

LOUISIANA BOARD OF MASSAGE THERAPY

IN THE MATTER OF

YANQUN RAO	LICENSE NO. 8487
LOTUS MASSAGE	LICENSE NO. E3544
WONDERFUL LAND THERAPY	LICENSE NO. E3922
B&B SPA	LICENSE NO. E4574
BLUE OLIVE SPA	LICENSE NO. E3890
ALL NATURAL SPA	LICENSE NO. E4298
TING TING SPA	LICENSE NO. E4314
FLOWER SPA	LICENSE NO. E4598
SPA MASSAGE	LICENSE NO. E3962
<u>ORIENTAL FOOT MASSAGE</u>	<u>LICENSE NO. E3845</u>

ORDER OF SUMMARY SUSPENSION

Pursuant to La. R.S. 49:961(C), the Louisiana Board of Massage Therapy (“LBMT”) summarily suspends License number 8487 issued to Yanqun Rao (“Ms. Rao”), License number E3544 issued to Lotus Massage (“Lotus”), License number E3922 issued to Wonderful Land Therapy (“Wonderful Land”), License number E4574 issued to B&B Spa (“B&B”), License number E3890 issued to Blue Olive Spa (“Blue Olive”), License number E4298 issued to All Natural Spa (“All Natural”), License Number E4314 issued to Ting Ting Spa (“Ting Ting”), License Number E4598 issued to Flower Spa (“Flower”), License number E3962 issued to Spa Massage, and License number E3845 issued to Oriental Foot Massage (“Oriental”), pending an administrative hearing scheduled for April 8, 2022, at 11:00 a.m.

This Order of Summary Suspension is effective as of March 7, 2022. Upon execution of this Order, Ms. Rao is not authorized to engage in the practice of massage therapy and must immediately cease and desist from the practice of massage therapy, as defined by La. R.S. 37:3552. Further, Ms. Rao must cease and desist from referring to herself as a licensed massage therapist. Additionally, the establishments in which Ms. Rao is listed as the sole licensed massage therapist, Lotus Massage, Wonderful Land Massage, B&B Spa, Blue Olive Spa, All Natural Spa, Ting Ting Spa, Flower, Spa Massage, and Oriental, must immediately cease and desist from providing massage therapy services.

I. INITIAL FINDINGS

To protect public health, safety, and welfare, emergency action is required due to the nature of the allegations against Ms. Rao. On January 31, 2022, the LBMT received information regarding the issuance of an arrest warrant for Ms. Rao relative to charges that she knowingly violated La. R.S. 14:26, entitled “Criminal Conspiracy,” La. R.S. 14:83.2, entitled “Promoting Prostitution,” La. R.S. 14:84, entitled “Pandering,” and La. R.S. 14:230, entitled “Money Laundering.” The arrest warrant for Ms. Rao was issued as part of an investigation by the East Baton Rouge Sheriff’s Office (“EBRSO”), into complaints of prostitution at massage establishments in East Baton Rouge Parish – Lotus, Wonderful Land, B&B, Blue Olive, and All Natural. According to the LBMT records, Lotus is owned by Zhanping Gao, who is not licensed by the LBMT; Wonderful Land is owned by Dongmei Zhang, who is not licensed by the LBMT; and B&B, Blue Olive, and All Natural are owned by Johnny Wang, who is not licensed by the LBMT. Ms. Rao is listed as the sole massage therapist by these establishments in their LBMT license applications.

Arrest warrants were also issued for co-defendants Johnny Wang, Ting Song, and Huang Weng,¹ for knowingly owning, maintaining, and/or assisting in the maintenance and control of enterprises for profit in which customers are charged a fee for services that include prostitution. In support of the issuance of the arrest warrants in this investigation, the EBRSO filed Affidavits for Arrest Warrant, which provided the allegations detailed below.

On September 29, 2021, Narcotics Detectives with the EBRSO began an investigation into complaints of prostitution at local massage establishments in East Baton Rouge Parish. Narcotics Detectives with EBRSO conducted undercover operations inside five establishments: Lotus, Wonderful Land, B&B, Blue Olive, and All Natural, and witnessed clear violations of La. R.S. 14:83.3, "Prostitution by Massage" and La. R.S. 14:82, "Prostitution." The EBRSO affidavits note that Ms. Rao was not one of the females who performed the illicit massages or solicited sexual acts during the undercover operations. The EBRSO Affidavit further provides that through the course of the investigation, the Affiant, Detective Leigh Rice ("Affiant"), learned that Ms. Rao, Ms. Song, Mr. Wang, and Mr. Weng worked together in maintaining these establishments where prostitution was habitually practiced. Affiant noted that based on her training and experience, subjects maintaining these establishments are known to be engaged in human trafficking. Additionally, Affiant learned from a criminal records search that Ms. Song had been previously arrested for prostitution.

