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Gambling Commission  
Comm. & Legal Division

STATE OF WASHINGTON  
GAMBLING COMMISSION

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Gambling Commission  
Comm. & Legal Division

In the Matter of the Suspension of the License to )  
Conduct Gambling Activities of: )  
Yuan Wang )  
Bellevue, Washington, )  
Licensee/Class III Employee. )

NO. CR 2013-01138

SETTLEMENT ORDER

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SEP 25 2013

OAH - Tacoma

I.

This Settlement Order is entered into between the Washington State Gambling Commission and Yuan Wang. Gregory J. Rosen, Assistant Attorney General, and Melinda Froud, Staff Attorney, represent the Gambling Commission. Yuan Wang, licensee, represents himself.

II.

The Washington State Gambling Commission issued Yuan Wang the following license and certification<sup>1</sup>:

Number 69-19949, authorizing Class III Employee activity with the Tulalip Tribe; and  
Number 68-19993, authorizing Card Room Employee activity, formerly with Drift on Inn in Shoreline.

The license and certification expire on July 22, 2014, and were issued subject to Mr. Wang's compliance with state gambling laws and rules.

III.

Director David Trujillo issued a Notice of Administrative Charges and Opportunity for an Adjudicative Proceeding to the licensee/certified employee on August 2, 2013. On August 12, 2013, Commission staff received the licensee/certified employee's request for a hearing.

IV.

SUMMARY:

Yuan Wang under-reported \$1,244.50 in tips from April 1, 2013, to April 14, 2013.

<sup>1</sup> Class III Certification is issued to employees working at tribal Casinos. The certification authorizes similar activities as the Card Room Employee (CRE) license issued to individuals working at commercial house-banked card rooms. By submitting a transfer form and fees, holders of a Class III Certification may convert their certification to a CRE license.

## **VIOLATIONS:**

### **1) Section V.C. of the Tulalip Tribe/State Compact**

The State Gaming Agency<sup>2</sup> may revoke, suspend or deny a State certification under the provisions of RCW 9.46.075, and rules promulgated there under, or for any reason or reasons it deems to be in the public interest. In addition, these reasons shall include, but shall not be limited to when a holder of certification:

(The following subsection applies.)

(1) Is determined to be a person whose prior activities, criminal record, if any, or reputation, habits and associations pose a threat to the effective regulation of gaming or create or enhance the chances of unfair or illegal practices, methods and activities in the conduct of the gaming activities permitted pursuant to this Compact; or the person has violated, failed or refused to comply with the provisions, requirements, conditions, limitations or duties imposed by any provision of a Tribal-State Compact.

### **2) 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.

### **3) 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.

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<sup>2</sup> Washington State Gambling Commission, as referred to in the Tulalip Tribal/State Compact, Section 2 (p).

**4) 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.

**5) 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.

**6) 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.

Yuan Wang 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. Wang has failed to establish by clear and convincing evidence, as required by RCW 9.46.153(1), that he is qualified to be licensed. In addition, failure to comply with internal controls and accurately report tips establishes that the licensee/certified employee 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. As a result, there are grounds to suspend or revoke Yuan Wang's license/certification based on the Tulalip Tribal/State Compact, RCW 9.46.075(1) and WAC 230-03-085(1), (3) and (8).

V.

The licensee/certified employee acknowledges that he has read the Amended Notice of Administrative Charges and understands the facts contained in it.

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1) Yuan Wang agrees that his license/certification is **suspended for a period of twenty (20) days**, provided that:

- a) **Ten (10) days of the suspension shall not be currently served, but shall be deferred for a period of one year** from the date of entry of this Settlement Order, subject to the following: The licensee/certified employee agrees not to violate the terms of this Settlement Order, or any of Washington's gambling statutes or regulations during the one (1) year term. If the licensee/certified employee violates this Settlement Order or gambling statutes or regulations, and if the violation is the type that warrants the filing of administrative or criminal charges, then the Director may impose the ten-day deferred suspension of the current gambling license and any subsequently acquired gambling licenses.
- b) The parties agree that the Director of the Washington State Gambling Commission, pursuant to this Settlement Order, has discretion to determine whether the licensee/certified employee has violated any term of this Settlement Order. In the event the Director determines that a violation has occurred, he may suspend the license/certification issued to the licensee/certified employee, and any subsequently acquired licenses, for up to ten days, by mailing or delivering a Notice of Order of Administrative Charges to the licensee/certified employee. This suspension shall be in addition to any consequences of the new violation. The licensee/certified employee shall be afforded the opportunity to have an Adjudicative Proceeding, which includes a hearing on the alleged violations.
- c) **The licensee/certified employee shall serve the remaining ten (10) days of this suspension, as follows:**
  - **The suspension period will begin at 8:00 a.m. on September 23, 2013, and runs through October 2, 2013.**
  - **The licensee may resume gambling activities at 8:00 a.m. on October 3, 2013.**
- d) Mr. Wang's suspension does not prevent him from working in any non-gambling activity, such as employment in restaurants located in card rooms.

2) Mr. Wang agrees to accurately report all of his tips as described in his employer's internal controls. Failure to do so will likely result in the revocation of Mr. Wang's license/certification.

3) **The signed Settlement Order must be received by Commission staff by September 16, 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

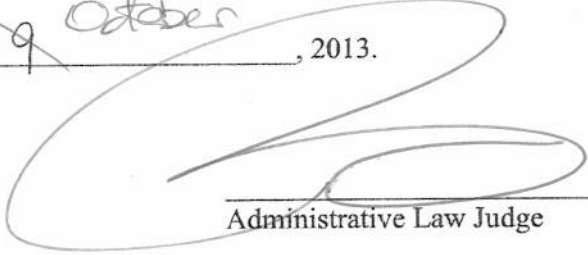
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Or delivered (in person or via private courier) to the following address:

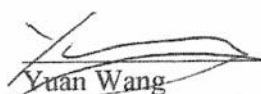
Washington State Gambling Commission  
Attention: Communications and Legal Division  
4565 7<sup>th</sup> Avenue SE; Third Floor  
Lacey, WA 98503

DATED this <sup>3rd</sup> ~~19~~ day of ~~9~~ <sup>October</sup>, 2013.

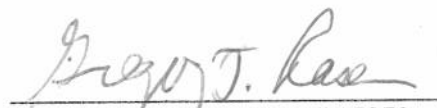
  
\_\_\_\_\_  
Administrative Law Judge


APPROVED FOR ENTRY:

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

  
\_\_\_\_\_  
Yuan Wang (DATE) 9/19/2013  
Licensee/Certified Employee

APPROVED AS TO FORM:

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

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