

STATE OF WASHINGTON  
GAMBLING COMMISSION

In the Matter of the Revocation of the )  
License to Conduct Gambling Activities of: ) NO. CR 2010-00359  
)  
Pioneer Roadhouse/Town Tavern ) **FINDINGS, CONCLUSIONS,**  
Arlington, Washington, ) **DECISION, AND FINAL**  
) **ORDER IN DEFAULT**  
Licensee. )

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THE MATTER of the revocation of the license to conduct gambling activities of Pioneer Roadhouse/Town Tavern having come before the Commission on July 8, 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 Pioneer Roadhouse/Town Tavern, organization number 00-21545, the following license:

Number 05-20687, Authorizing Class "B" Punchboard/Pull-Tab Activity.

The license expired on June 30, 2010, and was issued subject to the licensee's compliance with state gambling laws and regulations.

II.

On May 7, 2010, Director Rick Day issued administrative charges to the licensee, by certified and regular mail. The administrative charges notified the licensee that failure to respond would result in the entry of a default order revoking its gambling license. The licensee did not respond to the charges.

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

III.

1) The licensee failed to timely submit its punchboard/pull-tab activity report for the third and fourth quarters of 2009 within 30 days following the end of the reporting period. The activity report was due January 30, 2010. However, the activity report has not been received. This conduct violates WAC 230-14-284(2).

2) In February 18, 2010, the licensee was issued a Notice of Violation and Settlement

(NOVAS)<sup>1</sup> for failure to timely submit these reports. As of April 15, 2010, the licensee had not paid the \$300 fine issued with the NOVAS.

3) In November of 2009, Commission staff discovered that the licensee had punchboard/pull-tab sales in excess of the amount allowed by their Class "B" license. The license class ceiling was \$100,000 in sales, and the Pioneer Roadhouse gross receipts were \$132,906, which was \$32,906 in excess of its class.

4) On November 13, 2009, a Commission Customer Service Specialist sent the licensee a letter and an Exceeding Class Notice, which reflected that the licensee had excess gross gambling receipts for its license year ending June 30, 2009. The letter requested that the licensee pay exceeding class fees of \$1,503 within 30 days. That fee included the Class "C" license fee of \$2116, with credit for the \$935 the licensee had paid for its Class "B" license, in addition to a change of class fee of \$27, and an exceeding class fee of \$295. As of May 5, 2010, the licensee had not paid the exceeding class fee.

5) On February 19, 2010, a Commission Special Agent received a complaint from the deed holder of the licensee's property, informing Commission staff that he had initiated foreclosure process on the licensee. This action was the result of liens placed on the property by the County for unpaid gambling taxes.

6) On March 19, 2010, an agent drove by the licensee's premises, and verified that the business was closed.

7) On March 24, 2010, Commission staff received from the Washington State Department of Labor and Industries a Notice and Order to Withhold and Deliver for payment of unpaid taxes.

8) Grounds exist for the suspension or revocation of Pioneer Roadhouse/Town Tavern's license to conduct gambling activities, based on RCW 9.46.075(1) and WAC 230-03-085(1), (3), and (7).

## **VIOLATIONS:**

### **RCW 9.46.075(1) Suspending a license or permit**

The Commission may suspend 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 subsection applies.)

(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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<sup>1</sup> The NOVAS identifies the violation, and in this case, gives the recipient the opportunity to pay a fine and submit its delinquent report to settle the matter.

**WAC 230-03-085 Suspending a license or permit**

We may suspend any 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.
- (3) Has demonstrated willful disregard for complying with ordinances, statutes, administrative rules, or court orders, whether at the local, state, or federal level.
- (7) Fails to provide us with any information required under Commission rules within the time required.

**WAC 230-06-135 Failing to apply for license class upgrade**

(The following subsections apply.)

- (1) If licensees fail to apply for a license class upgrade and exceed the license class limit within a present or previous license year, we assess an additional fee. We charge an additional fee of up to fifty percent of the difference between the fee for the present license class and the new license class, or one thousand dollars, whichever is less.
- (2) Licensees must pay any required license class upgrade fee, plus any additional fee required by subsection (1) of this section, within thirty days of our notification.
- (3) Failure to pay the fees may result in an immediate summary suspension of all licenses.

**WAC 230-14-284 Activity for punchboard and pull-tab licensees**

The following subsection(s) apply:

Punchboards and pull-tab licensees must submit an activity report to the Commission. Licensees must complete the report in the format we require and must:

The following subsection(s) apply:

- (1) Cover the periods:
  - (a) January 1 through June 30; and
  - (b) July 1 through December 31; and
- (2) Be received at our administrative office or postmarked no later than thirty days following the end of the reporting period.

**WAC 230-06-130(1), and (2)(a), and (b) Exceeding license class:**

(The following subsection(s) apply)

- (1) Licensees must not exceed the gross gambling receipts limits for their license class during any annual license period.
- (2) Licensees must apply a projection of year-to-date receipts to the remaining period of their license and, if it indicates that it is reasonably likely that they may exceed their license, they must immediately:
  - (a) Apply for a license that authorizes the anticipated level of gross gambling receipts; and

Submit the fee required for the new license, minus the amount originally submitted for the previous license, plus a change of classification fee.

IV.

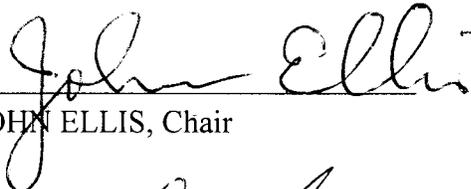
**CONCLUSIONS OF LAW**

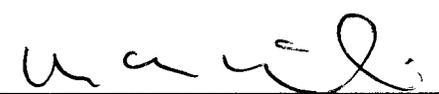
The circumstances specified in the Findings of Facts in section III above constitute grounds for the revocation of Pioneer Roadhouse/Town Tavern's license to conduct gambling activities under the authority of RCW 9.46.075 and WAC 230-03-085.

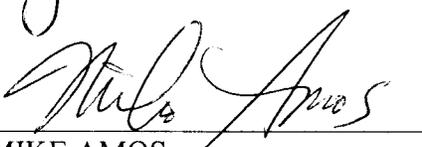
**DECISION AND ORDER**

The Washington State Gambling Commission HEREBY ORDERS: Pioneer Roadhouse/Town Tavern's license to conduct gambling activities is REVOKED.

DATED this 8<sup>th</sup> day of July, 2010.

  
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JOHN ELLIS, Chair

  
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KEVEN ROJECKI, Vice Chair

  
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MIKE AMOS

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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.

Motions must be mailed to:  
Washington State Gambling Commission  
Communications & Legal Division  
PO Box 42400  
Olympia, Washington 98504-2400

Or delivered in person or via private courier:  
Washington State Gambling Commission  
Communications and Legal Division  
4565 7<sup>th</sup> Avenue SE  
Lacey, Washington 98503