

**WASHINGTON STATE  
OFFICE OF ADMINISTRATIVE HEARINGS**

In the matter of:

Loyal Order of Moose (LOOM)  
Chapter 01925,

Appellant/Licensee.

License Nos. 02-01636 & 05-03056

Docket No. 12-2019-GMB-00144

**INITIAL ORDER**

Agency: WA State Gambling Commission  
Agency No. 2019-00229

**1. ISSUES:**

- 1.1. Based on the Washington State Gambling Commission 'Notice of Administrative Charges No. 2019-00229', dated December 4, 2019, whether the alleged conduct occurred? If so, did the conduct violate statutes and/or regulation, as asserted?
- 1.2. If so, what penalty should be imposed?

**2. ORDER SUMMARY:**

- 2.1. Based on the Washington State Gambling Commission 'Notice of Administrative Charges No. 2019-00229', dated December 4, 2019:
  - A. The Appellant operated of two sports boards at the same time in the violation of Revised Code of Washington (RCW) 9.46.0335(7). **AFFIRMED**;
  - B. The Appellant failed to protect its assets, in violation of Washington Administrative Code (WAC) 230-07-060(2)(c). **AFFIRMED**;
  - C. The Appellant's failed to properly supervise Gambling personnel, in violation of WAC 230-07-110. **AFFIRMED**;
  - D. The Appellant failed to assist in the Gambling Commission Staff's investigation, in violation of RCW 9.46.153(4). **AFFIRMED**;
  - E. The Appellant did not host an illegal Super Bowl numbers selection party in violation of RCW 9.46.0335(1). **DISMISSED**;
  - F. The Appellant failed to conduct gambling activities properly, in violation of WAC 230-07-060(1). **AFFIRMED**;
  - G. The Appellant did not aid and abet illegal gambling activities in violation of RCW 9.46.180. **DISMISSED**;
  - H. The Appellant's actions pose a threat to the effective regulation of gambling, per WAC 230-03-085(9)(c)&(e). **AFFIRMED**;
  - I. The Appellant has failed to establish, by 'clear and convincing evidence', qualification for licensure, in accordance with RCW 9.46.153. **AFFIRMED**.
- 2.2. The Revocation of the Appellant's License is **APPROPRIATE**.

### 3. EVIDENTIARY HEARING:

- 3.1. Evidentiary Hearing: December 3, 2020 and December 4, 2020
- 3.2. Admin. Law Judge: TJ Martin
- 3.3. Appellant: Loyal Order of Moose Chapter 01925  
(LOOM/Appellant/Licensee)
- 3.3.1. Representative: Ryan Smolinky, Attorney
- 3.3.2. Witnesses: Egon Dezihan, Gambling Commission Special Agent  
Mario Arizmendi, Former LOOM 01925 President  
Robbi Rubio, LOOM 01925 Gambling Manager  
Brandon Schaapman, Current LOOM 01925 President
- 3.4. Agency: Gambling Commission Staff (Commission Staff)
- 3.4.1. Representative: Doug Van de Brake, Assistant Attorney General (AAG)
- 3.4.2. Witnesses: Egon Dezihan, Gambling Commission Special Agent  
Brian Lane, Gambling Commission Special Agent  
Mario Arizmendi, Former LOOM 01925 President  
Bob Isom, Former LOOM Territorial Manager  
Robbi Rubio, LOOM 01925 Gambling Manager  
Timothy Harper, LOOM 01925 Member
- 3.5. Exhibits: Gambling Commission Staff Exhibits 1 through 32 were admitted.  
Loom 01925 did not submit any exhibits for admission into the record.

### 4. FINDINGS OF FACT:

The following facts are established by a 'preponderance of the evidence':

#### ***Jurisdiction-***

- 4.1. On December 4, 2019, the Washington State Gambling Commission Staff filed a 'Notice of Administrative Charges CR 2019-00229' against LOOM.
- 4.2. On December 16, 2019, LOOM, represented by Ryan Smolinsky, Attorney, filed a 'Request for Administrative Hearing'.

[Continued]

### **LOOM Chapter 01925 Background Information-**

- 4.3. The Loyal Order of Moose Chapter 01925 (LOOM) is a private, non-profit, social organization, consisting of over 500 members, operating in Quincy, Washington. *Exhibit (Ex.) 1; Page (Pg.) 5.*
- 4.4. LOOM operates two gambling licenses: License No. 05-03056 authorizing Punchboard/Pull-Tab Activity; and License No. 02-01636 authorizing Raffle Activity. LOOM possessed active licenses for both during the course of the Gambling Commission Staff's investigation. *Testimony of Brian Lane (Testimony of Lane).*
- 4.5. Prior to the Gambling Commission Staff's 2019 investigation, LOOM received several verbal and written warnings and fines due to record-keeping issues, but no previous 'Notice of Administrative Charges'. *Testimony of Lane and Exhibit (Ex.) 28.*

### **LOOM Chain of Command-**

- 4.6. During the Gambling Commission Staff's investigation, Robbi Rubio (Rubio), Gambling & Facility Manager, reported to Ricardo Garces (Garces), Administrator. Garces reported to the LOOM Board of Officers. Mario Arizmendi (Arimendi) served a Governor. *Testimony of Bob Isom (Testimony of Isom) and Testimony of Brandon Schaapman (Testimony of Schaapman).*
- 4.7. As of December 3, 2020, the date of the hearing, Bill Weber, Don Smith, Mike Jones and Brandon Schaapman, serve as LOOM's Board of Officers, with Schaapman serving as President/Governor. Garces is no longer LOOM's Administrator. *Testimony of Isom and Testimony of Schaapman.*

### **Gambling Commission Staff Investigation-**

- 4.8. In January 2019, Kyle Williamson (Williamson) provided the Gambling Commission Staff with information about Ricardo "Ric" Garces (Garces) operating an illegal \$200 per square Super Bowl board in the Quincy, Washington area. *Testimony of Egon Dezihan (Testimony of Dezihan) and Exhibit 1; Pg. 5 and Ex. 21; Pg. 1.*
- 4.9. At a cost of \$200 per square with 100 spaces available, the Super Bowl board was valued at \$20,000. *Testimony of Dezihan.*
- 4.10. At the time, Garces served as LOOM's Administrator and did not have a gambling license. *Testimony of Dezihan.*
- 4.11. Williamson stated to Gambling Commission Staff Specials Agent (Specials Agents) he had purchased three spots from Garces on a \$200 Super Bowl board in 2017 with the activities occurring at the LOOM lodge in Quincy. *Testimony of Dezihan and Ex. 21; Pg. 1.*

