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AUG 29 2013

Gambling Commission STATE OF WASHINGTON
Comm. & Legal Division GAMBLING COMMISSION

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AUG 13 2013

Gambling Commission
Comm. & Legal Division

In the Matter of the Suspension or)
Revocation of the License to)
Operate Gambling Activities of:)
)
Seafarer's Sports Bar)
Tacoma, Washington,)
)
Licensee.)
_____)

NO. CR 2012-01418 &
CR 2013-00220

SETTLEMENT ORDER

This Settlement Order is entered into between the Washington State Gambling Commission and Seafarer's Sports Bar. The Gambling Commission is represented by Gregory Rosen, Assistant Attorney General, and Melinda Froud, Staff Attorney. James Grimsey represents the licensee.

I.

The Washington State Gambling Commission issued Seafarer's Sports Bar, organization number 00-17079, the following license:

- Number 05-09382, authorizing Class "A" Punchboard Pull-Tab activity.

The license expires on December 31, 2013, and was issued subject to the licensee's compliance with state gambling laws and regulations.

II.

SUMMARY:

Seafarer's Sports Bar failed to submit its Quarterly Activity Reports for all quarters of 2012. Additionally, Seafarer's Sports Bar ownership underwent a 100% change in early 2012, which was unreported. Seafarer's Sports Bar has operated without a valid license since the ownership change.

VIOLATIONS:

1) 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.

(7) Makes a misrepresentation of, or fails to disclose, a material fact to the commission.

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; or

(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 230-06-108 Ownership changes — Prohibited.

All gambling licenses held by a business will become void when the following changes in ownership occur and a new license must be obtained before operating any gambling activities:

(The following subsection applies.)

(2) The business is sold; or

4) 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.

Seafarer's Sport Bar's repeated failure to submit its activity reports is in violation of WAC 230-14-284 and demonstrates the licensee's willful disregard for complying with state administrative rules. Furthermore, Mr. Grimsey purchased business assets of Seafarer's Sports Bar, failed to notify Commission staff of this change, and operated with an invalid license. This was a 100% ownership change, in violation of WAC 230-06-108. Therefore, grounds exist for the suspension

or revocation of Seafarer's Sports Bar's license to conduct gambling activities, based on RCW 9.46.075(1), and (7) and WAC 230-03-085(1), (3) and (7).

IV.

James Grimsey acknowledges that he received the Notices of Administrative Charges issued in this case, and understands the facts and violations contained in them.

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

1) **Seafarer's Sports Bar will surrender its gambling license on or before August 8, 2013.**

2) If Seafarer's Sports Bar reapplies, or if any applicant related or associated in any way with the current owners of the licensee applies for a license, they shall be required to establish, by clear and convincing evidence, that they are qualified to hold a gambling license.

3) Furthermore, no promises or assurances have been made that Seafarer's Sports Bar, or any applicant related or associated in any way with the current owners of the licensee, will receive a license from the Commission should they reapply.

3) **The signed Settlement Order and surrendered license must be received by Commission staff on or before August 8, 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:

Washington State Gambling Commission
Attention: Communications and Legal Division
4565 7th Avenue SE; Fourth Floor
Lacey, WA 98503

The parties now move for dismissal of the administrative action scheduled for November 5, 2013, before Office of Administrative Hearings and for the files be returned to the Washington State Gambling Commission for its records.

DATED this 23 day of August, 2013.

Douglas W. Waah
Administrative Law Judge

APPROVED FOR ENTRY:
By the signature below, the licensee understands the terms and conditions contained in the settlement order.

APPROVED AS TO FORM:

[Signature] 8-7-13
James Grimsey (Date)
Seafarer's Sports Bar

[Signature]
Gregory Rosen WSBA #15870
Assistant Attorney General,
Representing the Washington State
Gambling Commission

Amy B. Hunter
COMMUNICATIONS & LEGAL DIV. ADMINISTRATOR
[Signature] for #23773
Melinda Froud, WSBA# 26792
Lead Staff Attorney
Washington State Gambling Commission

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