

NATIONAL INDIAN GAMING COMMISSION CONSULTATION

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Northern Hotel

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Transcribed by:

LAUREN SCHECHTER, CCR, CCP

>>CHAIRMAN CHAUDHURI: Before we get into introductions, and further discussion, we're honored to have (inaudible) Bruce House, Crow Tribe to open us up with a blessing. Mr. House.

>>BRUCE HOUSE: (Native language spoken).

>> CHAIRMAN CHAUDHURI: Mr. House is a member of the Commission at Crow. He's been a member for 40 years, since NIGC (inaudible) and the community and the staff.

So thank you so much for taking the time to be here. My name is Jonodev (inaudible) Chaudhuri. I'm Muscogee Creek and East Indian from India. I always say it's a far, far east Tribe. But I'm honored to be here, and in territory today. Very excited to have a positive consultation, but more importantly, I'm very excited to be in the territory of so many strong nations. We had the opportunity to visit Crow and Northern Cheyenne yesterday, and we're deeply humbled by the spirit that they work under to preserve their cultures and their communities. So I thank you for allowing us to be in your territory. I'm going to turn it over to my fellow Commissioners who will speak a little bit more about consultation and what we intend to achieve, and what we're trying to do through our consultations. But again, I wanted to thank everybody for

taking the time to be here. We do want to hear all perspectives and thoughts. And I thank you for honoring us with the dialogue today. So I'll turn it over to our Vice Chair.

>>KATHRYN ISOM-CLAUSE: Good afternoon, everybody. I'm Kathryn Isom-Clause. I'm Taos Pueblo and Vice Chair of the Commission. I'd like to start off with just a few general remarks about the importance of consultation, my role here today is to honor the relationship between the federal government and tribal nations. As part of the regulation, tribal voices are essential to our work. This ongoing dialogue that we have with you is one of the most important tools we have for developing strong policy and regulation. Excuse me. I have a bit of a sore throat today. Sorry about that.

Tribal consultation allows us to fulfill the purposes of IGRA which as you all know are promoting tribal economic development, self-sufficiency and strong democratic governments by which we aim to safeguard benefits of gaming for future generations.

I'd also like to mention that we're in the process of developing our required strategic plan. Consultation topics we'll talk about today reflect many of the priorities that are already in the strategic plan so the comments that we hear from you today will be also used to

help inform that work. There will be an opportunity to comment and direct strategic plan specifically in the future. We haven't received final guidance on that so we'll keep you updated on when the timing is for that process.

Finally, I'd like to thank you all for taking the time to meet with us today, for welcoming us to your home lands, and I'd like to turn it over to Commissioner Simermeyer.

>> SEQUOYAH SIMERMEYER: Thank you. Good afternoon, everyone. I'm Sequoyah Simermeyer, a member of the Coharie Tribe of North Carolina, and I want to join my colleagues on the Commission in thanking you for your time and for gathering here today. Mr. House, thanks for your opening, and the commitment everyone has made to engage in the dialogue today.

I also want to join in in speaking a little about the importance of the consultation and how it's something that helps to not only define and maintain our governmental relationship, it helps to improve and enhance the quality of federal government's decision, and our decision-making process. And so I know it serves a multitude of purposes including maintaining the formality of our relationship between two governments as well as creating a forum where we can have a dialogue and create new ideas.

And with my fellow Commissioners, I know in this particular region we have the opportunity to appreciate the tribal representatives that are here today. We know that there is potentially some conflicts that weren't intended. We don't want to limit the opportunity for tribal leadership to engage in dialogue with us. There are some national issues we're talking about today, some specific issues affecting this region we're talking about today. We're working on how to best maintain those goals and serve those purposes of consultation and having an opportunity to have an interactive dialogue, and having an opportunity to making the formality of our relationship. So we just wanted to note that at the outset here so that process wouldn't be a hindrance to us continuing to have an ongoing conversation about the topics we're talking about today.

I'll turn it back to our Chair to say thank you for the time and thoughts both today and moving forward in the coming weeks and we'll talk to you later. Thanks.

>> CHAIRMAN CHAUDHURI: Thank you, Commissioner. I just want to echo all those comments from fellow Commissioners to a person at NIGC. We are committed to meaningful consultation. We believe that consultation is the bedrock of our work as an Agency and we have an ongoing commitment to never put pen to paper on anything that impacts

our partners in any significant way without engaging in meaningful consultation. So again, thank you for taking the time and putting in the effort to be here today.

We have a few housekeeping matters before we begin the actual consultation itself. Let me go through those. They're kind of dry. But I think it's a necessary part of the process. But before we do that's correct I also want to thank Linda Durbin and her team out of our regional office who has worked hard with the rest of us from headquarters to set up the room, and get all the materials together, and help kick this off in a strong way. I also want to thank so many members of our team who are here in conjunction with the trainings we've been doing. I know many of you may have had the opportunity to sit in on those trainings. Thank for doing that. That's also another way for us to have meaningful dialogue as true partners, and in the regulatory world. Thank you for participating in the trainings and I thank our team members who have helped put on those trainings.

So today's consultation we want to be open and meaningful. It's truly for -- it's an outgrowth of our nation to nation commitment. But because of that, we're here primarily to hear from tribal leaders and tribal regulators as designees of their tribal nations. If there's anybody who is not designated by their tribal

nation, either in a Commissioner function, or a leadership function, please let us know. We want to hear all comments and thoughts. But only with the agreement of tribal leadership and tribal Commissioners. So if there are any objections to anybody else who doesn't fit in the category of being in this room, please let us know. But after we've heard all tribal leaders and all tribal Commissioners have had every opportunity to share whatever they may want to share, we are open to hearing from others if there's unanimous agreement to allow that.

Along those lines, these meetings and these consultations are usually transcribed. We don't have a transcriptionist here today. We're going to have a recording of today's consultation, and that recording will be later transcribed. For that reason, I ask that everybody actually speak directly into the microphone so that we can have an accurate transcription when all of this is done. Those transcriptions benefit other tribes who may not have been able to make it here today. We want this to be part of a larger Indian country discussion, a gaming industry discussion. And those transcriptions are an important part of that. And so please feel free to state your name, your tribal affiliation, and whatever capacity you're here today in when you make those introductions.

In the spirit of true discussion, it's

always good to know who we're among. So we're going to go through some introductions at this point. There are a lot of folks from NIGC here. But a lot of us are here because we participate in the trainings as well. And once we go through introductions, we'll start the consultation itself. We're scheduled to go until five today. There's no shame or crime in finishing early if everybody has had really every opportunity to share their concerns or comments, or ask questions. If there are no other comments, we may finish early. But we are scheduled to go through five.

So I'll go through a couple more housekeeping matters after introductions. But at this time if we can go in a circle in this direction, and we'll just introduce ourselves so we all know who we are speaking among.

>> Hello. My name is Shannon Keller O'Loughlin. I'm a citizen of the Choctaw Nation of Oklahoma, and I'm Chief of Staff for the NIGC.

>> CHRISTINIA THOMAS: Good afternoon. My name is Christinia Thomas. I'm the deputy chief of staff of the NIGC, and I'm also a member of (inaudible) of Minnesota.

>> YVONNE LEE: Good afternoon. My name is Yvonne Lee. I'm the Director of Finance for the National Indian Gaming Commission.

>> TRAVIS WALDO: Hello. Travis Waldo.

I'm the Director of Technology for the National Indian Gaming Commission.

>> I'm Kateri Hogan. I'm the general manager (inaudible).

>> Howard Hogan. Assistant general manager (inaudible) casino.

>> Good afternoon. Clyde Joel Brady, Vice Chairman, Northern Cheyenne Gaming Commission.

>> Good afternoon. My name is Sunshine Woodenlegs. I'm Chair of the Northern Cheyenne Gaming Commission.

>> My name is Terry Hiwalker. I am the gaming manager of the (inaudible) casino of the Northern Cheyenne Indian reservation.

>> My name is Johnson James. I'm the Compliance Officer for the Northern Cheyenne Gaming Commission.

>> Good afternoon. My name is Julie Schwenke. I'm the chairperson for the Fort Belknap Gaming Commission.

>> Jim Kittson, Blackfeet Gaming Commission.

>> Jim Realbird, (inaudible) horse racing department of south (inaudible) casino.

>> Trevor Cox, Title 31 Compliance Officer

for the Three Affiliated Tribes.

>> Leonard Bends, member of the Board for the (inaudible) casino.

>> Phil Beaumont, and I'm the Crow Tribe Gaming Commissioner.

>> Bruce House. I'm on the Gaming Commission for the Crow Tribe.

>> Good afternoon. I'm LaVern Old Elk, Chairwoman for Crow Tribal Gaming Commission.

>> Rick Birdinground, Crow Tribe Gaming Commission.

>> Hi. I'm Jim McKee. I'm a compliance officer with the NIGC in the Rapid City office.

>> (Inaudible) compliance for the (inaudible) Sioux Tribe.

>> Rosella Morin, Vice-Chairwoman for the Northern Arapaho Gaming Commission.

>> Francine Dupuis, (inaudible) of S & K Gaming (inaudible).

>> Carole Lankford, tribal council representing Salish and Kootenai tribes.

>> Good afternoon. Robert Two Bears, Ho Chunk Nation, District 5 representative legislature.

>> Good afternoon. Jenni Wild Cat, regulator (inaudible) for the Northern Arapaho Tribe.

>> Good afternoon. My name is Luke Parisian, Chippewa Cree council member.

>> Good afternoon. My name is Joe Demontiney. I'm a Chippewa Cree council member.

>> (Speaking in native language) Arik Williams, Sisseton Wahpeton Oyate Gaming Commission.

>> Good afternoon. My name is Betty Whiskeychan, I'm the Title 31 Compliance Officer from (inaudible) casino, South Dakota.

>> Good afternoon. I'm Brian Miller, CEO of S & K gaming, LLC.

>> Hello. My name is Renee Pierre, Controller, S & K Gaming.

>> Hello. Susan Waukon, NIGC.

>> Hello. Josh (inaudible) with the NIGC, auditor.

>> Suzanne Nunn, NIGC office of general counsel staff attorney.

>> Karen D. Marron. I'm the internal auditor for the Upper Sioux Gaming Commission and (inaudible).

>> Kelly Pitsenberger, Royal River Casino, Flandreau Santee Sioux Tribe internal auditor.

>> Steve Nelson, Compliance Officer with the Flandreau Santee Sioux Tribe.

>> Steve Brewer, Training Manager for the National Indian Gaming Commission.

>> Heather Corson. I'm Crow tribal member and I'm the associate general counsel of the National Indian Gaming Commission.

