

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DEPARTMENT OF BUSINESS REGULATION
JOHN O. PASTORE COMPLEX
1511 PONTIAC AVENUE, BLDGS. 68-69
CRANSTON, RHODE ISLAND 02920**

IN THE MATTER OF:

LIQIANG CHEN,

RESPONDENT.

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DBR No. 13RA117

DECISION

Hearing Officer: Ellen R. Balasco, Esq.

Hearing Held: May 20, 2014

Appearances: For Respondent: *Pro se.*
For the Department: Jenna Algee, Esq.

I. INTRODUCTION

On May 1, 2014, this matter came on for a pre-hearing conference pursuant to an Order to Show Cause Why License Application Should Not Be revoked (“Order ”), issued by the Director of the Department of Business Regulation (“Department”) on or about April 14, 2014. The Order required Respondent to appear before the Department and answer why his Operations Employee License for employment as a Table Game Dealer at Twin River Casino should not be revoked pursuant to the authority granted under R.I. Gen. Laws § 41-4-9.1. A pre-hearing conference was held on May 1, 2014, at which time a full evidentiary hearing was scheduled for May 20, 2014.

II. JURISDICTION

The Department has jurisdiction over this matter pursuant R.I. Gen. Laws § 41-1-1, *et seq.*, R. I. Gen. Laws § 42-14-1, *et seq.*, and R.I. Gen. Laws § 42-35-1, *et seq.*

III. ISSUE

The issue presented in this matter is whether or not Respondent's license as an Operations Employee at the Twin River facility should be revoked, in accordance with the provisions of R.I. Gen. Laws § 41-4-9.1(c) which states that "[t]he Division may reject for good cause an application for a license, and it may suspend or revoke for good cause any license issued by it."

IV. MATERIAL FACTS AND EVIDENCE

On the date of hearing, counsel for the Department presented one witness, and two full exhibits which included a Notice of License Approval dated May 17, 2013, and an Operations Employee Application, dated May 15, 2013. The parties also submitted three joint documentary exhibits. Joint Exhibit #1 is a Civil Complaint from the State of New Jersey against the Respondent dated June 17, 2010, Joint Exhibit #2 a New Jersey State Police Arrest Report dated May 12, 2010, and Joint Exhibit #3 is a New Jersey State Police Investigation Report dated May 26, 2010. The Respondent submitted two letters of personal reference, from individuals residing in the State of New Jersey, the first dated May 5, 2014, and the second dated May 7, 2014. All of the foregoing were marked as Full exhibits for evidentiary purposes.

The Respondent in this matter filed an application for Operations Employee License for employment as a Dealer at the Twin River Facility on May 15, 2013. That license was issued to the Respondent on May 17, 2013. In his application, the Respondent answered "No" in his answer to the question "Have you ever been arrested or charged with any crime or offense in Rhode Island or any other jurisdiction. In his answer to the question "Have you ever applied in

any other jurisdiction for a license to participate in a gaming operation”, he answered only that a license granted to him in the State of New Jersey had been “granted”, with no further explanation. In his answer to question 25 on his application which relates to his gaming license history, he stated that he left his employment at Harrah’s Resort Casino for “family emergency.”

The Respondent had previously held a casino employee license – dealer (#145568-21) in the State of New Jersey.

On June 29, 2013, the Department received notice from Twin River that the Respondent’s employment there had been terminated. The Respondent failed to notify the Department of his change in employment status. The Notice of License Approval which notified the Respondent of his licensure clearly states that a Licensee must notify the Department within three (3) days of any change or termination in employment status.

According to the testimony of the Division’s Chief Racing and Athletics Examiner, on or about August 1, 2013, the Division was notified by the Rhode Island State Police that a complaint had been filed previously against the Respondent with the State of New Jersey Casino Control Commission, based on criminal charges for Cheating with Conspiracy in the course of his employment as a table game dealer at Harrah’s Casino, in Atlantic City, New Jersey. Upon further investigation into these facts, the Division obtained information that the Respondent had been arrested by the New Jersey State Police on May 12, 2010, and charged with Cheating and Conspiracy, under N.J.S.A. 5:12-113a, and 2C:5-2(a)(1), after he was escorted from the gaming floor at Harrah’s Casino.

