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NATIONAL INDIAN GAMING COMMISSION MEETING  
MAY 4TH, 2017  
MISSISSIPPI COAST CONVENTION CENTER  
2350 BEACH BOULEVARD  
BILOXI, MISSISSIPPI 39531  
COMMENCING AT APPROXIMATELY 1:05 P.M.

1                   MR. CHAUDHURI: Okay, I guess we'll go  
2 ahead and begin. And thank you all for being here.  
3 Before we get into introductions and, you know, more  
4 substantive part of the program, we always strive to  
5 open these Consultations in the right way. Today,  
6 we're very honored to have Mr. Glendale Willis from  
7 Mississippi Band of Choctaw available to open us up  
8 with a blessing.

9                   (OPENING BLESSING)

10                  MR. CHAUDHURI: Again, Mr. Willis, thank  
11 you so much for agreeing to open us up. And this is on  
12 behalf of the Agency. And thanks to Christinia Thomas.

13                  MR. WILLIS: Thank you, ma'am.

14                  MR. CHAUDHURI: And so we'll go ahead and  
15 begin. I know we'll probably have some stragglers come  
16 in a little bit later, but my name is Jonodev  
17 Chaudhuri. I'm honored to be here. I'm the Chairman  
18 of NIGC, I'm Muscogee Creek, and Bengal from India.

19                  And so again, we want to thank everybody for  
20 taking the time to be here. Consultation is  
21 extraordinarily important to all of us at NIGC. We  
22 have an ongoing commitment to never put pen to paper on  
23 a matter of substantive importance without engaging  
24 with meaningful dialogue with Indian country and  
25 regulatory partners.

1           I'm going to turn it over to my fellow  
2 Commissioners, who will speak a little bit more about  
3 the importance of today's discussion. But again, I  
4 want to thank you all for taking the time to be here,  
5 and I very much look forward to a fruitful Consultation  
6 today. We're going to turn it over to our Vice Chair.

7           MS. ISOM-CLAUSE: Thank you all for being  
8 here. It's nice to see familiar faces and some new  
9 faces, too. I really appreciate you all braving the  
10 weather. It's a small room, but for our  
11 transcriptionist back here.

12           As the Chairman mentioned, we're here to honor  
13 the relationship between Tribes and the Federal  
14 Government, and the best way that we can do that is  
15 through the Consultation. So we thank you all again  
16 for being here and participating with us in this  
17 process.

18           I think I'll also keep it brief on Chairman's  
19 starting with what he said. We're all a little tired  
20 today, I think. What I wanted to mention is that we're  
21 all developing a strategic plan that Chairman mentioned  
22 earlier this morning that will be in effect for the  
23 next four years. We're not going to talk about that  
24 directly today, but many of our topics today are part  
25 of the strategic plan. So any comments that we hear

1 from you will also be used to inform that process. So  
2 we'll give you more opportunity to comment on the  
3 actual strategic plan in the future, but we don't have  
4 the full details and the timing of that, so we'll let  
5 you know as that becomes available.

6 And finally, our door is always open. Please  
7 come speak with us at any point beyond the Consultation  
8 sessions today, and we look forward to hearing your  
9 comments.

10 MR. SIMERMEYER: Good afternoon. My name  
11 is Sequoyah Simermeyer. I'm a member of the Coharie  
12 Tribe, and I'm Associate Commissioner of the NIGC's  
13 Gaming Commission.

14 So I want to join my colleagues in thanking  
15 you all for the time it took to participate and prepare  
16 for this today, and reiterate the importance of  
17 Consultation and the opportunity that we have to define  
18 and maintain the governmental relationship that we  
19 have. So thank you for your time, thank you for your  
20 feedback both today and in the coming weeks as we work  
21 together in partnership. So thank you.

22 MR. CHAUDHURI: Thank you, fellow  
23 Commissioners. We have a number of housekeeping  
24 matters to discuss, but really, I want to stress that  
25 this is a conversation, it's a dialogue. And so even

1     though we have a number of housekeeping matters to go  
2     over, I don't want this to be anymore formal than it  
3     has to be. I want this to be a two-way conversation.  
4     We're here to answer questions to the best of our  
5     abilities, but we're also joined by many members of our  
6     team who will serve as technical experts today who can  
7     also contribute to the discussion.

8             That said, today's consultation will be  
9     transcribed, as Commissioner Simermeyer mentioned. We  
10    have a transcriptionist here. I would ask anybody who  
11    offers a comment, for benefit of -- really, for the  
12    benefit of folks who aren't able to be here today, who  
13    will be reading the comments in transcript form, please  
14    state your name, as well as your Tribal affiliation,  
15    and what organization you're with. So I know we often  
16    have a blend of Tribal leadership and regulators at our  
17    Consultations, which we're very happy about, because as  
18    an extension of the nation-to-nation relationship, we  
19    absolutely value Tribal leadership input. But in  
20    addition to leadership, we also absolutely value the  
21    Commissions' and TGRA's input as well, because we are  
22    regulatory partners with our fellow regulators. And so  
23    please state your name, title, Tribal affiliation, and  
24    the nation you are representing for benefit of the  
25    transcriptionist.

1           And that leads me to another housekeeping  
2 point. This is a Consultation, so we are here  
3 primarily to hear input from Tribal leadership and  
4 Tribal regulators; however, we also recognize that  
5 Tribal nations also designate spokespeople to provide  
6 comments on their behalf. And that is fine as well.  
7 But our main priority is making sure regulators and  
8 leadership have an opportunity to speak.

9           Along those lines, if there's anybody here  
10 who's not representing a Tribal nation in a formal  
11 capacity, please let us know. We will have room to  
12 hear all comments if all comments from Tribal  
13 leadership and Tribal regulators have been exhausted.  
14 We want this to be a free-flow conversation, but we  
15 would like to know who's representing who. And again,  
16 that's for the purpose of honoring the nation-to-nation  
17 relationship.

18           So before getting into more housekeeping  
19 details, if we could go around the room, rather than  
20 introducing all NIGC folks here, we have a lot of folks  
21 who are here at the conference today, and as I  
22 mentioned earlier this morning, that's by design. We  
23 want our regulatory partners to know us by first names  
24 so that we're available to answer questions and provide  
25 assistance whenever and wherever possible. But rather

1 than introduce all the NIGC folks, I'll just have us  
2 introduce ourselves as we go around in a circle.  
3 Again, it's always good to know who we're sharing with.

4 And so with that, if we could go in this  
5 direction, and we'll start with Mr. Waldo.

6 MR. WALDO: Good morning, everyone.  
7 Travis Waldo, Director of Technology, NIGC.

8 MS. LEE: Yvonne Lee, Director of Finance  
9 for the National Indian Gaming Commission.

10 MS. WILKERSON: Julie Wilkerson, Tribal  
11 Attorney, Jena Band of Choctaw Indians.

12 MS. SMITH: Cheryl Smith, Tribal Chief,  
13 Jean Band of Choctaw Indians, Louisiana.

14 MS. WILLIAMSON: Lillie Williamson, Tribal  
15 Council, Jena Band of Choctaw Indians.

16 MS. PHILLIPS: Tanya Phillips, Assistant  
17 Attorney General for the Pearl River Resort Mississippi  
18 Band of Choctaw Indians.

19 MS. SMILEY: Sharon Smiley, Chairman of  
20 the Poarch Band of Creek Indians Gaming Commission.

21 MR. STABLER: Justin Stabler, Commissioner  
22 for the Poarch Band of Creek Indians Gaming Commission.

23 MR. FIELD: I'm Mark Field, Director of  
24 Poarch Band of Creek Indians NGC.

25 MS. ALFARO: Lucia Alfaro, Gaming

1 Commissioner, Coushatta Tribe of Louisiana.

2 MS. BAKER: Trisha Baker, Commissioner,  
3 Coushatta Tribe of Louisiana.

4 MR. AMOS: Roger Amos, Inspector with the  
5 Choctaw Gaming Commission, Mississippi Band of Choctaw  
6 Indians.

7 MR. JIM: Jarred Jim, Game Inspector,  
8 Mississippi Band.

9 MS. CARSON: Bea Carson, Chairman of the  
10 Choctaw Gaming Commission, Mississippi Band of Choctaw  
11 Indians.

12 MS. COOPER: Linda Cooper, outside counsel  
13 for the Gaming Commission, Mississippi Band of Choctaw  
14 Indians.

15 MS. WILLIS: Glendale Willis, Associate  
16 Commissioner of the Mississippi Band of Choctaw  
17 Indians.

18 MR. BREWER: Steve Brewer, Training  
19 Manager for the National Indian Gaming Commission.

20 MS. THOMAS: Good afternoon. Christinia  
21 Thomas. I'm the Deputy Chief of Staff of the National  
22 Indian Gaming Commission. I'm also a member of the  
23 Mille Lacs Band of Ojibewe out of Minnesota.