- 4.12. Williamson provided the telephone number of the person operating the Super Bowl board. Special Agents determined the telephone number belonged to Garces. *Testimony of Dezihan and Ex. 21.*
- 4.13. On January 22, 2019, Xayasith Maytrychit (Maytrychit) confirmed Garces was operating the \$200 per square Super Bowl board and provided telephone 'screenshots' of the 2019 Super Bowl board. *Testimony of Dezihan and Ex.21; Pg. 2.*
- 4.14. On January 25, 2019, Special Agents met with Maytrychit, who picked out Graces from several Facebook photos as the person operating the \$200 Super Bowl board. *Testimony of Dezihan and Ex. 13; Pg. 1.*
- 4.15. Maytrichit confirmed he attended a numbers selection party for the Super Bowl board, at the LOOM lodge in 2018. He stated the event occurred in the bar, not the banquet area, located in the back. He won the grand prize that year. *Testimony of Dezihan and Ex. 13; Pg. 2.*
- 4.16. On January 30, 2019, Specials Agents interviewed Tim Harper (Harper), a LOOM member, who's name appeared on the 2019 \$200 Super Bowl board. He admitted to purchasing 13 squares for \$2,600. He denied attending any number drawing party at the LOOM lodge. Instead, LOOM Member, Eli Moreno, gave him his numbers. *Testimony of Harper. Testimony of Dezihan and Exs. 11 & 22.*
- 4.17. On January 30, 2019, based on the information from Williamson, Maytrichit, and Harper, Washington State Gambling Staff began an official investigation regarding possible illegal gambling at LOOM. *Testimony of Dezihan and Ex. 1; Pg. 1.*

#### ***Two Sports Boards for the Same Sporting Event-***

- 4.18. On January 30, 2019, Gambling Commission Criminal Investigator Egon Dezihan and Administrative Investigator Brian Lane (Special Agents) went to the LOOM lodge, in Quincy, Washington, to investigate the possible illegal gambling. *Testimony of Dezihan, Testimony of Lane and Ex. 1; Pg. 6.*
- 4.19. Upon entry into the lodge, prior to opening at 12:00 p.m. (noon), Special Agents made contact with Robbi Rubio (Rubio), LOOM's Gambling & Facilities Manager. Rubio served as the primary contact for the Gambling Commission Staff. *Testimony of Dezihan, Testimony of Brian Lane (Testimony of Lane) and Testimony of Robbi Rubio (Testimony of Rubio).*
- 4.20. As Gambling & Facility Manager, Rubio manages LOOM's daily operations, with discretion to hire and fire, make purchases, up to a point. She and Garces have access to LOOM checks. *Testimony of Rubio.*
- 4.21. From 2017 to 2019, she reported to Garces. When he was unavailable, she reported to Mario Arizmendi, LOOM President/Governor. *Testimony of Rubio.*

- 4.22. Rubio has served as LOOM's Gambling Manager since 2011. She received gambling training when she first obtained her license. *Testimony of Rubio.*
- 4.23. Rubio is not related to Garces. *Testimony of Rubio.*
- 4.24. On January 30, 2019, Special Agents observed, in plain view, a completed sports board for the upcoming 2019 Super Bowl behind the bar. *Testimony of Dezihan, Testimony of Lane and Ex. 4.*
- 4.25. The completed sports board did not have the teams listed or the monetary amount for each square. *Testimony of Lane and Ex. 1; Pg. 6.*
- 4.26. On the other side of the completed sports board, Specials Agents observed a partially completed board. *Testimony of Dezihan, Ex. 1; Pg. 6 and Ex. 3.*
- 4.27. Rubio didn't know operating more than one sports board violated gambling rules. *Testimony of Dezihan, Testimony of Lane, Testimony of Rubio and Ex. 1; Pg. 6.*
- 4.28. Rubio asserted squares on both side of the sports boards, cost \$1.00 per square. She denied charging \$5.00 per square. *Testimony of Rubio.*
- 4.29. Rubio purchased squares herself, listed as 'Rob'. *Testimony of Lane, Testimony of Rubio, Ex. 3 and Ex. 5; Pg. 1.*
- 4.30. The Specials Agents noticed a \$14.00 discrepancy between the number of names on the second board and the amount of money collected. They requested Rubio return the money collected from the second sports board. She later returned the money. *Testimony of Lane, Testimony of Rubio and Ex. 1; Pg. 8.*
- 4.31. Rubio denied having any knowledge of a \$200 sports board or any numbers selection party occurring at the LOOM lodge. *Testimony of Dezihan, Testimony of Lane and Testimony of Rubio.*
- 4.32. Rubio allowed the Specials Agents to inspect of the premises. No other sports boards were found. *Testimony of Dezihan and Ex. 1; Pg. 7.*
- 4.33. When questioned about a number selection party, Rubio denied Garces had ever made the request for the banquet room. Anyone wishing to rent the banquet room would have to go through her, as the sole scheduler, to make a reservation and pay a deposit, even LOOM officers. *Testimony of Rubio.*
- 4.34. Records of persons renting the banquet room were kept manually on a calendar. However, the calendar was thrown away at the end of the year. *Testimony of Rubio.*
- 4.35. At the time of the Specials Agents' visit to the LOOM lodge, on January 30, 2019, Rubio's gambling license was expired since May 25, 2017. She renewed it on June 3, 2019. *Testimony of Lane and Ex. 17.*
- 4.36. Rubio alleges she never got notice of her license expiration. *Testimony of Rubio.*

### **Rubio's Failure to Follow GMC Special Agent Directions-**

- 4.37. On January 30, 2019, when the Specials Agents concluded their interview with Rubio, they directed her not to discuss their investigation with anyone. *Testimony of Dezihan, Testimony of Lane and Testimony of Rubio.*
- 4.38. Later, the Gambling Commission obtained search warrants for the telephone records of Rubio and Garces. Based on the records, Rubio called Garces immediately after the Specials Agents left the LOOM lodge, at around 12:30 p.m. *Testimony of Dezihan and Ex. 12; Pg. 1 and Ex. 30; Pg. 3.*
- 4.39. On January 30, 2019, Rubio called Garces but no LOOM Board Members. *Testimony of Dezihan.*
- 4.40. On February 4, 2019, when Special Agents met with Garces, he admitted knowledge of their investigation based on a January 30, 2019 telephone call from Rubio. *Testimony of Dezihan, Testimony of Lane and Ex. 23.*
- 4.41. On February 26, 2019, Special Agents interviewed Rubio a second time. Rubio initially denied calling Garces on January 30, 2019, after the agents left. However, when confronted with the telephone records, Rubio admitted contacting Garces immediately afterward. *Testimony of Dezihan, Testimony of Lane and Ex. 5; Pg. 1-2.*

