

STATE OF WASHINGTON  
GAMBLING COMMISSION

In the Matter of the Summary Suspension of the )  
License to Operate Gambling Activities of: ) CR 2009-00453  
)  
)  
Bruce T. Nguyen, )  
Seattle, Washington, ) **FINDINGS OF FACT,**  
) **CONCLUSIONS OF LAW,**  
) **AND ORDER OF SUMMARY**  
Licensee. ) **SUSPENSION OF LICENSE**  
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Pursuant to RCW 34.05.422(4), the Washington State Gambling Commission (Commission) may summarily suspend a license pending proceedings for revocation or other action. The Commission has authorized the Director to summarily suspend a license under RCW 9.46.070(17) and WAC 230-17-165.

This matter has been brought before the Director for a summary suspension of Bruce T. Nguyen's Card Room Employee license, and the Director has issued this order and caused it to be served upon the licensee. This order shall be effective immediately upon its service to the licensee, authorized representative, or agent thereof, unless otherwise specified herein. By this authority, an authorized agent of the Commission shall seize Bruce T. Nguyen's current license authorizing gambling activity and his gambling activities shall cease as ordered.

**FINDINGS OF FACT**

I.

Rick Day is the Director of the Washington State Gambling Commission and issues this order in that capacity.

II.

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

III.

The Washington State Gambling Commission issued Bruce T. Nguyen the following license: Number 68-20722, Authorizing Card Room Employee Activity, formerly at Diamond Lil's in Renton.

The license, which expires May 22, 2009, was issued subject to the licensee's compliance with state gambling laws and Commission rules.

#### IV.

After a thorough review of the Commission Special Agent's investigative report concerning the facts in this matter, the Director accepts the report as a verity and makes the determination that the action as ordered herein is warranted.

#### V.

#### **SUMMARY:**

The licensee admitted to cheating in multiple card tournaments at a card room. On at least six occasions, Mr. Nguyen introduced counterfeit gambling chips into poker tournaments at Cascade Lanes Casino, in Renton, Washington.

#### **FACTS:**

1) On March 17, 2009, Trevin Raak, Poker Manager at Cascade Lanes Casino, contacted a Commission Special Agent (agent). Mr. Raak informed the agent that he had discovered counterfeit gambling chips after poker tournaments. A counterfeit chip is one that looks in appearance like a casino chip, but lacks authenticity. In this case, the counterfeit chips looked identical in design to Cascade Lanes Casino's poker tournament chips; however, they differ slightly in color. The counterfeit chips are whiter and cleaner than the real chips. Two lines next to each dice on the real chips are dark (from dirt). The same lines on the counterfeit chips are white. Cascade Lanes Casino white chips are glossy, and the counterfeit chips are not. Mr. Raak said the real chips are at least five years old, and look like they are "dirty." Cascade Lanes Casino uses generic chips for their tournaments, which can be bought at a number of local stores.

2) On March 19, 2009, the agent went to Cascade Lanes to review the counterfeit chips and tournament records. According to Mr. Raak, counterfeit chips had been found during regular chip inventory after tournaments on the following dates and times:

- March 16, 2009-11:30 p.m. tournament
- March 17, 2009-1:00 p.m. tournament
- March 17, 2009-11:30 p.m. tournament
- March 18, 2009-11:30 p.m. tournament

3) The agent reviewed the tournament records, and determined that Bruce Nguyen had played in all four tournaments where the counterfeit chips had been introduced. The agent discussed the incidents with surveillance manager Scott Ward, and told Mr. Ward to inform his staff about the incidents and to instruct his staff to watch Mr. Nguyen with a Pan/Zoom/Tilt<sup>1</sup> camera if he entered the card room for any reason.

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<sup>1</sup> A non-fixed camera (the view can move). Surveillance observers in card rooms can use these cameras to zoom in on players' faces, chip stacks, driver's licenses, cash, etc.