24 MR. HOENIG: Michael Hoenig. I'm the  
25 General Counsel of the National Indian Gaming



1 Commission.

2 MR. CHAUDHURI: And Ms. Altimus?

3 MS. ALTIMUS: I am no one of any  
4 significant importance.

5 MR. CHAUDHURI: We all know Cindy. We're  
6 very happy to have our original Director here, Ms.  
7 Cindy Altimus.

8 So let's go over a few housekeeping  
9 matters. Again, we don't want this to be anymore  
10 formal than it has to be. We want this to be a  
11 dialogue. But we're scheduled to go til 5:00 today.  
12 If everybody has shared what they want to share today  
13 and we are done earlier than that, there's no crime or  
14 shame in finishing early. We may very well finish  
15 early. But I do want everybody to have the full  
16 opportunity to share.

17 We're here to discuss a number of topics, and  
18 the way that this is all structured, we'll have a  
19 subject matter expert from NIGC provide some background  
20 for a given topic, and then we'll open that topic up  
21 for discussion, and then move on to the next topic.

22 At the end of all topics, we'll have a  
23 catch-all section where we allow for any additional  
24 comments regarding any of the previous topics. And if  
25 we have time, if all comments are exhausted, we want

1 folks to feel free to share their perspectives on any  
2 areas that NIGC could improve its work in. But let me  
3 go through those topics in the order we'll address  
4 them, and who's going to be speaking to each of them  
5 now.

6           First we're going to hear about Rural  
7 Outreach. And we have Steve Brewer, our Training  
8 Manager, who will be providing background on that.

9           Our second topic will be Developing a Strong  
10 Tribal Workforce Through Training. Again, Mr. Steve  
11 Brewer will provide background.

12           Our third topic will be Management Contract  
13 Regulations and Procedures. Our Finance Director, Ms.  
14 Yvonne Lee, will be providing background on that.

15           Our fourth topic will be Technical Standards  
16 for Mobile Gaming Devices. Our Technology Division  
17 Director, Mr. Travis Waldo, will be our subject matter  
18 person for that.

19           Fifth topic we'll be discussing some proposed  
20 actions regarding fees. Again, Ms. Lee will be  
21 providing background on that.

22           And sixth, we will be discussing Proposed  
23 Draft Guidance, Voluntary Draft Guidance Regarding  
24 Class III Minimum Internal Controls. And our Deputy  
25 Chief of Staff, Ms. Christinia Thomas, will be

1 providing background.

2           So as we go through these, I want us to keep  
3 the purpose of these discussions in mind. We value and  
4 welcome all comments. We never want folks to leave  
5 thinking, oh, I wish I had said this, I wish I had said  
6 that. If on the drive home you think of a comment that  
7 you wish you had made, we will be happy to receive  
8 written comments after today as well, and we welcome  
9 any -- we'd be very happy if you would attend our other  
10 Consultations. We have one more, let's see, one more  
11 Consultation on these topics scheduled for May 25th in  
12 the northwest area, in the Portland area. It's going  
13 to be held in connection with the timing of the  
14 Affiliated Tribes of Northwest Indians Conference. And  
15 that will be 1:30 to 5:30 p.m., May 25th. So there  
16 will be additional opportunities to submit written  
17 comments. And we encourage folks to help get the word  
18 out about attending our next upcoming Consultation.

19           At the end of June, we will be compiling all  
20 comments that have been received for this Consultation  
21 period, and internally compiling them and going over  
22 them, as well as the transcripts from these  
23 Consultations, to work on deliverables from this round  
24 of Consultations. We have made a commitment in the  
25 past to work with all diligence on moving forward with

1 potential deliverables on topics of Consultations. We  
2 thank you for your past participation. And  
3 specifically, we held previous Consultations last year  
4 on some important topics. Please keep an eye out for  
5 some deliverables in the coming weeks on those topics.

6 But that's how today is going to be  
7 structured. Again, I don't want this to be anymore  
8 formal than it has to be, but if there are any  
9 questions at any time, please feel free to ask. If it  
10 looks like we're going to be using all of our time,  
11 we'll try and work in a break, a stretch-your-legs  
12 break, but if we're moving along pretty quickly, we'll  
13 finish early.

14 So with that, I think we can move forward with  
15 our first topic. Mr. Steve Brewer, would you like to  
16 discuss Rural Outreach?

17 MR. BREWER: I would. Thank you. Good  
18 afternoon. The NIGC would like to consult with you on  
19 the Rural Outreach Initiative. We all know in Indian  
20 Country that most of our Tribal lands are in rural  
21 areas. Reaching out to smaller gaming operations that  
22 may not be situated near a strong market is an  
23 important initiative of the Agency.

24 The NIGC recognizes a likely correlation  
25 between proximity to large population centers, and the

1 viability of economic opportunities for those Tribes.  
2 Therefore, NIGC appreciates that its functions will  
3 likely benefit from a greater understanding of the  
4 unique needs of smaller operations.

5           NIGC has historically taken into account the  
6 needs and capabilities of smaller gaming operations  
7 through its regulations. For instance, NIGC's  
8 regulations for Minimum Internal Control Standards and  
9 accounting requirements differ between Tier A  
10 facilities that earn less than eight million, Tier B  
11 facilities that earn between eight and fifteen million,  
12 and Tier C facilities that earn over fifteen million.  
13 And we know from Annual Gross Gaming Revenue that the  
14 majority of Tribal gaming operations throughout Indian  
15 Country are smaller facilities with lower gross gaming  
16 revenue. Many small rural gaming operations provide  
17 their communities with much-needed jobs, but may earn  
18 little net revenue to support Tribal government  
19 services.

20           The Commission has a responsibility to review  
21 the regulations to assure that compliance is reasonable  
22 and achievable for all Tribal operations, while  
23 protecting the integrity of gaming as a whole. The  
24 NIGC may find through this Consultation and from your  
25 comments that current regulations could be amended to

1 better address the regulatory needs of smaller  
2 operations.

3 In addition, the NIGC provides technical  
4 assistance and training to all Tribes and enforces IGRA  
5 and its regulations to ensure Tribes are the primary  
6 beneficiaries of their gaming operations.

7 In order to better meet the technical  
8 assistance and training needs of small rural Tribes,  
9 the Commission is also considering creating an eighth  
10 region that would include North Dakota, South Dakota,  
11 Wyoming, and Montana. These states are currently  
12 served out of the St. Paul Region, which is the largest  
13 administrative region of the agency, and currently  
14 covers nine states, fifty-nine Tribes, and a hundred  
15 and forty-four gaming operations. To help address the  
16 need of more western Tribes in the region, in 2003, the  
17 Rapid City satellite office was added to the St. Paul  
18 Region to better the Tribal gaming operations in North  
19 Dakota, South Dakota, Wyoming, and Montana.

20 By splitting up the St. Paul and Rapid City  
21 offices into separate administrative regions, the St.  
22 Paul regional office would then cover only five states,  
23 Minnesota, Iowa, Wisconsin, Michigan, and Nebraska,  
24 which would consist of thirty-seven Tribes, and  
25 ninety-five Tribal gaming operations. The new Rapid

1 City regional office would cover four states, Montana,  
2 Wyoming, North Dakota, and South Dakota, which is  
3 twenty-two Tribes, and forty-five Tribal gaming  
4 operations. This split will not take away resources or  
5 budget from any region, and only split the resources  
6 between the St. Paul and Rapid City offices.

7 The NIGC would like to hear any questions or  
8 feedback, and ask specifically for any discussion and  
9 comments about whether regulatory revisions are needed  
10 that protect Tribal gaming revenue and the integrity of  
11 Indian gaming, while not burdening smaller operations;  
12 whether NIGC should adjust the way we do businesses in  
13 our training technical assistance and compliance  
14 efforts to provide better assistance where needed; and  
15 finally, with the NIGC should create an eighth region  
16 to provide a stronger connection to Tribes located in  
17 North and South Dakota, Montana, and Wyoming. Thank  
18 you.

19 MR. CHAUDHURI: Thank you, Steve. So  
20 we'll just open it up for questions, comments, any  
21 dialogue. And I do want to mention what Vice Chair  
22 mentioned about being tired. Thank you so very much  
23 for being here. I know many folks, like all of us, got  
24 caught up in travel weather-related delays and what  
25 have you. You know, I'm still working off of zero

1 sleep after having driven in from Houston this morning.  
2 So I know it's taken a lot to be here, but I think we  
3 get a lot done when we communicate with each other and  
4 work together in mutual -- in the spirit of mutual  
5 interest. And that mutual interest is, you know,  
6 supporting the integrity of Indian gaming. And so  
7 thank you very much for being here. Let's open it up  
8 to questions and comments.

