

STATE OF WASHINGTON
GAMBLING COMMISSION

In the Matter of the Revocation of the)
License to Conduct Gambling Activities of:) NO. CR 2009-00453
)
Bruce T. Nguyen,) **FINDINGS, CONCLUSIONS,**
Seattle, Washington,) **DECISION, AND FINAL**
) **ORDER IN DEFAULT**
Licensee.)

THE MATTER of the revocation of the license to conduct gambling activities of Bruce T. Nguyen having come before the Commission on July 9, 2009, the State being represented by Jerry Ackerman, Senior Counsel, Office of the Attorney General, the Commission makes the following Findings of Fact, Conclusions of Law, and issues the following Decision and Order:

FINDINGS OF FACT

I.

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

II.

On May 7, 2009, Director Rick Day issued an Order of Summary Suspension to the licensee, by personal service. The order notified Mr. Nguyen that his gambling license was immediately suspended and his failure to respond would result in the entry of a default order revoking his license. Mr. Nguyen did not respond to the summary suspension.

By not responding to the summary suspension, Bruce T. Nguyen waived his right to a hearing on such charges and pursuant to RCW 34.05.440, this final order may be entered in default.

III.

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/Tilt¹ camera if he entered the card room for any reason.

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.

¹ 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.

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.² 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

VIOLATIONS:

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.

RCW 9.46.1961 provides that (1) A person is guilty of cheating in the first degree if he or she engages in cheating³ 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 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.

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

³ 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.

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.

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.

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.

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.

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.

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)

IV.

CONCLUSIONS OF LAW

The circumstances specified in the Findings of Facts in section III above constitute grounds for the revocation of Bruce T. Nguyen's license to conduct gambling activities under the authority of RCW 9.46.075 and WAC 230-03-085.

DECISION AND ORDER

The Washington State Gambling Commission HEREBY ORDERS: Bruce T. Nguyen's license to conduct card room employee activities is REVOKED.

DATED this 9 day of July, 2009.



KEVEN ROJECKI, Chair



JOHN ELLIS, Vice Chair



PEGGY ANN BIERBAUM



MIKE AMOS



MICHAEL REICHERT

NOTICE: RCW 34.05.440(3) provides that within seven (7) days after service of a default order the party against whom it was entered may file a written motion requesting that the order be vacated and stating the grounds relied upon.

Motions must be mailed to:

Washington State Gambling Commission
Communications & Legal Division
PO Box 42400
Olympia, Washington 98504-2400

Or delivered in person or via private courier:

Washington State Gambling Commission
Communications and Legal Division
4565 7th Avenue SE
Lacey, Washington 98503