year term. If the licensee violates this Settlement Order or gambling statutes or regulations, and if the violation is the type that warrants the filing of administrative or criminal charges, then the Director may impose the six-day deferred suspension of the current gambling license and any subsequently acquired gambling licenses.
- b) The parties agree that the Director of the Washington State Gambling Commission, pursuant to this Settlement Order, has discretion to determine whether the licensee has violated any term of this Settlement Order. In the event the Director determines that a violation has occurred, he may suspend the license issued to the licensee, and any subsequently acquired licenses, for up to six days, by mailing or delivering a Notice of Administrative Charges to the licensee. This suspension shall be in addition to any consequences of the new violation. The licensee shall be afforded the opportunity to have an Adjudicative Proceeding, which includes a hearing on the alleged violations.
- c) **The licensee shall serve the remaining fourteen (14) days of this suspension, as follows:**
  - **The suspension period will begin at 8:00 a.m. on June 30, 2014, and runs through July 13, 2014.**
  - **The licensee may resume gambling activities at 8:00 a.m. on July 14, 2014.**
- d) During this period of suspension, the licensee shall not conduct any gambling activities. Mr. Sharpe's suspension does not prevent him from working in any non-gambling activity, such as employment in restaurants located in card rooms.

2) **The signed Settlement Order must be received by Commission staff by June 25, 2014.**  
Please mail to Commission Headquarters at the following address:

Washington State Gambling Commission  
Attention: Communications and Legal Division  
P.O. Box 42400  
Olympia, WA 98504-2400

**Or delivered** (in person or via private courier) to the following address:

Washington State Gambling Commission  
Attention: Communications and Legal Division  
4565 7<sup>th</sup> Avenue SE; Third Floor  
Lacey, WA 98503

Mark Hanes For David Trujillo  
David Trujillo, Director,  
Washington State Gambling Commission

7/1/14  
(Date Signed)

APPROVED FOR ENTRY:  
By his signature, the licensee  
understands and accepts the terms  
and conditions of this Order.

APPROVED AS TO FORM:

Gerald H. Sharpe  
Gerald H. Sharpe (Date)  
Licensee

Gregory Rosen  
Gregory Rosen, WSBA# 15870  
Assistant Attorney General  
Representing the Washington State  
Gambling Commission

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