9 MS. WILKERSON: With regard to expanding  
10 the Rapid City region, it sounds like it's not taking  
11 money, say, from this region, where you have Poarch,  
12 Mississippi, and Coushatta, and Jena represented, but  
13 could you give us a little background? It's obvious  
14 that there's a need there for Rapid City, and it seems  
15 like this may have been in the works for a little bit,  
16 and in asking our feedback, if we could understand a  
17 little more of the eastern region. BIA has asked  
18 several things sometimes, and had worked on it for a  
19 long time to get what they needed, so I just wanted a  
20 little background for that.

21 MR. CHAUDHURI: Absolutely. And thank you  
22 for that question. Again, Christinia over there.

23 MS. THOMAS: As in background, the reason  
24 that we're tying it to Rural Outreach is because of the  
25 Tribes that are in that area, and wanting to heighten



1 the type of -- the amount of technical assistance and  
2 view, I guess, how often we're on the ground in that  
3 particular area is why we're looking at trading that as  
4 its own particular region so that we can kind of focus  
5 more on the Tribes that are in North and South Dakota,  
6 Montana, and Wyoming.

7 And St. Paul, like, administratively is the  
8 largest administrative regional office we have, and  
9 that's a lot of space to put on one regional office and  
10 one regional director to try and manage everything  
11 within those nine Tribes. So from an administrative  
12 and from an efficiency purpose, it makes sense to split  
13 them so that we can focus on those Tribes in those four  
14 states.

15 MS. WILKERSON: I take it those Tribes are  
16 very excited about this?

17 MS. THOMAS: Well, they're not objecting  
18 to it.

19 MR. CHAUDHURI: Thank you for that  
20 question. I don't want anyone to feel locked into just  
21 the scope of the regional split.

22 Let me give a good example of how, you know,  
23 honest dialogue actually leads to action on the part of  
24 NIGC. We talk about our focus on rural outreach.  
25 There are a lot of things that we do as an agency that

1 kind of blends -- that maybe falls into one or two --  
2 I'm sorry, two or more initiatives. A good example of  
3 that is our IT Vulnerability Assessments. And why am I  
4 talking about that?

5 Let me go through very briefly our four  
6 initiatives right now. One is focus on technology.  
7 Another one is strengthening the workforce both at NIGC  
8 and among our regulatory partners. Third one is  
9 protecting against gamesmanship on the backs of Tribes.  
10 And the fourth -- the first one I said was rural  
11 outreach, right? I said technology. The fourth is  
12 rural outreach.

13 Well, our IT Vulnerability Assessments grow  
14 out of both the technology and rural outreach  
15 commitments. But even though they're the brainchild of  
16 our Director, Travis Waldo, as well as our Deputy Chief  
17 of Staff, as well as another member of our team, Sean  
18 Mason, they really addressed a need that came about in  
19 a conversation very similar to this in California. We  
20 had one regulator talking about some of the capacity  
21 restraints that a given Tribe had, largely because of  
22 budgetary issues. And those capacity restraints led to  
23 quite a bit of reliance on vendors for IT services.  
24 And this regulator raised concerns about how much they  
25 had to rely on a vendor for IT services. And it

1 prompted a lot of internal discussion at NIGC about  
2 what could we do to support some of those rural  
3 communities with those capacity issues a little bit  
4 better. And that kind of helped paved the way for the  
5 great ideas that Travis, and Christinia, and Sean all  
6 came up with. I always give Travis all the credit, but  
7 I'm trying to include Christinia and Sean in there,  
8 too. But that came from just an offhand comment  
9 somebody made about having to rely on vendors, and it  
10 got us thinking and got us working on it. So it helped  
11 lead to the technology division, it helped lead to IT  
12 Vulnerability Assessments.

13           Please don't feel locked into just the  
14 regional discussion. We want to hear about anything  
15 that we could be doing, and anything that we do that  
16 could better support smaller or rural operations,  
17 keeping in mind, even the biggest operations typically  
18 had to start somewhere. And so we all have experience,  
19 I mean, regardless of how established an operation is,  
20 most everybody does have experience with the smaller  
21 rural challenges.

22           MS. ISOM-CLAUSE: I wanted to add, we have  
23 an end for the comment period, but that's certainly not  
24 the end of the discussion on Rural Outreach and on any  
25 of the other issues. These are ongoing discussions,

1 but we just kind of want to be able to move forward  
2 with current proposals. That's no way cutting off the  
3 conversation, so please feel free to let us know about  
4 other things you may think about, as the Chairman  
5 mentioned, on the drive home, or whenever you may think  
6 about them. Thank you.

7 MR. CHAUDHURI: The drive home, or sitting  
8 in the airport with a canceled flight. Whatever the  
9 case may be. I'm sorry. Knock on wood.

10 Anything else anybody wants to add before we  
11 move on to the next topic?

12 MR. SIMERMEYER: I just wanted to, before  
13 we wrapped up the discussion about the Rural Outreach,  
14 just encourage you to think about it as my colleagues  
15 have. And it's a good opportunity to both address  
16 efficiencies that can be made, and also to look at how  
17 we're preparing for innovation that comes forward. So  
18 I think there is a lot of overlap in some other areas.  
19 And for me, and I know the Chair identified this as an  
20 early initiative for him, I think there's a lot of  
21 opportunity there. So thanks for your continued  
22 thoughts about this topic.

23 MR. CHAUDHURI: And again, we'll have a  
24 catch-all opportunity at the end if any ideas about any  
25 of these topics come to mind. We want everybody to

1 feel free to bring them up at the end.

2 So we'll go ahead and move forward with our  
3 next topic, and that will also be framed by Steve  
4 Brewer, and that topic is Developing a Strong Tribal  
5 Workforce Through Training.

6 MR. BREWER: Hello, I'm still Steve  
7 Brewer.

8 A strong workforce is an essential ingredient  
9 to the success of any business. The NIGC believes that  
10 one of our best assets is our employees, and recognizes  
11 that this is also the case for Tribal Gaming  
12 Operations. With this in mind, the Commission has  
13 prioritized supporting a strong workforce, both within  
14 NIGC and among our Tribal regulatory partners, as one  
15 of its four initiatives.

16 In order to foster a strong Tribal workforce,  
17 the NIGC seeks to enhance our external training program  
18 to ensure that it continues to meet the needs and  
19 demands of the industry. To that end, we take this  
20 opportunity to update you on the direction and  
21 commitment of our training program, and to consult with  
22 you on how we can deliver a better training program to  
23 meet the needs of our Tribal Regulatory Partners.

24 Currently the NIGC offers three types of  
25 training events. The Regional Training Conferences,

1 which are trainings derived from our training catalog  
2 and are based on the needs of the region where training  
3 is occurring. Regulating Gaming Technology, which is  
4 geared towards providing both an understanding of a  
5 variety of technologies on a casino floor, and  
6 strategies on how to effectively regulate and  
7 understand such technology. It should be noted that  
8 the RGT training for 2007 has been suspended to allow  
9 time to revamp the training, and to make sure new  
10 technologies are included. It is anticipated that a  
11 new RGT course will resume in 2018. And finally, Site  
12 Specific Trainings. These are trainings requested by a  
13 Tribe to meet the individual needs of its Tribal  
14 government, gaming commission, regulators, and  
15 operators.

16           The NIGC has developed some assessment tools  
17 that Tribes can request at no cost. The first  
18 assessment opportunity is the Information Technology  
19 Vulnerability Assessment, or ITVA. The ITVA is  
20 performed by NIGC IT auditors who complete a  
21 Vulnerability Analysis of a facility's IT system to  
22 identify potential security threats. The second type  
23 of assessment is an Internal Control Assessment, or  
24 ICA, performed by audit staff. This can be a  
25 comprehensive review of a Tribal gaming facility's

1 entire system of internal controls, or a limited review  
2 such as an internal audit or cage operations.

3           Based on the findings of either a completed  
4 ITVA or ICA, the training program can then develop  
5 targeted training specific to the need of the Tribe.

6           All NIGC training is developed for our Tribal  
7 customers. The training request process is used to  
8 shape and deliver training courses and programs that  
9 are uniquely tailored to each organization based on  
10 their specific needs and requests.

11           The NIGC training program is currently  
12 undergoing a process to revamp, revise, and update all  
13 of our training offerings.