Records of the New Jersey investigation indicate that “After reviewing the CCTV coverage, it was revealed that the dealer was obviously not following proper procedure when working at his table, specifically when dealing to Jiang G. Mei. This resulted in the [patron]

receiving illegal payments totaling \$10,040.00 over a two week period. The cheating incidents previously described occurred in two forms by dealer Chen.”

Based on the documentary evidence presented at the hearing, the State of New Jersey Casino Control Commission brought a Complaint seeking suspension of the Respondent’s gaming license, and a subsequent revocation hearing. The Respondent failed to disclose any of the foregoing information on his application, or to the Licensing Division at any point in time during the application and licensing process. The Respondent argues that he did not disclose the exact nature of his criminal and licensing history is that the charges had been expunged in the State of New Jersey.

The Respondent was sworn and offered testimony in his defense. He admitted that he was guilty of cheating when he was employed at Harrah’s Casino, that he violated the procedures of the game of poker, that he engaged in “false shuffling”, and “false dealing”, as was alleged in the criminal investigation reports. When asked at the hearing for an explanation for his illegal gaming activities in New Jersey, he answered that he was “addicted to gambling.”

His recollection of the criminal process lodged against him in New Jersey is that he did not contest the criminal charges, and had signed a settlement agreement with the Attorney General which resulted in the suspension of his gaming dealer license until July of 2015. However, the Respondent did not have a copy of that agreement for use in the hearing. Upon questioning at the hearing, he did indicate that he was represented by counsel at the time he signed the agreement. His testimony is that he appeared before the Court in New Jersey to have his criminal charges expunged from his record. Again, however, he had no documents supporting that claim for use in the hearing.

He further testified that he left Atlantic City after these charges were settled because he had “family issues” and he “was ashamed” to stay there. When he came to Rhode Island, he said

he was unsure that he could obtain a gaming license here but he thought he would “give it a try”, and he was surprised that he received even temporary approval.

The Respondent opened a small restaurant in Rhode Island after his move here, but it did not do well, and he subsequently closed it. He has taken part-time employment in a North Providence restaurant, as of the date of hearing. He stated that his poor English makes it difficult to obtain a high paying job, and that casino work is his best option to do so.

Respondent also submitted to the Hearing Officer the copy of an electronic message dated May 20, 2014 sent from him to legal counsel for the Department, which he authenticated and was considered by the Hearing Officer. In it, he states that he was not convicted of the New Jersey charges, and that he “finished a pre-trial(sp) intervention program and [his] case was expunged.” He also states that, when he worked in the Atlantic City casino, he “learned gambling and got addicted” to it.

No actual proof, other than his testimony, was presented to support his claim that his criminal charges had, in fact, been expunged. But, even in the light most favorable to the Respondent, if an expungement did take place, that does not remove the facts underlying his arrest and the nature of the charge from consideration.

R.I. Gen. Laws § 12-1.3-4(a) provides that “any person having his or her record expunged shall be released from all penalties and disabilities resulting from the crime of which he or she had been convicted.” This statute relates to expungement of Rhode Island convictions. That is not the case in Respondent’s criminal history, which involves out-of-state charges.

In considering whether the Division has “good cause” to deny, suspend or revoke a license, it is the nature and character of the offense committed which must be considered in determining suitability for licensing. In both his sworn direct testimony, and in his written statement to the Department’s legal counsel, the Respondent admits to cheating during the course

of his duties while employed as a dealer at a casino, and also admits to having developed an addiction to gambling. Notwithstanding the outcome of an expungement action, or the completion of a “pre-trial intervention” program, the nature and character of the act must be weighed. To allow licensing to a Respondent who willingly admits to this behavior and to a gambling addiction, for which no treatment or rehabilitation has been proven, would create a most significant risk of his re-offending. It would virtually assure that the patrons of the next gaming facility in which he may become employed would be placed at risk.

