

Received
JUN 20 2014
Gambling Commission
Comm. & Legal Division

STATE OF WASHINGTON
GAMBLING COMMISSION

In the Matter of the Suspension or Revocation of)
the License to Conduct Gambling Activities of:)
)
The Hideaway)
Shoreline, Washington,)
)
Licensee.)
_____)

No. CR 2014-00122

SETTLEMENT ORDER

Received
JUN 27 2014

Gambling Commission
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The Washington State Gambling Commission and the licensee, The Hideaway, enter into this Settlement Order to resolve the administrative charges issued against the licensee. Gregory J. Rosen, Assistant Attorney General, and Melinda Froud, Staff Attorney, represent the Gambling Commission. The Hideaway is represented by its President, Teresa Malphrus.

I.

The Washington State Gambling Commission issued The Hideaway, Organization Number 00-21630, the following licenses:

Number 05-08045, authorizing Class "C" Punchboard/Pull-Tab activity; and

Number 65-07236, authorizing Class "F7" Public Card Room activity.

The licenses expire on June 30, 2014, and were issued subject to the licensee's compliance with state gambling laws and regulations.

II.

The Director issued a Notice of Administrative Charges and Opportunity for an Adjudicative Proceeding to the licensee on April 14, 2014. The licensee received the Notice, and on April 21, 2014, Commission staff received the licensee's request for hearing.

III.

The following summary of facts and violations were alleged in the Notice of Administrative Charges:

SUMMARY:

On January 17, 2014, during an underage compliance inspection, The Hideaway allowed a minor to gamble for the second time within one year.

VIOLATIONS:

1) RCW 9.46.075 Denial, suspension, or revocation of license, 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) Has 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 an application, 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.

3) WAC 230-06-010 Age restrictions for players.

No person must allow anyone under the age of eighteen to participate in gambling activities except:

(The following subsections apply.)

(1) To play in licensed bingo games when accompanied by an adult member of his or her immediate family or a guardian, who is at least eighteen years old:

- (a) "Immediate family" means only the spouse, parents, or grandparents of an individual; and
- (b) "Guardian" means only a court-appointed, legal guardian of an individual; or

The licensee previously received a NOVAS in July 2013 for allowing a minor to gamble. The Hideaway demonstrated willful disregard for Commission rules by again allowing a minor to gamble, in violation of WAC 230-06-010. Therefore, grounds exist to suspend The Hideaway's licenses under RCW 9.46.075(1) and WAC 230-03-085(1) and (3).

IV.

On April 21, 2013, Commission staff received the licensee's request for a hearing. The licensee waives its right to a hearing, and the parties agree to settle this matter under the following terms:

The licensee's gambling license is hereby **suspended for a period of five-day (5) days**, provided that:

- a) **Four (4) days of the suspension shall not be currently served, but shall be deferred for a period of one year** from the date of entry of this Settlement Order, subject to the following:
 - The licensee must not violate the terms of this Settlement Order, or Washington's gambling statutes and/or regulations during the one (1) year term.
 - If the licensee violates the terms of this order, 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 a four (4) day suspension of the current gambling license and any subsequently acquired gambling license(s).
- b) The parties agree that the Director of the Washington State Gambling Commission, pursuant to this settlement, has sole discretion to determine whether the licensee has violated any term of this settlement.
- c) In the event the Director determines that a violation of this section or any other type of violation has occurred, he may suspend the license(s) issued to Chorak's Sportsman's Inn, by mailing or delivering a Notice of Administrative Charges to the licensee. The suspension shall be in addition to the consequences of the new violation. The licensee shall be afforded the opportunity to have an Adjudicative Proceeding, which includes a hearing on the alleged violations.
- d) Pursuant to RCW 9.46.077, the licensee has chosen to **vacate the remaining one (1) day** of the suspension by paying a fine of two thousand, five hundred and seventy-nine dollars (\$2,579), which represents a portion of the licensee's daily net receipts.

The signed Settlement Order and payment must be received by Commission staff on or before June 30, 2014, and mailed to Commission Headquarters at the following address:

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

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

Washington State Gambling Commission
Communications and Legal Division
4565 7th Avenue SE;
Third Floor Reception
Lacey, Washington

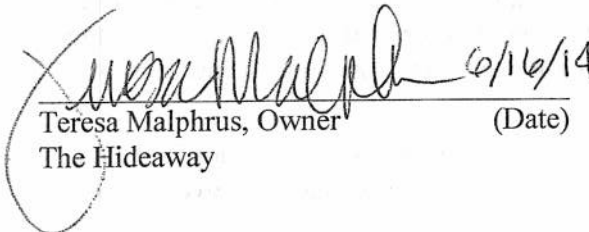
DATED this 1 day of July, 2014.



David Trujillo, Director

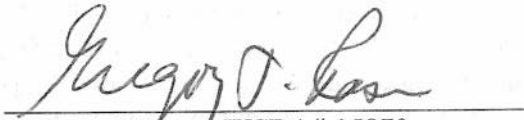
By her signature, the Licensee understands and accepts the terms and conditions of this Order.


APPROVED FOR ENTRY:

 0/16/14

Teresa Malphrus, Owner (Date)
The Hideaway

APPROVED AS TO FORM:

_____
Gregory J. Rosen WSBA# 15870
Assistant Attorney General
Representing the Washington State
Gambling Commission

_____
Melinda Froud, WSBA #26792
Staff Attorney
Washington State Gambling Commission