14           The NIGC is committed to craft trainings that  
15 are carefully targeted to meet the evolving needs of  
16 our regulatory partners, and address high priority  
17 matters critical to safeguarding the Indian Gaming  
18 industry.

19           In this manner, the NIGC training program is  
20 in the process of revising its instructor-led training  
21 courses to provide for a more interactive and hands-on  
22 approach.

23           As a commitment to the value we have put on  
24 training, we have recently brought in additional staff  
25 to help develop our training platform and assist with

1 incorporating new methods of training. Additionally,  
2 we are utilizing more technology in our training  
3 offerings. We are working towards offering on-line and  
4 on-demand training and for live videoconferencing  
5 events.

6 With the kickoff of our current training year,  
7 the NIGC has included several new training classes,  
8 including a twelve-hour comprehensive training for  
9 Internal Audit, a twelve hour hands-on workshop for  
10 TICS/SICS development, a new Gamesmanship 2.0 training,  
11 and a new IT training relating to auditing the Class II  
12 control standards as, a part, 543.20. Each training is  
13 designed to be interactive and a hands-on approach. We  
14 are in the process of revising our full training  
15 catalog to reflect these new training opportunities.

16 In 2016, the NIGC instituted Knowledge Reviews  
17 in certain audit courses. The intent of the Knowledge  
18 Review is to review the effectiveness of our training.  
19 The testing is performed at two points: First upon  
20 completion of a training class to understand what the  
21 student learned; and second, another test is performed  
22 ninety days later to see if the student retained the  
23 information.

24 For 2017, the NIGC is expanding the Knowledge  
25 Reviews for all courses offered by the NIGC.



1           The NIGC is interested in learning from you  
2 about what our training program can do to meet the  
3 needs of your operations, what additional types of  
4 training or events you would like to see, what more can  
5 our training program do to help Tribes stay abreast of  
6 emerging trends in Indian Gaming, including  
7 technological development such as online and on-demand  
8 training, Smartphone, or tablet apps, or other  
9 technology. Or do you have any other comment or  
10 concerns you would like to share? We look forward to  
11 hearing from you. Thanks.

12           MR. CHAUDHURI: Thank you, Steve. This is  
13 a very comfortable crowd. You guys are on a good path.  
14 We'll take that as a vote of confidence. Silence is a  
15 good thing.

16           MS. WILKERSON: Julie Wilkerson, Jena Band  
17 of Choctaw Indians. It's really a comment. Based on  
18 the recommendation from Keith, the Tribal Council asked  
19 for the Internal Control Assessment last year. Ms.  
20 Altimus, Cindy, came, Rest West, we got to know Rest  
21 very well, and I was trying to remember from IT, we got  
22 the IT golden bill to hand the ICA. And it resulted  
23 that this year when we turned in our AUP, or I think  
24 we'll give credit also for the ICA, and the Chief will  
25 agree that our compliance folks at the casino were so

1 happy because the number of findings, or the things  
2 that were noted in our AUP audit were substantially  
3 down. And I think a lot of that was helpful because  
4 they got the findings from NIGC. Management took it to  
5 heart, and I think they began working on it to make  
6 changes and corrections, and just making a more  
7 efficient better way to do things.

8           So my comment is, thank you for offering this.  
9 I think we are seeing results at Jena Choctaw casino as  
10 a result of Keith's recommendation and everyone coming  
11 in from NIGC and being there on site. And it's not  
12 just, you know -- of course management's first thing  
13 was, they're going to be here how long; they're going  
14 to be doing what? But it's really good, because they  
15 came in and met with Council, and Commission, and  
16 Management to say, here's what we're doing, laid it all  
17 out, and then hands-on, and were right there for  
18 several weeks. We found it very helpful. And the  
19 results are, look at our AUP. And we still have things  
20 that I think everyone will always have, but this was  
21 helpful. So just a comment.

22           MR. CHAUDHURI: Thank you so much, Ms.  
23 Wilkerson. That's exactly how it's supposed to work.  
24 I mean, the idea is these assessments are one of the  
25 purest forms of technical assistance that we can

1 provide. And so it's always more efficient to work to  
2 address things early in a collaborative fashion rather  
3 than let things get to the point that they have to be  
4 addressed solely through the compliance arm of things.  
5 And so if we can flag things early and put together a  
6 plan about how to address them as quickly as possible,  
7 that's kind of the gold standard. So thank you so much  
8 for that.

9 MS. WILKERSON: Kudos to Keith, because,  
10 you know, Council tries to keep up, I try to keep up  
11 with, but this was, we thought, fairly new, but Keith  
12 made the recommendation on his visit, and it's probably  
13 not something we would have really been aware of if he  
14 hadn't said, you know, you've been open long enough,  
15 probably you might want to think about this, not saying  
16 you have to or anything, but this recommendation is  
17 available to take advantage.

18 MR. CHAUDHURI: All right. And thank you,  
19 Keith. And thank you for that comment, Julie.

20 MR. MCGHEE: Daniel McGhee with Poarch  
21 Creek. Just a suggestion that I know our  
22 Commissioners, we have seven Commissioners, so we  
23 usually get about one new Commissioner every year that  
24 usually comes in starting from scratch not knowing  
25 anything. And we get a lot of requests to attend these

1 verification programs that NIGA offers, which is a  
2 pretty expensive little program, but it goes over  
3 you've got to take Class I, Class II, Class III before  
4 you can be officially certified. And that might be  
5 something to consider. I don't know if you guys can do  
6 that, if there would be some kind of certification  
7 program for new Commissioners, or something like that,  
8 so that they can go, here's everything you need to know  
9 from A to Z as a new Commissioner, or someone who's  
10 just wondering, and yours may be free, of course, and  
11 that's good.

12 MR. CHAUDHURI: And thank you for that  
13 question and for that comment. I'll turn it over to  
14 Christinia and Steve in a moment, but a couple of  
15 things come to mind.

16 So we take great care to make sure that we are  
17 supportive of our regulatory partners as we can be. So  
18 for that reason, we recognize the role that TGRAs play  
19 in certifying qualifications for their giving  
20 Commissions. We typically don't do certifications  
21 ourselves. That doesn't mean we don't do the training.  
22 And actually, we support a lot of training that NIGA  
23 does. And we have a pretty good relationship with  
24 NIGA, and we try to be as helpful in that area as we  
25 can be. But whether we call it certification, or, you

1 know, following a curriculum set forth in our  
2 trainings, the point is, we do want to provide as much  
3 meaningful training as possible. But I don't know if  
4 you want to add more to that. But we have been asked  
5 about certifying in the past, and there's some specific  
6 reasons why we don't do that, and it's only because we  
7 typically haven't created a regulatory requirement  
8 that's not provided for in IGRA.

9 Do you want to add to that?

10 MS. THOMAS: I can try.

11 MR. CHAUDHURI: Maybe I was so thorough.

12 MS. THOMAS: So yes, we have been asked if  
13 we could do a certification similar to NIGA. And there  
14 is a reason we can't do a certification, but right off  
15 the top of my head, I can't remember it, so I didn't  
16 have as bad a travel as the Chairman did, but my travel  
17 yesterday was not all that exciting either, so I'm  
18 tired today, too. But Dan, I mean, I have your contact  
19 information, so I can get back to you with the  
20 specifics of why we can't do a certification, because  
21 there is a reason as a Federal Agency why we can't. I  
22 can't remember right now why. And Mike can't remember  
23 either. I was trying to dump it on him.

24 MR. CHAUDHURI: But we still support the  
25 big picture of getting folks trained up as much as

1 possible. So we'll do the substance, it's just, you  
2 know, the certificate. And thank you for that comment.

3 And let me just kind of add one -- well, I  
4 think that covers it.

5 MR. MCGHEE: And I'll say, this is not  
6 knocking NIGA's certification, it's very good  
7 certification, but some Commissions just don't have  
8 that kind of funds to do that, you know, because you're  
9 talking it's a separate trip each time, a separate  
10 hotel, separate airfare to do it. So it would be a  
11 good option, something for those Commissioners or  
12 people of the Commission to do.

13 MR. BREWER: Just one thing I would add to  
14 that is one of the things that we've recently done is  
15 we've acquired some webinar software. The plan is that  
16 we're going to start offering webinar-based training.  
17 We'll be in D.C. We'll open it up to regions. And  
18 trainings that would be valuable for new Commissioners  
19 would be included in that webinar-based training. That  
20 way they can just get behind a computer, watch the  
21 training, and receive it that way. It limits expense  
22 all the way around for everybody involved.

