



**BUDGET** The United States  
Department of the Interior

**JUSTIFICATIONS**

and Performance Information  
Fiscal Year 2018

**NATIONAL INDIAN  
GAMING COMMISSION**

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**DEPARTMENT OF THE INTERIOR  
NATIONAL INDIAN GAMING COMMISSION**

**FY 2018 Budget Justification**

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## Executive Summary





## **National Indian Gaming Commission (NIGC)**

### **Executive Summary**

The National Indian Gaming Commission (NIGC or “Commission”) was created by the Indian Gaming Regulatory Act of 1988 (P.L. 100-497). The purpose of the Indian Gaming Regulatory Act (IGRA) is, in part to promote tribal economic development and self-determination; support the integrity of the Indian gaming industry; and ensure that tribes are the primary beneficiaries of their gaming activities. To ensure those purposes of IGRA are carried out, IGRA created the NIGC as an “independent Federal regulatory authority for gaming on Indian lands... to meet congressional concerns regarding gaming and to protect such gaming as a means of generating tribal revenue.”<sup>1</sup>

The Chairman’s four principles for achieving regulatory compliance and gaming integrity are to act within appropriate agency authority to address and mitigate activity that jeopardizes the integrity of Indian gaming and, by extension, the valuable self-determination tool that it represents; engage in sound regulation without unnecessarily stymieing the entrepreneurial spirit of tribes; swiftly act on anything that jeopardizes the health and safety of the public at gaming establishments, including employees and patrons; and protect against anything that amounts to gamesmanship on the backs of tribes. In addition to these principles, the Chairman’s five foundational priorities are active performance of regulatory duties; engaging in ongoing meaningful tribal consultations; staying ahead of the technology curve; supporting a strong workforce both in-house and among our regulatory partners; and strengthening dialogue and relationships with all relevant stakeholders.

In line with these principles and priorities, the NIGC has implemented the following:

- (1) Developed a Technology Division to support the growing technology in Indian gaming;
- (2) Created a “Legislative and Intergovernmental Affairs Coordinator” position to enhance relationships with governmental partners and other stakeholders;
- (3) Implemented outreach and special program planning to rural tribal governments through its Rural Outreach Coordinator position.

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<sup>1</sup> 25 U.S.C. § 2702(3).

In addition to the NIGC, there are approximately 6,000 Tribal Gaming Regulators serving as the primary regulators of Indian gaming. Further, each of the 28 states involved in Indian gaming provides regulatory support to implement their respective responsibilities under IGRA and tribal-state compacts. Besides NIGC, tribal and state regulatory agencies, the Department of the Interior, the Department of Justice, the Federal Bureau of Investigation, the Internal Revenue Service, and the Department of the Treasury all implement and enforce laws that serve to ensure that tribes are the primary beneficiaries of Indian gaming. The NIGC coordinates closely with all of these governmental entities to fulfill the mandates of IGRA.

The NIGC's budget is tied to the mandates of IGRA. In May 2006, Congress enacted the Native American Technical Corrections Act of 2006 (Sec. 301 of P.L. 109-221). This Act authorizes the Commission to collect up to 0.080 percent of the gross gaming revenue but it also links NIGC's fee collections to the growth, or contraction, of the Indian gaming industry so that the agency's funding reflects the financial status of the industry. Secondly, the Act identified training and technical assistance as an agency function. As in the past, the FY 2018 budget will continue to include expanding tribal consultation and improving intergovernmental coordination, providing training and technical assistance to tribal gaming commissions and operations, conducting a regulatory review, examining and assessing the efficiency and effectiveness of the Commission, and enhancing the information technology infrastructure.



## **Mission**

To work within the framework created by the Indian Gaming Regulatory Act (IGRA) for the regulation of gaming activities conducted by sovereign Indian tribes on Indian lands to fully realize IGRA's goals: (1) promoting tribal economic development, self-sufficiency and strong tribal governments; (2) maintaining the integrity of the Indian gaming industry; and (3) ensuring that tribes are the primary beneficiaries of their gaming activities.