>> (Speaking in native language). My apologies for stepping in late. Rudolph Old Crow, Crow Tribe Secretary.

>> CHAIRMAN CHAUDHURI: Thank you again everyone for being here. Consultation isn't a one size fits all idea for us. It's a living, breathing obligation that as trustees I think should inform everything we do at NIGC. So thank you for being here. In addition to today's consultation, we want to be open to hearing any comments or ideas beyond today. So if on the drive home you think of something you wish you would have said, please feel free to submit any written comments that you may wish to submit. Also, our phone lines are always open if anybody wants to contact any of us at NIGC. I want you to feel free to do so. But thank you for taking the time to be here in person today.

As part of that living, breathing idea, we do have some additional consultations coming up in the coming weeks. I want to invite participation from everyone at these. But please help us spread the word. May 4th

we're going to be in Biloxi, Mississippi. And on May 25th we're going to be in the Portland area in conjunction with the affiliated tribes of northwest Indians.

These consultations that we're currently involved in cover six topics. We're going to hear from specific subject matter experts on those topics before opening up Q & A period after that. But we are committed to being engaged in consultation for everything we do. For these topics, the comment period will end July 1st. We're going to compile all the comments that we've received and work as diligently as we can to work quickly on deliverables from those comments. However, I don't want anybody to feel constrained by that deadline. We're always open to ideas and suggestions. And if anybody has any criticisms, we're always open to that as well. So for this series, we're going to review all comments at the end of June. So if there's anything you want on the record for this session, getting those in before July 1st would be helpful, but I don't want anybody to feel that that's the only time we'll listen to comments and suggestions.

So with that let me just quickly go through the topics that we're going to hear about more today. The first is very important to us. It's an open-ended topic that we hope results in significant discussion. That is what can we do as an Agency to support smaller and rural

operations. We have some ideas, but more important than our ideas, we want to hear ideas on any regulations we should consider, any operational functions we should consider, any compliance efforts we should consider that will help us meet our mission of supporting tribal self-sufficiency, tribal economic development and strong tribal governments. We recognize that in order to meet that mission, we have to do whatever we can to support smaller rural communities, and we welcome your suggestions on that topic. And we have our chief of staff Shannon O'Loughlin who will give us a little more background.

Second, we're going to be discussing our strong work force initiative. And specifically, we want to hear comments about how we can continue to improve our trainings to help provide the most support to our Indian country partners in supporting the tribal gaming landscape.

Third, we're going to talk about management contracts. Fourth, we're going to talk about technical standards for mobile gaming devices. Fifth, we're going to talk about how we structure our fee calendar. Sixth, we're going to talk about nonbinding voluntary guidance regarding Class III regs.

The subject matter experts for the items two through six are Steve Brewer, our training manager will talk about training. Our finance Director Ms. Yvonne Lee

will talk about management agreements. Our technology division Director Mr. Travis Waldo will talk about mobile gaming devices. And finally, our deputy chief of staff who again I thank you for putting together the medicine pouch, will talk about our nonbinding voluntary guidance regarding Class III mix.

Any questions before we begin about process or just any of these housekeeping items? I know some folks have to catch a plane sometimes, or have to drive a long way. If anybody really needs to get a statement on the record right now before they have to leave, please let us know. Otherwise we'll move forward with our first topic.

I'm going to turn it over to Shannon O'Loughlin.

>>SHANNON O'LOUGHLIN: Thank you.
Hello, everyone. What you'll see, just to add to what the Chairman said, each one of the subject matter experts is going to be reading from a script. And we're doing that because we are giving many consultations, and we want to be consistent about the background information. And then once we read our script, then we'll open it up for you to discuss that -- for discussions on that topic. And then we'll move to the next topic.

So let's get started with rural outreach. This like the Chairman said is an open-ended topic that we

want to consult with you about. To get started I want to make sure everyone knows Ms. Susan Waukon who is sitting back there is our rural outreach coordinator, which is a new position that the Agency created to help with this initiative, and to lead it forward. And she is a former member of council in the Ho Chunk Nation and we're very happy to have her and her expertise.

Here we go. We're looking for your feedback on how we can do a better job with our rural outreach initiative. We've proposed no regs. We don't have anything to offer for you to review. We're really just looking for a full discussion, and ideas about how you are coming into compliance, whether it's burdensome for some things in your operations, or if there's anything else that we can do to provide better training or technical assistance.

We all know at Indian country that most of our tribal lands are in rural areas. Reaching out to smaller gaming operations that may not be situated near a strong market is an important initiative of the Agency. The NIGC recognizes the likely correlation between proximity to large population centers and the viability of economic opportunities for tribes. Therefore, NIGC appreciates that its functions will likely benefit from a greater understanding of the unique needs of smaller operations.

NIGC has historically taken into account the needs and capabilities of smaller gaming operations through some of its regulations already. For instance, NIGC's regulations for minimum internal control standards and accounting requirements differ between tier A facilities that earn less than 8 million, tier B facilities that earn between 8 and 15 million, and tier C facilities that earn over 15 million. And we know from annual gross gaming revenue that the majority of our tribal gaming operations throughout Indian country are smaller facilities with lower gross gaming revenue.

Any small rural gaming operations provide their communities with much needed jobs but may earn little net revenue to support tribal governmental services.

The Commission has a responsibility to review our regulations to ensure that compliance is reasonable, and achievable for all operations, while protecting the integrity of gaming as a whole. The NIGC may find through this consultation and from your comments that current regulations could be amended to better address the regulatory needs of smaller operations. In addition, the NIGC provides technical assistance and training to all tribes and enforces IGRA in its regulations to ensure tribes are the primary beneficiaries of their gaming operations.

As a part of our rural outreach initiative,

we are also currently considering splitting the St. Paul region to two regions. In order to better meet technical assistance and training needs of small rural tribes, the Commission is also considering creating an eighth region that would include North Dakota, South Dakota, Wyoming, and Montana. These states are currently served out of the St. Paul region which is the largest administrative region of the Agency, which currently covers nine states, 59 tribes, and 144 gaming operations. To help address the needs of western tribes in the region, in 2003 the Rapid City satellite office was added to the St. Paul region to better reach the tribal gaming operations in north and South Dakota, Wyoming, and Montana. By splitting up the St. Paul and Rapid City offices into separate administrative regions, the St. Paul regional office would then cover only five states: Minnesota, Iowa, Wisconsin, Michigan, and Nebraska. 37 tribes and 95 tribal gaming operations. The new Rapid City regional office would cover four states: Montana, Wyoming, North and South Dakota, with 22 tribes and 45 tribal gaming operations. This split will not take away any resources or budget from any region, and only split the resources between the St. Paul and Rapid City offices as appropriate.

The NIGC would like to hear any questions or feedback, and ask specifically for your discussion and

comments about, one, whether regulatory revisions are needed that protect tribal gaming revenue and the integrity of Indian gaming while not burdening smaller operations; two, whether NIGC should adjust the way we do business in our training, technical assistance, and compliance efforts to provide better assistance where needed; and finally, three, whether the NIGC should create an eighth region to provide a stronger connection to tribes located in North Dakota, South Dakota, Montana, and Wyoming.

Open for questions, discussion.

>> A question regarding (inaudible). I have a written statement on all of your topics. So I'm not sure if you want me to wait to the end to give my comments, or jump in. I'm not sure.

>> CHAIRMAN CHAUDHURI: Thank you for that. Thank you for that. Really it's up to you. We have six topics, and so we're going to have a Q & A session after each topic. You're welcome to bring in your statement however you like. We'll have a catch all section at the end. We always do that because sometimes our discussions themselves facilitate dialogue and more ideas. So you're welcome to submit your written statement, and also frame it however you'd like.

>> Normally I would read my comments, and then I have my experts that sit around me to be able to answer

any questions, or add any additional comments that they may have because they work in the field (inaudible) and I don't work in the field but I do have knowledge of these issues. So I can hold my comments until the end until we have a chance to go through all of the six items that you pointed out and then I can read my statement.

>> CHAIRMAN CHAUDHURI: Thank you so much.

And just for benefit of the recording, do you mind --

>> Carole Lankford, Salish and Kootenai tribes. I apologize.

>> CHAIRMAN CHAUDHURI: Thank you so much.

>> Jenni Wild Cat, Northern Arapaho.

(Inaudible) I'm just going to put it out here in the first part. Yesterday I had the privilege of speaking with a large group of tribal members from our region, our tribal leaders from our region. And I reminded them about the consultation day and about the written comments. And we had quite a number of them saying that they had no knowledge of this. So what possibilities are there or what options do we have to have more of an outreach? I understand the government to government relationship where you're going to send an email out to the Chairmen. But (inaudible) a hundred emails a day and so they might not be able to go through it. And so is there an option to get a secondary person, whether it be the Vice Chair or another designated

individual to keep that line of communication open?

>> CHAIRMAN CHAUDHURI: Thank you so much for that comment. As Commissioner Simermeyer stated before, especially given the importance of communication with nations in this area, we're talking about rural outreach and all these things that impact the nations here, we're actively looking at additional opportunities to provide an update, possibly Rocky Mountain leaders. But we recognize that not everybody heard notice in the same way even though we did send out that one communication. We want to be transparent as we can be, and let everyone know. And so if there are specific ways for us to do things better, please let us know. But a second notification, that's something easy that we can work on as part of our process. I think we can absolutely commit to that. In addition to that, we've asked our -- we've been asking our regions to even work harder to make sure the relationships with leadership as well as the regulatory partners is as strong as it can be. And so we absolutely intended to get the word out the best that we could. And again, we thank everyone here today. We can always do better. We want to do better. And if there are specific ideas about how we should do things better, please let us know. But a second notification I think we can commit to that right now. And if you have thoughts about where that would be most effective in terms

of where that would go, we do send it to -- I think the Chair and the counsels themselves. But we also understand many, many demands on time that tribal leadership has. And so thank you. Thank you.

Anybody want to add to that?

>> Yes. We had a dear tribal leader letter go out back in November that announced our consultations. And since then we've been updating our website regularly. And we've also been pushing out emails to tribal leadership as well as Gaming Commissions. And we realize, you know, how much we can always do better with our communication with tribes. So what we are doing actually for all tribes in the St. Paul region is that we are actually -- I think it's going out tomorrow -- we're sending out a letter as well as the packet of consultation materials to all the tribes' leadership. So to the Executive, the Chairman, the President, the Chief. So you should be getting those next week.

And we will be following up with this with the results of our consultations with further dear tribal leader letters. And we will just continue to do better. If there's ever any ideas of who best to communicate with in your tribes, please let us know.

