

STATE OF WASHINGTON
GAMBLING COMMISSION

In the Matter of the Summary Suspension of the)
License to Operate Gambling Activities of:)
)
Qiang Li)
Everett, Washington,)
)
Licensee.)

NO. CR 2012-01571

**FINDINGS OF FACT,
CONCLUSIONS OF LAW,
AND ORDER OF SUMMARY
SUSPENSION OF LICENSE**

RCW 9.46.070(17) authorizes the Washington State Gambling Commission (Commission) to summarily suspend¹ a license, subject to final action by the Commission. The Director has reviewed this Order of Summary Suspension and has issued it for service.

This order takes effect when served on Qiang Li, his representative, or agent. A Commission Special Agent shall seize Qiang Li's license and the licensee must immediately stop conducting gambling activities.

FINDINGS OF FACT

I.

Rick Day is Director of the Washington State Gambling Commission and issues this order. Jurisdiction of this proceeding is based on chapter 9.46 RCW, Gambling, chapter 34.05 RCW, the Administrative Procedure Act, and Title 230 WAC.

II.

The Washington State Gambling Commission issued Qiang Li's license number 68-03743, authorizing Card Room Employee activity.

The Commission issued this license, which expires on October 31, 2013, subject to the licensee's compliance with state gambling laws, and Commission rules.

III.

After a thorough review of the report by a Commission Special Agent about the facts in this matter, the Director accepts the report as true and has determined the summary suspension is necessary.

¹ WAC 230-17-165 defines summary suspension as immediately taking a license or permit from a person or organization which prevents them from operating or conducting gambling activities.

IV.

SUMMARY:

On November 3, 2012, Poker Manager, Qiang Li, told his subordinate poker floor supervisors and dealers to give him chips so he could play poker at the Drift on Inn. Mr. Li was participating as a player at the time. Five floor supervisors and dealers took chips totaling \$2,200 from the poker bank and gave them to Mr. Li without Mr. Li paying for the chips. At the time this occurred, Mr. Li was serving a suspension under the terms of a Settlement Order. The Settlement Order was a result of a Statement of Charges against Mr. Li for another extension of credit case.

FACTS:

- 1) On November 3, 2012, a Washington State Gambling Commission Special Agent (agent) was contacted via e-mail by Steven Charie, Casino Manager at the Drift on Inn, located in Shoreline. In Mr. Charie's e-mail, he wrote that Qiang Li (Charlie) had been playing out of the poker bank. Mr. Charie also added that Mr. Li had been suspended and temporarily barred pending investigation. Mr. Charie also wrote that he suspended the Floor Supervisor, Marty Hale, pending investigation. Mr. Charie added that all dealers involved would also be written up and suspended. Mr. Charie wrote that Mr. Li was a customer at the time he received credit.
- 2) On November 5, 2012, Mr. Li called a Special Agent Supervisor (SAS) and left a voicemail saying, "I really messed up" and asked the SAS to call him back. The SAS called Mr. Li back. Mr. Li answered the phone and said, "I really messed up." Mr. Li added that he had gotten really drunk and played poker. Mr. Li stated that it was not the poker dealers' fault that he had gotten chips. Mr. Li stated that he had money in the bank to play with and just had a hard time with the ATM machine. Mr. Li added that he showed, "them" a receipt of his bank statement showing he had money. Mr. Li then stated, "It's my fault."
- 3) Mr. Li stated that "Marty" gave him the poker chips to gamble with. Mr. Li added that he didn't want Marty to get into trouble. Mr. Li lost the \$2,200 worth in chips he got. Mr. Li added that he told Mr. Charie the podium was going to be short. Mr. Li stated that when he talked with Mr. Charie he told him that he had, "\$4,000 in my account now." Mr. Li then stated he played from Friday night to Saturday night. Mr. Li stated he was okay with whatever the Commission decided to do with him and that he was sorry.
- 4) On November 6, 2012, the agent went to the Drift on Inn to gather more information on the extension of credit incident. The agent spoke with Drift on Inn's General Manager, Steven Charie. Regional Manager, Oscar Trusley, Accountant, Clayton Johnson, and CFO, Dawn Mangano were also present when the agent spoke with Charie. Mr. Charie stated that three card room employees had given chips to Mr. Li to play with. There was one floor supervisor and two poker dealers.