## **Vision**

The Commission's vision is to adhere to the principles of good government, including transparency and agency accountability; to promote fiscal responsibility; to operate with consistency and clarity to ensure fairness in the administration of IGRA; and to respect the capabilities and responsibilities of each sovereign Indian tribe in order to fully promote tribal economic development, self-sufficiency and strong tribal governments.

## **General Statement**

The Indian Gaming Regulatory Act (IGRA) established the National Indian Gaming Commission as an independent federal regulatory agency within the Department of the Interior. IGRA was enacted to support and promote tribal economic development, self-sufficiency and strong tribal governments through the operation of gaming on Indian lands. The Act provides a regulatory framework for the Commission to protect Indian gaming from corruption, ensure that the games offered are fair and honest, and enforce against activity that would prevent tribes from being the primary beneficiaries of their gaming operations.

The Commission monitors tribal gaming activity, inspects gaming premises, conducts background investigations and internal control assessments of Class II gaming operations (and Class III gaming operations, upon request or as provided by applicable law, such as tribal gaming ordinances and tribal-state compacts). The Commission also provides technical assistance and training to tribal gaming commissions and operations and, when appropriate, undertakes enforcement actions.

The Commission fulfills its responsibilities under IGRA by:

- regulating and monitoring certain aspects of Indian gaming;
- coordinating its regulatory responsibilities with tribal regulatory agencies through the review and approval of tribal gaming ordinances and management agreements;
- reviewing the backgrounds of individuals and entities to ensure the suitability of those seeking to engage or invest in Indian gaming;
- overseeing and reviewing the conduct and regulation of Indian gaming operations;
- referring law enforcement matters to appropriate tribal, Federal and state entities; and

- when necessary, undertaking enforcement actions for violations of IGRA, NIGC's regulations and tribal gaming ordinances, including imposing appropriate sanctions for such violations.

As the Commission fulfills these responsibilities, it pays close attention to any indications of corrupting influences, such as those posed by persons and entities known to be attracted to cash-intensive industries such as gaming.

IGRA authorizes the Commission to assess and collect fees on tribal gaming revenues to cover agency operating costs. The NIGC also conducts background investigations, including fingerprinting, of individuals and entities with a financial interest in, or management responsibility for, potential management contracts. These investigations are conducted to determine whether the management contracts can be approved. The Commission is reimbursed periodically by the potential contractors for performing these investigative services. The Commission is also reimbursed for fingerprint processing costs.

The Commission has unique relationships with the Indian gaming industry's stakeholders. The Commission, as an agency of the Federal government, maintains a trust relationship with Indian nations. In addition, consistent with Executive Order 13175, the Commission is committed to meaningful consultation with tribes prior to making changes to regulations or policies having tribal implications. Additionally, the Commission endeavors to provide tribes, states, sister Federal agencies, and stakeholders with courteous and timely responses to issues as they arise.

## The Indian Gaming Regulatory Act (IGRA) of 1988

In 1987, the Supreme Court affirmed the inherent sovereign authority of tribes to operate and regulate gaming facilities on Indian lands free from state regulation if the state did not prohibit gaming. *California v. Cabazon Band of Indians*, 480 U.S. 202, 1987. The following year, Congress enacted the Indian Gaming Regulatory Act. Embodied in IGRA was a compromise between state and tribal interests. The drafters “balance[d] the need for sound enforcement of gaming laws and regulations, with a strong Federal interest in preserving the sovereign rights of tribal governments to regulate activities and enforce laws on Indian lands.”<sup>2</sup> IGRA fully preserved tribal regulatory authority over Class II gaming without state intervention. However, IGRA gave the states a role in determining the scope and extent of tribal gaming by requiring tribal-state compacts for Class III gaming.

IGRA establishes the jurisdictional framework that governs Indian gaming. IGRA establishes three classes of games with a different regulatory scheme for each.