>> (Inaudible) particularly the most effective way to do it, and to find some balance where

there's an opportunity for dialogue, and conversation. But acknowledging what the first two speakers had said, there's always -- our goal is to make an effective -- have an effective decision-making process to get a true picture and knowing that's a blend of representatives, technical experts. (Inaudible) I think that would be an important objective in the order we do in terms of following up with this making sure we are able to have that dialogue, have the right experts, and also involve tribal leadership too. If I can make a request to please pass on to your colleagues and other representatives who may not be here, to help spread the word in that way as well. And working in other federal settings outside the National Indian Gaming Commission, I appreciate your point about (inaudible) if there's an appropriate point of contact or a one size fits all approach on the federal side doesn't work. If there's a better way to communicate in terms of dynamics in your community please let us know.

>> CHAIRMAN CHAUDHURI: Thank you for that.

>> Robert Two Bears, Ho Chunk Nation. I have a broad question. Tribal leaders always participate in some of these consultations, and I sit on the (inaudible) consultation. We had met with the secretary down there. We had talked about some conservation internal policies. I

think (inaudible) priorities, and topics as far as the next administration coming in. One of my concerns is that we didn't really move forward on our consultation topics at the CDC. The Gaming Commission here is in transition. You don't have to say it, but you're leaving here pretty soon. And I worry about this transition, what's going to happen to our topics. We're going to talk about it now. The Ho Chunk Nation supports rural outreach. As far as adding to programs and services, I think that's key for you to keep engaging with tribes. I think there's a lot of points as far as more outreach that can be done. But I just worry about us submitting these comments, and then with the new administration coming in, (inaudible). You proposed the budget, and I know you guys are planning for 2017 or 2018. I just worry about how this is going to be followed through on your side with the Trump administration and new assistant secretary for the Interior, and so on.

>> CHAIRMAN CHAUDHURI: Thank you, sir, for that question. Let me say a couple of things. First of all, I appreciate that general statement regarding Ho Chunk's support for rural outreach efforts, and along similar lines we're grateful for Susan Waukon's leadership and her work with the Agency. Of course, bolstered by her experiences as a tribal leader with Ho Chunk. So the work that Susan has been doing of compiling information and data

has been very important. But we do want it to go smoother and we do want it to have legs. Actually we just had a discussion on this very topic.

All I can say is this. I can't speculate on the future. I can't talk about how other agencies are approaching their priorities. But what I can talk about is what we're doing at NIGC. Largely due to the advocacy of Indian country, there are some good things -- I mean, IGRA itself is by no means perfect, but there are some good things in there. Because of the advocacy of the tribal leadership, training is mandatory for us. That's not always the case for civil regulatory agencies. But we're required to be committed to training. Similarly, because we're a regulatory Agency, our structure is in itself designed to be objective. And so regulation of tribal gaming is supposed to be as fair and objective as possible. That's why there's political diversity cooked into the Commission. The Commission itself can't be made up of more than two members of a given party. There's Indian country perspective that's required in the Commission. That's why two of the Commissioners are tribal members. And furthermore, there's some stability cooked into the Commission. That's why we all have three-year staggered terms. I do have one year left on my term. My fellow Commissioners have longer terms than I do. And so I can't

speculate as to the future. But what I can say is these comments that we're receiving today, once we finish in June, we're going to work on actual deliverables. The timing is going to coincide with our strategic plan that will set forth the Agency's priorities. At least for the near future. And so who knows? We may be on the Commission 50 years, or we could not be. I don't know. I can't speculate. But what we do want to do is hear comments, and see what we can institutionalize at the Agency to make sure that we are equipped to do what our statute requires us to do. That's to support tribal economic development.

So we want to do as much as we can this year as we can, and get as much done as we can.

>> I would just add that one of the things that's important in making any (inaudible) defensible and durable is to work with our colleagues. So I think there's opportunities in some of these topics for us to engage with our colleagues across the administration. I think some of the topics are accepted, if not all of them (inaudible). In the relationships that we have, both between federal government and state government, federal government and tribal government, and within the federal family there's opportunities for us to develop best practice and reach common ground.

>> CHAIRMAN CHAUDHURI: Thank you for that

comment. In addition to our day to day regulatory work there's a public education responsibility that I think we have that's part of our overall responsibility to support the integrity of Indian gaming. And that public education aspect does involve our work with other agencies. And so -- there may be very responsive folks in other agencies, responsive to many of these topics. I know there are. But it's not new for us to live up to our responsibility in our meetings with our partners. We always have a responsibility to frame the history of Indian gaming, to frame IGRA. And we do our level best in all of our public and more intimate meetings to do that. I'm very mindful of that comment. All we can talk about is what's in front of us. We're just going to do our best.

>> I appreciate your comments. I don't know how many times as a tribal leader I've been across this nation and I've heard tribes talk about consultation. And then what's going to happen with consultation. I think you just pointed that out, that you're going to use it in the strategic plan. It sounds like the staff here are going to continue on with the Commission. So there's something to carry forward. I never ever -- in fact, when President Obama was in office, I was one of the 12 leaders that got to meet with him. That's the number one thing I brought up with him. Tribes need to be in the ball park when we're

talking about issues that affect us. So I appreciate this opportunity. And if you want me to, I'll go ahead and read my comments. Maybe it will kick something off. I don't know.

>> CHAIRMAN CHAUDHURI: Please.

>> Okay.

>> CHAIRMAN CHAUDHURI: And thank you --

>> Carole Lankford. Sorry --

>> CHAIRMAN CHAUDHURI: Thank you for the work it takes to prepare the comments. We appreciate it.

>> Like I said, I have tribal staff who are excellent in the field and they make up the comments for the Tribe and try to keep us out there, and knowledgeable so we are able to come and talk about this intelligently. So thank you.

Let me put on my glasses.

Carole Lankford, Salish & Kootenai Tribe. The Confederated Salish & Kootenai Tribe recognize the value of consultation process and here by submit the following comments to the proposed action. CSKT believes the Class III minimum control standards should remain voluntary, nonbinding guidance for Class III internal controls. As tribes without a Class III gaming contract we understand the importance of having such regulatory guidelines available to us as a resource. We should

negotiate -- if we should negotiate a compact in the future Class III guidelines will be useful. As pertaining to the matter of technical standards for mobile gaming devices, CSKT believes the proposed draft language should be a guidance document, or bulletin, but not a regulation. CSKT maintains a tribal regulatory authority (inaudible) of reviewing guidance and developing regulations specific to our unique needs. We believe there is a value in a guidance document that should be modified as new technology is developed. As you are all probably aware, the wireless technology industry is rapidly changing at a pace much faster than the pace at which federal regulations are adopted. Grandfathered class II gaming systems described in 25CFR547 are a core component of the CSKT business model. CSKT highly recommends eliminating the (inaudible) for section 4547 Class II gaming technical standard compliance. Should the November 10th, 2018 grandfather period remain intact, CSKT stands to lose a substantial amount of gaming revenue. CSKT owns and operates two casinos that are both solely Class II gaming operations. We do not operate a Class III gaming machine. Gaming machines within our jurisdiction. Further, we derive part of our gaming revenue from two vendors with 160 grandfathered machines. Since 2013 our grandfathered vendors have generated more than \$18.5 million in gross gaming revenue for CSKT.

Needless to say, there are many concerns that the vendors will not be able to upgrade the gaming system at every tribal casino by November 2018. The small gaming tribes like CSKT who rely on these gaming revenues will be the hardest hit when gaming must be shut down in accordance with the sun set prohibition.

Additionally, the (inaudible) solicited specific information from tribes regarding the impact of section 547 Class II technical standards. The tribes have taken steps to comply with the grandfathering prohibition and have encountered difficulties (inaudible) those prohibitions. Since 2008 CSKT has worked with our Class II gaming vendors to identify noncompliance machines. Our gaming operation upgrades -- our gaming operations upgrade to fully compliant gaming systems as they come available and when it makes financial sense to change the machine. Difficulties exist because noncompliant systems generate significant revenue and therefore do not warrant an upgrade. CSKT does not know of any risk a noncompliant game poses to our casino operation or to the gaming public. Certainly there are inherent risks within the gaming industry itself but we do not believe any grandfathered games pose a risk greater than those of fully compliant games.

CSKT also believes risk can be mitigated by means other than section 547. For instance, we believe

these risks can be mitigated by working with Class II vendors to implement technology as it becomes available. Thank you for your consideration.

>> CHAIRMAN CHAUDHURI: And thank you for those excellent comments. In terms of the grandfathering issue, we're actively working at headquarters on development of a draft plan that we'll share as soon as that's finished. That's very time sensitive. And so we're trying to turn that around quickly. But those comments are very helpful in helping us think through options.

Anybody else want to address any of those points? Excellent, excellent comments. Thank you.

Rural outreach. Let me just say a couple of more things on this. I talked about the public education aspect of our work. Highlighting what Indian gaming is, and what Indian gaming isn't is very important to us. We always tie things back to our statute that has the public policy purposes of our Agency laid out in it. And those purposes are to support tribal self-sufficiency, tribal economic development, and strong tribal governments. We always come back to that. But supporting rural communities, small facilities is essential to that. We always make the point that the majority of operations out there are small -- the vast majority are small and medium operations. And so we want to know what we can do to help support communities that

maybe don't have the budgets that other larger facilities have. What we can do to support the regulatory efforts of our fellow Commissioners, what we can do regulation-wise to help facility economic development. So this is really an open-ended topic. I'm so thankful to be here in Montana talking about it because this topic really does impact a lot of the nations in this region. And we want to do what we can to help. I just want to throw that out there.

>> Along those -- I'm sorry. Along those lines, I just wanted to add that we're not asking you to fix the problem for us. That's our job. We also want to hear what issues or things you run into when you're going about your daily business, what kinds of things might be affecting you specifically in this area, and around the plains especially. Don't think that we're just throwing this on you. Please share with us any open-ended ideas.

>> CHAIRMAN CHAUDHURI: Absolutely. While we're bringing a microphone over, I just want to add one last point on that. I see Francine Dupuis in the audience. I always thank Francine for some comments she made regarding the IT capacities of certain tribal communities. Those comments helped us think about whether or not to move forward with a technology division. And those comments helped to inform that decision as well as some of the offerings of that division. I'm very thankful to Mr.

