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APR 16 2013

GAMBLING COMMISSION
COMM & LEGAL DIVISION

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STATE OF WASHINGTON
GAMBLING COMMISSION

APR 22 2013

In the Matter of the Suspension or Revocation of the)
License to Conduct Gambling Activities of:)
Christian D. Deguzman)
Lakewood, Washington,)
Licensee.)
_____)

NO. CR 2012-00870

OAH - Tacoma

SETTLEMENT ORDER

I.

This Settlement Order is entered into between the Washington State Gambling Commission and Christian D. Deguzman. Stephanie Happold, Assistant Attorney General, and Melinda Froud, Staff Attorney, represent the Gambling Commission. H. Gary Wallis, Attorney, represents the licensee.

II.

The Washington State Gambling Commission issued Christian D. Deguzman license number 68-19418, authorizing Card Room Employee activity at Macau Casino in Lakewood.

The license expires on July 7, 2013, and was issued subject to the licensee's compliance with state gambling laws and rules.

III.

The Deputy Director issued a Notice of Administrative Charges and Opportunity for an Adjudicative Proceeding to the licensee on August 3, 2012. On August 14, 2012, Commission staff received the licensee's request for a hearing.

IV.

The following is a summary of the facts alleged and the violations charged in the Notice of Administrative Charges:

- 1) On July 9, 2012, a Gambling Commission Special Agent (agent) was assigned to Mr. Deguzman's case to investigate whether he continued to qualify for a license while having a large amount of court-ordered fines and fees in collections due to nonpayment. Commission staff became aware of these fines and fees during a routine annual criminal history check.
- 2) In a post-licensing investigation, the agent determined that Christian Deguzman has held a Public Card Room Employee license and a Class III certification¹ interchangeably since

¹ Class III Employee certification is issued to employees working at tribal Casinos. The certification authorizes

- 3) 2001. However, Mr. Deguzman currently holds an active Public Card Room Employee license only.
- 4) As part of the agent's investigation, he conducted a criminal history background check and determined that Mr. Deguzman has eight Failures to Appear or Failures to Remit active on his record.
- 5) The following is a breakdown of Mr. Deguzman's criminal history listed from the date of violation, the charge, and the dollar amount owed in collections:
 - 07/09/2009 – DWLS 3rd Degree, \$145.50;
 - 11/15/2008 – Operate Motor Vehicle without Insurance, \$265.84;
 - 11/15/2008 – No Driver's License on Person, \$176.00;
 - 07/26/2008 – Failure to Renew Expired Registration, Operate Motor Vehicle without Insurance, and No valid operator's license, \$1,183.11;
 - 05/13/2008 – Speeding 15 MPH over limit, \$671.96;
 - 5/13/2008 – No Driver's License on Person, \$176.00;
 - 11/20/2006 – Operating Motor Vehicle w/o Insurance, \$111.03;
 - 11/20/2006 – DWLS 3rd Degree, \$150.00; and
 - 02/16/2005 – Exceed Maximum Speed in School Zone; Operate Motor Vehicle without Insurance, \$334.00.

Mr. Deguzman failed to make payments on the above court-ordered fines and fees, resulting in a total of \$3,213.44 being sent to collections.

- 6) On July 9, 2012, the agent sent a letter to Mr. Deguzman and his employer notifying them of the court debt that he has accumulated. The letter notified them that based on his "pattern of criminal history, to include failure to comply with court ordered fines, fees, and obligations and the dollar amount of the fines and fees in collections, we feel that he may pose a threat to the effective regulation of gaming and enhances the chance of unfair or illegal practices, methods or activities of the gaming activity due to the financial pressure facing him." The letter also stated that, "we are concerned that since he failed to comply with the judge's rulings, he may not comply with internal control requirements or adhere to the direction of the Washington State Gambling Commission" and that the agent was going to recommend the revocation of his gambling license.
- 7) Mr. Deguzman 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) and (8) and WAC 230-03-085(1), (3), and (8), grounds exist to suspend or revoke Christian D. Deguzman's license.

