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

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Gambling Commission
Comm. & Legal Division

In the Matter of the Revocation of the)
Certification to Conduct Gambling Activities of:) NO. CR 2014-00199

Leroy Burrowes)
Spokane Valley, Washington,) **SETTLEMENT ORDER**

Class III Employee.)
_____)

This Settlement Order is entered into between the Washington State Gambling Commission and Leroy Burrowes. Gregory J. Rosen, Assistant Attorney General, and Melinda Froud, Staff Attorney, represent the Gambling Commission. Mr. Burrowes represents himself.

I.

The Washington State Gambling Commission issued Leroy Burrowes certification number 69-32029, authorizing Class III Employee activity,¹ formerly at the Kalispel Northern Quest Casino.

The certification expires on October 24, 2014, and was issued subject to Mr. Burrowes' compliance with state gambling laws and rules.

II.

The Director issued a Notice of Administrative Charges and Opportunity for an Adjudicative Proceeding to the certified employee, on March 6, 2014. The mail was returned and Administrative Charges were re-issued to the new address on March 18, 2014. On April 4, 2014, Commission staff received Mr. Burrowes' request for hearing.

III.

The following summary of facts and violations were alleged in the Notice of Administrative Charges:

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¹ Class III Certification is issued to employees working at Tribal casinos. The certification authorizes similar activities as the Card Room Employee (CRE) license issued to individuals working at commercial house-banked card rooms. By submitting a transfer form and fees, holders of a Class III Certification may convert their certification to a CRE license.

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SUMMARY:

The Kalispel Tribal Gaming Commission revoked Leroy Burrowes' Tribal gaming license after an internal audit found he violated Northern Quest Resort and Casino's complimentary (comps) items procedures for gift cards. The audit found Mr. Burrowes issued seven comps, of which five were converted to gift cards and exchanged for cash.

VIOLATIONS:

1) Section V. C. of the Kalispel Tribal-State Compact.

The State Gaming Agency² may revoke, suspend or deny a State certification under the provisions of RCW 9.46.075, and rules promulgated thereunder, for any reason or reasons it deems to be in the public interest. In addition, these reasons shall include, but shall not be limited to when an applicant or holder of certification or principal of an entity:

V.C.1. is determined to be a person who because of prior activities and habits poses a threat to the effective regulation of gaming or creates or enhances the chances of unfair or illegal practices, methods and activities used in the conduct of the gaming activities permitted pursuant to this compact.

V.C.4 has demonstrated a willful disregard or failed to comply with the requirements of any gaming regulatory authority in any jurisdiction, including offenses that could subject the individual or entity to suspension, revocation or forfeiture of any gaming license.

2) 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 certified employee, 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, she or it is qualified in accordance with the provisions of this chapter.

(10) Has pursued or is pursuing economic gain in an occupational manner or context which is in violation of the criminal or civil public policy of this state if such pursuit creates probable cause to believe that the participation of such person in gambling or related activities would be inimical to the proper operation of an authorized gambling or related activity in this state.

² Washington State Gambling Commission, as referred to in Section II.V. of the Kalispel Tribal-State Compact.

For the purposes of this section, occupational manner or context shall be defined as the systematic planning, administration, management or execution of an activity for financial gain;

3) 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.

(3) Has demonstrated willful disregard for complying with ordinances, statutes, administrative rules, or court orders, whether at the local, state or federal level.

(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; or (d) Habits.

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.

The Kalispel Tribal Gaming Commission revoked Leroy Burrowes Tribal Gaming License after an internal audit found he violated Northern Quest Resort and Casino's complimentary (comps) items procedures as they relate to gift cards. The audit found Mr. Burrowes issued seven comps, of which five were converted to green gift cards and exchanged for cash. As a result, Leroy Burrowes has demonstrated that he poses a threat to the effective regulation of gambling or increases the likelihood of unfair or illegal practices. Mr. Burrowes has failed to establish clearly and convincingly that he is qualified to be certified, in violation of RCW 9.46.153(1). As a result, grounds exist to revoke Leroy Burrowes' Class III certification under the Kalispel Tribal/State Compact, RCW 9.46.075(1), (8), and (10), WAC 230-03-085(1), (3) and (8).

IV.

Leroy Burrowes has waived his right to a hearing based on the terms and conditions of this Settlement Order and further agrees to the following:

1) Leroy Burrowes shall be credited for the time when he was not working as a certified employee, between December 2, 2013, and June 20, 2014, as a period of suspension. This suspension constitutes final resolution of this matter and the certified employee may return to work.

2) **The signed Settlement Order must be received by Commission staff on or before June 30, 2014.**

This document must be mailed 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 7th Avenue SE; Fourth Floor
Lacey, WA 98503



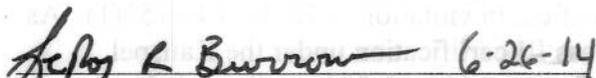
DAVID TRUJILLO, DIRECTOR

7-7-2014

(Date Signed)

By his signature, the licensee
understands and accepts the terms
and conditions of this Order

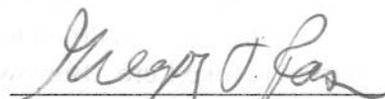
APPROVED FOR ENTRY:



Leroy Burrowes
Certified Employee

6-26-14
(Date)

APPROVED AS TO FORM:



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



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