

WASHINGTON STATE  
OFFICE OF ADMINISTRATIVE HEARINGS

WSGC  
JAN 16 2020  
RECORDS

In the matter of:

ISCOTDEC,

Appellant.

License No. 02-20815

Docket No. 12-2019-GMB-00142

**INITIAL ORDER**

Agency: Washington State Gambling  
Commission

Program: License Fees & Reports

Agency No. CR 2019-02109

**1. ISSUES**

- 1.1. Did The Imperial Sovereign Court of Tacoma, Diamond Empire of the Cascades (ISCOTDEC) fail to submit quarterly license reports and quarterly license fees for the third quarter of 2019 by the due date of October 30, 2019, or by the additional 30-day late reporting deadline of November 30, 2019, in violation of WAC 230-05-124 and WAC 230-05-132(1)?
- 1.2. Is the Commission authorized to suspend ISCOTDEC's license pursuant to RCW 9.46.075(1) and WAC 230-03-085(1) and (5)?

**2. ORDER SUMMARY**

- 2.1. The Washington State Gambling Commission's Notice of Administrative Charges, CR 2019-02109, is **AFFIRMED**.
- 2.2. ISCOTDEC failed to submit a quarterly license fee and quarterly license report to the Gambling Commission for the third quarter of 2019, in violation of WAC 230-05-124 and WAC 230-05-132(1).
- 2.3. ISCOTDEC License No. 02-20815 is **SUSPENDED** in accordance with RCW 9.46.075(1) and WAC 230-03-085(1) and (5).
- 2.4. ISCOTDEC is liable for 3.380% of its gross gambling receipts for the third quarter of 2019 and for the late filing fee of \$750.
- 2.5. The license will remain suspended until ISCOTDEC submits the outstanding quarterly license fee and license report to the Gambling Commission for the third quarter of 2019, including the payment of any additional costs associated with the collection of the fee, in accordance with WAC 230-15-132(4).

**3. HEARING**

- 3.1. Hearing Date: January 9, 2020
- 3.2. Administrative Law Judge: Jane Cantor Shefler

- 3.3. Licensee: The Imperial Sovereign Court of Tacoma,  
Diamond Empire of the Cascades
- 3.3.1. Representative: No one appeared on behalf of the Licensee
- 3.4. Agency: Washington State Gambling Commission
- 3.4.1. Representative: Doug Van de Brake, Assistant Attorney General
- 3.4.2. Witnesses: The Commission did not call any witnesses.
- 3.5. Exhibits: Commission Exhibits 1 – 11 were admitted.
- 3.6. Other: This hearing was conducted as a brief adjudicative proceeding under RCW 34.05.485 and WAC 230-17-150(5).

#### 4. FINDINGS OF FACT

I find the following facts are undisputed:

##### *Jurisdiction*

- 4.1. The Washington State Gambling Commission ("Commission") brought administrative charges, alleging ISCOTDEC ("Licensee"), holder of gambling license No. 02-20815, failed to submit timely submit quarterly license fees and quarterly license reports within 30 days following the end of the third quarter 2019 ("Q3/2019"), which ended September 30, 2019, or within the additional 30-day late filing and payment period.
- 4.2. The Commission served a Notice of Administrative Charges, No. CR 2019-0210, dated December 16, 2019.
- 4.3. The Commission referred the matter to the Office of Administrative Hearings to assign an administrative law judge to conduct a Brief Adjudicative Proceeding as provided under WAC 230-17-150(5).
- 4.4. The Commission served notice of the January 9, 2020 Brief Adjudicative Proceeding on December 16, 2019.
- 4.5. The Licensee did not appear for the hearing. *Hearing Record*.

##### *Failure to Submit Quarterly License Reports and License Fees*

- 4.6. ISCOTDEC is licensed by the Commission to conduct raffle activity under gambling license No. 02-20815. That license expires on June 30, 2020, subject to compliance with state gambling laws and Commission rules. It has no previous material administrative history.
- 4.7. Licensee failed to timely submit its quarterly license fee and quarterly license report within 30 days following the end of the Q3/2019. The fees and report were due no later than October 30, 2019.

- 4.8. Licensee did not submit its quarterly license fee or the quarterly license report during the additional 30-day late filing and payment period following the end of the quarter, which expired November 30, 2019.
- 4.9. Licensee submitted quarterly license fees and reports for the four quarters preceding Q3/2019. Despite the Commission's notifications by email, telephone, and letter via United States Postal Service, Licensee did not submit the quarterly report or fees, if due, for Q3/2019.
- 4.10. On December 16, 2019, based on the Licensee's failure to submit its license fee for Q3/2019, the Commission issued a Notice of Administrative Charges against the Licensee. The Notice assessed a license fee of 3.380% of its raffle gross gambling receipts and a \$750 late filing fee.
- 4.11. As of the date of hearing, December 31, 2019, the Licensee had not paid the license fee or the late fee due for Q3/2019.

## **5. CONCLUSIONS OF LAW**

Based upon the facts above, I make the following conclusions:

### *Jurisdiction*

- 5.1. The undersigned administrative law judge has jurisdiction over the person and subject matter of this case under Chapter 34.05 RCW, Chapter 9.46 RCW and WAC 230-17-151(e).

