

STATE OF WASHINGTON
GAMBLING COMMISSION

In the Matter of the Suspension or Revocation of)
the License to Conduct Gambling Activities of:)
Tung P. Le)
Lynnwood, Washington,)
Licensee.)

NO. CR 2013-01204

**NOTICE OF ADMINISTRATIVE
CHARGES AND OPPORTUNITY FOR
AN ADJUDICATIVE PROCEEDING**

I.

The Washington State Gambling Commission issued Tung P. Le the following license:

Number 68-05913, authorizing Card Room Employee activity, currently with Lucky Dragonz Casino, and formerly with the Red Dragon Casino and the Drift on Inn.

The license expires on October 12, 2014, and was issued subject to Mr. Le's compliance with state gambling laws and rules.

II.

Mark Harris, Assistant Director of the Washington State Gambling Commission, charges the licensee with the following violations of Chapter 9.46 RCW, and WAC Title 230.

SUMMARY:

Tung Le under-reported \$492 in tips from June 8, 2013 to June 10, 2013. Additionally, Mr. Le currently owes \$3,509.35 in court-ordered fines and fees that have been sent to collections due to nonpayment. As a result of his fines and fees in collections, he has two Failures to Appear (FTA) on his record.

FACTS:

- 1) On June 11, 2013, a Washington State Gambling Commission Special Agent (agent) went to the Red Dragon Casino and reviewed the Aloha¹ Tip Income Report for June 8, 2013 to June 10, 2013, as well as the surveillance video of Mr. Le cashing out his tips.
- 2) The agent noted that Mr. Le under-reported his income by approximately \$492. Mr. Le reported approximately 29% of his total tip income during this time period. Mr. Le received a Record of Corrective Action resulting in a two-day disciplinary suspension.

¹ Computer based software system used by Washington Gold Casinos for time keeping, point of sale, and tip reporting.

3) In 2012, Red Dragon Casino required card room employees to review and acknowledge Washington Administrative Code (WAC) 230-15-475-Tips from player and patrons to card room employees. Mr. Le signed this document on October 19, 2012.

4) Mr. Le received a Record of Corrective Action on April 15, 2013, resulting in a written warning for misconduct and violation of company rules and procedures. The written warning stated, "The employee has been informed on numerous occasions about the requirement of reporting 100% of your tipped income in accordance with WAC 230-15-475. Our records indicate that you have not complied with the rules and regulations of our internal controls, the gaming commission [sic] and the IRS."

5) On June 20, 2013, the agent attempted to contact Mr. Le and was able to leave a message.

6) On June 27, 2013, the agent interviewed Mr. Le about under-reporting of tips. The interview is summarized as follows:

- The agent asked why he was not accurately reporting his tips after being warned multiple times. Mr. Le said sometimes he puts the wrong number down because he is so tired from work, he can't remember.
- The agent asked why he doesn't write the number down so he doesn't forget, and Mr. Le stated again he gets tired and can't always remember.
- The agent asked if Mr. Le did not take the Red Dragon Casino management seriously, and he said he put the wrong number.
- The agent informed Mr. Le that she would be submitting a case report to the legal department and asked if he wanted to write a statement to be included. Mr. Le said no.

7) On October 8, 2013, an agent was assigned to Mr. Le's file to investigate if he continues to qualify for a license while having a large dollar amount of court-ordered fines and fees associated with his criminal history. According to the Defendant Case History, Mr. Le has two Failures to Appear (FTA) on his record. The following is a breakdown of Mr. Le's criminal history and dollar amount owed to collections:

January 7, 2011	Driving Under the Influence	\$2816.00
May 30, 2002	Failure to wear Safety Belt and Operate Motor Vehicle without Liability Insurance	\$543.35
July 10, 2001	No Valid Operator's License	\$150.00
Total in Collections		\$3,509.35

8) On October 8, 2013, the agent sent a letter to Mr. Le and his employer notifying them of the court debt that has accumulated. The letter stated that "we are also concerned that since he has failed to comply with a judge's rulings, he may not comply with internal control requirements or

adhere to the direction of the Washington State Gambling Commission” and that the agent was going to recommend revocation of his gambling license.

VIOLATIONS:

1) RCW 9.46.075 Denial, suspension, or revocation of license, 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 certified employee, 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, 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.

(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; or (b) Criminal record; or (c) Reputation; or (d) Habits; or (e) Associations.

3) WAC 230-15-425 Internal controls

(The following subsection applies.)

(2) Licensed card room employees must follow the internal control procedures for their individual functions.

4) WAC 230-15-475 Tips from players and patrons to card room employees

(The following subsection applies.)

(6) Employees must...

(d) accurately report all tips to their employer as described in the licensee's internal controls.

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

(The following subsection applies.)

(1) 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.

Tung Le failed to comply with internal control procedures by not accurately reporting his tips, in violation of WAC 230-425 and WAC 230-15-475. Mr. Le has failed to establish by clear and convincing evidence, as required by RCW 9.46.153(1), that he is qualified to be licensed. Failure to comply with internal controls and accurately report tips establishes that the licensee 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 based on his activities. In addition, Mr. Le has failed to pay his court-ordered fines and fees. As a result, there are grounds to suspend or revoke Tung Le's license based on RCW 9.46.075(1) and WAC 230-03-085(1), (3) and (8).

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III.

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

The licensee will have the opportunity to have a hearing on the alleged violations. In order to have a hearing, the enclosed REQUEST FOR HEARING must be completed in full by the licensee or representative and returned to the Gambling Commission within **23 days** from the date of the mailing of this notice.

Based on RCW 34.05.440, FAILURE TO RETURN THIS DOCUMENT WILL RESULT IN THE REVOCATION OF YOUR LICENSE.

STATE OF WASHINGTON)
) ss.
COUNTY OF THURSTON)

Mark Harris, being first duly sworn on oath, deposes and says: He has read this Notice of Administrative Charges and Opportunity for An Adjudicative Proceeding, knows the contents, and believes the same to be true, and that he is the duly appointed and qualified Assistant Director of the Washington State Gambling Commission and in that capacity has executed these Charges.

Mark Harris

Mark Harris, Assistant Director

SUBSCRIBED AND SWORN TO before me
this 1 day of November, 2013.

Maureen Pretell

NOTARY PUBLIC in and for the State of
Washington residing at Thurston County
My Commission expires on December 2, 2015

STATE OF WASHINGTON)
)
COUNTY OF THURSTON)

I certify I have this day served a copy of the document upon all parties of record in the proceeding by mailing a copy, property addressed with postage prepaid, by regular and certified mail to each party to the proceeding or his or her attorney or authorized agent.

Dated at Olympia, Washington this 1 day of November, 2013

Maureen Pretell

