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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF CONSUMER SERVICES**

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IN THE MATTER OF DETERMINING
Whether there has been a violation of the
Check Cashers and Sellers Act of Washington
by:

SANDOVAL'S MARKET, and
JESUS J. SANDOVAL, Owner,

Respondents.

NO. C-07-124-08-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENTION TO ENTER
AN ORDER TO IMPOSE FINE AND
COLLECT INVESTIGATION FEE

INTRODUCTION

Pursuant to RCW 31.45.110 and RCW 31.45.200, the Director of the Department of Financial Institutions of the State of Washington (Director) is responsible for the administration of chapter 31.45 RCW, the Check Cashers and Sellers Act (Act). After having conducted an investigation pursuant to RCW 31.45.100, and based upon the facts available as of the date of these charges, the Director, through his designee, Deborah Bortner, Division Director, Division of Consumer Services, institutes this proceeding and finds as follows:

I. FACTUAL ALLEGATIONS

1.1 Respondents.

A. Sandoval's Market was licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a check casher on August 25, 2005, and has continued to be licensed to date. Respondent Sandoval's Market was licensed by the Department to conduct business as a check seller on July 9, 2007, and continues to be licensed to date. Respondent Sandoval's Market is licensed to conduct the business of a check casher and a check seller at three

1 locations: 6930 Rd 170, Basin City, Washington; 406 Frontage Rd., George, Washington; and 104
2 Camelia St. NE, Royal City, Washington.

3 **B. Jesus J. Sandoval (Respondent Sandoval)** is known to be the sole owner of
4 Respondent Sandoval's Market.

5 **1.2 Unauthorized Check Selling.** Between August 25, 2005, and December 31, 2006, prior to
6 being issued a license to conduct business as a check seller, Respondents engaged in the business of
7 check selling as follows:

8 **A.** From August 25, 2005, through December 31, 2005, Respondents sold 2,692 checks for
9 a total volume of \$1,074,241 and received \$36,306 in fees.

10 **B.** From January 1, 2006, through December 31, 2006, Respondents sold 17,513 checks
11 for a total volume of \$5,286,526 and received \$50,147 in fees.

12 **1.3 On-Going Investigation.** The Department's investigation into the alleged violations of the
13 Act by Respondents continues to date.

14 **II. GROUNDS FOR ENTRY OF ORDER**

15 **2.1 Definition of Check Seller.** Pursuant to RCW 31.45.010(5), a "Check Seller" is defined as an
16 individual, partnership, unincorporated association, or corporation that, for compensation, engages, in
17 whole or in part, in the business of selling checks, drafts, money orders, or other commercial paper
18 serving the same purpose.

19 **2.2 Requirement to Obtain a Check Seller License.** Based on the Factual Allegations set forth
20 in Section I above, Respondents are in apparent violation of RCW 31.45.030(1) for engaging in the
21 business of a check seller without first obtaining a license from the Director.

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1 **III. AUTHORITY TO IMPOSE SANCTIONS**

2 **3.1 Authority to Impose Fine.** Pursuant to RCW 31.45.110(2)(c), the Director may impose a fine,
3 not to exceed \$100 per day for each day's violation of the Act, on any licensee or applicant, or any
4 director, officer, sole proprietor, partner, controlling person, or employee of a licensee or applicant,
5 that is violating or has violated the Act including rules and orders.

6 **3.2 Authority to Collect Investigation Fee.** Pursuant to RCW 31.45.050(1), RCW 31.45.100, WAC
7 208-630-015, WAC 208-630-020, WAC 208-630-023, and WAC 208-630-02303, the Director shall
8 collect from the licensee the actual cost of an examination or investigation of the business, books,
9 accounts, records, files, or other information of a licensee or person who the Director has reason to
10 believe is engaging in the business governed by the Act. The investigation charge will be calculated at
11 the rate of sixty-nine dollars and one cent (\$69.01) per hour that each staff person devoted to the
12 investigation, plus actual expenses.

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14 **IV. NOTICE OF INTENTION TO ENTER ORDER**

15 Respondents' violations of the provisions of chapter 31.45 RCW and chapter 208-630 WAC, as
16 set forth in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose Sanctions
17 constitute a basis for the entry of an Order under RCW 31.45.110 and RCW 31.45.200. Therefore, it is
18 the Director's intention to ORDER that:

19 **4.1** Respondent Sandoval's Market and Jesus J. Sandoval jointly and severally pay a fine which as of
20 the date of these charges totals \$20,000; and

21 **4.2** Respondent Sandoval's Market and Jesus J. Sandoval jointly and severally pay an investigation
22 fee which as of the date of these charges totals \$276.04, calculated at \$69.01 per hour for the four staff
23 hours devoted to the investigation.

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V. AUTHORITY AND PROCEDURE

This Statement of Charges and Notice of Intention to Enter an Order to Impose Fine and Collect Investigation Fee (Statement of Charges) is entered pursuant to the provisions of RCW 31.45.110 and RCW 31.45.200, and is subject to the provisions of chapter 34.05 RCW (The Administrative Procedure Act). Respondents may make a written request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this Statement of Charges.

Dated this 21st day of November, 2008.



DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:


STEVEN C. SHERMAN
Financial Legal Examiner



Approved by:


JAMES R. BRUSSELBACK
Enforcement Chief