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GAMBLING COMMISSION STATE OF WASHINGTON  
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GAMBLING COMMISSION  
COMM & LEGAL DIVISION

In the Matter of the Suspension or Revocation of )  
the Licenses to Conduct Gambling Activities of: )  
)  
Wild Goose Casino )  
Ellensburg, Washington, )  
)  
Licensee. )

NO. CR 2012-01006

**SETTLEMENT ORDER**

This Settlement Order is entered into between the Washington State Gambling Commission and Wild Goose Casino. Stephanie U. Happold, Assistant Attorney General, and Melinda Froud, Lead Staff Attorney, represent the Commission. Jerry Howe, owner, represents the licensee. The Washington State Gambling Commission issued Wild Goose Casino, organization number 00-20009, the following licenses:

- Number 05-19938, Authorizing Class "C" Punchboard/Pull-Tab activity.
- Number 67-00212, Authorizing 10 Table House Bank Card Room activity.

The licenses expire on December 31, 2013, and were issued subject to the licensee's compliance with state gambling laws and regulations.

II.

David Trujillo, Deputy 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:

**SUMMARY:**

The Wild Goose Casino removed funds from its Player Supported Jackpot (PSJ) to pay for expenses other than PSJ prizes from March 2012 through July 2012.

**VIOLATIONS:**

**RCW 9.46.075 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 subsection applies.)

(1) Commits any act that constitutes grounds for denying, suspending, or revoking licenses or permits under RCW 9.46.075.

**WAC 230-15-405 Paying out prizes on a player-supported jackpot.**

(1) Class F or house-banked licensees must award all player-supported jackpot funds as prizes; and

(2) Cash prizes of two thousand five hundred dollars or less may be paid in cash or chips; and

(3) Prizes not awarded in cash must be paid within twenty-four hours with a check that provides a duplicate copy; and

(4) Licensees must maintain a record of all prizes paid in the format we prescribe; and

(5) When a player wins a prize of five hundred dollars or more, in view of the surveillance camera, the dealer must:

(a) Display the value and suit of each card in the winning hand; and

(b) Count and put in numerical order by suit the remaining cards in the deck to confirm a complete deck; and

(6) Licensees must collect the hand and seal it with a copy of the prize record. Licensees must keep the winning hand and remaining deck on the business premises for seven days.

**WAC 230-15-360 Defining "player-supported jackpot."**

"Player-supported jackpot" (PSJ) means a separate contest of chance directly related to the play or outcome of an authorized nonhouse-banked card game.

(1) Only Class F or house-banked licensees may establish a prize fund to operate a PSJ for nonhouse-banked card games.

(2) In PSJs, licensees:

(a) Collect funds from the players' wagers (the pot) for a separate prize; and

(b) Act only as the custodian of the PSJ funds, including any interest earned on this money; and

(c) Maintain no legal right to the funds, except for administrative fees; and

(d) Must strictly account for all funds.

In June and July of 2012, the licensee withdrew more than \$21,000 from its PSJ bank account, causing the account to be deficient. These funds were not used as prizes in violation of WAC 230-15-405. The licensee also failed to act as a custodian of the funds and failed to maintain a strict accounting for the money, in violation of WAC 230-15-360. Therefore, grounds exist for the suspension or revocation of Wild Goose Casino's licenses to conduct gambling activities, based on RCW 9.46.075(1), WAC 230-03-085(1), WAC 230-15-405, and WAC 230-15-360(1) and (2).

IV.

The Commission alleges that the facts and violations specified in paragraph III above constitute grounds to suspend or revoke Wild Goose Casino's licenses under RCW 9.46.075(1) and WAC 230-03-085(1).

V.

Jerry Howe, Owner, acknowledges that he received the Notice of Administrative Charges issued in this case, and understands the facts and violations contained in it.

The licensee has waived its right to a hearing, based on the terms and conditions of this Settlement Order and agrees to the following terms and sanctions:

- 1) The licensee's gambling license is suspended for a period of fifteen **(15) days**, provided that:
  - a) **Thirteen (13) days** of the suspension shall not be currently served, but shall be deferred for one year, subject to the following: The licensee agrees not to violate the terms of this Settlement Order, or any of Washington's gambling statutes or regulations during the deferral period.
  - b) If the licensee violates this Settlement Order or gambling statutes or regulations, and if the violation is the type that warrants the filing of administrative or criminal charges, then the Director may impose the two-day deferred suspension of the current gambling licenses and any subsequently acquired gambling licenses.
  - c) The parties agree that the Director of the Washington State Gambling Commission, pursuant to this agreement, has discretion to determine whether the licensee has violated any term of this agreement. In the event the Director determines that a violation of this agreement has occurred, he may suspend the license(s) issued to the licensee for up to two days, by mailing or delivering a Notice of Order of Administrative Charges to the licensee. In addition to the consequences of the new violation, the deferred sentence shall also be served. The licensee shall be afforded the opportunity to have an Adjudicative Proceeding, which includes a hearing on the alleged violations.
- 2) **The licensee has chosen to serve the remaining two (2) days of the suspension.**
  - i. **The suspension period begins at 8:00 a.m. on Thursday, January 24, 2013, and runs through Friday, January 25, 2013.**

- ii. During this period of suspension, no gambling activities shall take place at the licensed premises.
- iii. The licensee may resume its gambling activities at 8:00 a.m. on Saturday, January 26, 2013.

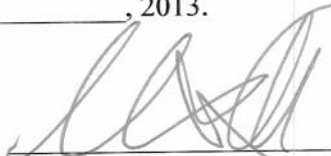
3) **The signed Settlement Order must be received by Commission staff on or before January 14, 2013,** and mailed to Commission Headquarters at the following address:

Washington State Gambling Commission  
Attention: Communications and Legal Division  
P.O. Box 42400  
Olympia, WA 98504-2400


**or delivered** (in person or via private courier) to the following address:

Attention: Communications and Legal Division – Fines  
4565 7<sup>th</sup> Avenue SE; Third Floor  
Lacey, WA 98503


DATED this 17<sup>th</sup> day of January, 2013.


  
\_\_\_\_\_  
Administrative Law Judge

APPROVED FOR ENTRY:

 1-6-2013  
\_\_\_\_\_  
Jerry Howe (Date)  
Owner, Wild Goose Casino

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Stephanie U. Happold, WSBA# 38112  
Assistant Attorney General, Representing  
the Washington State Gambling  
Commission

  
\_\_\_\_\_  
Melinda A. Froud, WSBA# 26792  
Lead Staff Attorney,  
Washington State Gambling Commission