### **Failure to Timely Provide Requested Information-**

- 4.42. During their second interview with Rubio, on February 26, 2019, Special Agent Lane verbally requested Rubio provide the names and contact information for three persons listed on the two sports boards to confirm they had been repaid. Rubio had until the end of the week to provide the names. *Testimony of Lane, Testimony of Rubio and Ex. 5; Pg. 1.*
- 4.43. On March 12, 2019, when Rubio didn't supply the requested names, Special Agent Lane met Mario Arizmendi (Arizmendi) LOOM President/Governor and Garces' nephew. Arizmendi told the Special Agent that Rubio, as Gambling Manager, takes matters to Garces, not the Board. *Testimony of Lane and Ex. 8; Pg. 1.*
- 4.44. Arizmendi did not turn over the membership list out of fear for violating a LOOM policy. He took the matter to the Board of Officers then went to Bob Isom (Isom), LOOM's Territorial Manager at the time. *Testimony of Arizmendi.*
- 4.45. Arizmendi admitted Rubio had notified him of the Gambling Commission's request for member contact information. However, Arizmendi was waiting for a response back from Isom, as to whether the confidential names could be turned over. After being given the applicable regulations regarding assisting with Gambling Commission investigations, Arizmendi acknowledged he would turn over the names. *Testimony of Lane and Ex. 8; Pg. 1.*

- 4.46. Arizmendi denied knowledge of a second sports board in the bar or any cash shortage. *Testimony of Lane and Ex. 8; Pg. 1.*
- 4.47. Arizmendi denied knowledge of a \$200 Super Bowl board, the Board discussing a \$200 Super Bowl board or the banquet room being used for a Super Bowl numbers selection party. *Testimony of Lane and Ex. 8; Pg. 1.*
- 4.48. Concluding the March 12, 2019 interview, Special Agents requested Arizmendi provide the member names on the sports boards, by the end of the week. He failed to timely provide the names. *Testimony of Lane and Ex. 8; Pg. 2.*
- 4.49. On March 15, 2019, after not hearing back from Arizmendi, Special Agent Lane contacted Bob Isom, LOOM's Territorial Manager. Isom confirmed receiving a call from Garces and another unknown member about turning over the LOOM member numbers. Isom initially requested a subpoena for the names. However, after a discussion regarding assisting the Gambling Commission investigation, Isom agreed to turn over the member names and numbers. *Testimony of Lane and Ex. 9; Pg. 1.*
- 4.50. On March 19, 2019, Isom provided the membership list, after talking to LOOM's Legal Department. *Testimony of Lane, Testimony of Isom, Ex. 9; Pg. 1 and Ex. 10.*

***LOOM Lodge Blank Checks at Garces' Residence-***

- 4.51. On March 25, 2019, Gambling Commission Special Agent obtained a warrant to search Ricardo "Ric" Garces' residence. Specials Agents discovered two blank checks from LOOM, signed by Rubio. However, the blank checks were not made out to any party and did not include an amount. *Testimony of Dezihan and Ex. 20.*
- 4.52. Further examination of bank-keeping records revealed Garces used LOOM money for his own purposes. *Testimony of Dezihan and Ex. 19.*
- 4.53. Don Smith, former LOOM Administrator prior to Garces and current Administrator, acknowledged that an Administrator could only take blank checks home, if he/she was heading to an official LOOM function and instructed to donate the club funds to purchase an item for the club. *Testimony of Ex. 26.*
- 4.54. No evidence showed Garces planned to attend any upcoming LOOM function.
- 4.55. Brandon Schaapman, LOOM's current Governor and Junior Governor at the time of the Gambling Commission Staff's investigation, was not aware of the blank checks uncovered Garces' residence. *Testimony of Schaapman.*

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### **Exceeding Gross Receipts for License-**

- 4.56. The LOOM Board meets twice monthly, which includes looking over gambling proceeds and revenue. *Testimony of Schaapman.*
- 4.57. On May 6, 2019, during the third interview of Rubio, Specials Agents verbally requested gambling-related, income records. Rubio only provided some of the requested records. *Testimony of Dezihan, Testimony of Lane and Ex. 27; Pg. 2.*
- 4.58. On May 19, 2019, after reviewing LOOM records, the Gambling Commission notified LOOM it had exceeded gross receipts for its Class C Gambling License. *Testimony of Lane and Ex. 16.*
- 4.59. Now, due to a change in gambling regulations, charges on receipts are adjusted automatically and no longer based on any 'class of licenses'. *Testimony of Lane.*
- 4.60. During their investigation, Specials Agents also observed incorrect or inaccurate reporting in LOOM's pull-tab account. *Testimony of Lane and Ex. 18.*

### **Illegal \$200 Super Bowl Board-**

- 4.61. During the Specials Agents' second interview with Rubio, on February 26, 2019, she again denied any knowledge of any \$200 Super Bowl board or reserving the banquet room for a Super Bowl numbers selection party. *Testimony of Lane and Ex. 5; Pg. 1.*
- 4.62. On that same day, Specials Agents interviewed LOOM Bartenders, Megan Benedict and Emmalee Lindberg. Both were not aware operating two sports boards for the same event was illegal. Neither had gambling licenses. Both denied knowledge of any \$200 Super Bowl board. *Testimony of Lane and Ex. 5; Pg. 2 (same as Ex. 6).*
- 4.63. Lindberg admitted to overhearing Ric Garces, Baldamar Garces, Bill Weber and Russ Lytle, LOOM members, discussing another sports board, but did not have any further information. *Testimony of Lane and Ex. 5; Pg. 2.*
- 4.64. Lindberg did recall hearing LOOM Member Jeremiah Greggs say he wished he had gotten in on the Super Bowl board. *Ex. 7.*
- 4.65. On March 19, 2019, during the Special Agent's interview of Isom, he had heard about a large Super Bowl board, back in 2017, being run by Garces. At that time, he told members such a board was illegal and could not be inside the lodge. He could not recall the date of the 2017 meeting. *Testimony of Lane and Ex. 9; Pg. 1.*
- 4.66. On March 25, 2019, the Gambling Commission obtained a search warrant for the work cellphone of Ricardo Garces. From Garces' work phone, Special Agents retrieved photographs of two Super Bowl boards. *Testimony of Dezihan and Ex. 11.*



