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:	)	NO. CR 2013-01068
Hanh T. Tran Burien, Washington,	)	**SETTLEMENT ORDER**
Licensee.	)	

This Settlement Order is entered into between the Washington State Gambling Commission and Hanh T. Tran. Gregory J. Rosen, Assistant Attorney General, and Arlene Dennistoun, Staff Attorney, represent the Gambling Commission. The licensee is represented by Dave Malone of Miller Malone & Tellefson.

I.

The Washington State Gambling Commission issued Hanh T. Tran, license number 68-21228, authorizing Card Room Employee activity formerly at Casino Caribbean, Kirkland and currently at Goldie's Casino in Shoreline. This license expires on January 30, 2016, and was issued subject to the licensed employee's compliance with state gambling laws and regulations.

II.

The Director issued a Notice of Administrative Charges and Opportunity for an Adjudicative Proceeding to the licensee, on April 10, 2015. On April 27, 2015, Commission staff received Ms. Tran's request for hearing.

III.

The following summary of facts and violations were alleged in the Notice of Administrative Charges:

Hanh T. Tran loaned money to individuals, primarily card room employees, at rates higher than legally permissible.[1]

[1] RCW 19.52.020
Highest rate permissible — Setup charges.
(1) Any rate of interest shall be legal so long as the rate of interest does not exceed the higher of: (a) Twelve percent per annum; or (b) four percentage points above the equivalent coupon issue yield (as published by the Board of Governors of the Federal Reserve System) of the average bill rate for twenty-six week treasury bills as determined at the first bill market auction conducted during the calendar month immediately preceding the later of (i) the establishment of the interest rate by written agreement of the parties to the contract, or (ii) any adjustment in the interest rate in the case of a written agreement permitting an adjustment in the interest rate. No person shall directly

A confidential source notified a Washington State Gambling Commission Special Agent (agent) and said that Ms. Tran's loan rate was ten percent per month. The source also said that Ms. Tran keeps track of her loans on an excel spreadsheet kept in her purse.

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 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 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[2] 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, 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.

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or indirectly take or receive in money, goods, or things in action, or in any other way, any greater interest for the loan or forbearance of any money, goods, or things in action.

[2] RCW 9A.82.045 Collection of unlawful debt. It is unlawful for any person knowingly to collect any unlawful debt. A violation of this section is a class C felony.
RCW 9A.82.010 Definitions. (21) "Unlawful debt" means any money or other thing of value constituting principal or interest of a debt that is legally unenforceable in the state in full or in part because the debt was incurred or contracted: (a) In violation of any one of the following: ...(ii) Chapter 9.46 RCW relating to gambling; ...(c) In connection with the business of lending money or a thing of value at a rate that is at least twice the permitted rate under the applicable state or federal law relating to usury.

(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.

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.

Hanh T. Tran loaned money to individuals, primarily card room employees, at rates higher than legally permissible. Between October 2012 to April 2013, Ms. Tran loaned at least $3,000 and in addition, allegedly loaned $130,500 at a rate higher than is allowed by law. Hanh T. Tran has demonstrated willful disregard for complying with state laws, and that she poses a threat to the effective regulation of gambling or increases the likelihood of unfair or illegal practices. Ms. Tran has failed to establish clearly and convincingly that she is qualified to be licensed, as required by RCW 9.46.153(1). As a result, grounds exist to revoke Hanh T. Tran's license based on RCW 9.46.075(1),(8), and (10), and WAC 230-03-085(1), (3), and (8).

IV.

Hanh T. Tran acknowledges that she has read the Notice of Administrative Charges, and understands the facts contained in it. While not admitting to the facts and violations specified above in section III, Ms. Tran agrees that if the Gambling Commission established the alleged facts in the case at issue, there would be sufficient evidence of the violations as stated in the administrative charges.

1) Hanh T. Tran has agreed to waive her right to a hearing based on this Settlement Order.

2) **No later than June 5, 2015, Hanh T. Tran shall surrender her Card Room Employee license for one (1) year.** This will result in her license no longer being active and she will not be able to conduct Class III Employee or Card Room Employee activity for one year from the date of this Settlement Order.

3) For one (1) year from this Settlement Order, Ms. Tran agrees to not be physically present in any Washington State Gambling Commission's licensed premises, or in any premises with a pending Washington State Gambling Commission application. Unless licensed, certified, or otherwise approved by the Washington State Gambling Commission, Hanh T. Tran agrees to have no involvement in the ownership, operation, or financing of any activity regulated by the Washington State Gambling Commission.

4) The licensee must not violate the terms of this Settlement Order, Washington's gambling statutes or regulations, or any other ordinance, statute, court order or regulation during the one

(1) year term.

5) If the licensee violates the terms of this Settlement Order, the licensee agrees the Director of the Washington State Gambling Commission, pursuant to this settlement, has sole discretion to determine whether the licensee has violated any term of this settlement. In the event the Director determines that a violation of this section or any other type of violation has occurred, he may revoke the license(s) issued to Ms. Tran by mailing or delivering a Notice of Administrative Charges to the licensee. The licensee shall be afforded the opportunity to have an Adjudicative Proceeding, which includes a hearing on the alleged violations.

6) In the event Ms. Tran applies for a certification or gambling license, she will be subject to all the Commission's investigative procedures for processing an application for a certification or gambling license. No promises or assurances have been made to Ms. Tran that she will receive a license or certification from the Commission should she apply. However, the Commission shall not base a denial of his license based solely on the facts of this case.

7) **The signed Settlement Order must be received by Commission staff by June 19, 2015,** and 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

DATED this 29 day of June, 2015.

David Trujillo, Director
Washington State Gaming Commission

By her signature, the licensee
Understands and accepts the terms
And conditions of this Order

APPROVED FOR ENTRY:

06.18.2015

Hanh T. Tran (Date)
Licensee

6/18/2015

David Malone, WSBA #23435 (Date)
Attorney Representing Hanh T. Tran

Arlene Dennistoun, WSBA #28760
Staff Attorney,
Washington State Gambling Commission

APPROVED AS TO FORM:

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