- 5) The agent asked Mr. Charie if he had surveillance video of the incident. Mr. Charie stated that Mr. Li had been gambling so long that it was going to be hard to fit it all on a DVD. The agent requested just video of the poker chips being taken from the poker chip cabinet and given to Mr. Li without him paying for them.
- 6) Mr. Charie gave the agent seven Incident Reports from the persons involved in the incident. The reports are summarized as follows:
- Steven Charie, Casino Manager: On November 3, 2012, at approximately 20:00 hours, he found out that the poker bank was short, and Mr. Li had been playing from the bank. Mr. Charie added that Martin Hale and Tin Nguyen informed him that the poker bank was short. Mr. Charie further added that Mr. Li was cashed out and then he asked him to leave.
 - Oscar Trusley, Regional Manager: Mr. Hale and Mr. Nguyen had come to him prior to the shift change at 20:00 hours. Mr. Hale told Mr. Trusley that Mr. Li had received chips to play poker but had not paid for them. Mr. Trusley added that they contacted Mr. Charie and Mr. Li was cashed out and told to leave. Mr. Trusley further added that the poker bank was \$2,200 short.
 - Martin Hale, Poker Supervisor: Mr. Li kept demanding chips. Mr. Hale added the dealers would tell Mr. Hale what the total was and they also added that it was what they were told to do. Mr. Hale also told Mr. Trusley about the situation, and then approached Mr. Trusley again after the next card room employee on duty refused to take over the poker bank. Mr. Charie was also told.
 - Daryl Thomas, Poker Dealer: He gave Mr. Li a rack of \$2 chips (\$200). Mr. Thomas thought he would get cash for the chips but Mr. Li told him to tell Mr. Hale. Mr. Thomas told Mr. Hale about the chips.
 - Arong Phoumeko, Poker Dealer: He was not sure what happened and assumed Mr. Li had paid for the chips. Mr. Phoumeko didn't pay much attention and just kept to his dealing. Mr. Phoumeko gave Mr. Li a rack of chips (\$200), but received \$200 for the chips.
 - Tin Nguyen, Poker Dealer: He came in for his shift at 19:30 hours, and Mr. Hale told him that the poker bank was going to be short \$2,200. Mr. Nguyen asked Mr. Hale why, and Mr. Hale pointed to Mr. Li. Mr. Nguyen added that he did not want to take over the poker bank, and they went and spoke with Mr. Trusley.
 - Benjamin Gibson, Poker Dealer: Early in the afternoon, he gave Mr. Li a rack of orange chips (\$200), and Mr. Li did not pay for them. Mr. Gibson told Mr. Hale and heard

nothing else about it. Later in the afternoon, Mr. Gibson gave Mr. Li a rack of blue chips (\$100) when Mr. Li moved to a new table. Mr. Gibson told Mr. Hale to take the amount out of Mr. Li's orange chips, which were at another table.

- 7) Mr. Charie stated that once Mr. Hale and Mr. Nguyen talked to him, he went out to the poker table and told Mr. Li he was barred from coming back to the Drift on Inn and to leave. Mr. Charie gave the agent a copy of the Drift on Inn Cage Paid In/Paid Out from November 3, 2012. Mr. Charie stated that the cage had paid out \$2,200 to reimburse the poker bank shortage. Mr. Charie also gave the agent a copy of the Drift on Inn Cage Paid In/Paid Out form from November 5, 2012. Mr. Charie stated that Mr. Li had come back into the Drift on Inn on November 5, 2012 and paid the cage \$2,300 in cash. Mr. Li overpaid, so Drift on Inn gave him \$100 in cash a few days later.
- 8) On November 13, 2012, the SAS and the agent interviewed Drift on Inn Poker Manager, Qiang Li. Mr. Li's interview is summarized as follows:
 - The agent started talking about Poker Supervisor Marty Hale giving him poker chips to gamble with. Mr. Li stated, "I don't remember a lot, I black out."
 - Mr. Li stated that on November 2, 2012, he had gone to the Royal Casino, located in Everett, with Thuy Ho (Justin), who was a Drift on Inn Floor Supervisor. Mr. Li added that while at the Royal Casino he had a few drinks and discussed with Mr. Ho different Player Supported Jackpot schemes.
 - The SAS asked Mr. Li why he didn't remember what had happened at the Drift on Inn. Mr. Li responded by saying, "I was drinking beer." Mr. Li added, "Marty gave me chips. I told Marty I have money in the account."
 - Mr. Li stated that on Saturday, the Poker Floor did not have enough money in the poker podium and he went and told Mr. Charie. Mr. Charie told Mr. Li, "Charlie, you got to go." Mr. Li stated he got a receipt from the cash machine and showed Mr. Charie that he had \$4,000 in his account. Mr. Charie told Mr. Li that it was, "too late, damage is done, just go home." Mr. Charie called Mr. Li a cab and sent him home.
 - Mr. Li stated that Mr. Hale gave him most of the chips, "a rack at a time."
 - The SAS asked how much he had to drink. Mr. Li stated he had, "three wines" at the Royal Casino between 18:00 hours and 20:00 hours. Around 20:00 hours, Mr. Li went to the Drift on Inn with Mr. Ho to play poker. Mr. Li stated that while at the Drift on Inn he played poker from 20:00 hours Friday to 20:00 hours Saturday. While playing poker, he stated he drank beer and wine "basically non-stop." Mr. Li stated he didn't remember how many drinks he had and that he "didn't sleep or eat" for 24 hours.