- 4.67. After receiving the LOOM member names from Isom, Specials Agents compared member names with names on the 2018 Super Bowl board. At least half a dozen names belonged to LOOM members. *Testimony of Lane.*
- 4.68. On April 9, 2019, Gambling Commission Special Agents met with Schaapman, LOOM's Junior Governor and now, Governor. Schaapman acknowledged knowing about Garces' \$200 Super Bowl board. When offered a spot on the board, Schaapman declined due to Garces taking a 'cut' of the board. Schaapman was aware Garces held his numbers selection party in January, around his birthday (January 19<sup>th</sup>) in the banquet room. Schaapman voiced his concern about Garces' activities since he was the Board-appointed LOOM Administrator at that time. *Testimony of Lane, Testimony of Schaapman, Ex. 14; Pg. 1 and Ex. 24.*
- 4.69. Schaapman believed it was common knowledge for club members, including all trustees and officers, to have heard about Garces' Super Bowl board. However, LOOM was not associated or involved with Garces' board. *Testimony of Lane, Ex. 14; Pg. 1 and Ex. 24; Pg. 1.*
- 4.70. Schaapman confirmed around 2016 or 2017, Isom visited the LOOM and warned about no illegal sports board should be operated at the LOOM. *Testimony of Lane, Testimony of Schaapman and Ex. 14; Pg. 1, Ex. 24; Pg. 1.*
- 4.71. Isom met with Garces during his 2017 visit and told him to cease immediately illegal sports boards or else he would be removed as Administrator. *Testimony of Isom.*
- 4.72. Schaapman also believed Garces used LOOM money for personal expenditures, using organization checks. *Testimony of Lane, Ex. 14; Pg. 2 and Ex. 19.*
- 4.73. Schaapman believe Rubio, and her husband, Julian Rubio, were participating on the Super Bowl board and had done so in the past. *Testimony of Lane and Ex. 14; Pg. 2 and Ex. 24; Pg. 2.*
- 4.74. Schaapman also believed Mario Arizmendi, then LOOM Governor, also knew about Garces' Super Bowl board. *Testimony of Lane, Ex. 14; Pg. 2 and Ex. 24.*
- 4.75. Schaapman did not have any direct knowledge of Garces' Super Bowl board, only indirectly from other members. *Testimony of Lane and Ex. 14; Pg. 2 and Ex. 24; Pg. 1.*
- 4.76. Schaapman believed Garces had influenced Rubio and Arizmendi so what they told Gambling Commission investigators was not truthful. *Ex. 24; Pg. 2.*
- 4.77. Based on the present investigation, Garces was asked to resign in lieu of termination. Don Smith returned to serve as the LOOM Administrator. *Testimony of Schaapman.*

- 4.78. On April 23, 2019, Special Agents interviewed Mike Jones (Jones), a LOOM Board of Trustee for the past 10-12 years. Jones did not have any firsthand knowledge about Garces' \$200 Super Bowl board. *Ex. 25; Pg. 1-2.*
- 4.79. Jones admitted to requesting Rubio provide the banquet reservation record to confirm if Garces had rented the room for a numbers selection party. However, Rubio said any reservation is put on a calendar, but thrown away. *Ex. 25; Pg. 2.*
- 4.80. On April 23, 2019, Specials Agents also met with Don Smith (Smith), former Administrator until 2015 and now current Administrator. Smith denied knowledge of any illegal sports board operating at LOOM. *Ex. 26.*
- 4.81. Smith acknowledged the Gambling Manager is responsible for rental or reservations at the LOOM facility, which would have been Rubio. *Ex. 26.*
- 4.82. On May 6, 2019, Specials Agents met with Bill Weber (Weber), who has been a LOOM member for 50 years and Board of Trustee Member for 25 years. Weber admitted he was not aware it was illegal to operate two sports boards. Weber denied any knowledge of a \$200 Super Bowl board. *Ex. 15.*
- 4.83. On May 6, 2019, Special Agents interviewed Rubio a third time. Rubio denied she or any of her family members had ever participated in a \$200 Super Bowl board or knowing anyone who did. *Testimony of Dezihan, Testimony of Lane and Ex. 27; Pg. 1-2.*
- 4.84. However, at that time, Special Agent Dezihan provided Rubio with a copy of the 2018 \$20,000 Super Bowl board. Rubio denied recognizing any of the names or initials on the board, including 'Robbi' on Spot #23. Rubio admitted it was 'unusual' someone was on the board had the same exact name spelling as hers. *Testimony of Lane and Ex. 27; Pg. 1.*
- 4.85. On July 15, 2019, Specials Agents again met with Rubio as a part of obtaining membership records and applications to match member signatures on Garces' 2018 Super Bowl board. Rubio told the officers once member names are placed in the computer system, their applications are discarded. *Ex. 32.*
- 4.86. On July 15, 2019, Gambling Commission Special Agent Brian Lane sent a request to LOOM requesting the information regarding certain LOOM members of interest, as a part of Gambling Commission's investigation. *Ex. 29.*
- 4.87. Tim Harper (Harper), a member who's name appeared on the 2019 Super Bowl board, met with Special Agents. Harper held a Cardroom Gambling License, but was not working in the industry. *Testimony of Harper.*
- 4.88. Harper did not know Garces. Harper confirmed the numbers selection party usually occurred the Saturday before the Super Bowl. Harper never saw the board. *Testimony of Harper.*

- 4.89. In 2016, the selection party had occurred at a local Quincy farm. At least one number selection party occurred at the LOOM, but he did not attend. *Testimony of Harper, Testimony of Dezihan and Ex. 22; Pg. 2.*
- 4.90. The \$200 Super Bowl board was operated from 2016-2019. *Testimony of Harper.*
- 4.91. Harper acknowledged participating the \$200 Super Bowl sport board for the previous several years, but denied knowledge who operated the board. *Testimony of Dezihan and Ex. 22; Pg. 1.*
- 4.92. Harper acknowledge only \$19,000, out of a possible \$20,000, was paid out. He speculated the sports board operator likely pocketed \$1,000 for expenses. *Testimony of Dezihan and Ex. 22; Pg. 2.*
- 4.93. Garces was assisted by Eli Moreno and Rudy Varcissi (sp), who solicited people in January 2019 to participate in the \$200 Super Bowl board. *Testimony of Dezihan.*
- 4.94. Specials Agents believed many LOOM members were not being straightforward or truthful during its investigation, with the exception of Schaapman. *Testimony of Dezihan and Testimony of Lane.*
- 4.95. "Our investigation did not find specific evidence the Garces' illegal sport board was operated or authorized by the Quincy Moose Club." *Ex. 1; Pg. 5, Paragraph 4.*
- 4.96. The investigation regarding Garces' \$200 Super Bowl board was turned over to Douglas and Grant County Prosecutors. Rubio's matter was turned over for Gambling License revocation. *Testimony of Dezihan.*
- 4.97. Richard Garces did not testify at the evidentiary hearing.
- 4.98. At the hearing, Gambling Commission Staff called Eli Moreno (Moreno) as a witness. Moreno refused to testify without an attorney, but had not retained one.

***Gambling Commission Staff Recommends Administrative Charges-***

- 4.99. Based on their investigation, Gambling Commission Staff Special Agents recommended administrative charges against LOOM. *Testimony of Lane and Ex. 1.*
- 4.100. On December 4, 2019, the Washington State Gambling Commission Staff filed a 'Notice of Administrative Charges' against LOOM, alleging eight violations and requested revocation of its Punchboard/Pull-Tab License No. 05-03056 and Raffle Activity License No. 02-01636.

