

STATE OF WASHINGTON
GAMBLING COMMISSION

In the Matter of the Revocation of the)
Certification to Conduct Gambling Activities of:) NO. CR 2010-00665
)
Gary Schultz) **FINDINGS, CONCLUSIONS,**
Raymond, Washington,) **DECISION, AND FINAL**
) **ORDER IN DEFAULT**
Class III Employee.)

THE MATTER of the revocation of the certification to conduct gambling activities of Gary Schultz having come before the Commission on September 9, 2010, the State being represented by Jerry Ackerman, Senior Counsel, Office of the Attorney General, the Commission makes the following Findings of Fact, Conclusions of Law, and issues the following Decision and Order:

FINDINGS OF FACT

I.

The Washington State Gambling Commission issued Gary Schultz the following certification:¹ Number 69-19530, authorizing Class III Employee activity formerly with the Shoalwater Bay Tribe. The certification expired on September 8, 2010, and was issued subject to the Class III Employee's compliance with the Shoalwater Bay Tribal/State Compact and state gambling laws and rules.

II.

On July 15, 2010, Director Rick Day issued administrative charges to Gary Schultz, by certified and regular mail. Mr. Schultz signed the certified mail receipt card. The administrative charges notified Mr. Shultz that failure to respond would result in the entry of a default order revoking his certification. Mr. Schultz did not respond to the charges.

By not responding, Gary Schultz waived his right to a hearing on such charges and pursuant to RCW 34.05.440, this final order may be entered in default.

III.

1) On March 30, 2010, the Class III Employee, while working as the Casino Shift Manager, was told by other casino staff that there were abandoned credits on a player terminal.² The Class III Employee instructed Security Officers to leave the abandoned credits on the player terminal instead of turning them into the lost and found. Additionally, the Class III Employee failed to notify the Surveillance Department of the abandoned credits. The Class III Employee actions violated the casino's policy and procedures.

¹ The Commission issues Class III Certifications to employees working at Tribal casinos. Certifications allow similar activities as Card Room Employee (CRE) licenses issued to persons working at commercial house-banked card rooms. Class III Employees may transfer their certifications to a CRE license and work at commercial card rooms by sending Commission staff a transfer form and the accompanying fee.

² A player terminal is a piece of equipment on which patrons play the Tribal Lottery System.

2) The Class III Employee admitted to the Shoalwater Bay Tribal Gaming Commission that he told an off duty Class III Employee about the abandoned credits, and he “gave her permission to play them.” The off duty Class III Employee went to the player terminal and played the abandoned credits.

3) On May 4, 2010, the Shoalwater Bay Tribal Gaming Commission revoked the Class III Employee’s Tribal Gaming License. The Shoalwater Bay Tribal Gaming Commission determined that the Class III Employee failed to protect patron property on the gambling floor and he 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.

4) The Class III Employee has failed to establish by clear and convincing evidence the necessary qualifications for certification under RCW 9.46.153(1). Therefore, under Section V(C) of the Shoalwater Bay Tribal/State Compact, RCW 9.46.075 (1), and (8), and WAC 230-03-085 (1) and (8), grounds exist to revoke Gary Schultz’s certification.

Section V(C) of the Shoalwater Bay Tribal/State Compact.

The State Gaming Agency may revoke, suspend or deny a State Certification under the provisions of RCW 9.46.075, and rules promulgated thereunder, for any reason 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: (The following subsections apply.)

(1) Is determined to be a person who because of prior activities poses a threat to effective regulation of gaming or creates or enhances the chances of unfair or illegal practices, methods and activities being used in the conduct of the gaming activities permitted pursuant to this Compact.

(2) Has violated, failed or refused to comply with the provisions, requirements, conditions, limitations or duties imposed by any provision of a Tribal/State Compact.

RCW 9.46.075 Denying, suspending, or revoking an application, license 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.

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, licensee, or anyone holding a substantial interest in the applicant's or licensee'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; or (b) Criminal record; or (c) Reputation; or (d) Habits; or (e) Associations.

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.

IV.

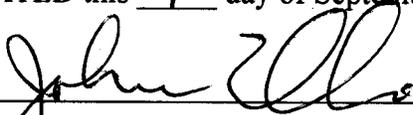
CONCLUSIONS OF LAW

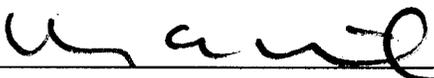
The circumstances specified in the Findings of Facts in section III above constitute grounds for the revocation of Gary Schultz's certification to conduct gambling activities under the authority of the Shoalwater Bay Tribal/State Compact, RCW 9.46.075 and WAC 230-03-085.

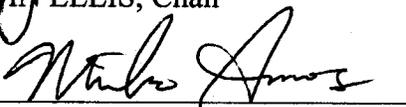
DECISION AND ORDER

The Washington State Gambling Commission HEREBY ORDERS: Gary Schultz's Class III certification to conduct gambling activities is REVOKED.

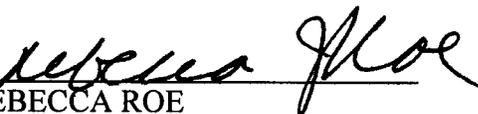
DATED this 9 day of September, 2010.


JOHN ELLIS, Chair


KEVEN ROJECKI, Vice Chair


MIKE AMOS


MICHAEL REICHERT


REBECCA ROE

NOTICE: RCW 34.05.440(3) provides that within seven (7) days after service of a default order the party against whom it was entered may file a written motion requesting that the order be vacated and stating the grounds relied upon.

WAC 230-17-040(3) requires that motions be served on the parties listed below:

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