

STATE OF WASHINGTON  
GAMBLING COMMISSION

In the Matter of the Revocation of the )  
Certification to Conduct Gambling Activities of: )  
Derreck M. Ramirez )  
Mount Vernon, Washington, )  
Class III Employee. )  
\_\_\_\_\_ )

NO. CR 2012-000292

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

I.

The Washington State Gambling Commission issued Derreck M. Ramirez the following certification:<sup>1</sup>

Number 69-33588, authorizing Class III Employee activity with the Skagit Valley Casino Resort.

The certification expires on January 29, 2013, and was issued subject to Derreck M. Ramirez' compliance with state gambling laws and rules.

II.

Rick Day, Director of the Washington State Gambling Commission, charges Derreck M. Ramirez with the following violations of the Upper Skagit Tribal/State Compact, Washington State Gambling Act, 9.46 RCW, and WAC Title 230:

- 1) On January 27, 2012, Commission staff received an application for Class III certification from Mr. Ramirez. On February 16, 2012, a Washington State Gambling Commission Special Agent (agent) was assigned to review Derreck M. Ramirez' file during a post-licensing investigation. Mr. Ramirez marked "yes" on a box on the application, indicating that he had criminal history. He disclosed "sending pictures to girlfriend-unknown charge" in Mount Vernon and the disposition of the case was "msdemnor [sic] assault/May/07."
- 2) When Commission staff initially checked his criminal history, nothing was found. Commission staff is trained to forward any disclosed criminal history that may be disqualifying or criminal history that raises questions so that a trained agent can further review and investigate. Even though Mr. Ramirez disclosed he had an assault conviction involving taking pictures of his girlfriend, since his criminal history check came back as "ok," Commission staff neglected to forward his application on to an agent for further review, and his certification was issued in error.

<sup>1</sup> Class III Employee 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.

The error was brought to the agent's attention. A second criminal history check was conducted, and Mr. Ramirez' criminal history was found.

3) Because of the co-regulatory partnership with Upper Skagit Tribal Gaming Agency (USTGA), on February 16, 2012, the agent contacted the Licensing Supervisor, Chris Sternick, to notify him about the investigation. The agent let Mr. Sternick know that court documents pertaining to Ramirez' assault case were requested and that a copy would be sent to him.

4) The following is a summary of the court documents received from Skagit County Juvenile Court for Mr. Ramirez.

On February 6, 2007, an Information was filed in the Skagit County Juvenile Court charging Mr. Ramirez with:

- Count I: Sexual Exploitation of a Minor, a Class B Felony. On or about November 2, 2006, Mr. Ramirez "did compel, aid, invite, employ, authorize, or cause a person under 18 years of age, who was born on 3/16/1994, to engage in sexually explicit conduct, knowing that such conduct would be photographed."
- Count II: Dealing in Depictions of Minor Engaged in Sexually Explicit Conduct, a Class C Felony. On or about November 2, 2006, Mr. Ramirez "did knowingly develop, duplicate, publish, print, disseminate, exchange, finance, attempt to finance, or sell visual or printed matter which depicted a minor engage in an act of sexually explicit conduct."

5) On February 6, 2007, a Motion and Declaration for Summons was filed in Skagit County Juvenile Court. This document states that on November 2, 2006, a mother called 911 to report a sex offense involving her 12 year-old daughter. The daughter told her mom that she had met Mr. Ramirez at the Boys and Girls Club. The mom retrieved her cell phone and saw the daughter had over 200 text messages saved to her phone. When officers searched the phone, they noted that there were approximately 115 messages from Mr. Ramirez, and the first one dated back to September 26, 2006.

6) On November 4, 2006, Mr. Ramirez' 17<sup>th</sup> birthday, he was arrested. When he was interviewed about the case, he admitted that he was employed by the Boys and Girls Club and was in a supervisory position over the girl.

7) On April 10, 2007, a Statement of Juvenile on Plea of Guilty was filed in Skagit County Juvenile Court. In it, Ramirez pled guilty to Assault in the Fourth Degree with Sexual Motivation.

8) On April 26, 2007, the Amended Information was filed in Skagit County Juvenile Court charging Mr. Ramirez with:

- Count I: Assault in the Fourth Degree with Sexual Motivation-Gross Misdemeanor. On or about November 2, 2006, Mr. Ramirez intentionally assaulted another person and he committed the crime with sexual motivation, for the purpose of his sexual gratification.

9) On May 1, 2007, an Order on Adjudication and Disposition was filed in Skagit County Juvenile Court. The Order Sentenced Mr. Ramirez to 40 hours of community service, two days in Skagit County Juvenile Detention, a fine, and ordered him to obtain a sexual deviancy evaluation and follow the recommendations.

10) On March 1, 2012, the agent called and spoke with Mr. Sternick. The agent said, based on the elements of the crime, Commission staff would recommend the revocation of Mr. Ramirez' certification. The agent sent a follow-up letter to Mr. Sternick. In response to the agent's letter, Randy Skelton, Director of USTGA, notified the agent that Mr. Ramirez' tribal gaming license was going to be suspended pending investigation in order for Commission staff to complete the revocation process.

Mr. Ramirez has failed to show that he qualifies for certification, in violation of RCW 9.46.153 (1). Therefore, under the Upper Skagit Tribal/State Compact, RCW 9.46.075(1), (3), (4), and (8) and WAC 230-03-085(1), (2) and (8), grounds exist to revoke Derreck M. Ramirez' certification.

### **Section V.C. (1) of the Upper Skagit Tribe/State Compact**

C. Grounds for Revocation, Suspension or Denial of State Certification. The State Gaming Agency<sup>2</sup> may revoke, suspend or deny a State certification under the provisions of RCW 9.46.075 and rules promulgated there under 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:

(1) Is determined to be a person whose prior activities, criminal record, if any, or reputation, habits and associations pose a threat to the effective regulation of gaming or create or enhance the chances of unfair or illegal practices, methods and activities in the conduct of the gaming activities permitted pursuant to this Compact; or the person 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.

(3) Has obtained a license or permit by fraud, misrepresentation, concealment, or through inadvertence or mistake.

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<sup>2</sup> "State Gaming Agency" is defined in the Upper Skagit Tribal/State Compact as the Washington State Gambling Commission.

(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 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.

(2) Has been convicted of, or forfeited bond on a charge of, or pleaded guilty to a misdemeanor or felony crime involving physical harm to individuals. "Physical harm to individuals" includes any form of criminal assault, any crime involving a threat of physical harm against another person, or any crime involving an intention to inflict physical harm on another person; or

(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.

**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.

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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 certified employee 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.

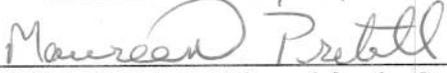
Based on RCW 34.05.440, failure to return a request for hearing will result in the entry of a default order REVOKING your certification.

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF THURSTON )

Rick Day, 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 Director of the Washington State Gambling Commission, and in that capacity has executed said Notice.

  
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RICK DAY, DIRECTOR

SUBSCRIBED AND SWORN TO before me  
this 4 day of April, 2012.

  
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NOTARY PUBLIC in and for the State of  
Washington residing at Thurston County  
My commission expires on December 2, 2015

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF THURSTON )

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.

Dated at Olympia, Washington this 4 day of April, 2012



Communications and Legal Department  
Washington State Gambling Commission