Waldo's leadership. There's also a good member of our team named Sean Mason. We've worked with Christinia Thomas, Shannon O'Loughlin to really frame the technology division. But one of the important offerings of that division is the free IT vulnerability assessments that we now do. We'll go out into communities that request our assistance. Travis's team will perform an assessment, the IT functions of an operation. And we'll provide a statement that outlines the findings and recommendations. So I always think back on one comment that Francine made in a room like this in California, and how that's helped shape our Agency's commitment to technology, which has a lot of carry over into our rural outreach commitment.

And so you never know where one comment will lead. I thank you for the comments that have been received today. But back to the open-ended nature of today's discussion, we want to know what we don't know.

>>(Inaudible) for the operations. One of the things that we discussed yesterday and I want to bring up again today is reviewing the Class III job segregation for rural communities. Because it is more difficult for us to staff (inaudible) for those jobs. It's harder for us to maintain our budgets requiring amount of staff, even if it's for some minor job duties. We have to hire somebody specifically just for this job duty rather than somebody

sharing that job duty.

>> CHAIRMAN CHAUDHURI: Thank you for that comment. I don't know if Steve Brewer, our training manager has anything he'd like to discuss on that, or perhaps Christinia Thomas. But I do want to say that we want to do what we can to provide meaningful training and technical assistance. We're very proud of the new Commissioner of trainings that we do as well as open trainings that we do. But either of you -- we try to be as respectful of tribal decision-making on the ground as possible. And so we don't do a lot of the certification ourselves. We'll leave that in many cases to the Commission, the tribal commissions. But we try to provide meaningful trainings when we do play that supporting role.

>> I think the only thing I would add -- I guess I'll preface this as I'm a recovering auditor so I'm pretty familiar with what you're talking about. It just happened to be something that we talked about at lunch was specific laws of segregation of duties as it relates to operations. That's something that we discussed. It's probably needing to be looked at in the rural outreach category. So it is something that is in the forefront of our minds as far as what we do with something like that.

>> CHAIRMAN CHAUDHURI: Again, just to follow up on that, maybe if you still have the microphone

you could -- I'm sorry, I didn't mean to steal a microphone from somebody else. But we're always thankful for being allowed to be pay respect to any tribal nation that we're at. So we're very, very thankful for some of the visits we're able to have. And there was a good discussion in one of those visits about segregation. And if there's anything you'd like to add for the benefit of others who may not be here today, but who may be able to read the transcript later regarding why this is such an important issue, please feel free to add.

>> I'm sorry for not saying my name for the record. It's Kateri Hogan from the (inaudible) casino. The main focus on the operation for the segregation of duties is just, for example, our lead team had to hire somebody specifically for that rather than have somebody there during that day to do it. It just creates budget issues. It creates different issues. Like that's another person we had to provide insurance for, that's another expense. And it's only for an a (inaudible). Those are some of our concerns, maintaining our budgets, but also trying to maintain segregation.

>> CHAIRMAN CHAUDHURI: Thank you for that.

>> The one thing I would say is in our regulations we allow for variances. So if there is

something that is onerous for the tribes, and you have a better way of doing it, again, we have in our Commission regulations the request for variances. So if you have a suggestion or an idea that would work, and still meet the intent of the regulation, you're always, always free to submit a request to us.

>> Thank you.

>> CHAIRMAN CHAUDHURI: Thank you for that. Yes, sir.

>> Jim Realbird, (inaudible) I work in the horse racing department. I'm not too sure that -- I think I was born a little bit too late. (Inaudible) one of the last people who hangs around horses around here. But you kind of looked at a reason (inaudible), tourism and agriculture, number one -- agriculture is number one economy for (inaudible). And for people that are in that industry, they're not too keen on this kind of carpet, and indoor, and lighting and stuff. But we have to support the (inaudible) fill up the stands. I don't know. You see the stadium out here, it was built in 1942. It's an old stadium. (Inaudible). We had racing there. And we had lots of Indian riders come, Indian trainers, Indian horses, from Dakota up through Wyoming up to Canada. And it died. Horse racing died in Montana. So the last event we had there, we had the Indian -- a promoter came and brought Indian relay.

Not too sure you guys are familiar with Indian relay. It's an extreme sport, horse racing. And that thing filled up for a four-day event. There was no gaming. People just sat and watched. It was like six races a day. I didn't go somewhere else. So to bring that sport to agriculture -- come and fill out the place, but they don't come to our casinos. If we could bring our casinos to populated areas like Billings, some way -- I think I talked to Heather yesterday. If I could bring horse racing off the trust property, and I know it's a question up at Spokane or something like that. But that is going back to outreach, I talk over here, and I talk in abstract (inaudible) in between. By the time they get done talking, outreach and you guys (inaudible) I think there might be a trail for bringing back Indian relay and horse racing. But if there's any other tribes interested in trainings, I know there's accreditation and stuff like that for racing. That's all I have to say today. Thank you.

>> CHAIRMAN CHAUDHURI: Thank you for that comment. That's what I mean about you never know how the conversation will inform, or what ideas will come from it. We'll talk a little bit more with Heather about that conversation, and we'll see what areas of opportunity there might be to be supportive where we can.

>> Howard Hogan, (inaudible) casino. I

don't really want to open a can of worms, but, you know, a lot of things that would help -- I don't know if it's been covered here or in other sessions -- a small -- we're basically all smaller casinos throughout these four states. One of the major factors that we have to deal with is we're governed by the state compact. Even though the compact says that we're only entering into a compact to satisfy the requirements of the gaming ordinance, even though it says that, they also (inaudible), and they bring in regulations. So that is one area that limits us on the possibility of expanding. If we were to say, for example, put a casino outside the city limits of Billings, we're still restricted to putting the exact same games that every corner bar has. It's (inaudible) benefit for us to enter -- to try to build that bigger casino. I kind of hate to say this, but Montana, North, South Dakota, Arizona, and Washington are (inaudible) states which (inaudible) territory to the state, Congress put stipulations on them that they could never make any claim upon any reservation. In the case of Montana, Montana put that same statement in their Constitution, in their accordance, and in 1972 when they redid their Constitution -- state Constitution, they put the same statement in there. Okay? Now we get to the Indian Gaming Regulatory Act, it more or less forces us to submit to the state again. And I was wondering if there's any way

that we can more or less squeeze out from underneath that relationship from the state. Take advantage of any opportunity we can in order to develop our economic well-being. I didn't want to ambush you.

>> CHAIRMAN CHAUDHURI: Thank you for that. I'm looking around the team, anybody else that wants to weigh in. It's a great question. A great question. And so there is the easy answer where, you know, we can say we stay in our lane as an Agency which we do, and we're just governed by the laws as written right now. But I think more can be said. I think it is helpful to talk about where we've been. The 30th anniversary this year, the Cabazon decision. We were very grateful to be able to announce our gross gaming revenue numbers last year from Cabazon itself. And we appreciate the work that Indian country did to bring gaming as an option up to that point. But we also appreciate the work that Indian country did to fight those battles to affirm the tribes' right to regulate their own gaming activities that led to the Cabazon decision. I don't think it's controversial to say that IGRA which was passed in response to Cabazon was a limitation and restriction on sovereign authorities that -- there are many -- as I said before, many positive parts of IGRA. But IGRA carved out a role through the compacting process for states that wasn't in place before IGRA. So that was in 1988. Here we are

largely because of the innovation and the regulation of Indian country and tribes, the industry has grown quite a bit. But we also -- back to rural outreach, we recognize that for many communities these are small jobs programs, or they just help provide modest support of tribal budgets. And so we have an ongoing obligation to do what we can where we can. But in terms of the compacting process that IGRA lays out, IGRA does provide for that. Whether or not there would be possible changes to that that were pushed by Indian country, we can't speak to that. But what I can say generally in terms of these concerns about the rule of states, Indian country has a powerful voice. And we're here to listen to that voice on the issues that -- we can address. But the responsibility that we have at NIGC is truly a nation to nation responsibility, trust responsibility that impacts other folks far beyond NIGC. And so I would encourage -- that's an excellent question. But whether it's on compacting issues or issues relating to -- I think somebody had mentioned land and trust issues. Whatever issue it is, please use that voice. There's only so much that we can do. Thank you.

>> Jenni Wild Cat, Northern Arapaho. I know this should be for the next topic but I wanted to say it now to kind of go back to what this gentleman said. But I know you offer basic IGRA training. But is it possible

where you spoke more than besides IGRA to go beyond IGRA. Like for instance, to talk about the Northern Arapaho (inaudible) to talk about these other federal laws, these other things that tribes have issues or questions on. Because it is a government to government relationship between our tribes and NIGC and the federal government that a lot of times our tribes don't know where to go. Like that question that this gentleman had, maybe if we expanded beyond just talking about the basic points of IGRA and seeing there are other methods out there that tribes could see, that they could negotiate in good faith, then we could have that guidance. Because right now a lot of tribes don't know where to turn.

>> CHAIRMAN CHAUDHURI: So let me say a couple of things before I turn it over to either Steve or Shannon or Christinia to talk a little bit more about the trainings. That kind of relates to best practices and observations in the field. One thing I think we're ramping up on a little bit more, and we don't have a name for this but it's just kind of one of these administrative things that we've been doing internally, we've been trying to take the blinders off the best that we can so that when we provide our trainings we do it the most helpful way that we can. So we are regulators, we are governed by IGRA and we do have to stay in our legal lane. But that doesn't mean that our

trainings can't encompass observations from our experience, observations in the field. So our office of general counsel is always -- their door is always open to walk through legal issues, if somebody has a matter that kind of touches our lane. But at some point, they'll probably say we can't go beyond our lane. But within our lane, we don't want to have blinders on either. Steve, you want to talk about this more? I don't want to throw you under the bus, but I think there are two ways you can approach training. You can just have it be focused squarely on IGRA's regulatory authority's responsibilities, or you can say IGRA requires NIGC to play a larger role in the overall integrity of Indian gaming. And that's how I read IGRA, and that's how I see it. With that, our authorities go beyond just our narrow compliance responsibilities. We do have a role in the large landscape to provide technical assistance, to provide trainings where we can. We always have to tie it back to our legal authority though. But within that, we want to be as aggressive as we can be. Sorry to throw you under the bus.

>> Yeah. The only thing I can really add to that is to echo what the Chairman is saying. We're ultimately working on enhancing and revamping our training program as it relates to what it is that we do. As I like to say, we're going through the process and approaches (inaudible) just a regulatory regurgitation but again it's

only as it relates to what we have, what we're mandated as far as the regulations and stuff, as far as IGRA.

>> CHAIRMAN CHAUDHURI: The way I think about it -- I don't know how many basketball players are in here, is you pivot. If you take an extra step, all of a sudden that's traveling. But as long as we keep one foot on IGRA and what we do as an Agency, you can extend yourself pretty far. But we always have to keep that pivot foot down there. But we want to be as helpful as we can without traveling. I don't know if that helps.

