

STATE OF WASHINGTON
GAMBLING COMMISSION

In the Matter of the Revocation of the License)
to Conduct Gambling Activities of:)
)
Cheryl Gunderson)
Everett, Washington)
)
Licensee.)
_____)

NO. CR 2008-02017

**NOTICE OF ADMINISTRATIVE
CHARGES AND OPPORTUNITY
FOR AN ADJUDICATIVE
PROCEEDING**

I.

The Washington State Gambling Commission issued Cheryl Gunderson the following license: Number 68-13997, Authorizing Card Room Employee, formerly with Highway 9 Casino. The license expires on April 9, 2009, and was issued subject to the licensee's compliance with state gambling laws and rules.

II.

Dave Trujillo, Assistant Director of the Washington State Gambling Commission, charges the licensee with the following violations of the Washington State Gambling Act, 9.46 RCW and WAC Title 230:

- On September 30, 2008, the licensee pled guilty to Theft in the first degree, a felony. This conviction establishes that the licensee poses a threat to the effective regulation of gaming. Additionally, the licensee has failed to establish by clear and convincing evidence that she is qualified for licensure under RCW 9.46.153(1).
- The licensee was charged with Theft in the first degree on June 3, 2008. She did not report the criminal charge until December 18, 2008. This is a violation of WAC 230-06-085(1).
- Therefore, under RCW 9.46.075(1), (4), and (8) and WAC 230-03-085(1), (7), and (8), grounds exist to revoke Cheryl Gunderson's license.

RCW 9.46.075(1), (4), and (8)

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:

(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;

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(4) Has been convicted of, or forfeited bond upon a charge of, or pleaded guilty to, forgery, larceny, extortion, conspiracy to defraud, willful failure to make required payments or reports to a governmental agency at any level, or filing false reports therewith, or of any similar offense or offenses, or of bribing or otherwise unlawfully influencing a public official or employee of any state or the United States, or of any crime, whether a felony or misdemeanor involving any gambling activity or physical harm to individuals or involving moral turpitude;

(8) Fails to prove, by clear and convincing evidence, that he is qualified in accordance with the provisions of this chapter.

WAC 230-03-085(1), (7) and (8), Suspending or revoking a license or permit

We may suspend or revoke any license or permit, when the licensee, or anyone holding a substantial interest in the applicant's or licensee's business or organization:

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

(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;

(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 (b) Criminal record; or (c) Reputation; or (d) Habits; or (e) Associations.

RCW 9.46.153(1)

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.

WAC 230-06-085(1) Report criminal actions filed

(1) Licensees must report to us in writing within thirty days all criminal actions filed against the licensee, any manager of the licensed gambling activity, the business organization, or any person holding a substantial interest in the business organization.

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III.

Jurisdiction of this proceeding is based on 9.46 RCW, Gambling, chapter 34.05 RCW, the Administrative Procedure Act, and WAC Title 230.

The licensee will have the opportunity to have a hearing on the alleged violations.

In order to have a hearing or discuss settlement options, the enclosed REQUEST FOR HEARING must be COMPLETED AND RETURNED to the Gambling Commission *within 23 days* from the date of the mailing of this notice.

Based on RCW 34.05.440, failure to return this document will result in the entry of a default order REVOKING your license.

STATE OF WASHINGTON)
) ss.
COUNTY OF THURSTON)

Dave Trujillo, being duly sworn on oath, says: That he has read this Notice of Administrative Charges and Opportunity for An Adjudicative Proceeding, knows the contents of it, believes it to be true, that he is the Assistant Director of the Washington State Gambling Commission, and in that capacity has executed said Notice.

Dave Trujillo
Dave Trujillo, Assistant Director

STATE OF WASHINGTON)
) ss.
COUNTY OF THURSTON)

SUBSCRIBED AND SWORN TO before me
this 17 day of February, 2009.

I hereby certify that I have this day served a copy of the document upon all parties of record in the proceeding by mailing a copy thereof, properly addressed with postage prepaid, by regular and certified mail to each party to the proceeding or his or her attorney or authorized agent.

[Signature]
NOTARY PUBLIC in and for the State of
Washington residing at Thurston County
My commission expires on 4-28-2010

Dated at Olympia, Washington this 17 day of February, 2009

Communications and Legal Department
Washington State Gambling Commission

Margaret Pretell

