



3) As of September 5, 2013, Commission staff had not received Gameworks' activity report for 2013. This is a violation of the settlement order entered on May 14, 2013, and grounds exist to impose the five-day deferred suspension. *Commission staff received Gameworks' activity report on September 23, 2013.*

4) *On April 26, 2013, Gameworks submitted their license renewal application for their commercial amusement game license. The remittance slip included with the application provided the option for Gameworks to participate in the two-part payment plan. The remittance slip listed the amount for the first payment of \$5,012, and the amount for the second-half payment of \$4,985.*

5) *Gameworks timely made its first payment, and a renewal license was issued to Gameworks. The license listed the due date for the second half of the two-part payment plan of November 19, 2013.*

6) *On November 26, 2013, correspondence was sent to Gameworks informing them of the delinquent payment and providing a due date of December 31, 2013. The letter further states that if payment was not received by the new due date, the debt would be submitted to a collection agency.*

7) *On December 6, 2013, the delinquent payment of \$4,985 was received.*

8) *Gameworks operated without a valid license from November 19, 2013, to December 6, 2013, for a total of 17 days.*

#### **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.

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**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 230-13-169 Annual activity reports for commercial amusement game licensees**

Commercial amusement game licensees must submit an annual activity report to us in the format we require and must:

(1) Cover the license year of one calendar year or less; and

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

(3) Be signed by the licensee's highest ranking executive officer or a designee. If someone other than the commercial amusement game licensee or its employee prepares the report, then it must provide the preparer's name and business telephone number; and

(4) Submit a report for any period of time their license was valid, even if they had no activity or did not renew their license; and

(5) Complete the report according to the instructions furnished with the report.

**4) WAC 230-05-015 Two-part payment plan for license fees.**

(The following subsections apply.)

(2) We issue licenses under the two-part payment plan with an expiration date of not more than one year and a second-half payment due date.

(a) If we receive your second-half payment on or before the due date, the license will remain in effect until the expiration date.

*(b) If you do not submit the second-half payment on or before the due date, the license expires and gambling activities must stop. You must pay us the second-half payment regardless if you stop operating the gambling activity, close your business, surrender your license, or your license is revoked. If you do not pay the second-half payment, we may take action against other licenses you hold or refer the debt to collections, or both.*

**5) RCW 9.46.160 Conducting activity without license.**

*Any person who conducts any activity for which a license is required by this chapter, or by rule of the commission, without the required license issued by the commission shall be guilty of a class B felony. If any corporation conducts any activity for which a license is required by this chapter, or by rule of the commission, without the required license issued by the commission, it may be punished by forfeiture of its corporate charter, in addition to the other penalties set forth in this section.*

Gameworks has shown willful disregard by repeatedly failing to *timely make its second-half license payment, in violation of WAC 230-05-015 and RCW 9.46.160 and failed to submit activity reports to Commission staff within the due dates, and failing to submit some at all, Gameworks is in violation of WAC 230-13-169. Therefore, grounds exist for the suspension or revocation of Gameworks' license to conduct gambling activities, based on RCW 9.46.075(1), and WAC 230-03-085(1), (3), and (7).*

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III.

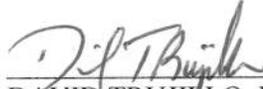
Jurisdiction of this proceeding is based on 9.46 RCW, Gambling, chapter 34.05 RCW, the Administrative Procedure Act, and WAC Title 230.

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.

IV.

I have read this Amended Notice of Administrative Charges and Opportunity for an Adjudicative Proceeding, know the contents of it, believe it to be true, and have executed this Notice in my capacity as Director of the Washington State Gambling Commission.

Dated January 29, 2014

  
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DAVID TRUJILLO, DIRECTOR

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 29 day of January, 2014  