The EBRSO affidavits further detail that during physical surveillance, detectives observed a white Lexus SUV (TX license plate number PTC5890) arrive first at Wonderful Land, where an unknown Asian male, who appeared to be Mr. Wang, and an unknown Asian female, exited the vehicle. Mr. Wang was observed carrying a black backpack as he entered Wonderful Land,

¹ Mr. Wang, Ms. Song, and Mr. Weng are not licensed by the LBMT.

accompanied by the unknown Asian female. Mr. Wang and the unknown Asian female were also seen entering B & B and All Natural. It is believed that Mr. Wang was collecting the cash proceeds from each of the establishments due to him as he arrived at the close of business and not transporting any female subjects from the establishments at that time.

The EBRSO affidavits further detail that through surveillance, detectives learned of another Asian male subject dropping off unknown females at All Natural. Affiant observed this male subject driving a dark gray Honda hatchback and would sporadically drop the female subjects at the establishment after 0100 hours. Affiant noted that it appeared that when Mr. Wang returned to East Baton Rouge Parish, the other Asian male subject would be seen dropping off unknown female subjects either prior to or after Mr. Wang's arrival.

Affiant further detailed that Mr. Wang was observed at All Natural moving massage tables and transporting multiple Asian females from the establishment. During surveillance, Affiant observed Mr. Wang and Ms. Song arrive at All Natural and unload bags. Mr. Wang wore the same black backpack he was seen carrying at other establishments. Through surveillance, Affiant learned that Mr. Wang and Ms. Song would stay in Louisiana for only one or two days before returning to Texas. It is believed that the cash proceeds collected from the establishments were deposited into Ms. Song's bank account at Chase Bank ATMs in Baytown, Texas and Houston, Texas.

On December 9, 2021, at approximately 2200 hours, Mr. Wang and an unknown Asian female arrived at one of the establishments in a 2020 Toyota Highlander (TX license plate number PXH4751). Mr. Wang was observed unloading items from the vehicle and remaining at the establishment for the evening. On December 10, 2021, at 0123 hours, Affiant observed the Honda arrive and four unknown female subjects exited the vehicle. The Asian male subject, identified as

Mr. Weng, escorted the females through the back door of the business. Mr. Weng later informed detectives that he was a LYFT driver and dropped some “clients” off at the establishment. Mr. Weng was also observed at Lotus and All Natural on numerous occasions, monitoring evening activity at the establishments.

Affiant obtained a Global Positioning System warrant for Mr. Weng’s vehicle on December 11, 2021. From the GPS system, Mr. Weng was observed picking up female subjects from the establishments involved in the investigation and dropping them off at All Natural. On December 20, 2021, Affiant observed Mr. Weng drive to Houston, TX and stop for approximately thirty minutes at the international terminal of the Houston Intercontinental Airport. According to the Houston Police Department, Mr. Weng entered the international terminal. It is unknown if Mr. Weng picked up any individuals from the airport on that day. Once Mr. Weng left the airport, he proceeded to L’Auberge Casino in Lake Charles, LA and did not leave the casino under after 0700 hours on December 21, 2021.

The EBRSO affidavits further detail that Affiant obtained a search warrant for records from Entergy Louisiana, LLC to determine who paid the utilities at the aforementioned establishments. Affiant obtained the Entergy account information for Lotus and learned that the utility payments were made from a JPMorgan Chase Bank business account for Lotus (ending in 8813) and other business accounts (ending in 8973 and 9136). Affiant further learned that the phone number listed on the Entergy account for Lotus was a phone number owned by Johnny Wang and the e-mail listed was aroyotingsong@gmail.com.

Affiant requested account records from JPMorgan Chase Bank ending in 8813 from the time period of January 2020 through November 2021. Affiant learned the account was established as a business account for Lotus on October 18, 1996. Ms. Rao was listed as the Member, Manager

for the account on November 5, 2016. The records show that Ms. Rao paid the rental payments for Lotus to Woodlawn Commercial and paid Entergy Louisiana, LLC for utilities at Lotus, Wonderful Land, and B & B from this account. Ms. Rao did not pay utilities for B&B after May 2021, when Ms. Song “took over” the utility account. Ms. Rao is currently paying the utilities for Lotus and Wonderful Land, according to the Entergy and JPMorgan Chase Bank records.