In addition to the foregoing, it must be noted that the Respondent has not established that he has been offered future employment at the Twin River facility. This fact, in itself, would render his licensing invalid, as all licenses issued by the Department’s Racing and Athletics Division are specific to the facility location and type of employment being offered to a licensee or applicant.

V. CONCLUSIONS OF LAW AND RECOMMENDATION

R.I. Gen. Laws § 41-4-9.1(c) provides that the Department may reject for good cause an application for a license. Though “good cause” is not specifically defined by the statute, it further provides that, in determining whether to grant a license pursuant to this section the division may require the applicant to submit information as to moral character and criminal record.

Racing and Athletics Regulation 9, Section 5(A) *Criminal Background Investigation* states that arrests and/or charges that occurred within the last ten (10) years are types that may warrant denial of application for license or permit, or renewal of a license or permit. Grounds for denial of an application based on an applicant’s criminal record information also constitute “good cause” for revocation of a license once that information is discovered.

Section 5(B) of Regulation 9 provides a number of factors which may be considered as extenuating circumstances in granting or denying an application. One such factor is that police reports indicate that the Respondent denied any wrongdoing after he was escorted by police and security personnel from the gaming floor, and during his subsequent arrest.

It is undisputed that the Respondent provided untrue, incomplete and inaccurate information and omitted material facts regarding his criminal history on the application. The Respondent's untruthful answers to the application questions regarding his criminal history is evidence of untrustworthiness and dishonesty.

The false information provided on his application, the nature of his arrest and criminal charges of Cheating and Conspiracy to Commit Cheating in a casino setting, and the prior suspension of his New Jersey gaming license all show that the Respondent lacks good moral character, and as such, he does not meet the requirements for licensing. Based on the documentary and testimonial evidence presented at hearing by the Department and the Respondent, and the foregoing findings of fact, the Division of Racing and Athletics has established good cause within the meaning of R.I. Gen. Laws § 41-4-9.1(c) to revoke the license of the Respondent.

It is the considered opinion of the undersigned Hearing Officer, based on all of the testimony adduced at hearing and the documentary evidence presented, that the Department has sustained its burden of proving that the Respondent does not meet the necessary requirements to hold a gaming license as a dealer at the Twin River facility.

Therefore, the undersigned Hearing Officer recommends that the Director issue an Order revoking the Vendor/Non-Facility Employee application of the Respondent.

Dated: 13 April, 2015



Ellen R. Balasco, Esq.
Hearing Officer

ORDER

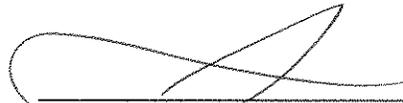
I have read the Hearing Officer's Decision and Order in this matter, and I hereby take the following action with respect to her recommendations.

ADOPT

REJECT

MODIFY

Dated: 4/15/15



Macky McCleary
Director

THIS DECISION CONSTITUTES A FINAL DECISION OF THE DEPARTMENT OF BUSINESS REGULATION PURSUANT TO RHODE ISLAND GENERAL LAWS TITLE 42, CHAPTER 35. AS SUCH, THIS DECISION MAY BE APPEALED TO THE SUPERIOR COURT SITTING IN AND FOR THE COUNTY OF PROVIDENCE WITHIN THIRTY (30) DAYS OF THE DATE OF THIS DECISION. SUCH APPEAL, IF TAKEN, MAY BE COMPLETED BY FILING A PETITION FOR REVIEW IN SAID COURT.

CERTIFICATION

I hereby certify on this 15th day of April, 2015, that a copy of the within Decision was sent by certified and first class mail, postage prepaid to: Liquang Chen at 300 Smithfield Road, Unit 5, Apt. 36, North Providence, RI 02904, and by electronic mail to the following parties at the Department of Business Regulation: Maria D'Alessandro, Esq., Deputy Director of Commercial Licensing and Racing and Athletics; Christina Tobiasz, Chief Licensing Examiner – Racing & Athletics; Jenna Algee, Legal Counsel.



Charles A. Algee