4) On March 23, 2009, the agent was informed by Peter Geddes, Cascade Lanes' General Manager that additional counterfeit chips were found in the poker tournament inventory after the March 19, 2009, visit by the agent.

5) Also on March 23, 2009, the agent went to Cascade Lanes Casino to investigate the issue, and to obtain video surveillance of the incidents. Mr. Raak informed the agent that he had found four additional counterfeit chips after the 1:00 p.m. tournament on March 22, 2009. Mr. Nguyen had played in the tournament. The agent obtained the tournament surveillance, as well as the counterfeit chips.

6) On March 24, 2009, Mr. Geddes informed the agent that four additional counterfeit chips had been found, one after the March 23, 2009, 1:30 p.m. tournament, and three after the March 23, 2009, 11:30 p.m. tournament. Mr. Nguyen had played in both tournaments. The agent returned to Cascade Lanes to obtain the additional chips and surveillance of the tournaments at issue.

7) The agent's review of tournament records and surveillance revealed that Mr. Nguyen played in each of the tournaments where counterfeit chips were introduced.

8) By introducing counterfeit chips, Mr. Nguyen increased his chances of winning the tournaments, because he had more units in chips with which to play than all of the other players. According to Mr. Raak, players start tournaments with 5,000 units in tournament chips.<sup>2</sup> Mr. Nguyen started with at least 5,000 units more in tournament chips than every other player in each tournament. Mr. Nguyen placed, and won a total of \$885 in prize money, in four of the tournaments in which he cheated.

9) The surveillance records reflected that Mr. Nguyen repeatedly put his chips in his pocket with his right hand, when travelling from table to table. This was a violation of tournament rules. When he arrived at the next table, he would extract chips from his pocket, and place them on the table. After he did so, his chip stack would increase in size from the stack observed at the time he left the last table. Still photos taken from the surveillance video, reflect this difference.

10) On March 26, 2009, the agent arrested and interviewed the licensee. He was read his Miranda rights, and said that he understood them. Mr. Nguyen told the agent the following:

- a) He admitted to cheating and introducing counterfeit poker tournament chips at Cascade Lanes Casino. He admitted that he knew it was wrong.
- b) He said he felt "embarrassed and stupid." He also said that he felt like "a kid in a candy store."
- c) He said that he got away with it once, so he kept doing it.
- d) Mr. Nguyen wrote and signed a voluntary statement admitting his actions.

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<sup>2</sup> Each chip is worth between 25 and 100 units depending on the color of the chip.

## CONCLUSIONS OF LAW

### I.

- 1) WAC 230-17-165(2) provides that the Director may issue an order to summarily suspend any license upon a determination that the licensee has performed one or more of the actions identified in RCW 9.46.075 as posing a threat to public health, safety, or welfare.
- 2) WAC 230-17-165(3) provides that the Commission deems the following actions of the licensee constitute an immediate danger of the public safety and welfare:
  - (a) Failing or refusing to comply with the provisions, requirements, conditions, limitations or duties imposed by Chapter 9.46 RCW or any rules adopted by the Commission.
  - (i) Having pursued or pursuing economic gain in an occupational manner or context which is in violation of the criminal or civil public policy of this state if such pursuit creates probable cause to believe that the participation of such person in gambling or related activities would be inimical to proper operation of an authorized gambling or related activity in this state. For the purposes of this section, occupational manner or context shall be defined as the systematic planning, administration, management, or execution of an activity for financial gain.

Bruce T. Nguyen, licensee, admitted to cheating in multiple card tournaments at a card room by using counterfeit chips. Based on his actions, the licensee pursued economic gain in an occupational manner or context, which is in violation of the criminal or civil public policy of this state, and his conduct creates probable cause to believe that the licensee's participation in gambling or related activities would be inimical to proper operation of an authorized gambling activity in this state.

Therefore, grounds exist to summarily suspend Bruce T. Nguyen's card room employee license based on WAC 230-17-165(2) and (3)(a), and 3(i).

