

STATE OF WASHINGTON
GAMBLING COMMISSION

In the Matter of the Suspension or Revocation of)
the License to Conduct Gambling Activities of:)

Chorak's Sportsman's Inn, Inc.)
Vashon, Washington,)
Licensee.)

NO. CR 2012-00311

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

I.

The Washington State Gambling Commission issued Chorak's Sportsman's Inn, Inc., organization number 00-14400, license number 05-08045, authorizing Class "B" Punchboard Pull-Tab activity.

The license expires on March 31, 2012, and was issued subject to the licensee's compliance with state gambling laws and regulations.

II.

Rick Day, 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:

1) Chorak's Sportsman's Inn, Inc. has not submitted its quarterly activity report for the third and fourth quarters of 2011, which was due on January 30, 2012.

2) On February 29, 2012, a Special Agent (agent) went to the licensee's address to speak with the owner about the late activity report, which is the licensee's fifth late report in a row.

- The agent met with the owner and offered him a Notice of Violation and Settlement¹ to settle the violation, but he declined it.
- The agent asked the owner if he had submitted the late activity report yet. The owner said it should have been sent, because his bookkeeper submits it.
- The agent informed the owner the activity report was late, and he said he understood.
- The owner was asked if he had trouble filling the activity form out or understanding the directions. The owner said he knows the form is easy to complete, so he figured his bookkeeper just misplaced the form.
- The agent emailed the owner's bookkeeper the blank activity form to complete.

¹ A 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.

3) Previously, on July 10, 2011, Chorak's Sportsman's Inn, Inc. received a letter from the Commission staff, notifying the licensee that it was late submitting its first and second quarterly activity report for 2011. The letter also warned the licensee that if it was late submitting the form again, it could face fines, suspension, or license revocation.

4) However, the licensee did not submit the activity report to Commission staff until August 22, 2011, in violation of WAC 230-14-284(1) and (2).

5) As of March 20, 2012, the licensee had not submitted its punchboard/pull-tab activity report for the third and fourth quarters of 2011.

6) The licensee has the following reporting history for its quarterly activity reports:

Report Period	Due Date	Received Date	Days late
2009-3&4	1/30/2010	2/5/2010	6
2010-1&2	7/30/2010	8/3/2010	4
2010-3&4	1/30/2011	2/2/2011	3
2011-1&2	7/30/2011	8/22/2011	23
2011-3&4	1/30/2012	Not received yet	

7) Chorak's Sportsman's Inn, Inc's., repeated failure to submit its activity reports demonstrates its willful disregard for complying with state administrative rules. Therefore, grounds exist for the suspension of Chorak's Sportsman's Inn, Inc's., license to conduct gambling activities, based on RCW 9.46.075(1) and WAC 230-03-085(1), (3), and (7).

RCW 9.46.075(1) Denying, suspending, or revoking a 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 subsection applies.)

(1) 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.

WAC 230-03-085 Denying, suspending, or revoking a 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.

(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, or, if the rule establishes no time limit, within thirty days after receiving a written request from us.

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

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 subsections 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.



STATE OF WASHINGTON)
COUNTY OF THURSTON)

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

Date at City of Washington this _____ day of _____

Washington State Gambling Commission
Communications and Legal Department

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, the enclosed REQUEST FOR HEARING must be completed in full by the licensee or representative 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 FOR REVOCATION OF YOUR LICENSE.

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.

Rick Day

RICK DAY, DIRECTOR

SUBSCRIBED AND SWORN TO before me
this 21 day of March, 2012.

Michelle F. Rancour

NOTARY PUBLIC in and for the State of
Washington residing at Thurston County

My commission expires on 10-19-15

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 21 day of March, 2012

Mareesa Pretell

Communications and Legal Department
Washington State Gambling Commission