>> I think one of the points you were getting at (inaudible) ways that we can help. One of the things that we do through trainings and through our national perspective is to help present best practices (inaudible) over the course of Indian country. Perhaps we can be looking at how we can help to spread that, and similar guidance, and we'll be tailoring that whether for certain types of operations, helping to connect the dots.

>> CHAIRMAN CHAUDHURI: Thank you. Excellent question. We don't want to have blinders on. Sometimes we make referrals on things that are outside of our direct authority. But we make referrals to law enforcement based on information that commissions bring us or tribal leadership will bring us. Even if something is not in our direct authority we want to bring clarity and be

as helpful as we can be. So excellent question. Thank you.

>> Is it my turn? Francine Dupuis. The other option we have all the time that maybe you're not aware of is Class II. That's your ultimate leverage. You go to Class II, you don't have to have a number of machines to T state tells you. You don't have a limit on jackpot. We're strictly Class II at our facilities and we're doing fine. We probably should have done it a long time ago instead of negotiating our compact. And there's some people say there's no difference between Class II and Class III. But there is because they're bingo based. But that's where the money is. A lot of big casinos have mixed floors. They have Class II and Class III and the class IIs out do the Class III in some places. That's your other option. And maybe NIGC should have a separate training if compact gaming isn't right for you, here is how you go about being Class II.

>> Carole Lankford. Also if you go to Class II, you never know, the state might step up and say we're willing to negotiate with you because because (inaudible) are not going to want to get rid of all the gaming. That's most specific for Salish & Kootenai because we have all of the town pumps and everything on the reservation. They had to shut down. They don't have a gaming on the reservation. There's a lever there that you can use against the state too. At one point I know the state

was saying okay, we'll give you all of the referrals you want from the town pumps and everything. If you allow them to continue to game. Well, we want to be the only game in town so that's why we didn't do that.

>> CHAIRMAN CHAUDHURI: Thank you for those points. In terms of rural outreach, we recognize the innovation and area of Class II that Indian country has engaged in, and how much of economic impact has come from that innovation when it comes to Class II alternatives, or Class II options. Now, in terms of trainings and tailoring them for rural communities, back to Commissioner Simermeyer's point about best practices, we're always happy to kind of share lessons from the road so to speak. But would it occur to think about training just beyond the regional trainings we do or our training calendar, Steve's team does a great job at providing direct Tribe specific trainings as well. We'll come into a given community upon request from a Tribe, and we're very proud of that. So if a Tribe is exploring, well, is this really a viable option to go this route, we're happy to train on the regulatory side of it. So if folks are talking or thinking about what are the pros and cons of moving forward with more of a Class II floor, we're happy to come in and work with you on that.

With that, we have five more topics.

Again, I never want us to be rushed for time. This rural

outreach is very important to us as an Agency. We're committed to it. I don't want to leave any comments on the table so to speak. I want everybody to have an opportunity to comment and ask questions. But there is going to be a catch all at the end if somebody wants to add something later. If there are no additional comments or questions on this topic, we'll move forward with the second topic.

Okay. With that, to discuss more about training and developing a strong work force, I think we've had a perfect segue into this discussion. Our training manager, Mr. Steve Brewer.

>> STEVE BREWER: Hi. Good afternoon. A strong work force is an essential ingredient to the success of any business. The NIGC believes that one of our best assets is our employees and recognizes this is also the case for tribal gaming operations. With this in mind, the Commission has prioritized a strong work force both within NIGC and among our tribal regulatory partners as one of its four initiatives. In order to foster a strong tribal work force, the NIGC seeks to enhance our external training program that ensures to continue the meet the needs of the demands of the industry. To this end we take this opportunity to update you on the direction and commitment our training program and to consult with you about how we can deliver a better training program to meet the needs of

our tribal regulatory partners.

The NIGC currently offers three types of training events. The regional training conference which our trainings is derived from our training catalog and are based on the needs of the region where training is occurring; the regulating gaming technology which is geared towards providing both an understanding of a variety of technologies on the casino floor and strategies about how to effectively regulate and understand such technology. It should be noted the training for 2017 has been suspended to allow time to revamp the training to make sure that new technologies are included. We anticipate that the new RGT course will resume in 2018.

Finally, site specific trainings are trainings requested by a Tribe to meet the individual needs of the tribal government, Gaming Commission, regulators, and operators.

The NIGC has developed some assessment tools that tribes can request at no cost. The first assessment opportunity is the information technology vulnerability assessment, or ITVA. The ITVA is performed by NIGC IT auditors who complete a vulnerability analysis of a facility's IT system to identify potential security threats. The second type of assessment is an internal control assessment or ICA performed by our audit staff.

This could be a comprehensive review of the tribal gaming facility's entire system of internal controls or a specific review such as internal audit or (inaudible). Based on the findings identified in either a completed ITVA or ICA, the training program can help develop targeted training specific to that Tribe.

All NIGC trainings are developed to support our tribal customers. The training request process is used to shape and deliver training courses and programs that are uniquely tailored to each organization based on their specific needs and requests.

The NIGC training program is currently undergoing a process to revamp, revise, and update all of our training offerings. The NIGC is committed to craft trainings that are carefully targeted to meet the evolving needs of our regulatory partners and address high priority matters critical to safeguarding the unique gaming industry. In this manner, the NIGC is in the process of revising its instructor-led training courses to provide more interactive and hands on experiences. As a commitment to the value we put on training, we recently brought in additional staff to help develop our training platform, and assist with incorporating new methods of training. Additionally, we will be utilizing work technology in our training offerings. We are currently working toward

offering online and on demand training, and allowing for live video conferencing events.

With the kick off of our current training year, the NIGC has included new training classes, including a 12-hour comprehensive training for internal audit, a 12-hour hands on workshop for the development of picks and six, a new game with 2.0 training, and new IT training -- excuse me -- new IT training relating to auditing of the Class II standards (inaudible) 320. Each training is designed to be interactive and take a hands on approach and again we are in the process of revising our full print catalog to reflect these training opportunities.

In 2016 the NIGC instituted a knowledge review of certain audit courses. The intent of the knowledge review is to review the effectiveness of our training, testings performed at two points. First upon completion of the training Class to understand what the student learned, and second another test is performed 90 days later to see if the student retained the information. For 2017 the NIGC expanded its knowledge review to include all courses the NIGC offers.

The NIGC is interested in learning from you about what our training program can do to meet the needs of your operations, what additional type of training for events you would like to see, what more can our training program

do to help tribes stay abreast of emerging trends at Indian gaming including technological development such as online and on demand training, smartphone or tablet app development, or other technology. Or if you have any other comments or concerns you would like to share, we look forward to hearing from you.

>> CHAIRMAN CHAUDHURI: Thank you, Steve.

>> Rosella Morin. One of the things that I first came in (inaudible) first was Commissioner training. (Inaudible) out there from the national Indian gaming association, but I was wondering why our suggestion that you create a Commissioner training that is -- that would help Gaming Commission. Because that might be the most important thing for understanding the roles and responsibilities. And where I'm located, we're the primary regulator so we need to make sure that we know what we're doing in overseeing the operations of the casino.

>> CHAIRMAN CHAUDHURI: Thank you for that question. Steve, do you want to talk about it?

>> STEVE BREWER: It's a great, great point. We have included things like roles and responsibility in our RTCs that we do offer in our course catalog. But we're never opposed to doing specific Commission type training as it relates to a specific site training request. Because we already include things like

duties and responsibilities in our trainings. But if you ever had a specific course you wanted training on as it relates to Commissioners only, we're just a simple click away on the website for that.

>> CHAIRMAN CHAUDHURI: Thank you for that point. That's another reason I'm always thankful for tribal leadership representation at our consultations. But we also traditionally have quite a few Commissioners attend and provide perspective as well. Always value the perspectives such as those. So thank you.

>> I had a question.

>> CHAIRMAN CHAUDHURI: Yes, sir.

>> Robert Two Bears, Ho Chunk Nation. You do the assessments of the tribal requesting, and I noticed that other agencies have developed these tools or tablets. Are you guys considering creating that template so a tribal could actually self-assess versus you guys coming in? Is that an option you guys have considered?

>> CHAIRMAN CHAUDHURI: That's a good question. I actually might have Christinia or Shannon speak to that briefly because we've had some internal dialogue along those lines. Hold on.

>> Thank you for that question. For the ITVA I would probably say no, we wouldn't have templates to be able to do that. The software we use is actually

proprietary and we have to be licensed to be able to run those assessments. However, for the ICAs we actually already have checklists under the training tab I believe on our website for every single area of the regs. Those checklists actually walk you through what we do for an ICA. It looks at how we question stuff and what we're actually measuring. That already exists out there.

>> I could add to that. One of the things we're in the process of developing is quick reference books for each area of the mix. And what that's going to do is that's going to be something that we'll be handing out in our trainings that will give you really what the intent of the standard was and the recommended testing requirements for each standard as it relates to 543. I'm pretty excited about that. I think once it's fully been vetted and ready to put out it's going to be exactly what you're talking about. It's going to be exactly what we need for Commissioners and stuff to look at the standard and get the understanding of what the methodology was behind it.

>> CHAIRMAN CHAUDHURI: I don't know if that answers the question sufficiently. But in addition to the checklist as tribes work through that, we're hoping to answer questions as we go along. The ICA isn't the only avenue for assessment. But sometimes it does help to have fresh eyes, and eyes from NIGC. When we engage in those ICAs

we're engaging from the technical assistance side of things. So we recognize that certain compliance matters do come up in those ICAs. But we conduct those in good faith with an eye towards achieving compliance together.

I always try to be honest about those ICAs. If there are significant compliance issues we'll work as hard as we can to achieve compliance together. If they still kind of linger on two, three, four years -- at some point they could become compliance issues but that's not how we approach those ICAs. We approach it from a technical assistance viewpoint.

>> It does. Thank you.

>> Good afternoon. Clyde Brady, Vice Chairman, Northern Cheyenne Gaming Commission. As the new Commissioner, it's my intention to have our dual Commission since we're duly appointed and we're on a four-year term to attend the new Commissioner trainings. A question might be for the regional side. Does the NIGC provide the trainers for that region -- does it personalize -- does the trainer follow the Commission or is it just as we go to trainings is it different trainers to train us on that? And then also, a comment on breaking us out to the region. That might be your solution to do that so we could have more I guess personal attention as tribes out here in Montana and stuff like that. But that's something that the consistency -- I

can understand this is an ever evolving living document, just like the Constitution. But we'd like to as a Commission -- I'd like to be able to stay on top of things and be able to serve my Tribe as best to my ability.