[Continued]

## 5. CONCLUSIONS OF LAW:

Based upon the above 'Findings of Fact', the following 'Conclusions of Law' are made:

### ***Jurisdiction-***

5.1. The Office of Administrative Hearings (OAH) has jurisdiction over the persons and subject matter of this case under RCW 9.46.140(2)&(4), WAC 230-17-025 and Chapters 34.05 and 34.12 RCW.

### ***Gambling Commission's Enforcement of Gaming Rules & Regulations-***

5.2. RCW 9.46.010 establishes:

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.

RCW 9.46.010.

5.3. RCW 9.46.040 authorizes the Washington State Gambling Commission to enforce the rules and regulations relating to gambling activities in the State of Washington.

### ***Burden of Proof-***

5.4. The burden of proof is on the Gambling Commission Staff to prove the administrative charges by a 'preponderance of the evidence'. However, this burden shifts to the Appellant/Licensee when required to establish by 'clear and convincing evidence', it is qualified for licensure, consistent with RCW 9.46.153(1).

5.5. A 'preponderance of the evidence' is evidence which, when fairly considered, produces the stronger impression, has the greater weight, and is more convincing as to its truth when weighed against the evidence in opposition thereto. *Yamamoto v. Puget Sound Lbr. Co.*, 84 Wash. 411, 146 Pac. 861 (1915).

### ***Refusal of Eli Moreno to Testify-***

5.6. At the hearing, the Gambling Commission Staff called Eli Moreno as a witness. Moreno appeared, but refused to answer questions without legal counsel. He had not retained an attorney for the hearing.

5.7. While the Commission Staff issued a subpoena to Moreno, he is not compelled to testify without a Superior Court order, in accordance RCW 9.46.140(3)

5.8. Under the Administrative Procedures Act (A.P.A.), subpoenas require enforceability through Superior Court. RCW 34.05.446(5) and RCW 34.05.588.

5.9. This administrative tribunal offered to keep the record open to allow Commission Staff to obtain a Court order to compel Moreno. The Commission Staff declined.

### ***GMB Allegations of Eight Violations-***

In the Washington State Gambling Commission 'Notice of Administrative Charges No. 2019-00229', dated December 4, 2019, the Gambling Commission Staff alleged LOOM committed eight violations of Gambling laws and regulations including:

- A. Operation of Multiple Sports Boards in Violation of RCW 9.46.0335(7);
- B. Failure to protect assets, as required by WAC 230-07-060(2)(c);
- C. Failure to Properly Supervise Gambling Personnel, as required by WAC 230-07-110;
- D. Failure to Assist in a Gambling Commission Investigation in violation of RCW 9.46.153(4);
- E. Hosting a Selection Party for a \$200 per square Super Bowl Board in violation of RCW 9.46.0335(1);
- F. Failure to conduct Gambling Activities properly, in accordance with WAC 230-07-060(1);
- G. Aiding and Abetting Illegal Gambling in violation of RCW 9.46.180; and
- H. Posing a threat to Effective Regulation of Gambling, in accordance with WAC 230-03-085(9)(c)&(e).

Based on the eight, alleged violations, the Gambling Commission Staff contends LOOM cannot provide by 'clear and convincing evidence', it is qualified for licensure, as required by RCW 9.46.153(1). As a result, LOOM's Punchboard/Pull-Tab License and Raffle License are subject to revocation, based on RCW 9.46.075(1),(2),(5),(7)&(8) and WAC 230-03-085(1),(3),(8) & (9).

#### ***A. Operation of Multiple Sports Board for the Same Event-***

5.10. The Gambling Commission Staff contends LOOM operated more than one Super Bowl board at the same time, in violation of RCW 9.46.0335(7).

5.11. Washington State gambling laws and regulations require:

Charitable or nonprofit organizations and their officers or board of directors have an affirmative responsibility to conduct gambling activities according to the legislative intent in chapter 9.46 RCW.

WAC 230-07-060.

5.11. RCW 9.46.0335(7) prohibits conducting more than one sports pool on the same athletic event.

5.12. In the present case, the Gambling Commission Staff has established on January 30, 2019, Specials Agents Dezihan and Lane observed, in plain view, two Super Bowl boards inside the LOOM lodge in Quincy, Washington. The Appellant does not dispute the two boards violated RCW 9.46.0335(7).

- 5.13. When the presence of the two sports boards was brought to the attention of the Appellant's licensed Gambling Manager, Robbi Rubio, she was unaware the two boards violated any Gambling regulations.
- 5.14. However, as RCW 9.46.153(1) provides, it is the responsibility of any gambling licensee to know the laws and regulations as it relates to gaming activities at a licensed premise.
- 5.15. Further, WAC 230-07-115(1) requires nonprofit gambling managers to be knowledgeable of the laws and rules relating to the gambling activities.
- 5.16. Here, Rubio has held a Gambling License since 2011, failure to be familiar with Gambling laws and regulations is not a plausible defense from the violation.
- 5.17. Therefore, the Appellant's operation of two Super Bowl boards at the same time resulted in the violation of RCW 9.46.0335(7) being **AFFIRMED**.

**B. Failure to Protect Assets-**

5.18. The Gambling Commission Staff contends the Appellant failed to protect assets from misuse and/or embezzlement in violation of WAC 230-07-060(2)(c).

5.19. WAC 230-07-060(1) establishes:

Charitable or nonprofit organizations and their officers or board of directors have an affirmative responsibility to conduct gambling activities according to the legislative intent in chapter 9.46 RCW.

WAC 230-07-060(1).

5.20. Further, WAC 230-07-060(2)(c) requires:

(2) Organizations must develop and maintain an independent management control system that ensures they:

(c) Protect all assets of the organization from misuse or embezzlement;

WAC 230-07-060(2)(c).

5.21. In the present case, the Gambling Commission Staff has established the LOOM Administrator, Ricardo "Ric" Garces, possessed blank checks at his residence belonging to the Appellant and made purchases using LOOM funds for his personal use. The Appellant was unaware of Garces' actions, including possession of LOOM blank checks.

5.22. The lack of awareness by the Appellant, in particular, its Board of Officers, and their failure to be aware of its Administrator, Ricardo "Ric" Garces' action placed the Appellant in the precarious position of being unable to protect its assets from misuse and embezzlement.

5.23. As a result, the Appellant's failure to be aware of Ricardo "Ric" Garces' actions including possession of LOOM blank checks and using LOOM funds for personal use, the Appellant failed to protect its assets from misuse and/or embezzlement. Therefore, the Appellant's violation of WAC 230-07-060(2)(c) is **AFFIRMED**.

**C. Failure to Properly Supervise Gambling Personnel-**

5.24. The Gambling Commission Staff contends the Appellant failed to properly supervise Gambling personnel, including its Administrator, Ricardo "Ric" Garces, and its Gambling Manager, Robbi Rubio, in violation of WAC 230-07-110.