Affiant observed multiple deposits made into Ms. Rao’s account through Electronic Merchant Services, which is a credit/debit card payment processing company. Ms. Rao did not make cash deposits into her account, even though cash was negotiated at all establishments involved in the undercover operation. The credit/debit card deposits were in whole dollar amounts and during the undercover operations at Lotus, a sign was posted on the wall that credit card payments were accepted.

According to the transactions on the Lotus account, Bankcard deposit fees and Paymentech fees were charged for processing credit/debit cards. Ms. Rao deposited approximately \$162,067.00 in credit/debit card payments between January 2020 and November 2021 into the Lotus account. This account is currently being used to pay the monthly expenses to maintain Lotus and Wonderful Land. Financial records included documents completed by JPMorgan Chase Bank involving Ms. Rao revealed altered or structured cash withdrawals and cash exchanges from unknown sources totaling \$40,510.00, with the attempt to circumvent any IRS reporting threshold.

Affiant requested account records from JPMorgan Chase Bank ending in 8379 from the time period of January 2020 through November 2021. Affiant stated she observed that the account was a business account for Ting Ting and was opened on April 9, 2019. The account listed Rafael Arroyo, Jr. as the bank member and Ms. Song as a signer on the account. Affiant learned from utility records from Entergy Louisiana, LLC that Ms. Song used this JPMorgan Chase bank

account to pay monthly expenses for some of the establishments. For example, on August 16, 2021, a payment was made to Entergy of Louisiana in the amount of \$877.04. Entergy of Louisiana records indicate that this payment was for utilities at Blue Spa.

Between January 2020 and November 2021, a total of \$78,807.78 in cash ATM deposits was made into Ms. Song's JPMorgan Chase bank account. From these transaction records, it showed just enough cash deposits into the account each month to cover the monthly expenses for the establishment. From the undercover operations conducted at Blue Olive, All Natural, and B & B, "Cash Only" signs were clearly visible as the only accepted method of payment for services rendered. Affiant also observed payments to DuCharme Investments, which appear to be rental payments for two other licensed establishments, Flower Spa (License no. E4598) and Spa Massage (License no. E3962). According to LBMT records, Flower Spa and Spa Massage are owned by Johnny Wang, and Yanqun Rao is the sole licensed massage therapist listed at these establishments.

In association with the investigation to these establishments, four women were also arrested for violation of La. R.S. 14:83.3, "Prostitution by Massage." Xin Qin, who is not licensed by the LBMT, was arrested for prostitution, prostitution by massage, criminal conspiracy, and possession of schedule II drugs (crystal methamphetamine), possession of schedule II drugs (ketamine), and possession of drug paraphernalia at All Natural. Runzhen Tan, who is not licensed by the LBMT, was arrested for prostitution, prostitution by massage, and criminal conspiracy at Blue Olive. Xiaohui Lu, who is not licensed by the LBMT, was arrested for engaging in prostitution by massage at prostitution, prostitution by massage, and criminal conspiracy at Lotus. Xue Gong, who is not licensed by the LBMT, was arrested for engaging in prostitution by massage, and criminal

conspiracy at Wonderful Land. A fifth violator, arrested at B&B, is missing after being transferred out of jail with another female.

In addition to the establishments that were investigated by the EBRSO, Ms. Rao is listed as the sole licensed massage therapist at Ting Ting, Oriental, Flower Massage, and Spa Massage on the license applications submitted to the LBMT. Ting Ting was the subject of four undercover operations by the Calcasieu Parish Sherriff's Office's Combined Anti-Drug & Vice Interagency Task Force in 2021. During the four undercover operations, undercover agents were propositioned to exchange money for sexual acts. The operations resulted in the arrests of Xiu Xin Lin, Xin Hong Bin, Chuihua Li, Xie Quangzhou, and Wenming Zoe. None of the females arrested are licensed by the LBMT. Oriental was the subject of two undercover operations by the Calcasieu Parish Sherriff's Office's Combined Anti-Drug & Vice Interagency Task Force in 2021. During the two undercover operations, agents were offered sexual acts in exchange for money. During both operations, Guichun Zhong, who is listed as the owner of the establishment, was arrested for prostitution by massage.

Based on the foregoing, it is alleged that Ms. Rao and the establishments that she is listed as the sole licensed massage therapist, Lotus Massage, Wonderful Land Therapy, B&B Spa, Blue Olive Spa, All Natural Spa, Ting Ting Spa, Flower Spa, Spa Massage, and Oriental Foot Massage violated the following rules and regulations applicable to the LBMT:

Code of Conduct for Licensed Professional Counselors, La. Admin Code. tit. 46, Pt XLIV, §3101, et seq.:

§3101 Prohibitions of Sexual Activity

- A. All sexual activity by any person or persons in any massage establishment is absolutely prohibited.

