

Spokane Tribe of Indians

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February 28, 2018

Chairman Jonodev Osceola Chaudhuri
Attn: Vannice Doulou
National Indian Gaming Commission
1849 C Street NW
Mail Stop #1621
Washington, DC 20240

Delivered by Electronic Mail to:

Vannice_Doulou@nigc.gov

Re: Spokane Tribe's Comments in Response to Notice of Consultation Sessions for 2018

Dear Chairman Chaudhuri

I write on behalf of the Spokane Tribal Business Council to provide the Spokane Tribe's written response to the December 22, 2017 Notice of Consultation Sessions for 2018. These written complements supplement testimony provided by Spokane tribal officials at the January 25th consultation in Portland, OR and the February 21st consultation in Milwaukee, WI.

1. Proposed Changes to Management Contract Process

We agree that clarity is needed when an existing management contract is extended by amendment beyond the five, or in rare instances seven, year term mandated by IGRA. While IGRA imposes a definite limit to the term of a management agreement, IGRA does not impose a prohibition on the length of a business relationship between the Tribe and a manager. We understand that some Tribes have longstanding partnerships with gaming managers, and we understand that certain of those Tribes have questioned the need to modify the current amendment process set forth in Part 535. Spokane urges the Commission to carefully consider these well taken comments within the context of a robust consultation.

We agree that increased efficiencies in the management agreement review process are necessary. To that end, we support the concept of background investigation tiers based on risk levels, background requirements only for those individuals or entities that own 10% or more interest in the management entity, and billing management contractors for background costs rather than requiring deposits.

2. Audit Submissions

We support additional amendments to 25 C.F.R. Part § 571.12 to allow additional small operations to submit unaudited or CPA compiled (rather than reviewed) financial statements and to increase the maximum GGR for allowing submission of reviewed (rather than audited) financial statements to \$3 million.

3. Management & Sole Proprietary Interest

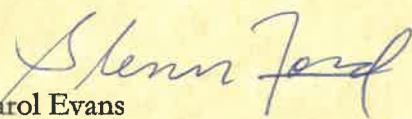
First, we support opening a discussion on whether the NIGC should develop regulations to clarify what constitutes “management.” One goal should be to reduce demands for NIGC review of financings and other complex transactions, which not only place increasing demands on NIGC resources but also ultimately increase transaction costs for tribes. We note the need for clarity in this area given the increased venter demand for control over placement and operation of leased gaming machines.

Second, we support consideration of regulations to clarify “sole proprietary interest.” Despite the guidance the NIGC and federal courts have provided in this area, there continues to be fundamental misconceptions about this bedrock requirement of IGRA.

Third, we request that the NIGC consider clarifying the terms and conditions under which individually-owned gaming is allowed under IGRA, and the application of those terms and conditions to the operation of state lotteries on Indian lands.

We look forward to further consultations with the NIGC throughout 2018 on these important issues.

Respectfully,


Carol Evans
For Chairwoman