- Class I gaming is defined as traditional and social Indian gaming for minimal prizes. Regulatory authority over Class I gaming is vested exclusively in tribal governments.
- Class II gaming is defined as the game of chance commonly known as bingo (whether or not electronic, computer, or other technological aids are used in connection therewith) and (if played in the same location) pull-tabs, lotto, punchboards, tip jars, instant bingo and other games similar to bingo. Class II gaming also includes non-banked card games. IGRA specifically excludes slot machines or electronic facsimiles of any game of chance from the definition of Class II games. Tribes retain their authority to conduct, license and regulate Class II gaming as long as the state in which the tribe is located permits such gaming for any purpose, and the tribal government adopts a gaming ordinance approved by the Commission. Tribal governments are responsible for regulating Class II gaming, with Commission oversight.
- Class III is defined as all forms of gaming that are neither Class I nor Class II. Games commonly played in casinos, such as slot machines, blackjack, craps, and roulette, fall in the Class III category. Class III gaming is often referred to as full-scale casino-style gaming. As a compromise among tribal, state and Federal interests, IGRA restricts tribal authority to conduct Class III gaming. Before a tribe may lawfully conduct Class III gaming, the following conditions must be met: (1) the facility must be located in a State that permits such gaming for any purpose by any person, organization or entity; (2) the tribe and the state must have negotiated a compact that has been approved by the Secretary of the Interior, or the Secretary must have approved regulatory procedures; and (3) the tribe must have adopted a tribal gaming ordinance that has been approved by the Chair of the

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<sup>2</sup> 134 Cong. Rec. S12649 (daily ed. Sept. 15, 1988).

Commission. State and tribal governments are primarily responsible for regulating Class III gaming.

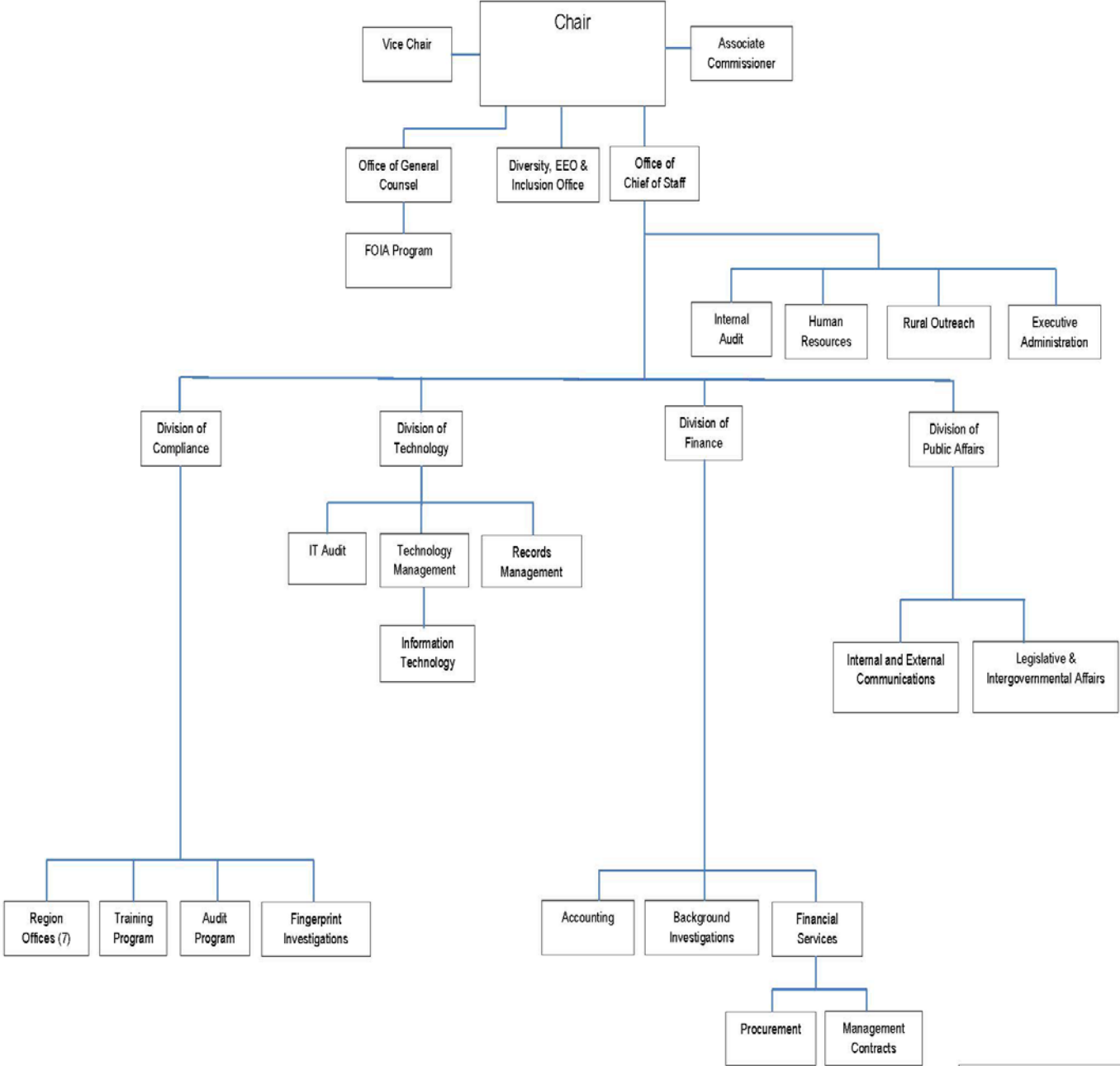
Although Congress clearly intended states to address Class III regulatory issues in tribal-state compacts, IGRA did not make this mandatory, and many states accordingly rely upon continued tribal and Federal oversight by the NIGC to address their regulatory concerns regarding Class III tribal gaming under IGRA. Additionally, IGRA tasks the NIGC with a number of specific regulatory functions, such as: approving tribal ordinances for Class II and Class III gaming; approving management contracts; ensuring tribes and management contractors comply with IGRA and Commission rules and regulations; and implementing regulations. Accordingly, the Commission plays a key role in the oversight and regulation of both Class II and Class III gaming.