5.25. WAC 230-07-110 requires:

Charitable or nonprofit organizations must closely supervise all persons involved with the conduct of gambling activities to ensure that they follow all gambling laws and rules.

WAC 230-07-110.

5.26. In the present case, the Gambling Commission Staff has established, which the Appellant did not refute: (A) Appellant's Gambling Manager, Robbi Rubio served as the Appellant's Gambling Manger for two years, from 2017 to 2019, with an expired Gambling License; (B) Operation of two sports board for the same event; and (C) Exceeding Pull-tab License limits.

(A) Rubio's Expired Gambling License- The Appellant did not dispute its Gambling Manager, Robbi Rubio, worked for the Appellant for two years, from 2017 to 2019, with an expired Gambling License. Rubio contends she never received notice of her license expiration from the Gambling Commission. However, the burden falls on a licensee to ensure he/she maintains the qualifications for license, including maintaining an active Gambling license, as required by RCW 9.46.153(1). Ms. Rubio failed to do so nor appraise the Board of the situation;

(B) Operation of Two Sports Boards for the Same Event- As discussed in the previous section, the Appellant did not dispute it operated two sports board for the same event, in violation of RCW 9.46.0335(7); and

(C) Exceeding Pull-tab License Limits- The Gambling Commission Staff has established, which the Appellant did not refute, that based on the Appellant's records, reviewed on May 19, 2019, the Appellant exceeded its gross receipts for its Class C Gambling License. At the hearing, the Appellant, including several its Board of Officers, was not aware of the situation.

[Continued]

5.27. While the Appellant's Board of Officers met twice monthly, it failed to be briefed by its Board-appointed Administrator and made aware of Rubio's Gambling license expiration, operation of two sports boards for the same event and exceeding its Pull-Tab License Limits. While these problems may have been attributable to the Gambling Manager and/or Administrator, such lack of information does not negate the Appellant's responsibilities. Therefore, the Appellant's failure to properly supervise Gambling personnel, in violation of WAC 230-07-110, is **AFFIRMED**.

***D. Failure to Assist in a Gambling Commission Investigation-***

5.28. The Gambling Commission Staff alleged the Appellant failed to assist in its investigation, in violation of RCW 9.46.153(4).

5.29. In particular, the Gambling Commission Staff contends the Appellant's Gambling Manager, Robbi Rubio, disregarded an order from Specials Agents. In addition, the Appellant unduly delayed turning over requested member contact information.

5.30. RCW 9.46.153(4) mandates:

All applicants, licensees, persons who are operators or directors thereof and persons who otherwise have a substantial interest therein shall have the continuing duty to provide any assistance or information required by the commission and to investigations conducted by the commission. If, upon issuance of a formal request to answer or produce information, evidence or testimony, any applicant, licensee or officer or director thereof or person with a substantial interest therein, refuses to comply, the applicant or licensee may be denied or revoked by the commission;

RCW 9.46.153(4).

5.31. At the hearing, the Gambling Commission Staff established that on January 30, 2019, upon conclusion of the Specials Agent's interview with the Appellant's Gambling Manager, Robbi Rubio, they directed her not to speak with anyone regarding their on-going investigation.

5.32. However, on January 30, 2019, Rubio called Garces within minutes of the Specials Agents leaving the LOOM lodge, in direct violation of the Gambling Commission Special Agents' order. Rubio's disregard of the Special Agents' directive then tipped off the investigator's primary suspect, Ricard "Ric" Garces.

5.33. On February 4, 2019, when Specials Agents met with Garces, he admitted he knew of the investigation based on Rubio's January 30, 2019 telephone call to him.

[Continued]



- 5.34. On February 26, 2019, with telephone records in hand, the Special Agents confronted Rubio about calling Garces immediately after the agents left on January 30, 2019. Rubio initially denied the allegation, but when showed the telephone records, she admitted to violating the Specials Agents' specific directive.
- 5.35. In addition, as a part of the Gambling Commission Staff's investigation, on February 26, 2019, Specials Agents verbally requested Rubio to supply member names and contact information by the end of the week.
- 5.36. When Rubio did not supply the requested member information, Specials Agents went to Mario Arizmendi, then Governor at the time. Arizmendi did not turn over the requested information, providing he would need to speak with Bob Isom.
- 5.37. Only after contacting Bob Isom, LOOM's Territorial Manager, on March 19, 2019, 22 days after originally requested, the Specials Agents obtained the requested member contact information.
- 5.38. The Appellant contends it was just following its protocol, by ensuring it went through its legal department, before turning over the requested information. The Appellant argues any delay was purely unintentional.
- 5.39. Based on the evidence and testimonies of the parties, the undersigned administrative law judge does not find the Appellant intentionally refused to comply with the Specials Agents' verbal request for information. Rather, a lack of communication appears to have occurred between the Appellant's Gambling Manager, Administrator and the Board of Officers regarding the urgency of the Gambling Commission Staff's request and the resulting delay. In addition, the Appellant's failure to keep the Specials Agents apprised of the reason for the delay, in seeking advice from its legal department, also perpetuated the delay.
- 5.40. However, while the Gambling Commission Staff has not established the Appellant refused to comply, due to its 22-day delay, providing the requested for member contact information, it has established the Appellant's Gambling Manger, Robbi Rubio, intently violated Gambling Commission Staff Special Agents' directive not to speak with anyone regarding their investigation. Not only did Rubio violate the order on January 30, 2019, by calling Garces, she then attempted to be untruthful with Special Agents when confronted with the telephone records demonstrating she did exactly what they told her not to.
- 5.41. As a result, the Gambling Commission Staff has established, which the Appellant did not refute, its Gambling Manager, Robbi Rubio, defied a direct order from Specials Agents and then attempted to be untruthful about her actions afterward.

5.42. Therefore, the Gambling Commission Staff has established the Appellant, through Rubio's actions of violating a Gambling Commission Staff directive and then attempting to be untruthful about it, failed to assist in its investigation, in violation of RCW 9.46.153(4). The Gambling Commission Staff's violation is **AFFIRMED**.

***E. Hosting an Illegal Super Bowl Selection Party-***

5.43. The Gambling Commission Staff contends the Appellant hosted a Super Bowl Selection party, wherein members were able to purchase \$200 squares for a chance to win up to \$20,000, in violation of RCW 9.46.0335(1).

5.44. RCW 9.46.0335(1) allows sports pools, provided such a 'pool', consists of 100 equal squares and each square is offered for one dollar or less.

5.45. At the hearing, numerous witnesses testified that a \$200 per square Super Bowl numbers selection party occurred at the LOOM lodge sometime between 2016-2019. Yet, when Specials Agents, on January 30, 2019 inspected the lodge, no such Super Bowl board was uncovered.