>> CHAIRMAN CHAUDHURI: Great question. I think our deputy chief of staff is helpful.

>> Specifically to your question about specific trainers, for us it would be a resource issue to have one or two people be the subject matter experts in everything that we train on, and have one or two people in every region that can do everything. Steve and his team have actually done a fabulous job. We have a lot of subject matter experts within the Agency. And for every main subject that we do train on we try to have two or three people fully up to speed on that information so that when we're training here or if we're training in Oklahoma, the information is all the same.

>> The only thing to add to that is I would promise you that if you went to one training and got one presenter, you're going to get the same quality of presenter the next time. That's what we strive for.

>> CHAIRMAN CHAUDHURI: Thank you for that perspective. I'm always thankful for having fellow regulators involved in these discussions as well, because that direct perspective regarding our trainings is very

helpful.

>> Jenni Wild Cat, Northern Arapaho again.
I just wanted to advocate to all my training. I'm really excited to hear about that just because we're rural Tribes, not around larger areas, and don't have that large amount of gaming revenue. We are pretty cash strapped. So we have a smaller travel budget, training budget. So we have online training, it's cost effective for us. We don't have to pay for somebody to go spend the night somewhere, travel somewhere.

In addition to that we have a small compliance department. We've got two folks. If they go away for compliance training there's nobody on the floor. Same thing with licensing. So due to our small size that's going to greatly benefit us also, for online training.

>> CHAIRMAN CHAUDHURI: Excellent.

Steve?

>> All I want to say is thank you. I agree. I think the benefit will just be huge. I don't want to take too much time. I just remember being a compliance officer a long time ago and thinking to myself I wish (inaudible). Thank you.

>> CHAIRMAN CHAUDHURI: Excellent point. I know Steve has worked pretty closely with our technology division Director, Travis Waldo, and we'll hear a little bit

more from him in a bit. But some of these initiatives mesh together. So technology and rural outreach, we want to advance our technological aspect so that we can better serve rural communities. That's one of many ways different functions of the Agency are trying to work together on these things.

>> Hi. My name is Betty Whiskeychan from (inaudible) casino. I really like the idea of Gaming Commission training. Last year we got all brand new Commissioners. Operations -- casino operations standpoint, I worked at our property now for over 20 years. And casinos depend on visible strong regulation force. And then when you don't feel it on your property, it gets worrisome because you know how some management can tend to just -- there's no balance there. And when there is a limited -- I'm finding that when Gaming Commissioners are traveling and they're away from the property, they don't know how to assert their knowledge when they come onto property. And I'm just wondering if -- has there been any virtual classroom training, where we can sit together and still -- rather than just do online training, actual talking to a person, like actually seeing and being engaged with somebody from the NIGC. I think that would be real helpful to us at home, like when we're at our own properties. Thank you.

>> One of the things I'm really excited about is we just finalized a contract on basically exactly what it is you're talking about. Being able to actually host a (inaudible) training event. So we could meet in DC and we could send out the training request to all the tribes. Whoever signs up, one or two hours, and we can have that dialogue without everybody having to travel all over the country. We'll just be able to do that from our home station in headquarters. So it's coming. I'll just say be a little patient because we just finalized the procurement on it. We're going to implement it as soon as possible.

>> I also think that it may also -- it helps for NIGC as kind of a neutral -- I don't know how -- neutral voice, or -- because at home, you kind of get into a personal field I'll say. So you lose your effectiveness as a regulator, or as a person in operations. And NIGC as a neutral party can just come in with their technical expertise, and that kind of stuff to make it more beneficial for both sides. Does that make sense? Thanks.

>> CHAIRMAN CHAUDHURI: Very much makes sense. In this respect, I always make a joke about when we meet with fellow regulators. It's like we got to stick together as much as we can. We know that regulators don't always -- I mean, varying degrees of love and support. But the role that they play isn't always immediately recognized.

That role is a strong regulatory environment does allow for healthy financial opportunity. But that connection between regulation and the bottom line isn't always apparent. So we respect the role that we played in providing an outside voice to help support that regulatory structure. I'm very thankful for the work Steve does also in conjunction with Travis to make sure that on the tech side of things we're able to provide that voice in the most helpful way possible. So the virtual training idea -- I mean, we're excited. There's so much we want to do. Part of it is getting the right hardware in, getting everything in place. I know the team has been working very hard on that. But we made a lot of headway in the last couple of years. I don't know if anybody wants to add to that, on the tech side of things. I don't want to throw anybody under the bus. I know how hard you've worked on these issues.

>> We're very close. It's been a process to build hardware and kind of update our infrastructure. We also moved offices inside Washington D.C. So we're very, very close on getting to the point where we can make these offerings to you guys.

>> CHAIRMAN CHAUDHURI: (Inaudible).

>> That was Travis Waldo.

>> I'm LaVern Old Elk. If I can make a suggestion to our neighboring Tribes. When we have the new

Gaming Commissioners come in, they really didn't have that much knowledge on being a Gaming Commissioner. We did fill out -- we did request for training from NIGC. It was a checklist. And it was -- we filled it out on what specifically we wanted training on. And it took a couple of months for everything to get organized. But they did come to Crow and train us as a whole. And then another thing that we did was we're aware when they're going to do a site visit. We would -- for example, our assistant, she was in the office every day every day so when people came in to get a gaming license, she had one on one training with a compliance officer and she got her training. That's because that's what she needed. I hope that happens. But we reached out.

Another thing that was suggested to us by the compliance officer was better website. Everything is on there. So you can -- everything is on there. You have questions, reaching out to that is very helpful. Just a suggestion. (Inaudible).

>> CHAIRMAN CHAUDHURI: Thank you so much for that comment. Because I know Linda and her team as well as all the regions work very hard to maintain healthy relationships with the regulatory partners. And it's great to hear an example of -- I mean, a concrete example of that. But thank you for that comment. And just as a matter of

process, this is great. I want us -- this isn't just a consultation between NIGC and Indian country. I want us all to learn from each other as much as we can. Cross discussion, we definitely encourage that. Thank you. Thank you.

Okay. Any other questions, comments, concerns on our training topic? Thank you for that presentation, Steve.

Now we'll move on with topic number three, this is kind of a matter of process. I know it's a long afternoon for folks. After this break -- I mean, after this topic, let me just get a sense. Do folks want a short break, just to stretch legs, a five-minute break? We could do that now. Maybe after this topic we'll work towards a short five-minute stretch your leg break and we'll just keep plugging along.

With that we have the Director of finance, Ms. Yvonne Lee who is going to give us some additional background on this topic. I'll turn it over to Yvonne Lee.

>> One of our primary initiatives at NIGC is to protect against anything that amounts to (inaudible) tribes. It's a term for any third party threats to tribal assets or operations. Getting close third party interference with a Tribe's sole proprietary interests in its gaming operations. Many games violations may occur

when a third party vendor or services provider is managing some aspect of gaming operations without an approved contract, or where a contractor is operating outside of an approved management contract. Thus approval of management contract at NIGC requires that IGRA as a means of protecting the Tribe against gamesmanship. The chair has the fiduciary responsibility to try to ensure that they remain the primary beneficiary of their gaming operations. The (inaudible) process should protect against gamesmanship. But the process should also not (inaudible) spirit of tribes. With this in mind, the Commission is seeking feedback and recommendations on whether changes are needed to the management contract and background investigation regulations. Specifically we want input on improving the efficiency in the management contract review process but also continue to protect tribes' sole proprietary interests in their gaming activities.

To provide some context to this consultation, I'll briefly summarize the current approval process. Then we will open to floor to questions and suggestions.

A management contract is any contract, subcontract, or collateral agreement between an Indian Tribe and the contractor or between a contractor and the subcontractor that provides for the management of all or

part of the gaming operation. Detailed requirements for management contracts can be found on our website. To commence the review and approval process, submitters must submit a management contract and all documents in accordance with 25CFR parts 531 and 533 to NIGC. The Chairman must also make a determination that the manager is suitable to manage the gaming operation. The background investigation process is an important component of this submission. Background information must be submitted for all persons and entities that have a financial interest in or management responsibility for the management contract as identified in 25CFR part 537.

Once a contract is submitted to the NIGC, they are processed and reviewed based on the order received. We've distributed three handouts to help you understand our review process. The first handout is the process flow chart. The second and third handouts are NIGC checklists for management contract review and background investigations. You can also print the checklist from NIGC's website. As you can see on the flow chart which illustrates the process flow of management contract review, once the submission is received it will be distributed to all staff involved to start the review process. We will first send out submission letters to inform the parties if there are any information and/or documents still missing.

Then the staff in both the division of finance and the office of general counsel will conduct a review for their respective areas and outline on the flow chart. During the review process there will be internal discussions and meetings among the NIGC staff to coordinate a review and monitor the steps. After the review is completed we will send our issues letter to notify the parties if there are any issues with the management contract. In addition, the NIGC staff will work with the parties to help them understand the issues if necessary.

Please bear in mind that sometimes it might take a few rounds to resolve our issues. The length of the NIGC review is dependent on several factors which can include the number of prior applications received and already in the review period. The completeness of each submission and responsiveness of the parties and compliance with existing laws and regulations, and the complexity of the submission and those subject to the investigations.

Once all issues are cleared and the submissions are complete with all necessary documents then the Chair has 180 days to approve or disapprove the management contract. The NIGC Chair may approve the management contract if it meets the schedules of parts 531, 533, 535, or 537. If the NIGC Chair learns of any actions or conditions that violate those standards, or the manager

deliberately or substantially fails to follow the terms of the management contract, or tribal gaming ordinance, the Chair may disapprove a submitted contract or void the contract or require modifications on an approved contract.

If submitters find the chair's determination unsatisfactory they may appeal the decision. If a Tribe wants to amend a term of an existing approved contract or simply extend the original approved contract pursuant to 25CFR535, they must submit an amendment and relevant documents including a letter from the tribal chairperson and associated resolutions as well as background investigation applications. For new individuals or entities, background investigations are required. Individuals or entities previously found suitable also may need to have their background investigations updated depending on the length of time since their last background investigation.

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

>> CHAIRMAN CHAUDHURI: Thank you, Yvonne. Always grateful for Director Lee's leadership and the work of her team to make the management agreement process

as smooth as possible. Much work still remains to be done. But we recognize the impact economically that our management agreement process has on tribal nations, and we want -- we're always looking at ways to make things more efficient while still adhering to the integrity and responsibilities that we have. Thank you, Yvonne. Questions and comments on management agreements?