### **Commission Structure**

The Commission is comprised of a Chair, appointed by the President and confirmed by the Senate, and two Associate Commissioners appointed by the Secretary of the Interior. IGRA established the NIGC as a bipartisan agency, permitting only two of the three Commissioners to be from the same political party. The NIGC's organizational structure is composed of two main branches, the Office of General Counsel which handles legal affairs, and the Office of the Chief of Staff, which manages day-to-day activities and includes the Division of Compliance, Division of Finance, Division of Public Affairs, and the Division of Technology.

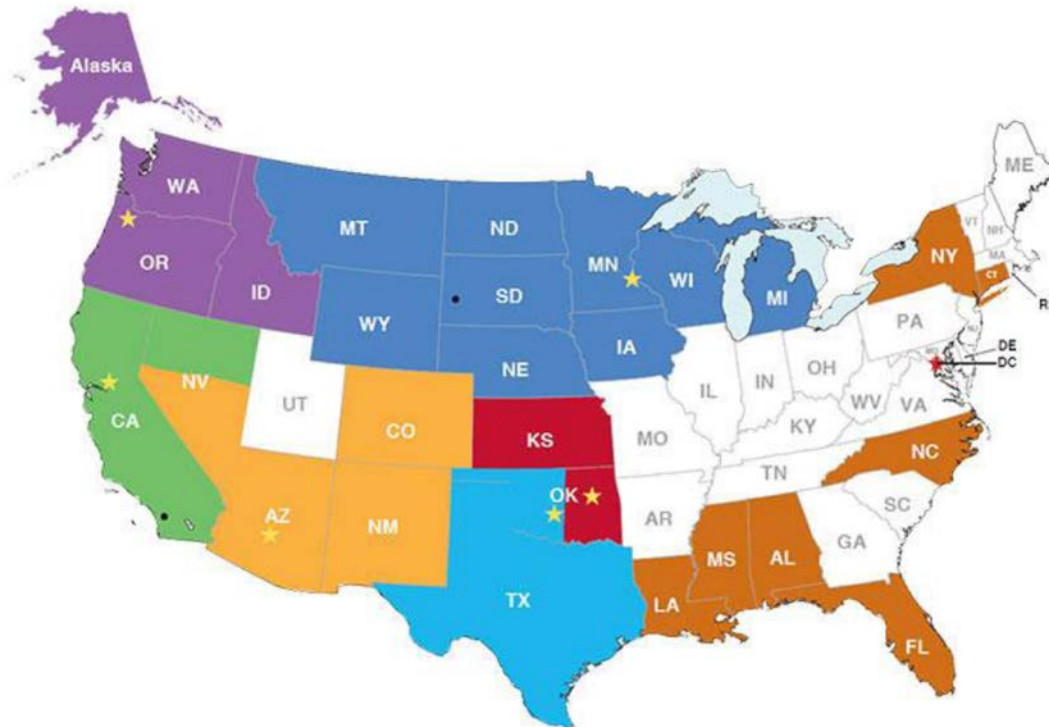
The Commission provides Federal oversight to approximately 470 tribally owned, operated or licensed gaming establishments operating in 28 states. The Commission maintains its headquarters in Washington, DC, and has seven regional offices and two satellite offices. The Commission is divided into four separate divisions with a combined staff of 105 full-time employees, as of the end of 2016. Approximately half of the Commission staff is assigned to headquarters in Washington, DC, with the remaining staff assigned to regional offices located in Portland, Oregon; Sacramento, California; Phoenix, Arizona; St. Paul, Minnesota; Tulsa, Oklahoma; Washington, DC; and Oklahoma City, Oklahoma; and satellite offices in Rapid City, South Dakota and Temecula, California.

NATIONAL INDIAN GAMING COMMISSION ORGANIZATIONAL CHART



Current as of 01/11/2017

## National Indian Gaming Commission Region



Regional Office	Areas Served
Portland	Alaska, Washington, Oregon and Idaho
Sacramento	California and northern Nevada
Phoenix	Arizona, New Mexico, Colorado and southern Nevada
St. Paul	Montana, Wyoming, North Dakota, South Dakota, Nebraska, Minnesota, Iowa, Wisconsin and Michigan
Tulsa	Kansas and eastern Oklahoma
Oklahoma City	Texas and western Oklahoma
Washington, D.C.	Louisiana, Mississippi, Alabama, Florida, North Carolina, New York and Connecticut

The Commission administratively established the locations of its field offices – not to reflect the distribution of gaming activity or market considerations – but to improve the level and quality of services it provides to tribes, and to enhance its ability to communicate, collaborate and interact with tribes located within each office’s geographic region. The field offices are vital to carrying out the statutory responsibilities of the Commission. By having auditors and compliance officers close to tribal gaming facilities, the Commission seeks to facilitate compliance with the Act and foster better relationships with tribal leaders, officials and regulatory personnel. In addition to auditing and investigative activities, the field staff provides technical assistance and training to promote a better understanding of gaming controls within the regulated industry, and to enhance cooperation and compliance to ensure the integrity of gaming operations.

## **Budget Priorities**

The Commission will continue its positive trend of improving services to tribal governments and tribal gaming commissions while finding a stable balance in its fee rate collections. Technology in the gaming industry continues to evolve, resulting in both greater efficiencies and new challenges. In order to keep pace with changes in technology, financial resources will be directed to training Commission staff and providing training to tribal gaming operators and regulators to assure their ability to regulate and safeguard the integrity of Indian gaming. Strategic flexibility will ensure that adequate resources are available to meet the growing needs for technical assistance and training in Indian gaming enterprises large and small.