23 MR. CHAUDHURI: Again, thank you for that  
24 comment. During the break after today's panel, we had  
25 the CEO of Chumash talk about ways that we could bring

1 -- I mean, we could help bridge communications between  
2 operators and regulators. I mean, we're open to  
3 innovative ideas for trainings that, you know, there's  
4 Proof of Attendance, I don't know if we call it a  
5 certificate, but anyway, we definitely want to get the  
6 regulators what they need to go back to fulfill their  
7 own internal requirements, but we have limitations.

8 MR. WILLIS. Glen Willis of Mississippi  
9 Choctaw. I've just got a question on the IT  
10 assessment. Do you guys work in conjunction with  
11 management, or just a regulatory body? The reason I'm  
12 asking that is we did one through GLI. And once the  
13 reports came in, we reviewed it with management on the  
14 concerns that were there, and shortly thereafter, their  
15 IT director left, and we never really got a response on  
16 the fix. At that time, we didn't consult with  
17 management, we conducted through GLI on our own.

18 MR. WALDO: Travis Waldo, Director of  
19 Technology. Yes, the program is designed to work with  
20 both operators and the Commission. When we send out  
21 the questionnaires and then we send out the waivers to  
22 have the information actually signed so we can be on  
23 site, we look for two signatures. We look for one from  
24 operations, and one from the Commission, so that way,  
25 everybody is on the same page, they know when we're out

1 there, what we're doing. And when we're finished with  
2 the assessment and we create the report and we sit down  
3 with you and go over it, we try to sit down with  
4 operations, IT, whoever is there, and anybody from the  
5 Commission that you want there as well.

6 MR. WILLIS: Thank you.

7 MR. CHAUDHURI: Does that help?

8 MR. WILLIS: Yes.

9 MS. WILKERSON: Just as a follow-up, maybe  
10 it will be helpful, I know when they came in last year  
11 for our IT, they actually set up in the -- set their  
12 computers and everything up in the Gaming Commission  
13 office, which is right behind the casino, and were able  
14 to work with the Commissioners, but also then had IT  
15 right next-door, and they were coming in, and so they  
16 worked very well with Commission in their office, but  
17 then IT was in and out, and they were on the floor  
18 looking at everything, so, you know, we found it to be,  
19 you know, a hand in glove between Management, and  
20 Commission, and the NIGC.

21 MR. CHAUDHURI: And thank you, Julie. And  
22 just to add a final point, I think it's already been  
23 made, but as opposed to private assessments, I don't  
24 want to say our assessments are free, it's more --  
25 they're more pre-paid, because everything we do is



1 funded by travel fees, but there's no costs associated  
2 for the assessment itself. Again, we see it as a  
3 valuable service, and helping support the integrity of  
4 gaming. So that's why we do it.

5 Great comments so far. And I just brought up  
6 the idea about the operators and regulators  
7 discussions. You know, I don't want us to be limited  
8 by even how we frame these topics. If you have ideas  
9 regarding training, please share them with us.

10 Okay, any other comments before we move  
11 forward with the next topic?

12 MS. CARSON: Bea Carson, Mississippi Band  
13 of Choctaws. I'm going to ask a question, but I'm  
14 going to refer to our lawyer here.

15 Mississippi has passed a --

16 MS. COOPER: Linda Cooper, Counsel for the  
17 Commission.

18 At a CLE yesterday, I understood that it  
19 appears that Mississippi has passed legislation that  
20 would allow certain types of fantasy sports wagering  
21 and so on. The Mississippi Gaming Commission is  
22 currently working to promulgate regulations that would  
23 be applicable to operators who do that type of sports  
24 betting. I think the chairwoman raised the good  
25 question with me as to whether there are any related

1 regulations that NIGC has promulgated or will  
2 promulgate relative to that aspect of gaming?

3 MR. CHAUDHURI: Well, this may be a  
4 question for others, Mike or Travis, to elaborate on.  
5 But we implement IGRA, and IGRA talks about gaming on  
6 eligible. Eligible Indian lands defines gaming. And  
7 so we're governed by the definitions of IGRA.

8 And so what we look at is whether or not the  
9 activity -- well, first of all, do we have jurisdiction  
10 over the matter, are we talking about gaming on  
11 eligible Indian lands, and second, are we talking about  
12 gaming. And so I don't -- I never like to speak in  
13 generalities, because all of the -- there are a lot of  
14 types of games out there. And differences matter about  
15 whether or not they fall into, first, the definition of  
16 gaming, and second, what type of gaming, Class III,  
17 Class II. And if they're a Class III, what do the  
18 Compacts say about them. So that's the lens that we'll  
19 look through at that.

20 Now, there have been larger discussions about,  
21 you know, national legislation for these types of  
22 activities. We just apply the law as written. But  
23 that's a whole lot of talking without saying anything  
24 in particular. But I mean, the point that I'm trying  
25 to make is, regardless of how vendors are framing

1 certain types of games, we look at the definitions of  
2 gaming. Is it Class III? If it's Class III, what do  
3 the Compacts say about it in determining our rules? So  
4 we would rely on our existing framework as we analyze  
5 whether or not we have jurisdiction over anything. And  
6 again, zero sleep. Zero sleep today.

7 MR. HOENIG: I can say that general  
8 counsel are looking at it so we can figure out how to  
9 advise the Commission as well as the compliance folks.  
10 But I know it's not new, but it seems to be kind of  
11 ramping up, so that's why we're just kind of -- we're  
12 trying to figure it out. And also, you talk about  
13 fantasy sports, and you think of one thing, but really,  
14 it's thousands of different things. So it's such a  
15 game-specific thing, it's hard to kind of figure out,  
16 when people say fantasy sports, exactly what they even  
17 mean by that. So that's something we're working  
18 through as well.

19 MR. CHAUDHURI: Do you hear how crisp his  
20 answer was? This guy, his flight came in day before  
21 yesterday, so he's the only one of our team that  
22 actually got eight hours of sleep last night. He's  
23 making us all look bad.

24 But thank you for that question. I don't know  
25 if that was a helpful answer.

1 MS. COOPER: Thank you. It is. We just  
2 sort of, just as of yesterday, have begun to think  
3 through what that would mean for that aspect of gaming  
4 on the Reservation. But it's helpful to have just your  
5 top-of-the-head thought of that from NIGC 's  
6 standpoint. So thank you.

7 MR. CHAUDHURI: Let me flip it on its head  
8 a little bit, and just something for regulators to  
9 think about.

10 So regardless of what a state does, I mean,  
11 Tribes have a role in regulating gaming activities  
12 within their own eligible Indian lands. So regardless  
13 of what state law says, whether it's fantasy sports, or  
14 any online activities, you know, I think as regulators,  
15 we should always be looking at our authorities and our  
16 jurisdiction within our lands. And some of the games  
17 that are out there, some are geofenced, some aren't.  
18 Back to Mike's point, every game is different, and it  
19 really depends on the guts of the game that you're  
20 discussing. But you know, the regulatory bodies, the  
21 TGRAs have quite a bit of authority within their own  
22 spheres. And so I don't know if that's always on, you  
23 know, on the minds of the folks who are drafting  
24 legislation or proposing new games, but there is a role  
25 for Indian country in terms of being the primary

1 regulators of gaming within Indian lands. Great  
2 question. Thank you.

3 Additional comments on training before we move  
4 forward? Okay, we will have a catch-all at the end.  
5 We'll move forward with our third topic, which is  
6 Management Contract Regulations and Procedures.

7 Before hearing from Director Yvonne Lee, I do  
8 want to say that even though the word gamesmanship  
9 isn't mentioned here, Management Agreements and the  
10 Agency's role in approving Management Agreements have a  
11 lot of interaction with our responsibility to ensure  
12 that Tribes are the primary beneficiaries of their  
13 operations. So we take our role in performing our  
14 responsibilities and the approval process very  
15 seriously, because we recognize the fiduciary  
16 responsibility that we have to Tribal nations when we  
17 process these Agreements, and we're always looking for  
18 that perfect balance between making sure that we do  
19 everything we can to uphold our responsibilities, but  
20 also not creating roadblocks, or artificial roadblocks  
21 to economic development. So we understand that the  
22 approval process takes some time. It's a very thorough  
23 process, but it's thorough because we have a  
24 responsibility to fulfill. And many of the folks in  
25 this room have been through that process. We certainly

1 have ideas about areas of improvement, but we're really  
2 interested in hearing yours.