- 3) RCW 9.46.075(1) provides that the Commission may revoke a license if the licensee has violated the provisions, requirements or duties imposed by Chapter 9.46 RCW or any rules adopted by the Commission.
- 4) RCW 9.46.1961 provides that (1) A person is guilty of cheating in the first degree if he or she engages in cheating<sup>3</sup> and: (a) Knowingly causes, aids, abets, or conspires with another to engage in cheating; or (b) Holds a license or similar permit issued by the state of Washington to conduct, manage, or act as an employee in an authorized gambling activity. (2) Cheating in the first

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<sup>3</sup> RCW 9.46.196 **Cheating Defined** - (1) Employ or attempt to employ any device, scheme, or artifice to defraud any other participant or any operator; (2) Engage in any act, practice, or course of operation as would operate as a fraud or deceit upon any other participant or any operator; (3) Engage in any act, practice, or course of operation while participating in a gambling activity with the intent of cheating any other participant or the operator to gain an advantage in the game over the other participant or operator; or (4) Cause, aid, abet, or conspire with another person to cause any other person to violate subsections (1) through (3) of this section.

degree is a class C felony subject to the penalty set forth in RCW 9A.20.021. In addition to any other penalties imposed by law for a conviction of a violation of this section the court may impose an additional penalty of up to twenty thousand dollars.

5) RCW 9.46.075(10) provides that the Commission may revoke a license when the licensee has pursued or is pursuing economic gain in an occupational manner or context which is in violation of the criminal or civil public policy of this state if such pursuit creates probable cause to believe that the participation of such person in gambling or related activities would be inimical to the proper operation of an authorized gambling or related activity in this state. For the purposes of this section, occupational manner or context shall be defined as the systematic planning, administration, management or execution of an activity for financial gain.

6) RCW 9.46.190 provides that any person operating any gambling activity who or which, directly or indirectly, shall in the course of such operation: (1) Employ any device, scheme, or artifice to defraud; or (3) Engage in any act, practice or course of operation as would operate as a fraud or deceit upon any person; shall be guilty of a gross misdemeanor subject to the penalty set forth in RCW 9A.20.021.

7) WAC 230-03-085(1) provides that the Commission may revoke any license, when the holder commits any act that constitutes grounds under RCW 9.46.075 for revoking a license.

8) WAC 230-03-085(8) provides that the Commission may revoke any and all licenses or permits of any holder, when the holder poses a threat to the effective regulation of gambling, or creates or increases the likelihood of unfair or illegal practices, methods, and activities in the conduct of gambling activities, as demonstrated by: (a) Prior activities; or (b) Criminal record; or (c) Reputation; or (d) Habits; or (e) Associations.

9) RCW 9.46.075(8) provides that the Commission may revoke a license when a licensee fails to prove, by clear and convincing evidence, that he is qualified in accordance with the provisions of this chapter.

10) RCW 9.46.153(1) provides that it shall be the affirmative responsibility of each licensee to establish by clear and convincing evidence the necessary qualifications for licensure.

Bruce T. Nguyen, licensee, admitted cheating in multiple card tournaments at a card room, by using counterfeit chips, in violation of RCW 9.46.1961. This activity also defrauded others, as Mr. Nguyen received \$885 in tournament prize money, in violation of RCW 9.46.190.

Based on his actions, the licensee pursued economic gain in an occupational manner or context, which is in violation of the criminal or civil public policy of this state, and his conduct creates probable cause to believe that the licensee's participation in gambling or related activities would be inimical to proper operation of an authorized gambling activity in this state.

The licensee's actions demonstrate that he poses a threat to the effective regulation of gambling, or creates or increases the likelihood of unfair or illegal practices, methods, and activities in the

conduct of gambling activities, as demonstrated by his prior activities.

In addition, based on his actions, the licensee has failed to prove by clear and convincing evidence that he is qualified for licensure under RCW 9.46.153(1). Grounds, therefore, exist to revoke Bruce T. Nguyen's license based on RCW 9.46.075(1), (8), and (10) and WAC 230-03-085(1) and (8).