## **Background**

Prior to 1997, the Commission was legislatively prohibited from collecting fees in excess of \$1.5 million annually. The 1998 Interior Appropriations Act (P.L. 105-83) expanded the fee base to include Class III (casino style) gaming and raised the limitation on annual fee collections to \$8 million. In the 2003, 2004, 2005, and 2006 Interior Appropriations Acts, the Congress enacted a general provision raising this limitation to \$12 million for fiscal years 2004, 2005, 2006, and 2007 respectively. On May 12, 2006, Congress enacted the Native American Technical Corrections Act of 2006 (P.L. 109-221) providing a new basis for determining the fee limitation to no more than 0.080 percent of the gross gaming revenues of all gaming operations.<sup>3</sup>

This amendment allowed the Commission to maintain a fee collection level in proportion to the size of the industry it oversees. With fees now capped at 0.080% of the industry's gross revenue, the Commission's funding expands or contracts in proportion to the growth or contraction of the Indian gaming industry.

Another legislative change included in Public Law 109-221 was the requirement that the Commission, like other Federal agencies, be subject to the Government Performance and Results Act of 1993 (GPRA), and that any plan instituted in compliance with GPRA include technical assistance to tribal gaming operations.<sup>4</sup> The NIGC strategic plan is posted on the NIGC website.

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<sup>3</sup> 25 U.S.C. 2717(a)(2)(B).

<sup>4</sup> 25 U.S.C. 2706(d)(1)-(2).

## **Annual Fees for Operations**

The Commission assesses annual fees on tribal gaming revenues in accordance with procedures set forth in 25 C.F.R. Part 514. In 2012, the Commission promulgated changes to these regulations that became effective on October 1, 2012. Per the new regulation, on or before March 1, the Commission will publish a preliminary fee rate. If necessary, changes to the fee rate will be published no later than June 1 of that year. The rate must be sufficient to generate income to fund the annual operation of the Commission, and to maintain a transition balance for the upcoming year's operation. Each gaming operation must submit quarterly payments for fees assessed by three, six, nine, and twelve months after the end of their fiscal year.

Maintenance of the transition balance is essential to the fiscal integrity of the Commission because the unique statutory provisions governing the Commission's funding subject it to significant cash flow variations. Unlike other Federal agencies, the Commission's authorizing legislation does not provide for full funding at the beginning of each fiscal year. Instead, the Commission receives quarterly payments equal to approximately 1/4 of each gaming operation's projected annual fee assessment. The carryover transition balance is necessary to cover the first and second quarter of operation until the fees are actually received and credited to the operating account. For example, fees collected on or before the December 31, 2017 due date will provide the operational capital for the first three months of calendar year 2018. The Commission attempts to maintain a transition balance to fund the first two quarters of the new year in order to absorb any cash flow variations that may occur.



## FY 2018 Budget



**DEPARTMENT OF THE INTERIOR  
NATIONAL INDIAN GAMING COMMISSION**

**Narrative Summary Statement**

The Indian Gaming Regulatory Act (P. L. 100-497) established the National Indian Gaming Commission as an independent regulatory agency within the Department of the Interior. The Commission monitors and regulates gaming activities conducted on Indian lands. The Commission fosters the economic development of Indian tribes by ensuring the integrity of Indian gaming on Indian Lands and ensuring that the tribes are the primary beneficiaries of their gaming revenues. Operating costs of the Commission are financed through annual assessments of gaming operations regulated by the Commission consistent with provisions of the Native American Technical Corrections Act of 2006 (P. L. 109-221).

## **Summary of the Fiscal Year 2018 Budget**

### **Permanent Appropriation**

The Indian Gaming Regulatory Act, as amended, established the National Indian Gaming Commission to monitor and participate in the regulation of gaming conducted on Indian lands. The NIGC's operational costs are financed through annual assessments of gaming operations regulated by the Commission.

All costs associated with the Commission's operation during fiscal year 2018 will be derived from fees assessed on, and collected from, the regulated Indian gaming industry. The Commission will continue its consultation with the affected tribes and evaluate their input prior to implementing the proposed budget. The revenue to be collected in 2018 will assure funding to address the full-year impact of new hires. The Commission will continue to maintain a carryover balance sufficient to assure that cash flow variations do not impact ongoing operations. Fees are paid quarterly, based on each gaming operation's assessable gross revenue. This system often results in cash flow variations, and therefore a transition balance, derived from prior year funds carried forward to the new fiscal year, is essential for continuity of operations.

