

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 )  
Vashon, Washington, )  
)  
Licensee. )  
\_\_\_\_\_ )

NO. CR 2013-01637

**AMENDED**  
**NOTICE OF ADMINISTRATIVE**  
**CHARGES AND OPPORTUNITY**  
**FOR AN ADJUDICATIVE**  
**PROCEEDING**  
*(Amendments appear in italics)*

I.

The Washington State Gambling Commission issued Chorak's Sportsman's Inn (Chorak's) license 05-08045, authorizing Class "C" Punchboard/Pull-tab activity. The Commission issued this license, which expires on March, 13, 2014, subject to the licensee's compliance with state gambling laws and Commission rules.

II.

**SUMMARY:**

The licensee failed to timely submit its punchboard/pull-tab activity report for the 1<sup>st</sup> and 2<sup>nd</sup> quarters of 2013. This is a Settlement Order violation.

**FACTS:**

1) Chorak's failed to timely submit its punchboard/pull-tab activity report for the first and second quarters of 2013. The report was due by July 30, 2013, and was not received until September 3, 2013. By failing to submit the report, Chorak's violated the terms of a Settlement Order.

2) The licensee has the following history of submitting its activity reports:

| Quarter   | Due Date         | Date Received     |
|---|------------------|-------------------|
| 1 <sup>st</sup> & 2 <sup>nd</sup> quarters 2011 | July 30, 2011    | August 22, 2011   |
| 3 <sup>rd</sup> & 4 <sup>th</sup> quarters 2011 | January 30, 2012 | March 29, 2012    |
| 1 <sup>st</sup> & 2 <sup>nd</sup> quarters 2012 | July 30, 2012    | July 31, 2012     |
| 3 <sup>rd</sup> & 4 <sup>th</sup> quarters 2012 | January 30, 2013 | February 1, 2013  |
| 1 <sup>st</sup> & 2 <sup>nd</sup> quarters 2013 | July 30, 2013    | September 3, 2013 |

3) On or about April 16, 2012, the licensee entered into a Settlement Order for failing to timely submit activity reports for the third and fourth quarters of 2011. The licensee agreed to a fifteen-day suspension. Three days of the suspension were deferred for a period of two years on the

condition that the licensee not violate any gambling statutes or regulations, including failing to timely submit future activity reports, during the two-year period. The licensee has violated the April 2012 Settlement Order, and grounds exist to impose the three-day deferred suspension.

4) *On November 5, 2013, a Washington State Gambling Commission Special Agent (agent) completed a pull-tab inspection at Chorak's. During the inspection, the agent noticed the licensee did not have a problem gambling sign posted on premises, as required.*

5) *While the agent was inspecting pull-tab games in play, she observed the game called, "Manscaping" had two \$100 winning tickets and two \$50 tickets that were not defaced on the game's flare, as required. Additionally, there was a \$25 pull-tab that had been redeemed by a customer, but the licensee did not mark the winning prize off the flare.*

6) *A second game, "Road Rockets," also had a \$25 winning ticket that was not deleted from the flare after the prize was redeemed.*

#### **VIOLATIONS:**

##### **1) RCW 9.46.075(1) and (5) 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 subsections apply.)

(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.

##### **2) 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.

**3) 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.)

(2) Be received at our administrative office or postmarked no later than thirty days following the end of the reporting period.

**4) RCW 9.46.071 Information for pathological gamblers — Fee increases.**

(The following subsection applies.)

*(1) The legislature recognizes that some individuals in this state are problem or pathological gamblers. Because the state promotes and regulates gambling through the activities of the state lottery commission, the Washington horse racing commission, and the Washington state gambling commission, the state has the responsibility to continue to provide resources for the support of services for problem and pathological gamblers. Therefore, the Washington state gambling commission, the Washington horse racing commission, and the state lottery commission shall jointly develop informational signs concerning problem and pathological gambling which include a toll-free hot line number for problem and pathological gamblers. The signs shall be placed in the establishments of gambling licensees, horse racing licensees, and lottery retailers. In addition, the Washington state gambling commission, the Washington horse racing commission, and the state lottery commission may also contract with other qualified entities to provide public awareness, training, and other services to ensure the intent of this section is fulfilled.*

**5) WAC 230-14-100 Removing prizes from flares.**

(The following subsection applies.)

*(1) After receiving a winning punch or pull-tab for more than twenty dollars or merchandise with a retail value of more than twenty dollars, operators must immediately permanently and conspicuously delete all reference to the prize from the flare and from any other list, sign, or notice. Operators then must pay or deliver the prize to the winner.*

Chorak's has shown willful disregard by repeatedly failing to timely submit activity reports to Commission staff within the due dates. Chorak's is in violation of WAC 230-14-284 (2). In addition, Chorak's failed to post a problem gambling sign at its establishment, in violation of RCW 9.46.071. Chorak's also failed to remove multiple prizes from the flare, in violation of WAC 230-14-100. Therefore, grounds exist for the suspension or revocation of Chorak's license to conduct gambling activities, based on RCW 9.46.075(1), and WAC 230-03-085(1), (3), (7) and (8).

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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, 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 )

David 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 Director, of the Washington State Gambling Commission, and in that capacity has executed said Statement of Charges.

David Trujillo  
DAVID TRUJILLO, DIRECTOR  
SUBSCRIBED AND SWORN TO before me  
this 20 day of November, 2013.

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



STATE OF WASHINGTON )  
 )  
COUNTY OF THURSTON )

I certify I have this day served a copy of the document upon all parties of record in the proceeding by mailing a copy, property 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 20 day of November, 2013  
Maureen Pretell