5.46. Based on the evidence, the Gambling Commission Staff has established, by a 'preponderance of the evidence' (more likely than not), that between 2016 to 2019, Ricardo "Ric" Garces held at least one Super Bowl numbers selection party at the LOOM lodge.

5.47. However, the Gambling Commission Staff has failed to establish the Appellant, LOOM, was responsible for hosting the party, rather than by Garces on his own, outside of his Administrator authority. No evidence was presented establishing the party was authorized by the Appellant.

5.48. Notably, Gambling Commission Special Agent Brian Lane, in his 'Case Report', acknowledged, "Our investigation did not find specific evidence the Garces' illegal sport board was operated or authorized by the Quincy Moose Club." *Ex. 1; Pg. 5, Paragraph 4.*

5.49. As a result, the Gambling Commission Staff has not established the Appellant hosted an illegal Super Bowl numbers selection party in violation of RCW 9.46.0335(1). Therefore, the Gambling Commission Staff's allegation is **DISMISSED**.

***F. Failure to conduct Gambling Activities properly-***

5.50. The Gambling Commission Staff contends the Appellant failed to uphold its responsibility to conduct gambling activities properly by allowing Garces to hold an illegal Super Bowl numbers selection party at its licensed location, in violation of WAC 230-07-060(1).

[Continued]

5.51. WAC 230-07-060(1) establishes: Charitable or nonprofit organizations and their officers or board of directors have an affirmative responsibility to conduct gambling activities according to the legislative intent in chapter 9.46 RCW.

WAC 230-07-060(1).

5.52. Based on the evidence and testimony, the Gambling Commission Staff has established, by a 'preponderance of the evidence', that between 2016-2019, Garces, on his own, held at least one Super Bowl numbers selection party at the Appellant's licensed facility.

5.53. The Appellant did not necessarily refute Garces held such a party, only that he did so outside the scope of his work as the Appellant's Administrator.

5.54. However, despite Garces holding the party, outside the scope of his work as the Appellant's Administrator, such activities does not absolve the Appellant from policing such activities in its licensed facility and prevent such illegal activities from occurring on the premise.

5.55. Therefore, the Gambling Commission Staff has established the Appellant failed to uphold its responsibility to conduct gambling activities properly by allowing Garces to hold an illegal Super Bowl number selection party at its licensed location, in violation of WAC 230-07-060(1). The Gambling Commission Staff violation is **AFFIRMED**.

### ***G. Aiding and Abetting Illegal Gambling-***

5.56. The Gambling Commission Staff contends the Appellant aided and abetted an illegal gambling operation. Namely, the members of the Appellant's organization untruthfully denied knowledge of Garces' \$200 Super Bowl sports board in violation of RCW 9.46.180.

5.57. RCW 9.46.180 provides:

Any person who knowingly causes, aids, abets, or conspires with another to cause any person to violate any provision of this chapter shall be guilty of a class B felony subject to the penalty in RCW 9A.20.021.

RCW 9.46.180.

5.58. In the present case, according to current President/Governor, Brandon Schaapman, it was 'common knowledge' among members regarding Garces operating an illegal Super Bowl board. In fact, numerous members participated in the annual event, despite LOOM's Territorial Manager, Bob Isom, in 2016 or 2017, notifying the Board of Officers and members about the illegality of such a board.

[Continued]

- 5.59. Despite Isom's warning, members continued to place money on Garces' board. Upon reviewing the 2018 Super Bowl board, Specials Agents were able to determine at least half a dozen names on the board belonged to LOOM members.
- 5.60. Further, LOOM Gambling Manager, Robbi Rubio, when questioned about 'Robbi' appearing on the 2018 board, at 'spot #23, acknowledged it was 'unusual' that someone spelled her name the same exact way as hers' on Garces' sport board.
- 5.61. Based on the Gambling Commission Staff's investigation, Specials Agents believed most of the members interviewed were not truthful or straightforward regarding their lack of knowledge about Garces' Super Bowl board.
- 5.62. However, Gambling Commission Staff Specials Agents were unable to provide direct evidence of such untruthfulness among the Appellant's members.
- 5.63. Therefore, the Gambling Commission Staff has failed to establish, by a 'preponderance of the evidence', the Appellant aided and abetted illegal gambling activities in violation of RCW 9.46.180. The Gambling Commission Staff's violation is **DISMISSED**.

#### ***H. Posed a threat to Effective Regulation of Gambling-***

- 5.64. The Gambling Commission Staff contends the Appellant has the reputation and habits which pose a threat to the effective regulation of gambling, identified by WAC 230-03-085(9)(c)&(e).
- 5.65. WAC 230-03-085 authorizes the Gambling Commission Staff to revoke a license if such a licensee 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 reputation or associations.
- 5.66. In the present case, the Gambling Commission Staff has established, by a 'preponderance of the evidence', the Appellant allowed Garces to hold at least one illegal Super Bowl numbers selection party at its facility, allowed Garces to continue to serve as its Administrator, despite it being 'common knowledge' he operated an illegal sports board, as well as employed a Gambling Manager, who violated Special Agents' orders then attempted to be untruthful about it later.
- 5.67. Further, numerous Appellant members knew of the illegal sports board, but when questioned by Gambling Commission Staff Special Agents, either denied knowing about it or denied such illegal activities occurred at the Appellant's facility. A similar denial by members well-aware of the Gambling Commission's investigation.
- 5.68. In addition, when Specials Agents conducted their investigation, records and information were either not kept, such a banquet reservation documents, or delayed in arriving, such as member contact information.

5.69. Based on the above-cited 'Findings of Fact' and 'Conclusions of Law', the Gambling Commission Staff has established, by a 'preponderance of the evidence', the Appellant's actions pose 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 in violation of WAC 230-03-085(9)(c)&(e). The Gambling Commission Staff's violation is **AFFIRMED**.

***I. Failure to Prove 'Clear and Convincing Evidence' of Licensure-***

5.70. The Gambling Commission Staff contends the Appellant cannot prove by 'clear and convincing evidence' that it is qualified for licensure, as required by RCW 9.46.153(1).

5.71. RCW 9.46.153 establishes:

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;

RCW 9.46.153.

5.72. In the present case, the Gambling Commission Staff has established that prior to the present 'Notice of Administrative Charges', the Appellant received several verbal and written warnings and fines due to record-keeping issues.

5.73. Based on the evidence regarding the 'Notice of Administrative Charges', the Gambling Commission has established the Appellant: (1) Operated multiple sports board in violation of RCW 9.46.0335(7); (2) Failed to protect its assets from misuse and/or embezzlement, as required by WAC 230-07-060(2)(c); (3) Failed to properly supervise gambling personnel, as required by WAC 230-07-100; (4) Failed to assist in the Gambling Commission Staff's investigation in violation of RCW 9.46.153(4); (5) Failed to conduct gambling activities in accordance with WAC 230-007-060(1); and (5) Posed a threat to the effective regulation of gambling, in accordance with WAC 230-03-085(9)(c)&(e).