- Li stated he lost so much money at poker because he was drunk and he said that the poker dealers “probably couldn’t tell” he was drunk.
 - Mr. Li stated he didn’t get cash right away, as the game was short and only had a few players. If he left to go get money, the game would break. Mr. Li told Mr. Hale he had the money and would go to the cash machine and give it to him. However, Mr. Li stated he would go outside to smoke. When he came back to play, the chips were at the table.
 - Mr. Li said he was “pretty sure” he didn’t borrow money from LyLy Tan on Friday. Mr. Li added that he bought the poker chips with cash.
 - Mr. Li stated that Mr. Hale told him, “Charlie, they need the cash.” Mr. Li went to the cash machine to get money and told Mr. Hale, “it’s as much my fault as yours.” Mr. Li also added that the Drift on Inn suspended him.
 - Mr. Li stated he has taken chips without paying for them in the past. Mr. Li added, “It’s happened before...they know I will take care of it.” Mr. Li always pays for the chips before leaving. He usually plays a few hands and then goes to the cash machine for money. Mr. Li said he did something similar when at Parkers, he would get an extension of credit by writing checks that were not cashed.
 - Mr. Li stated that on the following Monday he went back into the Drift on Inn and paid \$2,300 back in cash. Mr. Li stated that Mr. Charie told him he had overpaid, so the Drift on Inn gave him \$100 in cash a few days later.
 - Mr. Li provided a written statement.
- 9) On November 14, 2012, the SAS and the agent interviewed Poker Supervisor, Martin Hale. Mr. Hale’s interview is summarized as follows:
- Mr. Hale began to talk about what happened on November 3, 2012, he said his biggest mistake was going to work early that day. Mr. Hale relieved LyLy Tan. Mr. Hale stated he heard someone yell, “chips” and felt Poker Supervisor, Ms. Tan, behind him grab a rack of chips. Ms. Tan told Mr. Hale that the rack of chips was for Mr. Li and, “he didn’t pay me.”
 - Mr. Hale stated that Mr. Li continued to lose and more and more chips. Mr. Hale added that Mr. Li was his boss and Mr. Li was also inebriated. Mr. Hale stated, “it’s not my fault” that Mr. Li kept getting more chips to play with. “He was so inebriated, so I gave up.” Mr. Hale added he didn’t want to make a scene, so he just waited for Drift on Inn Regional Manager, Oscar Trusley, to arrive and then

went and talked with him. Mr. Hale told Mr. Trusley that his till was all messed up.

- Mr. Hale said when he counted all of the poker chips and the till at the beginning of his shift, the till was \$200 short because Ms. Tan took \$200 in chips. Mr. Hale stated he completed the paperwork and recorded it as the imprest amount.²
- Mr. Hale said Mr. Li bought chips about six times. Mr. Hale stated that he gave Mr. Li, “three or four at a time,” referring to three hundred or four hundred in chips.
- Mr. Hale stated that while he was working, two dealers named Daryl Thomas and Ben Gibson also gave Mr. Li chips. Mr. Hale stated that when he told Mr. Trusley, he responded by saying, “Does he play that bad?” Mr. Hale said that Mr. Trusey did nothing between noon and 20:00 hours until Mr. Hale brought it up again at 20:00 hours.
- Mr. Hale said that at 20:00 hours, Tin Nguyen came in to relieve him. Mr. Hale added that he told Mr. Nguyen that his till was short and they needed to talk to Mr. Trusley and Mr. Charie. Mr. Hale stated that when he told Mr. Charie, he “could tell he didn’t know” that Mr. Li had been given chips without paying for them. Mr. Charie asked Mr. Hale, “Why, how come?” Mr. Hale told Mr. Charie that Mr. Li was very drunk and had been slurring his words. Mr. Hale stated he knew what he was doing and that, “I was wrong.” Mr. Hale added, “I’ve never worked in an environment like that.”
- Mr. Hale provided a written statement.

