# United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, D.C. 20240

APR - 3 1995

Honorable Ross Cline
Chairman
Nooksack Indian Tribe
5048 Mt. Baker Hwy.
P.O. Box 157
Deming, Washington 98244

Dear Chairman Cline:

On February 15, 1995, we received the Second Amendment to the Tribal/State Compact for Class III Gaming Between the Nooksack Indian Tribe (Tribe) and the State of Washington (State), dated January 26, 1995.

We have completed our review of the Amendment and conclude that it does not violate the Indian Gaming Regulatory Act (IGRA), other Federal law or our trust responsibility. Therefore, pursuant to my delegated authority and Section 11 of the IGRA, we approve the Amendment. The Amendment shall take effect when notice of our approval, pursuant to Section 11(d)(3)(B) of the IGRA (25 U.S.C. § 2710(d)(3)(B)), is published in the FEDERAL REGISTER.

We wish the Tribe and the State success in this economic venture.

Sincerely,

Ada E. Deer

Ada E. Deer
Assistant Secretary - Indian Affairs

Enclosures

Identical Letter to: Honorable Mike Lowry
Governor of Washington
State Capitol
Olympia, Washington 95804

**NOOKSACK INDIAN TRIBE - STATE OF WASHINGTON**
**CLASS III GAMING COMPACT AMENDMENTS**

THIS amendment is entered into between the STATE OF WASHINGTON (hereinafter referred to as the "State") and the NOOKSACK INDIAN TRIBE, a federally recognized Indian tribe (hereinafter referred to as the "Tribe").

WHEREAS, the State and the Tribe executed a Class III Gaming Compact, which Compact was approved by the Secretary of the Interior and is in full force and effect (hereinafter referred to as the "Compact"), and

WHEREAS, the State has proposed an amendment to the Compact which the State believes will provide additional flexibility for Class III gaming by the Tribe consistent with what the State deems to be its public policy of limited gaming,

NOW THEREFORE, the parties hereto hereby agree to amend certain portions of Section III and Section XV of the Compact so that the following limits shall apply:

3(f) Size of Gaming Floor. The actual Class III gaming floor within the gaming facility shall be determined by the Tribe.

3(g) Size of Class III Gaming Operation. The maximum number of Class III gaming stations shall not exceed thirty one (31) plus, at the option of the Tribe, one (1) additional gaming station ("the nonprofit station"). The proceeds from the nonprofit station shall be dedicated to support nonprofit organizations and their activities located within Whatcom county or the State of Washington. For purposes of determination of "proceeds" from the nonprofit station only, proceeds shall mean the net win less the pro rata cost of regulation and operation, specifically excluding capital costs. Therefore, the proceeds shall equal the net win less the costs of regulation and operation, divided by the thirty one (31) gaming stations. The Tribal gaming ordinance shall set forth regulations concerning the types of bona-fide nonprofit organizations or types of projects of such organizations that shall be supported by the nonprofit station. When the gaming operation has met the conditions set forth in Section 3(o) "phase two" may be implemented, providing for up to (50) fifty gaming stations plus, at the option of the Tribe, two (2) additional gaming stations ("the nonprofit stations").

3(h) Wagering Limitations. Wager limits shall not exceed two hundred fifty dollars ($250). When the gaming operation has met the conditions set forth in Section 3(o), "phase two" may be implemented, providing for wager limits of up to five hundred dollars ($500).

3(i) Hours of Operation. Operating hours may not exceed one hundred twelve (112) hours per week on an annualized basis. When the gaming operation has met the conditions set forth in Section 3(o), "phase two" may be implemented, providing for operating hours of up to one hundred forty (140) hours per week on an annualized basis. Provided, however, the Class III

gaming operation shall be open no more than twenty (20) hours in any twenty-four (24) hour period, and shall be closed to the public from 2:00 a.m. until 6:00 a.m. each day of operation. Provided further, the Tribe may conduct Class III gaming operations beyond 2:00 a.m. upon mutual written agreement by the State Gaming Agency, the Tribal Gaming Agency, and local law enforcement agencies. Provided further, upon thirty (30) days written notice to the State Gaming Agency and upon written mutual agreement between the State Gaming Agency and Tribal Gaming Agency, the Tribe may, not more than three (3) times per calendar year, conduct continuous Class III operations for up to seventy two (72) hours.

3(o) Conditions. After any six months of operation, the State Gaming Agency shall conduct a review of the Class III operation to determine general compact compliance and whether the conditions set forth below have been satisfied. If, as a result of the review, the State Gaming Agency determines that the operation is in compliance with these conditions, the Class III operation may implement "phase two." If the State Gaming Agency determines that the Class III operation has not satisfied the conditions, any resulting dispute will be resolved through the dispute resolution procedures set forth in section 12 of this Compact. Any increase in the number of gaming stations, hours of operation, or wager limits beyond that initially authorized during "phase one" of class III gaming operations shall be conditioned upon the following criteria:

1. There have been no violations of the provisions of the Compact that have resulted in sanctions imposed by the Federal District Court or the National Indian Gaming Commission.
2. There have been no violations of the Compact which are substantial or, due to repetition, would be deemed material.
3. There have been no material adverse impacts on the public health, safety, or welfare of the surrounding communities in the nature of criminal activities directly related to the operations of the Class III gaming facility.
4. There have been no material violations of Appendix A of this Compact.
5. The Tribal Gaming Agency has developed a strong program of regulation and control demonstrating an adequate level of proficiency, which includes the hiring of trained Tribal Gaming Agents, an independent management and reporting structure separate from that of the gaming facility or tribal bodies, a thorough and developed system for the reporting of Compact violations, and a strong and consistent presence within the Class III facility.

Replace Section 15(d)(ii) with the following language:

15(d)(ii) Renegotiation/Amendments. Subsections III(d), (g), (h), and (i) will not be subject to renegotiation or amendment for thirty-six (36) months from the date of this amendment, ___ _____, unless one of the following occurs: (1) the laws of the State are amended, expanding gaming beyond that which is now allowed under the terms of this Compact; (2) a State or Federal court within the State of Washington or a Federal court interpreting the laws of the State of Washington issues a final and unappealable decision permitting participation in a gaming activity that was not authorized for any purpose by any person, organization, or entity at the time this Compact was executed or not authorized by this Compact; (3) another

tribe West of the Cascade Mountains obtains, through a Compact approved by the Secretary of the Interior, greater levels of wagering, hours of operation, size and/or scope of Class III gaming activities, than authorized by the provisions of this Compact; or (4) another tribe East of the Cascade Mountains obtains, through a Compact approved by the Secretary of the Interior, greater levels of wagering, hours of operation, size and/or scope of Class III gaming activities, than authorized by the provisions of this Compact and the Tribe can demonstrate that such levels have resulted in an adverse economic impact on the Class III gaming operation. Further, §15(d)(i) which provides that the parties may "mutually agree" to renegotiations and/or compact amendments may not be invoked during this thirty-six (36) month time period.

WITNESS WHEREOF, the Nooksack Indian Tribe and the State of Washington have executed this amendment to the Compact.

DATED this 26TH day of January, 1995.

THE NOOKSACK INDIAN TRIBE
By:

Ross Cline — 12-23-94
Ross Cline, Chairman — Date

STATE OF WASHINGTON

Mike Lowry — 1-26-95
Mike Lowry, Governor — Date

DEPARTMENT OF INTERIOR

Ada E. Deer — APR 3
ADA E. DEER — Date
Assistant Secretary - Indian Affairs