- B. No massage establishment owner or operator shall engage in, or permit any person or persons to engage in, sexual activity in a massage establishment or to use that establishment to make arrangements to engage in sexual activity in any other place.
- C. No massage therapist shall engage in sexual activity with a current client of the therapist.
- E. As used in this Rule and §5301 of this Part:
 - a. sexual activity—includes:
 - i. coital sexual intercourse;
 - ii. anal sexual intercourse;
 - iii. fellatio, cunnilingus;
 - iv. masturbation;
 - ...
 - b. the purposeful touching of the genitals of another person...whether through draping or clothing, whether resulting in penetration or orgasm or not, and whether by instrumental manipulation, touching with the hands, or other bodily contact;
 - c. any sexual offenses proscribed by the criminal laws of Louisiana including, but not limited to, R.S. 14:83.3 and 83.4.
- F. For purposes of this rule, the term *client* means and includes any person receiving massage therapy services provided for compensation...

La. R.S. 37:3558 Massage establishments

- C. For purposes of this Chapter, “sexually oriented business” means a sex parlor, massage parlor, nude studio, modeling studio, love parlor...or other commercial enterprise which has as its primary business the offering of a service or the sale, rent, or exhibit of devices or any other items intended to provide sexual stimulation or sexual gratification to the customer.
- D. A sexually oriented business shall be ineligible for registration as a massage establishment and shall not operate as a massage establishment.

La. R.S. 37:3563 Grounds for Discipline

- A. The board may suspend, revoke, or refuse to issue or renew a license after notice and opportunity for hearing pursuant to the Administrative Procedure Act, upon proof of any of the following:
 - (3) Engaging in unprofessional conduct that has endangered or that is likely to endanger the health, welfare, or safety of the public, as further defined by rules of the board.
 - (6) Violating or aiding and abetting in the violation of any provisions of this Chapter or the rules and regulations promulgated hereunder.

- D. The board shall revoke the license of any person if the board determines that the establishment is a sexually oriented business, as defined in R.S. 37:3558(C)...

II. DECISION AND ORDER


To maintain public health, safety, and welfare, emergency action is required due to the allegations set forth in the allegations in the Affidavits for Arrest Warrants against Ms. Rao, Mr. Wang, Ms. Song, and Mr. Weng. Accordingly, summary suspension of LBMT License number 8487 issued to Yanqun Rao, License number E3544 issued to Lotus Massage, License number E3922 issued to Wonderful Land Therapy, License number E4574 issued to B&B Spa, License number E3890 issued to Blue Olive Spa, License number E4298 issued to All Natural Spa, License Number E4314 issued to Ting Ting Spa, License Number E4598 issued to Flower Spa, License number E3962 issued to Spa Massage, and License number E3845 issued to Oriental Foot Massage is ordered, effective immediately, pending proceedings for a revocation of licensure or other action as the Louisiana Board of Massage Therapy deems fit.

Proceedings before the Louisiana Board of Massage Therapy shall be promptly instituted and determined. Accordingly, an administrative hearing before the Louisiana Board of Massage Therapy is scheduled for April 8, 2022, at 11:00 a.m., at the Louisiana State Archives Building, 3851 Essen Lane, Baton Rouge, Louisiana, 70809. The hearing panel will consist of current Board Members. The hearing will be conducted in accordance with the Administrative Procedure Act, the Louisiana Massage Therapists and Establishments Act, and the rules promulgated by the LBMT.

Yanqun Rao, Lotus Massage, Wonderful Land Therapy, to B&B Spa, Blue Olive Spa, All Natural Spa, Ting Ting Spa, Flower Spa, Spa Massage, and Oriental Foot Massage will be given a full opportunity to appear and be heard, with or without counsel, and are entitled to hear a

statement of what accusations have been made against them, to present evidence, to cross-examine witnesses, and to have witnesses subpoenaed. Ms. Rao and/or any of the above-named establishments may request that subpoenas be issued by the Louisiana Board of Massage Therapy and must send a request to the Louisiana Board of Massage Therapy office at least 5 days prior to the hearing, listing the names and addresses of the individuals to be subpoenaed, along with a brief summary of what the individual will testify to. The testimony will be under oath and a court reporter will record the proceedings at the hearing, and any party wishing to obtain a transcript of the hearing may do so at their expense.

Date: 3/07/2022



James E. Steele,
Complaint Investigation Officer
Louisiana Board of Massage Therapy