3 So with that, Director Lee.

4 MS. LEE: Good afternoon. I'm Yvonne Lee,  
5 Director of Finance for NIGC.

6 One of the primary initiatives at NIGC is to  
7 protect against anything that amounts to gamesmanship  
8 on the backs of Tribes. Gamesmanship is our broad term  
9 for any third-party threats to Tribal assets or  
10 operations. It includes third-party interference with  
11 a Tribe's sole proprietary interest in its gaming  
12 operations. Many gamesmanship violations may occur  
13 when third-party vendor or services provider is  
14 managing some aspects of the gaming operation without  
15 an approved Management Contract, or where a management  
16 contractor is operating outside of an approved  
17 management contract. Thus, approval of Management  
18 Contract by the NIGC Chair is required by IGRA as a  
19 means of protecting the Tribe against gamesmanship.  
20 The Chair has a fiduciary responsibility to Tribes to  
21 ensure that they remain the primary beneficiary of  
22 their gaming operations.

23 The Management Contract and backgrounding  
24 process should also not stymie the entrepreneurial  
25 spirit of Tribes. With this in mind, the Commission is

1 seeking feedback and recommendations on whether changes  
2 are needed to the Management Contract and background  
3 investigation regulations. Specifically, we want input  
4 that may improve our efficiency in the Management  
5 Contract review process, but also continue to protect  
6 Tribes' sole proprietary interest in their gaming  
7 activities. To provide some context to this  
8 consultation, I'll briefly summarize the current  
9 approval process. Then we will open the floor for  
10 questions and suggestions.

11           The Management Contract is any contract,  
12 subcontract, or collateral agreement between an Indian  
13 Tribe and a contractor, or between a contractor and a  
14 subcontractor that provides for the management of all  
15 or part of the gaming operation.

16           Detailed requirements for a Management  
17 Contract can be found on our website. To commence the  
18 review and approval process, submitters must submit a  
19 Management Contract and all relevant documents in  
20 accordance with 25 CFR Parts 531 and 533 to NIGC.

21           The Chairman must also make a determination  
22 that a manager is suitable to managing the gaming  
23 operation. The background investigation process is an  
24 important component of the submission. Background  
25 information must be submitted for all persons and

1 entities that have a financial interest in or  
2 management responsibility for the Management Contract  
3 as identified in 25 CFR Part 537.

4           Once a contract is submitted to the NIGC, they  
5 are processed and reviewed based on the order received.  
6 We've distributed three handouts to help you understand  
7 our review process. The first handout is the Process  
8 Flow Chart. The second and third handouts are the NIGC  
9 Checklists for Management Contract Review and  
10 Background Information. You can also print the  
11 checklist from NIGC's website.

12           As you can see on the Flow Chart, which  
13 illustrates the process flow of Management Contract  
14 review, once a submission is received, it will  
15 immediately be distributed to all staff involved to  
16 start the review process. We will first send out a  
17 submission letter to inform the parties if there is any  
18 information and/or documents still missing. Then the  
19 staff in both the Division of Finance and the Office of  
20 General Counsel will conduct a review for their  
21 respective area, as outlined on the Flow Chart. During  
22 the review process, there will be internal discussions  
23 and meetings among the NIGC staff to coordinate the  
24 review and monitor the status. After the review is  
25 completed, we will send out an issue letter to notify



1 the parties if there are any issues with the Management  
2 Contract. In addition, the NIGC staff will work with  
3 the parties to help them understand the issues, if  
4 necessary. Please bear in mind that sometimes it might  
5 take a few rounds to resolve all issues.

6 The length of the NIGC review is dependent on  
7 several factors, which can include the number of prior  
8 applications received and already in the review queue;  
9 the completeness of each submission, the responsiveness  
10 of the parties and compliance with existing laws and  
11 regulations; and the complexity of the submission and  
12 those subject to background investigation.

13 Once all issues are clear and the submission  
14 is complete with all necessary documents, then the  
15 Chair has one hundred eighty days to approve or  
16 disapprove the Management Contract.

17 The NIGC Chair may approve a Management  
18 Contract if it meets the standards of Parts 531, 533,  
19 535, or 537. If the NIGC Chair learns of any actions  
20 or conditions that violate the standards, or the  
21 manager deliberately or substantially fails to follow  
22 the terms of the Management Contract or Tribal Gaming  
23 Ordinance, the Chair may disapprove a submitted  
24 contract, or void the contract, or require  
25 modifications of an approved contract. If submitters

1 find the Chair's determination unsatisfactory, they may  
2 appeal the decision.

3 If a Tribe wants to amend a term of an  
4 existing approved contract, or simply extend the  
5 original approved contract, pursuant to 25 CFR 535, it  
6 must submit an amendment and relevant documents,  
7 including a letter from the Tribal Chairperson, and  
8 associated resolutions, as well as background  
9 investigation applications.

10 For new individuals and entities, background  
11 investigations are required. Individuals or entities  
12 previously found suitable may also need to have their  
13 background investigations updated, depending on the  
14 length of time since their last background  
15 investigation.

16 We would now like to take this time to hear  
17 from you. Do you have any questions about the process  
18 or regulations, or any suggestions as to how the NIGC  
19 can improve its efficiency in processing these  
20 applications and providing technical assistance? Thank  
21 you.

22 MR. CHAUDHURI: Thank you, Ms. Lee. So  
23 the floor is yours.

24 MS. WILKERSON: Julie Wilkerson, Jena Band  
25 of Choctaw Indians.

1           As the Commission knows, we just recently had  
2 an approved Management Contract November 9th of 2016.  
3 It did take some time. I guess my comment on that is I  
4 think we had to do an updated business plan and include  
5 financial projections, and I think ours was not a new  
6 contract, it was an amendment of an approved Management  
7 Contract, and I think that may have slowed down some of  
8 our -- that and the fact that you had other management  
9 contracts that were in the process, and more so than  
10 normally you would have, I think, so there was some  
11 restructuring, I believe. We spoke about that last  
12 year.

13           But I guess we did an updated business plan  
14 that included the financial projections for the  
15 refinancing, because you requested it. I think we  
16 thought, we're not a new contract under the regs, we're  
17 an existing contract with just an amendment, but we  
18 want to do and comply with whatever you needed, but I  
19 think that kind of slowed us because there was a lot of  
20 attention to the financial part of that, which we  
21 thought was pretty self-evident for the Tribe, that it  
22 was going to be a good thing.

23           So I guess my comment on that is that that  
24 seemed to, you know, maybe slow our process down,  
25 recognizing that you did have other ones in front of

1 it. And not to take away from we certainly appreciated  
2 the way y'all worked with the Tribe and took note of  
3 and were willing to meet with us whenever we requested  
4 when we were in your area. So just as a comment,  
5 because we certainly were appreciative.

6 MS. SMITH: And everything you said is  
7 exactly what we went through, it sounds like. That's  
8 what we did. We answered back, and then it was a  
9 process. But we had to do it. We had to do it, so we  
10 are thankful, and we got through it. It took quite a  
11 while, but we thank all of you for what you did.

12 MR. CHAUDHURI: And thank you for that.  
13 So this is the challenge. As I mentioned before, we've  
14 got a fiduciary responsibility to make sure that the  
15 Tribe's interests are protected, but at the same time,  
16 time is of the essence, and most of these Agreements  
17 have financing aspects to them. And so, you know, on  
18 one hand, you need to be as thorough as possible, but  
19 on the other hand, you need to be as streamlined as  
20 possible. So how that may play into any specific  
21 tweaks, you know, we're always open to those ideas.  
22 But thank you so much for understanding. It is  
23 important for us to move as quickly as possible, but  
24 being thorough with the challenge. And Yvonne's team  
25 does a great job.

1                   MS. LEE: And I just want to add, we all  
2 know waiting is always painful, waiting in a line, or  
3 waiting for responses. But if you're waiting for us,  
4 you can always reach out to us and ask where we stand  
5 and all that. And the Jena Band is a very good  
6 example. We asked, they delivered, so that's kind of  
7 the responsiveness we're looking for from the parties.

8                   And as we review the Management Contract, I  
9 mean, it's not like there's a book saying how you  
10 review Management Contracts. So as we review it and we  
11 are trying to help the Chairman exercise his position  
12 as a Trustee, we are looking after the Tribe's  
13 interest, so that's why we were asking for the  
14 financial information.

15                   MR. CHAUDHURI: And I like that slogan, we  
16 asked, they delivered. That's a good one, Yvonne.

17                   MS. WILKERSON: Julie Wilkerson with Jena  
18 Band.

19                   Also, as you know, we have come in with  
20 background investigation, and that's been an issue that  
21 kind of came up, and maybe -- we kind of think it might  
22 have been a case of first impression for you with our  
23 General Manager and now with our CFO. And just  
24 appreciate that you worked with us, and that was over a  
25 year ago that we were able to work that out, and that

1 issue was we had a General Manager that we needed to  
2 hire, but he couldn't go through the background  
3 investigation and be determined favorable without some  
4 problems with managing without a favorable background  
5 determination by the -- or determined to be approved by  
6 the NIGC. But you worked with us.

