

Received

OCT 30 2013

Gambling Commission
Comm. & Legal Division

STATE OF WASHINGTON
GAMBLING COMMISSION

In the Revocation of the License to Conduct Gambling Activities of:)	
)	No. CR 2012-01634
Winnie V. Chen,)	
)	SETTLEMENT ORDER
Licensee.)	
_____)	

This Settlement Order is entered into between the Washington State Gambling Commission and Winnie Chen. Gregory Rosen, Assistant Attorney General, and Melinda Froud, Lead Staff Attorney, represent the Gambling Commission. The licensee is represented by Attorney Greg Magee.

I.

The Washington State Gambling Commission issued Winnie V. Chen the following license:

Number 68-04924, authorizing Card Room Employee activity with Roxy's Bar & Grill in Seattle.

The license expires on June 7, 2014; and was issued subject to Ms. Chen's compliance with state gambling laws and rules.

II.

In the above-entitled case, the Gambling Commission issued a Notice of Administrative Charges and Opportunity for an Adjudicative Hearing on January 30, 2013, seeking the revocation of Winnie V. Chen's license to conduct gambling activities. On February 14, 2013, Commission staff received the licensee's request for a hearing. The following summary of facts and violations were alleged in the Notice of Administrative Charges:

SUMMARY:

Winnie V. Chen was arrested and indicted on federal charges for conspiracy to manufacture at least 1,000 marijuana plants. Ms. Chen failed to report the fact that she had been arrested and charged with a crime. The case is still pending final resolution.

III.

VIOLATIONS:

1) RCW 9.46.075(1) provides the Commission may revoke any license for any reason or reasons,

it deems to be in the public interest.

- 2) RCW 9.46.075 (3) provides the Commission may revoke any license when a licensee has obtained a license or permit by fraud, misrepresentation, concealment, or through inadvertence or mistake;
- 3) RCW 9.46.075 (7) provides the Commission may revoke any license when a licensee makes a misrepresentation of, or fails to disclose, a material fact to the commission;
- 4) RCW 9.46.075(8) provides the Commission may revoke any license when a licensee fails to prove, by clear and convincing evidence, that he is qualified in accordance with the provisions of this chapter.
- 5) RCW 9.46.075(9) provides the Commission may revoke any license when the licensee is subject to current prosecution or pending charges, or a conviction which is under appeal, for any of the offenses included under subsection (4) of this section¹: PROVIDED, That at the request of an applicant for an original license, the commission may defer decision upon the application during the pendency of such prosecution or appeal.
- 6) WAC 230-03-085(1) provides that the Commission may revoke any license when a licensee commits any act that constitutes grounds under RCW 9.46.075 for revoking a license, or commits any other act that the commission determines constitutes a sufficient reason in the public interest for revoking a license.
- 7) WAC 230-03-085 (7) Fails to provide us with any information required under commission rules within the time required, or, if the rule establishes no time limit, within thirty days after receiving a written request from us; or
- 8) WAC 230-03-085(8) provides that the Commission may revoke any and all licenses or permits of any holder, when the holder 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.
- 9) WAC 230-06-085 (1) Report criminal actions filed. Licensees must report to us in writing within thirty days all criminal actions filed against the licensee, any manager of the licensed gambling activity, the business organization, or any person holding a substantial interest in the business organization.
- 10) RCW 9.46.153 (1) provides that it shall be the affirmative responsibility of each applicant and licensee to establish by clear and convincing evidence the necessary qualifications for licensure of

¹ RCW 9.46.075(4) Has been convicted of, or forfeited bond upon a charge of, or pleaded guilty to, forgery, larceny, extortion, conspiracy to defraud, willful failure to make required payments or reports to a governmental agency at any level, or filing false reports therewith, or of any similar offense or offenses, or of bribing or otherwise unlawfully influencing a public official or employee of any state or the United States, or of any crime, whether a felony or misdemeanor involving any gambling activity or physical harm to individuals or involving moral turpitude.

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.

Winnie V. Chen has pending federal charges for manufacturing marijuana which she failed to disclose, in violation of WAC 230-06-085(1). Ms. Chen has failed to establish by clear and convincing evidence, as required by RCW 9.46.153(1), that she is qualified to be licensed. This pending charge 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. As a result, there are grounds to revoke Winnie V. Chen's license based on RCW 9.46.075(1), (3), (7), (8), and (9), and WAC 230-03-085(1), (7) and (8).

IV.

On January 30, 2013, the Director of the Commission issued a Notice of Administrative Charges and Opportunity for an Adjudicative Hearing. On February 14, 2013, the licensee, through her attorney, requested an administrative hearing in this matter.

On September 23, 2013, the charge in the indictment as to Winnie V. Chen was dismissed without prejudice. The licensee subsequently waived her right to an administrative hearing based on the entry of this Settlement Order, and agrees as follows:

- 1) The licensee agrees that she will comply with all gambling rules and regulations, including reporting all required information to the Commission.
- 2) **The signed Settlement Order must be received by Commission staff by October 21, 2013.** Please mail to Commission Headquarters at the following address:

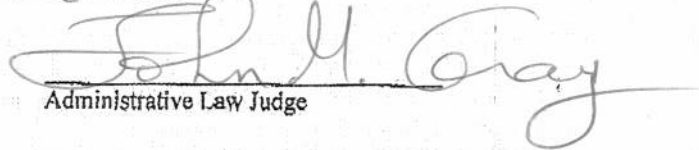
Washington State Gambling Commission
Attention: Communications and Legal Division
P.O. Box 42400
Olympia, WA 98504-2400

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

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

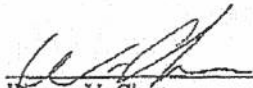
- 3) The current administrative charges alleged against Ms. Chen shall be resolved upon entry of this Settlement Order. The parties now move for dismissal of the administrative action before the Office of Administrative Hearings and request that the files be returned to the Washington State Gambling Commission for its records.

DATED this 23rd day of October, 2013.


Administrative Law Judge

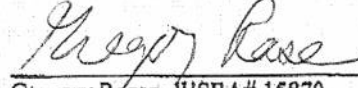
By her signature, the licensee understands and accepts the terms and conditions of this Order

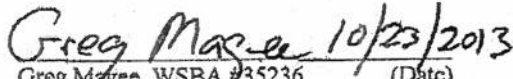
APPROVED FOR ENTRY:


Winnie V. Chen
Licensee

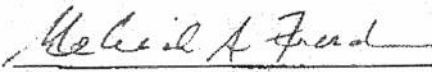
10-22-13
(Date)

APPROVED AS TO FORM:


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


Greg Magee, WSBA #35236
Attorney Representing Winnie V. Chen

10/23/2013
(Date)


Melinda Proud, WSBA #26792
Lead Staff Attorney,
Washington State Gambling Commission