10) On November 15, 2012, the agent went to Drift on Inn and spoke with Mr. Charie. Mr. Charie said he was going to suspend both Mr. Hale and Mr. Li for two weeks and all of the other persons involved in the incident for one week. Mr. Charie provided a copy of the Supervisor’s Record of Incident/Counseling form that he had filled out for Mr. Li. He also gave the agent two Incident Reports from LyLy Tan and Tuuyen Tieng.

11) Mr. Charie also gave the agent a copy of the surveillance video for November 3, 2012, which is summarized as follows:

- On 11/03/2012 at 02:12 hours, a female, later identified as Lyly Tan, gave Mr. Li \$200 in poker chips and did not receive any money from Mr. Li in return.

² The amount of total chips and total cash added together always has to equal \$37,000. Since players buy chips, sometimes there will be more cash and less chips, or vice versa.

- On 11/03/2012 at 09:11 hours, a female, later identified as Tuuyen Tieng, gave Mr. Li \$200 in poker chips and did not receive any money from Mr. Li in return.
- On 11/03/2012 at 09:25 hours, a male, later identified as Martin Hale, gave Mr. Li \$200 in poker chips and then again, at 09:25 hours, Mr. Hale gave Mr. Li another \$200 in poker chips and did not receive any money from Mr. Li in return.
- On 11/03/2012 at 09:57 hours, Mr. Hale gave Mr. Li \$400 in poker chips and did not receive any money in return.
- On 11/03/2012 at 13:03 hours, Mr. Hale gave Mr. Li \$200 in poker chips and did not receive any money in return.
- On 11/03/2012 at 13:21 hours, a male, later identified as Daryl Thomas, gave Mr. Li \$200 in poker chips and did not receive any money in return.
- On 11/03/2012 at 14:09 hours, Mr. Hale gave Mr. Li \$200 in poker chips and did not receive any money in return.
- On 11/03/2012 at 14:43 hours, Mr. Hale gave Mr. Li \$200 in poker chips and did not receive any money in return.
- On 11/03/2012 at 15:05 hours, a male, later identified as Benjamin Gibson, gave Mr. Li \$200 in poker chips and did not receive any money in return.

12) On November 27, 2012, the SAS and the agent interviewed Drift on Inn Poker Supervisor, LyLy Tan. Ms. Tan's interview regarding November 3, 2012, is summarized as follows:

- Ms. Tan said that she gave Mr. Li a rack of chips (\$200), but he did not pay for them. Ms. Tan added that Mr. Li was her boss, and he said he would go to the ATM to get money. Ms. Tan said she was new to floor supervision and had never floored before.
- Ms. Tan stated that when she gave Mr. Li the rack of poker chips, she "didn't know it was going to take that long," in reference to Mr. Li going to the ATM to get money. Ms. Tan added that an hour and a half to two hours later, around 03:00 to 03:30, Mr. Li paid the money back for the chips she had given to him. When Mr. Li paid the money back, he also bought another rack for a total of \$400.
- Ms. Tan said that Mr. Li had already been playing before her shift. After Mr. Hale relieved her and counted the poker bank, she could not remember if she gave any more chips to Mr. Li.
- Ms. Tan provided a written statement.

13) On December 17, 2012, the agent called and spoke with poker dealer, Tuuyen Tieng to talk about the incident and her involvement. Ms. Tieng stated that on either Saturday night, November 3 or Sunday morning, November 4, she gave Mr. Li a rack of poker chips (\$200). Ms. Tieng stated that she did not know anything was wrong until she came back to work four days later and was told about the Mr. Li incident. Ms. Tieng said that she put a rack of chips down on the table for Mr. Li. She then looked over to Mr. Hale and informed him that Mr. Li got a rack of chips. After she cashed in her tips, she went back and dealt.

14) On December 17, 2012, the agent called and spoke with poker dealer, Daryl Thomas to talk about the incident and his involvement. Mr. Thomas said Mr. Li asked him to bring a rack of chips over. Mr. Thomas brought a rack of chips over for Mr. Li and Mr. Li did not give him money. Mr. Thomas stated that Mr. Li told him, "Go tell Marty I got this rack." Mr. Thomas told Mr. Hale, and Mr. Hale was not happy that Mr. Li did not pay for the chips right away. Mr. Thomas stated he should have gotten the money right away for the chips and, "it was still wrong" to give the chips to Mr. Li without money in return.