While we're mulling over our questions, let me just again say thank you. Another initiative that we haven't discussed in great detail, but Yvonne touched on it, another initiative of ours is protecting against gamesmanship on the backs of tribes. That's kind of a fancy way of saying we're going to do whatever we can to fulfill our responsibility to make sure that tribes are the primary beneficiaries of their operations. So tribes and not vendors, tribes and not other third parties, but tribes themselves are the beneficiaries of their operations. We'll look at doing what we can to mitigate any third party threats to assets or operations. And we want to work with Indian country to do that. We want to uphold our responsibility in that regard. Management agreement approvals are fundamental to that. So if we're talking about protecting against gamesmanship on the backs of tribes, the management agreement approval process is one of the important tools that we have as an Agency to support

tribal nations' interests in making sure we have good people working in their facilities who have the tribes' best interests at heart. And we take that responsibility very seriously. And I'm very grateful to Director Lee's leadership in that regard.

No comments, I'll take that as a vote of confidence that we're on the right track and we're doing good things. Again, we're going to have a catch all section at the end. But maybe this is a good time for that stretch your leg break. We'll reconvene in about five minutes or so. Longer if needed. It's the side conversations that really matter too. Last thing I want to do is interrupt that.

>> CHAIRMAN CHAUDHURI: Okay. I guess we'll go ahead and get started. I think we're doing pretty well on time. Not great but we've got plenty of time. It's 3:22 right now. We'll move forward with our technical standards discussion if Director Waldo is ready to go. Mr. Travis Waldo, take it away.

>>TRAVIS WALDO: Good afternoon, everyone. National Indian Gaming Commission is considering draft language to amend 25CFR547-18 which would clarify and add new technical standards for wireless gaming systems and communication between mobile communication devices and mobile systems. These new draft regulatory standards provide clear and specific definitions that have

not been included in the regulations previously. The new standards also support security and system integrity for mobile gaming operations. This draft language is based on input and collaboration with our travel partners. The intent of the new draft regulation is to support the growth and innovation of mobile gaming systems.

Portable handheld gaming systems have been around for many years and are authorized in many state jurisdictions. Handheld gaming devices are electronic devices that allow casino patrons to play anywhere within the casino or within tribal lands as defined by the Indian Gaming Regulatory Act, such as at restaurants, hotels, or other amenities. The draft technical standards for mobile gaming devices will not authorize Internet gaming. These draft technical standards only address handheld mobile devices within tribal lands. The draft technical standards which can be found on our website are post standards for travel review, comment and consultations. We'll now take questions. Thank you.

>> CHAIRMAN CHAUDHURI: Thank you, Travis. Just again, in terms of the ongoing nature of our dialogue, we're thankful for some of the comments we received at the prior consultation about the possibility of moving forward with these standards as guidance rather than regulation. And so that came from our dialogue and

discussion. We're going to take a strong look at that. But we welcome any comments you may have on this topic at this time. Or questions.

>> I have a question. Former electronic game ball -- (inaudible). Does that cover mobile handheld machines? And all types?

>>TRAVIS WALDO: We haven't addressed (inaudible) but it is for the mobile date devices, handheld devices. All.

>> CHAIRMAN CHAUDHURI: Great question. This is about two-way dialogue. It doesn't all have to be formal comments. We're here to answer questions as well.

>> What are the current regulations on Internet gaming? What if I wanted to start (inaudible) at our facility? Is that allowable?

>> CHAIRMAN CHAUDHURI: Yeah. Let me address that. But anybody else who wants to weigh in, feel free. Internet gaming is -- I know a lot of folks talk about it. At NIGC we implement IGRA. Our only question is whether or not any game is occurring on eligible Indian lands. And so that's how we look at any question that comes before us. I know there are a number of bills that have been floated in Congress to further refine how Internet gaming might be regulated. But so far none of them have really stuck. And so we've tracked those bills but right now as

things stand our regulatory scope is ensuring that any gaming activity on Indian lands complies with IGRA. That's kind of where we come from, or where we're coming from on that. That said, I would encourage anybody that has a -- everything -- there are a lot of proposals out there. There are a lot of games that have been shopped around by various folks in the industry. And all those games have very complicated coding in them. What I mean by that is kind of the guts of those games are very different from one another. If a nation is considering a certain platform, and is concerned about crossover with IGRA requirements, I strongly recommend reaching out to our office of general counsel at (inaudible) because we'd be happy to kind of work with you to look at the specific nature of a given platform that somebody might be trying to offer. And we'll provide our, you know, assistance the best we can about whether or not that is workable under -- at least when it comes to IGRA. But there are other laws that apply to Internet gaming in terms of UGEA, and we don't -- we're not the gate keepers of that law in itself. And so our approach is always looking at IGRA and we're happy to work with tribal nations to look at specific proposals. I don't mean to be so vague, but let me just be honest. There's been some bunk that's been floating around, some nonsense that's been floating around that hasn't been helpful. And in the past some of those

proposals have been shared with us. Our office of general counsel has been very helpful in trying to flag potential problems for tribal nations when we see them. But as I said before, under our statute, our job is to support the tribal economic development. We want to look at all appropriate ways, and be helpful to tribes who are looking at all appropriate ways to pursue economic development. But we also see an important role for us to play in terms of flagging nonsense that might be out there. And we've done that through OGC in the past. I don't know if you're talking about OGC. Heather, do you want to talk a little more about your phone lines always being open and who the point of contact might be?

>> HEATHER CORSON: Sure. We're always available to provide any sort of assistance. A thing that I wanted to add on is that we try -- we don't want to comment on the legality of any kind of game other than under IGRA. So we try to be very specific and don't add a lot of caveats to that. So we encourage a lot of those dialogues to go on with your attorneys that you have as well. But we are available to talk. We can certainly talk about if we think something is Class II or Class III. That's something that's (inaudible). In terms of Internet gaming, I think just keep in mind that the key thing that determines that is that the activity happens on Indian lands. That's important to us.

And what exactly is a gaming activity. Do you think it meets (inaudible).

We think it includes the wager as well as the activity itself.

>> CHAIRMAN CHAUDHURI: Thank you, Heather, for that. I know Heather mentioned her an affiliation. But I'm especially proud of the work at the office of general counsel. She's associate general counsel which is basically -- she and the general counsel himself oversees all of that office. It's just good I just want to recognize her, the fact that she is Crow, and we happen to be here in Crow territory. Of course all respect to Cheyenne. Anyway, not getting (inaudible). But we're just honored. Thank you. Does that help? Thank you.

>> Jenni Wild Cat, Northern Arapaho. I know this is a long technical standard (inaudible) but I would like to know (inaudible).

>> CHAIRMAN CHAUDHURI: You want to weigh in on this?

>> No.

>> CHAIRMAN CHAUDHURI: Okay. Again, similar to what we discussed with Internet gaming, skill based gaming has a little bit of a different relevance to the Indian gaming than it does in other regulatory discussions. Skill-based may, you know, have

impacts -- quite a few impacts in the commercial gaming world that are dependent on how states regulate commercial gaming. For us, our starting and ending point is always IGRA. So to the extent that a given game may have classification aspects to it that we need to look at, we'll work through general counsel's office as well as Shannon and Christinia's teams. We're happy to take a look at a given game for classification purposes, or technical assistance about how the game is classified. But in terms of skill-based gaming, our -- in terms of the implementation and the IGRA, it hasn't had that much relevance to this point because IGRA kind of says what it says. I don't know. What I mean by that is it talks about definitions of gaming, and definitions of lands eligible for gaming. That's where we start. And so for us, the question is is it gaming? And so most of these questions aren't really relevant to our discussion because unless it falls under our -- we have a lot of case law and internal administrative record in terms of how we look at whether or not something is gaming for our purpose. And we're happy to walk through the aspects of the specific game. That's why I just want to stay away from the general -- I want to stay away from speaking about skill-based games generally, because every game is very dependent on where the bet is being made, who is making it, and we look at every game that's sent to us on a case by case basis, and look at

it in terms of IGRA's classifications. That's how we look at things. And that's why I always shy away from kind of very general statements about skill-based, or things like that. I don't know. It was kind of a murky answer but maybe you can clarify.

>> For clarification I understand you're asking about the skill based (inaudible). So the arcade type style (inaudible). So if those types of skill based gaming are coming on the market, they would actually have to meet the actual technical standards that are in 547 on how the gaming machine is actually built.

>> CHAIRMAN CHAUDHURI: There you go. Thank you, Christinia. (Inaudible). Shannon O'Loughlin who is our chief of staff, and Christinia Thomas, our deputy chief of staff, they make a dynamic duo because Shannon -- number of (inaudible) that impacted by gaming, and her own community, definitely has a very, very good view of the policy issues involved at NIGC, and she understands the technical side enough to help oversee the Agency. Christinia at the same time understands the policy side of things enough to get everything that's going on, but she also comes from a regulator background. How many years?

>> About 25.

>> CHAIRMAN CHAUDHURI: About 25 years at Mille Lacs. So together in terms of overseeing the item at

NIGC, just a great dynamic duo over there. But it is a joy to work with smart people. Hasn't rubbed off yet. Thank you for that question.

Any other --

UNIDENTIFIED SPEAKER: (Inaudible) before we go off this topic that (inaudible) talked about. I didn't want to display a cautionary (inaudible) talk more about this than I know. But I do want to say that in general we're talking about this topic of technology development that it's important to be from our perspective -- whatever as time moves forward and we take into consideration the technology (inaudible) it's important (inaudible) that they don't force technology and make it cost prohibitive or create a competitive disadvantage in Indian country. So (inaudible) in terms of the scope or regulations to make sure that they don't go beyond requiring how we're developing integrity in the industry (inaudible) the technology is going to be integrated differently throughout different operations.

>> CHAIRMAN CHAUDHURI: Any additional questions or comments on this topic before we move forward? Okay.

Our next topic, we have again director Yvonne Lee to discuss our calendar and fees. Without going into too much detail, this is something that I think we're

all excited about at the Commission because it's a small but important step that we can make that I think will add to the efficiency of our operations. Basically it's going to allow us to do our budgeting around the same time that we do our (inaudible) which is always very helpful for an organization. So with that, Ms. Lee.

>>YVONNE LEE: The Commission is considering amending the language to 25CFR514. Under the current regulation the Commission announces a preliminary fee rate of March first and a final fee rate three months later on June first. The proposed regulation will require the NIGC to set the fee rate only one time per year to be announced on November first. The proposed changes on the fee rate publication date will also apply to the fee (inaudible) process. These are the proposed 514.2 changes of fee rate.