### *Violations Charged*

- 5.2. ISCOTDEC is an organization licensed by the Commission and subject to reporting requirements and fees.
- 5.3. Beginning July 1, 2018, all organizations licensed by the Commission must submit activity reports quarterly, regardless of whether they previously submitted reports annually, quarterly, or semi-annually, and regardless of when their permit or license year ends. WAC 230-05-102.
- 5.4. The report for the period the June 1, 2019 through September 30, 2019 (Q3/2019) must be received by the Commission no later than October 30, 2019. WAC 230-05-102. Reports must be submitted for any licensed period, even if no gambling activity took place. WAC 230-05-124(6). Quarterly license fees must also be submitted on the same schedule, with the report, if due. WAC 230-05-124.
- 5.5. Licensees are afforded one 30-day filing and payment period after their quarterly license reports and quarterly license fees are due. WAC 230-05-132(2). However, Licensees who do not file their quarterly reports and/or pay quarterly license fees within 30 days from the end of each quarter are in violation of Chapter 230-05 WAC. WAC 230-05-132(1).

5.6. The Commission found Licensee violated the requirements of Chapter 230-05 WAC by failing to timely submit quarterly license fees and reports, under WAC 230-05-132. There is no factual dispute in this matter. Licensee was required to submit quarterly license reports and quarterly license fees if due. The deadline for submitting license reports and fees for the Q3/2019 was October 30, 2019. All of the evidence establishes that ISCOTDEC failed to submit quarterly license reports and quarterly license fees when due on October 30, 2019, or during the thirty-day late filing and payment period. ISCOTDEC violated the requirement to submit quarterly license reports and fees if due. The Commission's finding of responsibility for the violation must be affirmed.

#### *Suspension and Penalty*

- 5.7. RCW 9.46.075(1) authorizes suspension of any license or permit issued by the Commission because of violation of gambling law or regulations.
- 5.8. WAC 230-03-085(5) provides for the suspension of a license when the licensed organization has failed to pay a quarterly license fee or submit a quarterly license report.
- 5.9. Further, WAC 230-03-132(4) makes a suspended party responsible for any late fees and additional costs associated with collection of the fees and costs, before the suspension is lifted or a new license is approved.
- 5.10. The Commission properly suspended ISCOTDEC's gambling license under RCW 9.46.075 and WAC 230-03-085 for failing to file its quarterly license report and fee for the third quarter of 2019. ISCOTDEC's gambling license No. 02-20815 is **suspended**.
- 5.11. ISCOTDEC's gambling license will remain suspended until it submits the outstanding quarterly license fee and license report to the Gambling Commission for the third quarter of 2019, including the payment of any additional costs associated with the collection of the fee, based on WAC 230-15-132(4).

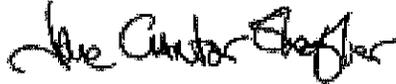
## 6. INITIAL ORDER

IT IS HEREBY ORDERED THAT:

- 6.1. The Washington State Gambling Commission's Notice of Administrative Charges, CR 2019-02109, is **AFFIRMED**.
- 6.2. ISCOTDEC failed to submit a quarterly license fee and quarterly license report to the Gambling Commission for the third quarter of 2019, in violation of WAC 230-05-124 and WAC 230-05-132(1).
- 6.3. ISCOTDEC License No. 02-20815 is **SUSPENDED** in accordance with RCW 9.46.075(1) and WAC 230-03-085(1) and (5).

- 6.4. ISCOTDEC is liable for 3.380% of its gross gambling receipts for the third quarter of 2019 and for the late filing fee of \$750.
- 6.5. The license will remain suspended until ISCOTDEC submits the outstanding quarterly license fee and license report to the Gambling Commission for the third quarter of 2019, including the payment of any additional costs associated with the collection of the fee, in accordance with WAC 230-15-132(4).

Issued from Tacoma, Washington on the date of mailing.



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Jane Cantor Shefler  
Administrative Law Judge  
Office of Administrative Hearings

**CERTIFICATE OF SERVICE ATTACHED**

## APPEAL RIGHTS

### PETITION FOR REVIEW

Any party to this proceeding may file a Petition for Review of this initial order. WAC 230-17-152(1). 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-one (21) days from the date this initial order was mailed to the parties. WAC 230-17-152(2). A copy of the petition for review must be sent to all parties of record. WAC 230-17-152(4). 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 petition for review must contain any evidence or written material relevant to the matter that the party wishes the reviewing officer to consider. WAC 230-17-152(3).

**CERTIFICATE OF SERVICE FOR OAH DOCKET NO. 12-2019-GMB-00142**

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

ISCOTDEC PO Box 488 Tacoma, WA 98401 <b>Appellant</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
Ashlie Laydon Washington State Gambling Commission MS: 42400 PO Box 42400 Olympia, WA 98504 <b>Agency Contact</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
Doug Van de Brake, AAG Office of the Attorney General P.O. Box 40100 MS: 40100 Olympia, WA 98504 <b>Agency Representative</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
Chad Standifer, AAG Office of the Attorney General P.O. Box 40100 MS: 40100 Olympia, WA 98504 <b>Agency Representative</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
Cheri Jackson Washington State Gambling Commission P.O. Box 42400 MS: 42400 Olympia, WA 98504 <b>Agency Contact</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, January 15, 2020

OFFICE OF ADMINISTRATIVE HEARINGS

  
 Carla Sullivan  
 Legal Assistant 2

