

STATE OF WASHINGTON  
GAMBLING COMMISSION

In the Matter of the Denial of the )  
Application for a License to Conduct )  
Gambling Activities of: )  
 )  
Hong T. Nguyen )  
Vancouver, Washington, )  
 )  
Applicant. )  
\_\_\_\_\_ )

NO. CR 2013-01882

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

I.

Hong T. Nguyen applied to the Washington State Gambling Commission for the following license:

Number 68-09296, authorizing Card Room Employee activity at Lucky 21 Casino, Woodland, Washington.

The applicant, Hong T. Nguyen, was subject to compliance with state gambling laws and regulations.

II.

David Trujillo, Director of the Washington State Gambling Commission, charges the applicant with the following violations of the Washington State Gambling Act, 9.46 RCW, and WAC Title 230:

**SUMMARY:**

The applicant is not qualified to be licensed based on criminal charges issued in 2005 for her involvement with bookmaking and operating a lottery. After a two-year investigation, the applicant, her then-live-in boyfriend, and two card room employees were charged with felony bookmaking (professional gambling). Although the applicant completed a diversion program and had her criminal charge dismissed, the applicant remains unqualified due to her prior involvement in professional gambling.

**FACTS:**

1) The applicant, Hong T. Nguyen, applied for a Card Room Employee (CRE) license in August 2013, to work at Lucky 21 Casino<sup>1</sup> in Woodland. Ms. Nguyen previously held a CRE license between 2000 and 2002.

<sup>1</sup> Lucky 21 Casino was licensed as a 15-table house-banked card room and class "C" punchboard/pull-tab operator in September 2013.

2) A Special Agent (agent) was assigned to review Ms. Nguyen's application because Ms. Nguyen disclosed that she had been charged with professional gambling in 2005. Ms. Nguyen provided a court document from Clark County, Washington, showing her Professional Gambling 2nd Degree charge was dismissed after Ms. Nguyen completed a one-year diversion.

3) The agent reviewed a 2004 Gambling Commission case report detailing an investigation that resulted in felony professional gambling charges being filed against Ms. Nguyen, her then-live-boyfriend, Phu V. Tran, and two card room employees, Tony Vu, and Jamie Bui. Ms. Nguyen was not a card room employee at the time. Commission agents had investigated the professional gambling activities of these individuals for two years. The agent found Ms. Nguyen assisted her then-live-in boyfriend facilitate bookmaking, and Ms. Nguyen operated an illegal lottery.

4) The agent reviewed the final disposition in the Gambling Commission's seizure and forfeiture case involving property claimed by Ms. Nguyen. (CR 2004-02367, herein incorporated by reference.) Agents seized two vehicles, assorted jewelry and \$35,273 in U.S. currency as a result of the two-year investigation into professional gambling. A hearing was held at Ms. Nguyen's request. On October 6, 2005, an Administrative Law Judge (ALJ) ordered the two vehicles, \$35,273 in U.S. currency, and a watch forfeited to the Gambling Commission. The ALJ ordered the return of the assorted jewelry to Ms. Nguyen. The ALJ's Findings of Fact, Conclusions of Law and Initial Order included the following conclusions:

- a) Ms. Nguyen's then-live-in boyfriend, Phu Tran, operated a professional gambling bookmaking operation in Clark County, Washington during the two-year period of the agents' investigation.
- b) Ms. Nguyen operated a lottery.
- c) The \$35,273 in U.S. currency, seized at the home shared by Ms. Nguyen and Phu Tran, and from Ms. Nguyen's car, were proceeds from Ms. Nguyen's lottery and from Phu Tran's bookmaking.
- d) Ms. Nguyen did not identify any other source of legally earned income.
- e) Ms. Nguyen periodically collected losing bets or paid winning bets to Phu Tran or Jamie Bui, a co-conspirator in Phu Tran's bookmaking operation.

5) Ms. Nguyen petitioned for review of the ALJ's Findings of Fact, Conclusions of Law and Initial Order; however agreed in a Settlement Order on January 11, 2006, to waive her claim of all the seized items except for the assorted jewelry and a watch, which the Gambling Commission returned to Ms. Nguyen. Ms. Nguyen made no further appeals after the 2006 Settlement Order.

6) After reviewing Ms. Nguyen's criminal history, the agent wrote to Ms. Nguyen's potential employer, Lucky 21 Casino. She informed them of their opportunity to withdraw Ms. Nguyen's application because Ms. Nguyen was unlikely to qualify for a license due to her 2005 involvement in professional gambling. Lucky 21 Casino's General Manager and owner, Dr. Dan Yan, was unwilling to withdraw Ms. Nguyen's application, and continued to support Ms. Nguyen's license application and employment at the card room.

Dr. Yan responded that he was “fully aware of Ms. Nguyen’s history,” adding, “I have personally spoken with her and feel that she would be a great asset to our company. I am under complete understanding [*sic*] of the charges filed against her in 2005.”

## **VIOLATIONS:**

### **1) RCW 9.46.075 Denying, suspending, or revoking an application, license 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.

(8) Fails to prove, by clear and convincing evidence, that she 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;

### **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, licensee, or anyone holding a substantial interest in the applicant's or licensee'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.

(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.

### **3) RCW 9.46.153(1) Applicants and licensees-Responsibilities and duties**

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.

The applicant, Hong T. Nguyen, is not qualified for a license based on criminal charges issued in 2005 for her involvement with bookmaking and operating an illegal lottery. After a two-year investigation, the applicant, her then-live-in boyfriend, and two card room employees were charged with felony Professional Gambling. Ms. Nguyen was found by an ALJ to have operated an illegal lottery, and helped to facilitate her then-live-in boyfriend's bookmaking. The ALJ ordered two vehicles, a watch and \$35,273 in U.S. currency forfeited to the Gambling Commission. Although the applicant completed a diversion program and had her criminal charge dismissed, the applicant remains unqualified due to her prior involvement in professional gambling.

Ms. Nguyen's prior activities demonstrate that she poses a threat to the effective regulation of gambling, and she pursued economic gain in a context which violated criminal laws creating probable cause to believe that Ms. Nguyen's participation in gambling would be inimical to the proper operation of authorized gambling in Washington State. As a result, she has failed to prove by clear and convincing evidence the necessary qualifications for licensure, in violation of RCW 9.46.153. Therefore, under RCW 9.46.075(1), (8) and (10), and WAC 230-03-085(1), and (8), grounds exist to deny Ms. Nguyen's application for a license.

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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 applicant will have the opportunity to have a hearing on the alleged violations.

**In order to have a hearing or discuss settlement options**, the enclosed request for hearing must be completed 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 a request for hearing will result in the entry of a default order DENYING your application for a license.

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF THURSTON )

David Trujillo, being duly sworn on oath, says: That he has read this Notice of Administrative Charges and Opportunity for An Adjudicative Proceeding, knows the contents of it, believes it to be true, that he is the Director of the Washington State Gambling Commission, and in that capacity has executed said Notice.

David Trujillo  
DAVID TRUJILLO, DIRECTOR

SUBSCRIBED AND SWORN TO before me  
this 4 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 4 day of November, 2013

Maureen Pretell