7           And I don't know if there's a thought about  
8 putting those in a policy or a regulation, or if we  
9 were just kind of a case-by-case, but it's come up now.  
10 About a month ago, as you all know, we hired a CFO, and  
11 he's going to go through the background investigation.  
12 He's already submitted the application. But the way  
13 you worked it out, if you recall, was the Gaming  
14 Commission has issued a license to the General Manager.  
15 The General Manager was determined to be suitable, at  
16 the same time, though, as our approved Management  
17 Contract, but the CFO is now going through the  
18 background investigation, and has a gaming license by  
19 the TGRA, and we will continue to do the NIGC  
20 investigation.

21           That was an example of y'all working with us,  
22 and we certainly appreciate it because we were between  
23 a rock and a hard place with our management contractor,  
24 we were paying thirty percent for a management fee, but  
25 that included some expertise.

1                   MR. CHAUDHURI: And thank you. That  
2 process has certainly formed our discussions since  
3 then. I don't think we've talked about putting it down  
4 in the form of best practices or a bulletin, because  
5 each one of these Agreements is so fact based, I mean,  
6 fact specific in terms of the issues that need to be  
7 addressed. But certainly if there are things that we  
8 should consider for possible regulation or policies, I  
9 don't know, maybe we can continue to discuss it. I'm  
10 not sure how it would apply to lessons learned, good  
11 lessons learns through coordination to other  
12 Agreements. But it was -- we were certainly thankful  
13 for everyone rolling their sleeves up and getting it  
14 done together.

15                   MS. LEE: Yeah. I just want to add,  
16 background investigation is really a case-by-case  
17 situation. Once you start the background -- our  
18 background investigation team started their  
19 investigation, as they dig into it, they might find  
20 some issues, or whatever, that they're going to have to  
21 look at other stuff which originally they didn't plan  
22 to do that. So it's hard to put in all regulation or  
23 policy to cover all the things that's going to happen,  
24 because a lot of it, it's kind of as we go and what we  
25 discover.

1                   MS. WILKERSON: Julie Wilkerson. Just  
2 briefly, and this is a thank-you, because I know that  
3 the management company pays for the background  
4 investigation, they submit their application, we don't  
5 ever see that, but the NIGC investigators have always  
6 kept the Tribes, as far as I know, Lee has always kept  
7 the Tribe informed of any issues that may come up. And  
8 if there is anything, he insists on a call that  
9 included the Tribe's management and all applicable  
10 parties, which we certainly appreciated.

11                   MR. CHAUDHURI: Thank you. It's great to  
12 hear. That's where our responsibility lies.

13                   Any additional comments or questions regarding  
14 Management Agreements before we move on to the next  
15 topic? And I think we're doing pretty well on time  
16 here, so we had talked about the possibility of a  
17 five-minute stretch-your-legs break, but we're going  
18 through these topics so quickly, any objections to just  
19 continuing to move forward? Okay.

20                   With that, we'll move on to our fourth topic,  
21 Technical Standards for Mobile Gaming Devices. And our  
22 Technology Division Director, Travis Waldo, will  
23 provide more background.

24                   But before he goes into that background, we  
25 heard some great comments, I think it was in Oklahoma,



1 about the pros and cons of going the formal rural route  
2 -- or I'm sorry, regulatory route versus guidance on  
3 this topic. And that's something that we've been  
4 talking about quite a bit internally. But again,  
5 that's the benefit of comments at Consultation. So  
6 Travis.

7 MR. WALDO: Thank you, sir. Again, Travis  
8 Waldo, Director of Technology.

9 The National Indian Gaming Commission is  
10 considering draft language to amend 25 CFR 547.18,  
11 which would clarify and add new technical standards for  
12 wireless gaming systems and communication between  
13 mobile communication devices and mobile gaming systems.  
14 These new draft regulatory standards provide clear and  
15 specific definitions that have not been included in the  
16 regulations previously. The new standards also support  
17 security and system integrity for mobile gaming  
18 operations.

19 The draft language is based on input and  
20 collaboration with our Tribal partners. The intent of  
21 the new draft regulation is to support the growth and  
22 innovation of mobile gaming systems.

23 Portable hand-held gaming devices have been  
24 around for many years and are authorized in many state  
25 jurisdictions. Hand-held gaming devices are electronic

1 devices that allow casino patrons to play anywhere  
2 within the casino or within Tribal lands, as defined by  
3 Indian Gaming Regulatory Act, such as at restaurants,  
4 hotels, or other amenities.

5 The draft technical standards for mobile  
6 gaming devices will not authorize internet gaming.  
7 These draft technical standards only address hand-held  
8 mobile devices within Tribal lands.

9 The draft technical standards, which can be  
10 found on our website, are proposed standards for Tribal  
11 review, comment, and consultation. Thank you. We'll  
12 take questions now.

13 MR. CHAUDHURI: Questions, comments? And  
14 this really is an effort, and thankful for Travis'  
15 efforts, to tee this up as a possible action. But this  
16 really is an outgrowth of trying to provide some  
17 helpful guidance or helpful language for fellow  
18 regulators. This is an emerging technology, and we  
19 realize sometimes it's helpful to have a framework to  
20 work off of. But again, internally, we're going to be  
21 talking about whether guidance is better than a  
22 regulation.

23 Okay, moving forward. We'll move on with the  
24 next topic. And this involves something that I think  
25 we're all pretty excited about. It's a small but

1 important change to the way we -- the timing with which  
2 we collect fees. It will allow us to synchronize our  
3 budgeting a little more closely with our fee  
4 collection. Yvonne will speak in more detail about it,  
5 but I think this really speaks to our efforts to  
6 improve efficiency as an Agency.

7 MS. LEE: This is Yvonne Lee again. And  
8 don't worry, this one is much shorter.

9 The Commission is considering amending the  
10 language to 25 CFR Part 514. Under the current  
11 regulation, the Commission announces a preliminary fee  
12 rate on March 1st, and a final fee rate three months  
13 later on June 1st.

14 The proposed regulation will require NIGC to  
15 set the fee rate only one time per year, to be  
16 announced on November 1st. The proposed changes on the  
17 fee rate publication day will also apply to the  
18 fingerprint processing fee rate.

19 These are the proposed 514.2 changes on fee  
20 date, and these are the proposed 514.16 changes on  
21 fingerprinting.

22 By setting and announcing the fee rate once a  
23 year, the Commission will be able to, one, improve the  
24 efficiency of the fee rate analysis and publication  
25 process; two, coincide the fee rate announcement with

1 the annual release of the Gross Gaming Revenue and the  
2 completion of the Commission's budget for the upcoming  
3 year; three, reduce the margin of error for fee  
4 calculations as the rate will only be set once within a  
5 fiscal year; four, mitigate any confusion that might  
6 arise from changing a fee rate twice a year.

7 In addition, the majority of Tribes have  
8 fiscal years ending either on September 30th or  
9 December 31st. Tribes' submissions of audited  
10 financial statements are required one hundred and  
11 twenty days after the end of their fiscal years. Thus,  
12 when we first use these financial statements to set the  
13 preliminary fee rate, our analysis is limited to a  
14 fractional portion of the financial audit submissions,  
15 and must be reanalyzed again after additional  
16 submissions are received at the end of April. The  
17 proposed changes will allow the analysis to take place  
18 once a year after the Commission has received all  
19 annual audited financial statements. In addition, the  
20 fee rate calculation will more accurately reflect the  
21 Commission's required operation funding which will  
22 become available by September 30th each year.

23 The Commission is seeking comments on the  
24 proposed changes to the time period these fee rates are  
25 published.



1 formatting and style of the current Part 543 Class II  
2 MICS. We hope it assists those Tribes with mixed  
3 facilities to develop a comprehensive set of controls,  
4 while still enabling Tribes themselves to establish  
5 standards that best fit their needs. Exclusively Class  
6 III areas, such as gaming machines and table games,  
7 have been updated after extensive review of other  
8 jurisdictions, incorporating Tribal regulatory and  
9 current industry standards.

10 Additionally, those controls in Part 543 that  
11 require TGRA analysis and approval, such as variances  
12 and supervision controls, are carried over into the  
13 Class III guidance.