## II.

Immediate cessation of Bruce T. Nguyen's gambling activity is required for the protection and preservation of the safety and welfare of the public based on Mr. Nguyen's: (a) failing to comply with the provisions imposed by chapter 9.46 RCW; and (i) pursuing economic gain in an occupational manner or context which violates the criminal or civil public policy of this state and such pursuit creates probable cause to believe that the participation of Mr. Nguyen in gambling or related activities would be inimical to the proper operation of an authorized gambling or related activity in this state.

## ORDER

Based upon the foregoing FINDINGS OF FACT AND CONCLUSIONS OF LAW, it is the ORDER of the undersigned Director, pursuant to the authority granted to him by RCW 34.05.422 and WAC 230-17-165, that Bruce T. Nguyen's license to operate as a card room employee within the state of Washington is hereby summarily suspended pending a formal hearing by an Administrative Law Judge for the revocation of Mr. Nguyen's license.

This summary suspension will be effective immediately upon the service of this order to the licensee or an authorized representative or agent thereof.

## STATEMENT OF RIGHTS

1) **You have a right to petition for a stay of this Order.** You may request a stay by filing a written request with the Commission. **Any request for a stay must be received by the Commission within fifteen (15) days** of service of this Order upon you. If a timely request for a stay is received by the Commission, **a hearing regarding a request for stay will be conducted within seven (7) days** in accordance with WAC 230-17-170.

The stay hearing shall be limited to consideration of whether a stay should be granted, or whether the terms of the suspension may be modified. **Furthermore, at the hearing, the licensee shall have the burden of demonstrating by clear and convincing evidence that:**

- (a) The licensee is likely to prevail upon the merits at hearing;
- (b) Without relief, the licensee will suffer irreparable injury. For purposes of this section, elimination of income from licensed activities shall not be deemed irreparable injury;
- (c) The grant of relief will not substantially harm other parties to the proceedings; and

(d) The threat to the public safety or welfare is not sufficiently serious to justify continuation of the suspension, or that modification of the terms of the suspension will adequately protect the public interest.

A request for a stay does not constitute a request for a hearing as provided in paragraph (2) of this Statement of Rights.

(2) **You also have a right to a full hearing on the merits in this matter.** You may request a hearing by completing and returning to the Commission the enclosed Application for Adjudicative Proceeding and Request for Hearing.

Failure to submit the Application for Adjudicative Proceeding and Request for Hearing form within twenty (20) days of service of this order upon you shall result in a waiver of your right to an adjudicative proceeding and entry of an order in default under RCW 34.05.440.

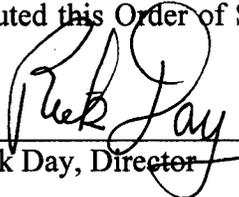
If a timely application for a hearing is received, a hearing shall be conducted not sooner than seven (7) days nor later than 90 days from the date of service of this Order unless otherwise agreed to by the parties: Provided, That you may waive the seven (7) day notice rule of RCW 34.05.434 and request a hearing at an earlier date.

If you have any questions regarding the rights stated above, please contact Staff Attorney Brenda M. Bono, at (800) 345-2529 ext. 3470.

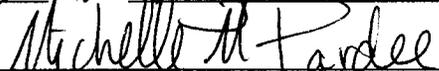
STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF THURSTON )

Rick Day, being first duly sworn on oath, deposes and says:

He has read this Order of Summary Suspension of License, knows its contents, and believes the same to be true, and that he is the duly appointed and qualified Director of the Washington State Gambling Commission and in that capacity has executed this Order of Summary Suspension of the License.

  
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Rick Day, Director

SUBSCRIBED AND SWORN TO before me this  
5<sup>th</sup> day of May, 2009.

  
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NOTARY PUBLIC in and for the State of  
Washington, residing at: Lacey  
My Commission Expires on June 15, 2009