5.74. As a result, the Appellant has failed to establish, by 'clear and convincing evidence', qualification for licensure, in accordance with RCW 9.46.153. As a result, the Gambling Commission Staff's violation is **AFFIRMED**.

[Continued]

## **Revocation of Licensure-**

- 5.75. The Gambling Commission Staff argues license revocation is the appropriate sanction, based on the above-cited violations.
- 5.76. RCW 9.46.075(1), (2),(5),(7)&(8) authorizes the revocation of licensure for violations of Chapter 9.46 rules, knowingly causes, aids or abets a violation of gambling laws, fails to produce requested documents, makes a misrepresentation of fact or fails to disclose a material fact and/or fails to prove by 'clear and convincing evidence' qualification for licensure.
- 5.77. Further, WAC 230-03-085 authorizes revocation based on, in relevant part:
- (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) 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; or
  - (9) 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.
- 5.78. In the present case, based on the above-cited 'Findings of Fact' and 'Conclusions of Law', the Gambling Commission Staff's recommendation for license revocation is **APPROPRIATE**.

## **6. INITIAL ORDER:**

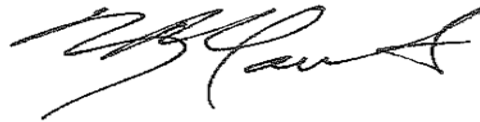
### **THIS ADMINISTRATIVE TRIBUNAL ORDERS;**

- 6.1. Based on the Washington State Gambling Commission 'Notice of Administrative Charges No. 2019-00229', dated December 4, 2019:
- A. The Appellant operated of two sports boards at the same time in the violation of RCW 9.46.0335(7). **AFFIRMED**;
  - B. The Appellant failed to protect its assets from misuse and/or embezzlement, in violation of WAC 230-07-060(2)(c). **AFFIRMED**;
  - C. The Appellant's failed to properly supervise Gambling personnel, in violation of WAC 230-07-110. **AFFIRMED**;
  - D. The Appellant failed to assist in the Gambling Commission Staff's investigation, in violation of RCW 9.46.153(4). **AFFIRMED**;
  - E. The Appellant did not host an illegal Super Bowl numbers selection party in violation of RCW 9.46.0335(1). **DISMISSED**;

- F. The Appellant failed to conduct gambling activities properly, in violation of WAC 230-07-060(1). **AFFIRMED**;
- G. The Appellant did not aid and abet illegal gambling activities in violation of RCW 9.46.180. **DISMISSED**;
- H. The Appellant's actions pose a threat to the effective regulation of gambling, as per WAC 230-03-085(9)(c)&(e). **AFFIRMED**;
- I. The Appellant has failed to establish, by 'clear and convincing evidence', qualification for licensure, in accordance with RCW 9.46.153. **AFFIRMED**.

6.2. Revocation of the Appellant's License is **APPROPRIATE**.

Issued from Tacoma, Washington on the date of mailing.



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TJ Martin  
Administrative Law Judge  
Office of Administrative Hearings

**CERTIFICATE OF SERVICE ATTACHED**

## PETITION FOR REVIEW

Any party to this proceeding may file a Petition for Review of this initial order. The written petition for review must be mailed to the Washington State Gambling Commission at:

Washington State Gambling Commission  
PO Box 42400  
Olympia, WA 98504

The petition for review must be received by the Commission **within twenty (20) days from the date this initial order was mailed to the parties**. A copy of the petition for review must be sent to all parties of record. The petition for review must specify the portions of the initial order with which the party disagrees, and must refer to the evidence in the record which supports the party's position. The other party's reply must be received at the address above, and served on all parties of record, within thirty (30) days from the date the petition for review was mailed. **(Emphasis Added)**.

Any party may file a cross appeal. Parties must file cross appeals with the Washington State Gambling Commission within ten days of the date the petition for review was filed with the Washington State Gambling Commission. Copies of the petition or cross appeal must be served on all other parties or their representatives at the time the petition or appeal is filed.



**CERTIFICATE OF SERVICE FOR OAH DOCKET NO. 12-2019-GMB-00144**

I certify that true copies of this document were served from Tacoma, Washington via Consolidated Mail Services upon the following as indicated:

LOOM 01925 c/o Ryan Smolinky, Overcast Law Offices, PS 23 S Wenatchee Ave, Suite 320 Wenatchee, WA 98801 <b><i>Appellant</i></b>	<input checked="" type="checkbox"/> First Class Mail <input type="checkbox"/> Certified Mail, Return Receipt <input type="checkbox"/> Hand Delivery via Messenger <input type="checkbox"/> Campus Mail <input type="checkbox"/> Facsimile <input type="checkbox"/> E-mail
Ryan Smolinky Overcast Law Offices, PS 23 S Wenatchee Ave, Suite 320 Wenatchee, WA 98801 <b><i>Appellant Representative</i></b>	<input checked="" type="checkbox"/> First Class Mail <input type="checkbox"/> Certified Mail, Return Receipt <input type="checkbox"/> Hand Delivery via Messenger <input type="checkbox"/> Campus Mail <input type="checkbox"/> Facsimile <input type="checkbox"/> E-mail:
Doug Van de Brake, AAG Office of the Attorney General MS: 40100 PO Box 40100 Olympia, WA 98504 <b><i>Agency Representative</i></b>	<input type="checkbox"/> First Class Mail <input type="checkbox"/> Certified Mail, Return Receipt <input type="checkbox"/> Hand Delivery via Messenger <input type="checkbox"/> Campus Mail <input type="checkbox"/> Facsimile <input checked="" type="checkbox"/> E-mail: <a href="mailto:Doug.VandeBrake@atg.wa.gov">Doug.VandeBrake@atg.wa.gov</a> <a href="mailto:jordan.nimon@atg.wa.gov">jordan.nimon@atg.wa.gov</a> <a href="mailto:gceef@atg.wa.gov">gceef@atg.wa.gov</a>
Ashlie Laydon Washington State Gambling Commission MS: 42400 PO Box 42400 Olympia, WA 98504 <b><i>Agency Contact</i></b>	<input type="checkbox"/> First Class Mail <input type="checkbox"/> Certified Mail, Return Receipt <input type="checkbox"/> Hand Delivery via Messenger <input checked="" type="checkbox"/> Campus Mail <input type="checkbox"/> Facsimile <input type="checkbox"/> E-mail

Date: Wednesday, February 03, 2021

OFFICE OF ADMINISTRATIVE HEARINGS

*Amber Guarnacci*

Amber Guarnacci  
 Legal Assistant 3