14 We would also like to consult with you on our  
15 proposed decision to suspend the existing 542  
16 regulations. Suspension of the regulations leaves the  
17 existing text in the Code of Federal Regulation, but  
18 adds a note that they are not enforceable, and refers  
19 the reader to the guidance document. We believe that  
20 this solution accomplishes the goals of keeping the  
21 language accessible for those who need it.

22 Again, the guidance is being done to provide  
23 voluntary non-binding updated regulatory controls for  
24 Class III gaming areas. Because it will be guidance  
25 instead of regulations, we will be able to be much

1 quicker at adapting to changes in the industry, and we  
2 are seeking your feedback on the draft guidance. And  
3 finally, we would also like your input on the intent of  
4 suspending the existing 542 regulations. Thank you.

5 MR. CHAUDHURI: Thank you, Ms. Thomas.  
6 Questions? Comments? This is the best crowd. This is  
7 great. Okay.

8 Well, at the risk of creating comments, this  
9 really has been the product of a lot of discussions to  
10 date with our partners across Indian country. And I  
11 think we're pretty close to getting to a good spot  
12 where we're able to provide assistance or something  
13 helpful to Tribes whose Compacts reference our mix,  
14 while at the same time respecting the limitations on  
15 our authorities. And so always thankful for Indian  
16 country comments, but this topic, in particular, and  
17 those comment have helped shape our thinking on this  
18 matter.

19 Okay. As promised, we do want to leave room  
20 for any additional comments on any of the six topics  
21 that we discussed. But if time allows, if there's  
22 anything else that you'd like to share about ways we  
23 could improve our operations at NIGC, we are all yours.

24 MS. ALTIMUS: Well, Mr. Chairman, there's  
25 a section in the book on the grandfathered games. And

1 they were asking if we could discuss that.

2 MR. CHAUDHURI: Absolutely. So we've  
3 actually had a parallel set of Consultations  
4 specifically on the grandfathering provisions. And  
5 those have been very good discussions, very robust  
6 discussions.

7 I don't know, do you feel comfortable with  
8 talking about the current status of our discussions,  
9 Mike? I'm happy to as well.

10 MR. HOENIG: So yeah, the grandfathering  
11 system. So this is all out of 547, our Technical  
12 Standards. So the Technical Standards are put into  
13 place initially in 2008, and what the Technical  
14 Standards are, basically just that, they're a set of  
15 uniform standards that all Class II gaming systems have  
16 to be tested to. In total, for a fully compliant  
17 system, there's fifty-six standards that are tested to.

18 The issue that came about in 2008 was this was  
19 the very first time the NIGC had put these standards on  
20 the Class II gaming systems, and so there were all the  
21 games out there that were on the floor that were being  
22 played, all these Class II systems that were already  
23 out there that, you know, may not meet all fifty-six of  
24 the standards, and the Commission was sensitive to the  
25 idea that you can't just make everybody pull them off



1 and get rid of these games and now buy a whole new set  
2 of games, or whether the manufactures would even be  
3 ready to put games out at that time.

4 So this idea of grandfathered systems was put  
5 into the Regulation. And that was that all of these  
6 games that are manufactured before November 10th of  
7 2008 could be kept on the floor for a period of five  
8 years. Within that five years, they need to be brought  
9 up to full compliance so that they be testful to all of  
10 the standards, or if they couldn't be brought up to  
11 full compliance, they'd have to be taken off, removed  
12 from the gaming floor.

13 The Commission revisited all of its regs in  
14 2012. And as part of that, the Commission put a Tribal  
15 Advisory Committee that Christinia and Daniel McGhee  
16 were on from the Tribal perspective. I don't see  
17 anybody else in here that was on that. And then myself  
18 and former Commissioner Dan Little attended with the  
19 NIGC, as well as a lot of other staff. And under those  
20 discussions came an extension, essentially, that the  
21 sunset on all these games was taken from five years out  
22 to ten years.

23 And so that ten-year date is coming up next  
24 year on November 11th, 2018. And so the Commission put  
25 out some requests for information on how to address

1 that. Does something need to be done? Are all these  
2 games going to be fully compliant on November 11th,  
3 2018, and as part of those discussions, NIGA put  
4 together a Class II subcommittee that's really been  
5 focused on this. They've been gathering information.  
6 I think we're still waiting on the final report, but  
7 they've been keeping us informed on the preliminary  
8 findings so far.

9           And so the Commission is essentially  
10 considering a range of options. I'll just say the two  
11 ends of the spectrum are do nothing, and the ten-year  
12 period, the sunset provision closes and all the games  
13 have to be fully compliant or they have to be removed  
14 from the floor. On the other end of the perspective is  
15 what we've heard from a lot of folks in the industry is  
16 to just do away entirely with the sunset provision so  
17 that these grandfathered systems can stay on the floor  
18 until they just naturally matriculate, or they  
19 naturally come off of the floor because they've reached  
20 the end of their planned life. And then there's some,  
21 I think some possibilities in between those two  
22 extremes, which the Commission is also considering.

23           I know that we want to put out a discussion  
24 draft for everybody's consideration soon, and it's one  
25 of the things that I have to look at so that I can get

1 it back to the Commission so that that can come out and  
2 we can kind of get feedback on some of those options.

3 So that's the grandfathering discussion.  
4 That's kind of the latest on where we are. You know,  
5 definitely want to hear from everybody in the industry.  
6 We've heard a lot about this. Like the Chairman said,  
7 there were two full Consultations just on this, one at  
8 NIGA, and one at NTGCR in Tulsa. But yeah, we have  
9 lots of time today. And November 10th, 2018 is the  
10 sunset. I was a day off there.

11 MR. CHAUDHURI: This is a great  
12 opportunity. We're all in the same room. I mean,  
13 there are no limitations. That's a perfect example of  
14 a great question that helps educate us all

15 With that, I'll ask one last time again, any  
16 additional questions, comments before I turn it over to  
17 my fellow Commissioners who are going to have wrap-up  
18 statements? Okay.

19 With that, I'll share a couple of thoughts at  
20 the end here, but I'm absolutely grateful for today's  
21 discussion. I'm going to turn it over to our Vice  
22 Chair, who may have some closing thoughts.

23 MS. ISOM-CLAUSE: Thank you. I think last  
24 time we were here at this conference a year ago, we  
25 held just an informal roundtable that some of you

1 attended, and I really appreciate you being with us  
2 here again today in a bit more formal context. But  
3 even when we're not in the region, because we can't  
4 always be here, unfortunately, please pick up the phone  
5 and talk to our staff, contact us in the Commission,  
6 and just please help us keep the dialogue going. I  
7 thank you for all your comments today. I think that's  
8 all I have.

9 MR. SIMERMEYER: I also want to thank  
10 everyone for their comments and their effort leading up  
11 to today, and in the coming weeks.

12 In general, I appreciate some of the comments  
13 and feedback that came about from people's experiences  
14 on these topics. All the topics give us a chance to  
15 improve how we do business as an Agency so that our  
16 decisions are more efficient, how we do our work, more  
17 transparent. And those evolutions and how we do  
18 business are going to help us evolve and prepare for  
19 how we as a Commission, or future Commission is able to  
20 meet the next generation of needs. And so whether it's  
21 the grandfathering issue, in terms of not just the  
22 specifics of that topic, but how we address the issue,  
23 or the wireless issues that came up, it provides a way  
24 for us to have someone who has learned about how do we  
25 best roll out your ideas and concepts, and having the

1 perspective of Tribal leadership and Tribal regulators,  
2 who have a responsibility to the larger of our Indian  
3 communities, to help us to better -- their specific  
4 communities is going to help us to better meet our  
5 (inaudible) roles. So thanks for your comments and  
6 continued thoughts.

7 MR. CHAUDHURI: And I just want to echo  
8 all of that. I know many of us may have tired minds,  
9 but just the spirit and heart of cooperation and  
10 coordination is apparent. So our minds may be tired,  
11 but our spirits aren't. We have a shared goal of  
12 strengthening the regulatory structure of Indian  
13 gaming. Thank you for your work day in and day out in  
14 that regard, and thank you for your communication, your  
15 dialogue, and your openness. And safe travels to all  
16 of you. And thank you for being here.

17 (MEETING CONCLUDED 2:35 P.M.)

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CERTIFICATION

STATE OF MISSISSIPPI

I do hereby certify that the above and foregoing transcript of proceedings in the matter aforementioned was taken down by me in machine shorthand, and the questions and answers thereto were reduced to writing under my personal supervision, and that the foregoing represents a true and correct transcript of the proceedings given by said witness upon said hearing

I further certify that I am neither of counsel nor of kin to the parties to the action, nor am I anywise interested in the result of said cause.

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Margaret C. Turner, CCR, RPR  
NO. 1853

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