These are the proposed 514.16 changes of fee regulation. By setting and announcing the fee rate once a year the Commission will be able to, one, improve the efficiency of the fee rate analysis and publication process; two, coincide the fee rate announcement with the annual release of the gaming revenue and the completion of the Commission's budget for the upcoming year; three, reduce the marginal variable for fee calculations as the rate would only be set once within a fiscal year; four, mitigate any

confusion that may arise from changing the fee rate twice a year. In addition, a majority of tribes have fiscal years ending either on September 30th or December 31st. Tribe submissions of audited financial standards are required 120 days after the end of their fiscal year. Thus when we first used these financial statements to set the preliminary fee rates our analysis is limited to a fractional portion of the financial audit's submissions. And we must reanalyze again after additional submissions are received at the end of April. The proposed changes will allow the analysis to take place once a year after the Commission has received all annual audited financial statements. In addition, the fee rate calculation will more accurately reflect the Commission's required operation funding which will become available by September 30th each year.

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

>> CHAIRMAN CHAUDHURI: Thank you, Yvonne. So again, we see this as, you know, kind of a change but it will have impact on when tribal nations submit their fees, but it will I think have a lot of benefit to our ability as an Agency to provide important services in a sensible way because we'll be able to tie our budgeting with our planning. But we welcome any comments, questions.

We are excited about it. It's small but important.

With that we'll move on to our final topic. And that is draft guidance -- draft nonbinding voluntary guidance on Class III minimum internal control standards. For that we have deputy chief of staff Christinia Thomas.

>> CHRISTINIA THOMAS: Thank you. As a result of the 2015-2016 consultations, the Commission will issue nonbinding Class III mixed guidance. We have issued a draft of that guidance and are asking for your feedback before we finalize and publish. Although a guidance document does not require a formal notice and comment process, the Commission recognizes the value of tribal and industry input and intends to thoroughly consider all comments we receive from you to inform this guidance. The draft's 64-page guidance document is available for you today and it's also on our website for review. The NIGC is very fortunate to have so many tribal gaming subject matter experts working for the Agency who are well versed in operational procedures and the risks associated with them. They have been diligently working to develop this draft.

You'll notice that the draft follows the formatting and style of the current part 543 Class II mix. We hope that it assists those tribes with mixed facilities to develop a comprehensive set of controls while still

enabling tribes themselves to establish standards that best meet their needs. Exclusively Class III areas such as gaming machines and table games have been updated after extensive review of other jurisdictions, incorporating tribal regulatory and current industry standards. Additionally those controls in part 543 that require (inaudible) analysis and approval such as variances and supervision controls are carried over into the Class III (inaudible). We would also like to consult with you on our proposed decision to suspend the existing 542 regulations. Suspension of the regulations leaves the existing text in the code of federal regulations but adds a note they are not enforceable and refers the reader to the guidance document. We believe that this solution accomplishes the goals of keeping the language accessible for those who need it. Again, the guidance is being done to provide voluntary, nonbinding updated regulatory controls for Class III gaming areas. Because it will be guidance instead of regulations, we will be able to be much quicker at adapting to the changes in the industry and we are seeking feedback on the draft. And we are also seeking feedback on the intent to suspend the existing 542 regulations.

>> CHAIRMAN CHAUDHURI: Thank you, Christinia. Again, to restate it, our proposed action here is in response to -- I'm sorry -- is in response to requests

from Indian country. But the tricky part is the details. We always welcome comments.

>> Robert Two Bears, Ho Chunk Nation. A question that -- has the NIGC done an assessment of the current gaming compacts that tribes have with the states? I'm only asking this because in our gaming compact, it says that we will follow Class III mix. So I know you're proposing this rule, but (inaudible) the impact on our Tribe and our agreement with the state. Have you guys done an assessment on the current gaming compacts throughout?

>> CHAIRMAN CHAUDHURI: It's been the subject of much discussion internally. But who best to speak to that?

>> Yes, we have. We are very aware that there's a lot of compacts out there in a lot of different states. But actually incorporate the current 542 regulations that were last updated in 2006, where they specifically refer to 542 as the requirement that the tribes have to follow those controls. So the reason we landed on suspending the regulation is because that way it's not being actually removed from the code of federal regulations. It's just saying we can't enforce them. So they'll actually stay on the books. Tribes can still use them if they choose to. But the guidance that we've drafted actually updates those controls.

>> Robert Two Bears, Ho Chunk Nation. So then as far as audits coming forward after the suspension, are you still going to use the standard or no?

>> CHAIRMAN CHAUDHURI: We're open to comments. I think current thinking is for mixed facilities,, you know, obviously all the Class II standards will apply. The guidance that we will put out, we don't -- pursuant to the Colorado River Indian Tribe's decision, we don't enforce pure Class III standards to begin with. So I believe we'd operate under the current framework that we use for mixed facilities. We do rely on the Class II standards. And we do apply those for the audits. In terms of best practices, there may be -- before I get into the audits too much, because we haven't started doing this yet in terms of the guidance, we can talk about advisory, technical assistance regarding the guidance on our audits as well. But do you want to speak to the point?

>> I want to point out (inaudible) agreed upon procedure audits. The audits are done every year. However, the requirement is only on Class II. So tribes (inaudible) you can continue to have your (inaudible) included with your Class III gaming but we don't actually require those be submitted to us.

>> CHAIRMAN CHAUDHURI: So these are being issued to be helpful to the nations that still look to the

mix. So there's a need to update it. But we're also very, very aware of the limitations on us in terms of actually issuing a Class III mix, or let alone enforcing Class III mix.

>> Thank you.

>> CHAIRMAN CHAUDHURI: Thank you for that question. Additional questions or comments on this? We also are mindful that the compacts from state to state differ. And we're trying to take the avenue of providing as much clarity to the process without over stepping our authority in any way, or creating new complications that we don't foresee. That's why we're thankful of the comments we've received to date from Indian country and we're mindful of those comments as we try to craft this plan.

With that, any other additional questions or comments on this topic before we leave you? With that, the whole point is dialogue. So I don't want us to be locked into this topic or that topic. Are there any questions, comments that came up maybe during the break or things that you want to discuss or things that you may be thinking may be helpful to get on the record for folks who couldn't be here today? Okay. Well, as I always say, there's no shame in finishing early. There's no crime in finishing early. Yes, sir.

>> I have a question as far as fall out all

across the nations and do you plan to actually put that on the website so that the rest of the tribes throughout or whoever wants to review the questions that were posed that went unanswered (inaudible)?

>> CHAIRMAN CHAUDHURI: Thank you for that. Absolutely, yes. I don't know if anybody wants to talk about the process. But the transcripts will go up. The comments will be on our website. As well as one of the commitments we made early on a few years ago was that, you know, consultations never are a pretense for us. We want to move forward with deliverables. We have made a commitment that we'll do our level best to move forward with the deliverables at each stage. And we've been working hard to honor that commitment. And so consultation topics from last year we're very excited to be close to making some decent announcements about deliverables on those topics. But in addition to putting the transcripts and the comments on our website, we're going to work diligently to move forward with the next steps on specific products from each of these. Keep in mind this Class III guidance discussion is a product of consultation discussions from last year. And that's how we got the draft, what we have today. So to answer the question, yes, absolutely. We want transparency and open dialogue. I don't know if anyone wants to add to that.

Thank you for that. Any additional questions, comments, before I turn it over to my fellow Commissioners for closing?

With that, I'll turn it over to my fellow Commissioners, and we'll close.

>> Thank you. I'll be brief. I just want to thank everyone again for taking the time to be part of this process. You said at the outset too about the importance of the consultation and acknowledge if there was some confusion and recommit to reaching out to other leadership who couldn't be here for this coordination. That's part of the immediate follow up in terms of process. In terms of dialogue, and feedback, I hope that we can continue to keep the conversation going for the remainder of the consultation session. I've heard really helpful things in terms of I'm able to (inaudible) on the Commission. A need for our technology, not necessarily to get in the way of innovation that goes on, and the regulations to support our development and for us to continue to work together. (Inaudible) thank you for your time here, and this conversation we're having. (Inaudible).

>> I want to be brief. I know everyone is probably anxious to get back on the road. But I also wanted to remind ourselves that the bigger issues -- the bigger concepts that we are fulfilling here I think we heard a lot

on this trip, and we've seen a lot on this trip about elder centers, and programs for youth, different kinds of tribal activities to support. That's why we try to at least keep in mind the big picture of why we're doing this, tribal leaders and regulators. I just want to thank you all for your comments and for being here with us.

>> CHAIRMAN CHAUDHURI: Thank you, Vice Chair. I just want to applaud and echo that point. One person I haven't singled out I meant to earlier, you saw the NIGC person taking photographs. That's Kim Myers, our new Public Affairs Director. She's a member of the Cherokee nation. She's playing an important role with those photographs. Her office compiles impact stories that draws that connection between gaming and real lives on the ground. So that big picture story is something that we're honored to talk about in the circles that we walk in. And we're very thankful for the work that Indian country has done to tell that story as strongly as has been told. But it's one of those things that you can never tell it enough. And I just want to point out our Public Affairs Director, if you have any information that you think would be helpful in providing that big picture and background, please reach out to Kim and her team.

With that, just to echo my fellow Commissioners' points, thank you so very much for taking the

time to be here. I know that demands on your schedules are many. But dialogue is critical to not just what we do at NIGC, but the health of this important economic development avenue as a whole. And so thank you so very much for being here. Safe travels to you. And many thanks again for your home lands. I'm sorry, sir. There's a presentation from Crow Tribe.

>> Not too sure, but there's a lot of tribes here. I want to share with you something for you to wear. My grandfather at one time put it on. My grandfather. So that you won't lose his way, this young man came to the U.S. government, to our country, and I just want to show my appreciation. You won't get lost if you put your GPS in there. One time my grandfather had too many horses, and there was a gathering, and the next valley, they said bring some horses, we'll give some horses away. They said all right. They took a trail of horses. When he came back, they gave him more than he gave away. I want to share to the other tribes, what we gave you, we'll have more. Thank you for coming.

(Applause).

>> CHAIRMAN CHAUDHURI: On behalf of the Agency and all of us, from the heart (inaudible) truly honored to be here today. Thank you.

(Applause).

With that we'll close.

C E R T I F I C A T E

I, LAUREN SCHECHTER, do hereby certify that the foregoing is a true and accurate transcript of a tape recording in this matter.

I do further certify that I am neither of counsel nor attorney for any party in this action and that I am not interested in the event nor outcome of this litigation.

Certified Shorthand Reporter for the State of
New Jersey