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:

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 he is qualified in accordance with the provisions of this chapter.

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

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.

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V.

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

As of February 12, 2013, the licensee has paid his fines and fees down to \$2,625.52, demonstrating that he no longer poses a threat to the effective regulation of gaming. The licensee waives his right to a hearing, based on the following terms and conditions of this Settlement Order. The parties further agree to the following:

- 1) Christian D. Deguzman agrees that his license is **suspended for a period of ten (10) days**, provided that:
 - a) **Three (3) 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 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 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 three-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 has violated any term of this Settlement Order. In the event the Director determines that a violation has occurred, he may suspend the license issued to the licensee, and any subsequently acquired licenses, for up to three days, by mailing or delivering a Notice of Order of Administrative Charges to the licensee. This suspension shall be in addition to any consequences of the new violation. The licensee shall be afforded the opportunity to have an Adjudicative Proceeding, which includes a hearing on the alleged violations.
 - c) **The licensee shall serve the remaining seven (7) days of this suspension, as follows:**
 - **The suspension period will begin at 8:00 a.m. on Friday, April 19, 2013, and end on Friday, April 26, 2013.**
 - **The licensee may resume gambling activities at 8:00 a.m. on Friday, April 26, 2013.**
 - d) During this period of suspension, the licensee shall have no involvement, directly or indirectly, with any gambling activity, including punchboard/pull-tab activity. Mr. Deguzman's suspension does not prevent him from working in any non-gambling activity, such as employment in restaurants located in establishments engaged in authorized gambling activity.

2) Mr. Deguzman shall continue to make regular monthly payments towards his court-ordered fines and fees, and agrees to make timely payments on any future court-ordered fines and fees. Failure to continue to reduce the amount of his outstanding court-ordered fines and fees may be a disqualifying factor for licensure.

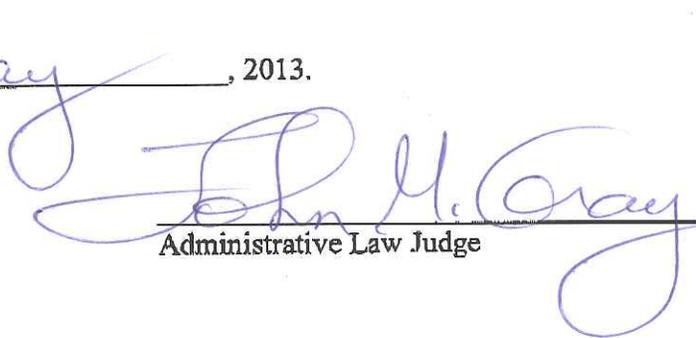
3) **The signed Settlement Order must be received by Commission staff by April 15, 2013.**
Please mail to Commission Headquarters at the following address:

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

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

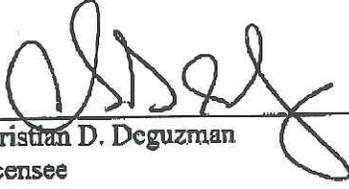
Washington State Gambling Commission
Attention: Communications and Legal Division
4565 7th Avenue SE; Third Floor
Lacey, WA 98503

DATED this 1st day of May, 2013.


Administrative Law Judge

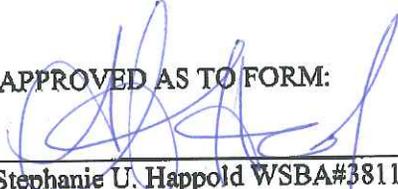
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APPROVED FOR ENTRY:
By his signature, the licensee
understands and accepts the terms
and conditions of this Order



Christian D. Deguzman (DATE)
Licensee

APPROVED AS TO FORM:



Stephanie U. Happold WSBA#38112
Assistant Attorney General
Representing the Washington State
Gambling Commission



H. Gary Wallis, WSBA #6311
Attorney, Representing Christian D. Deguzman



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