

Received

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Gambling Commission
Comm. & Legal Division

STATE OF WASHINGTON
GAMBLING COMMISSION

In the Matter of the Revocation of the
License to Conduct Gambling
Activities of:

Arong E. Phoumkeo
Everett, Washington,

Licensee.

NO. CR 2013-01337

SETTLEMENT ORDER

The Washington State Gambling Commission and the licensee, Arong E. Phoumkeo, agree to this Settlement Order to resolve the administrative charges pending against him. Gregory J. Rosen, Assistant Attorney General, and Melinda Froud, Staff Attorney, represent the Gambling Commission. Mr. Phoumkeo is represented by Thomas A. Heinrich, Attorney.

I.

The Washington State Gambling Commission issued Arong E. Phoumkeo the following License: Number 68-29810, authorizing Card Room Employee activity.

The license expires on February 16, 2014, and was issued subject to Mr. Phoumkeo's compliance with state gambling laws and rules.

II.

On February 25, 2013, Arong E. Phoumkeo was served with the Notice of Administrative Charges. On March 15, 2013, he requested an Administrative Hearing on his revocation proceedings.

III.

SUMMARY:

On May 26, 2013, Arong E. Phoumkeo took \$200 in poker chips so he could play poker. He tried to conceal his actions by rearranging the chips in the poker cabinet to appear as though the \$200 in chips were not missing.

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.)

2013-01337

(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 he, she or it 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.

(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) RCW 9.46.190 Violations relating to fraud or deceit.
Any person or association or organization operating any gambling activity who or which, directly or indirectly, shall in the course of such operation:
(The following subsections apply.)

(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.

III
III

4) 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.

Arong E. Phoumkeo took \$200 in poker chips so he could play poker. He tried to conceal his actions by rearranging the chips in the poker cabinet to make it appear as though the \$200 in chips were not missing, in violation of RCW 9.46.190. Mr. Phoumkeo repaid the \$200 the same day. Mr. Phoumkeo has failed to establish clearly and convincingly that he is qualified for licensure, as required by RCW 9.46.153(1). Therefore, under RCW 9.46.075(1), (8), and (10), and WAC 230-03-085(1), (3), and (8), grounds exist to revoke Arong E. Phoumkeo's license.

IV.

Arong E. Phoumkeo has waived his right to a hearing based on the terms and conditions of this Settlement Order and further agrees to the following:

- 1) Arong E. Phoumkeo shall surrender his Card Room Employee license effective February 16, 2014. The signed Settlement Order must be received by Commission staff on or before January 14, 2014. The Card Room Employee license must be received by Commission staff on or before February 16, 2014.

These documents must be mailed to Commission Headquarters at the following address:

Washington State Gambling Commission
Attention: Communications and Legal Division
P.O. Box 42400
Olympia, WA 98504-2400

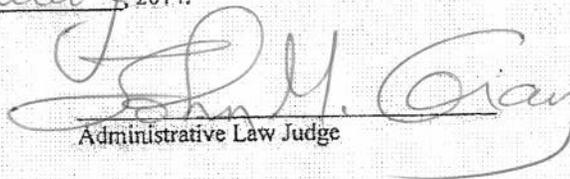
Or delivered (in person or via private courier) to the following address:

Washington State Gambling Commission
Attention: Communications and Legal Division
4565 7th Avenue SE, Fourth Floor
Lacey, WA 98503

- 2) In the event Mr. Phoumkeo subsequently applies for a certification or gambling license, he will be subject to all the Commission's investigative procedures for processing an application for a gambling license. Furthermore, no promises or assurances have been made to Mr. Phoumkeo that he will receive a certification or license from the Commission should he apply.

- 3) Mr. Phoumkeo shall have no involvement directly or indirectly, whether paid or unpaid, in the operation, ownership, or financing of any business in Washington State which is applying for, or holds, a gambling license or permit or is involved with any gambling activity, including punchboard/pull-tab activity. However, this does not prevent Mr. Phoumkeo from working in any non-gambling activity, such as employment in restaurants located in establishments engaged in authorized gambling activity.

DATED this 14th day of January, 2014.

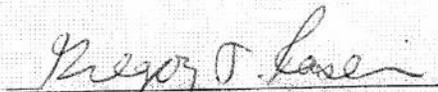

Administrative Law Judge

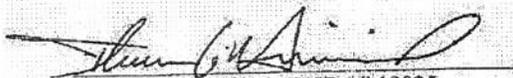
By his signature, the licensee understands and accepts the terms and conditions of this Order.

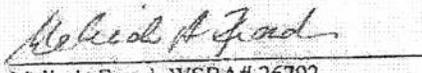
APPROVED FOR ENTRY:


Arong E. Phoumkeo
Licensee
1/14/14
(Date)

APPROVED AS TO FORM:


Gregory J. Rosen, WSBA# 15870
Assistant Attorney General,
Representing the Washington State
Gambling Commission


Thomas A. Heinrich, WSBA# 19925
Attorney for licensee


Melinda Froud, WSBA# 26792
Staff Attorney,
Washington State Gambling Commission