15) On December 22, 2012, the agent called and spoke with poker dealer, Benjamin Gibson to talk about the incident and his involvement. Mr. Gibson stated that it was a busy morning and Mr. Hale was in the back. Mr. Gibson added that Mr. Li asked him for a rack of chips (\$200). Mr. Li left the table and went outside, at which time Mr. Gibson stated he set the rack of chips down on the table for Mr. Li. Mr. Gibson stated, "I told Marty about it" and then did not think about it again. Mr. Gibson stated that Mr. Li drank a lot and he "didn't want to interact with him," so he just gave Mr. Li the rack of chips without saying anything.

ADMINISTRATIVE HISTORY:

Mr. Li has had two previous violations within the last seven-year period. The first violation was for failing to follow internal controls in 2006. The disposition for this violation was a Notice of Infraction (NOI). The second violation was for an extension of credit in 2011. The disposition for this violation was a Statement of Charges. Mr. Li served one-week suspension. In that case, Mr. Li wrote checks at Parkers Casino and had the person accepting the checks hold onto them without cashing them.

CONCLUSIONS OF LAW

I.

1) **RCW 9.46.070** provides that the Commission shall have the following powers and duties: The Commission may authorize the Director to temporarily suspend licenses subject to final action by the Commission.

2) **WAC 230-17-165(2)** provides that the Commission delegates its authority to the Director to summarily suspend any license if the Director determines that a 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.

3) **WAC 230-17-165(3)** The Commission deems the following actions of a licensee constitute an immediate danger to the public safety and welfare:
(The following subsections apply.)

(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;

(b) Knowingly causing, aiding, abetting, or conspiring with another to cause any person to violate any of the laws of this state or the rules of the commission; or

(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 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; or

Qiang Li told his subordinate poker floor supervisors and dealers to extend him credit so he could play poker at the Drift on Inn. As a result, he caused others to violate gambling rules, and pursued economic gain in an occupational manner in violation of criminal public policy. The licensed employee's actions constitute an immediate danger to public safety and welfare based on WAC 230-17-165(3) (a), (b), and (i), and are a basis for Qiang Li to immediately stop conducting gambling activities.

RCW 9.46.075 Denial, suspension, or revocation of certification, application, 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 subsections apply.)

(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) Knowingly causes, aids, abets, or conspires with another to cause, any person to violate any of the laws of this state or the rules of the commission;

(8) Fails to prove, by clear and convincing evidence, that he is qualified in accordance with the provisions of this chapter.

(10) 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;

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, certified employee, or anyone holding a substantial interest in the applicant's or certified employee'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

(8) 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

RCW 9.46.180 Causing person to violate chapter.

Any person who knowingly causes, aids, abets, or conspires with another to cause any person to violate any provision of this chapter shall be guilty of a class B felony subject to the penalty in RCW 9A.20.021.

RCW 9.46.185 Causing person to violate rule or regulation.

Any person who knowingly causes, aids, abets, or conspires with another to cause any person to violate any rule or regulation adopted pursuant to this chapter shall be guilty of a gross misdemeanor subject to the penalty set forth in RCW 9A.20.021.

RCW 9.46.153 Applicants and licensees — Responsibilities and duties — Waiver of liability — Investigation statement as privileged.

It shall be the affirmative responsibility of each applicant and licensee to establish by clear and convincing evidence the necessary qualifications for licensure of each person required to be qualified under this chapter, as well as the qualifications of the facility in which the licensed activity will be conducted.

On November 3, 2012, poker manager, Qiang Li, told his subordinate poker floor supervisors and dealers to extend him credit so he could play poker at the Drift on Inn. Mr. Li had five floor supervisors and dealers take chips totaling \$2,200 from the poker bank and give them to him without Mr. Li paying for the chips, in violation of RCW 9.46.180, RCW 9.46.185, and RCW

Washington State Gambling Commission and in that capacity has executed this Order of Summary Suspension of the License.

Rick Day

Rick Day, Director

SUBSCRIBED AND SWORN TO before me this
14 day of February, 2013.

Michelle F. Rancour

NOTARY PUBLIC in and for the State of
Washington, residing at: Thurston Co.

My Commission expires on 10-19-15