The agency's actual employee count was 105 at the end of 2016 (102 total compensable full-time equivalents) and projected to be 131 at the end of 2017 and 2018. NIGC is forecasting full-year obligation for its gaming activity of \$22 million for fiscal year 2017 and \$23 million for fiscal year 2018. This will allow the Commission to hire additional local and field personnel to implement its responsibilities under the Act. These funds will also be used to upgrade and improve the NIGC's information management system, and expand technical assistance and training.

### **Reimbursable Expenses**

The NIGC conducts background investigations of individuals and entities with a financial interest in, or management responsibility for, potential management contracts. Pursuant to the 25 U.S.C § 2711(e), these investigations are conducted to determine whether the contracts can be approved. In accordance with § 2711(i), the Commission is reimbursed from the potential contractors to conduct these background investigations and also for fingerprint processing costs.

## **Fee Regulation**

The regulations implementing the legislative provisions governing the collection of fees allow the Commission to collect the statutory maximum allowed by Congress:

### §514.14 Annual Fees

- (a) The total amount of all fees imposed during any fiscal year shall not exceed the statutory maximum imposed by Congress. The Commission shall credit pro-rata any fees collected in excess of this amount against amounts otherwise due according to §514.4.

Additionally, in 2012, NIGC regulations were amended to specifically address the collection of fees for fingerprint processing:

### § 514.15 May tribes submit fingerprint cards to the NIGC for processing?

Tribes may submit fingerprint cards to the Commission for processing by the Federal Bureau of Investigation (FBI) and the Commission may charge a fee to process fingerprint cards on behalf of the tribes.

### § 514.16 How does the Commission adopt the fingerprint processing fee?

(a) The Commission shall review annually the costs involved in processing fingerprint cards and, by a vote of not less than two of its members, shall adopt preliminary rates for each calendar year no later than March 1st of that year, and, if considered necessary, shall modify those rates no later than June 1st of that year.

(b) The fingerprint fee charge shall be based on fees charged by the Federal Bureau of Investigation and costs incurred by the Commission. Commission costs include Commission personnel, supplies, equipment costs, and postage to submit the results to the requesting tribe.

### § 514.17 How are fingerprint processing fees collected by the Commission?

(a) Fees for processing fingerprint cards will be billed monthly to each Tribe for cards processed during the prior month. Tribes shall pay the amount billed within forty-five (45) days of the date of the bill.

(b) The Chair may suspend fingerprint card processing for a tribe that has a bill remaining unpaid for more than forty-five (45) days.

(c) Fingerprint fees shall be sent to the following address: Finance, National Indian Gaming Commission, 1849 C Street, N.W., Mail Stop #1621, Washington, DC 20240. Checks should be made payable to the National Indian Gaming Commission (do not remit cash).

**Authorization:**

Indian Gaming Regulatory Act, Public Law 100-497, as amended.

**Objectives:**

To regulate and monitor gaming conducted on Indian lands and to protect Indian gaming as a means of generating tribal revenues.

**Program Activities:**

The Commission's mission is to work within the framework created by the Indian Gaming Regulatory Act (IGRA) for the regulation of gaming activities conducted by sovereign Indian tribes on Indian lands to fully realize IGRA's goals: (1) promoting tribal economic development, self-sufficiency and strong tribal governments; (2) maintaining the integrity of the Indian gaming industry; and (3) ensuring that tribes are the primary beneficiaries of their gaming activities.. To effect these goals, the Commission is authorized to conduct investigations, undertake enforcement actions including the issuance of notices of violation, assessment of civil fines, issuance of closure orders, approve management contracts, and issue such regulations as necessary to meet its responsibilities under the Act.

The Act grants broad authority to the Commission and provides authority to the Chair to:

- issue temporary closure orders<sup>5</sup>
- levy civil fines, of up to \$50,276 per violation per day, against a tribe, management contractor, or individual operator for violation of the Act, the regulations or a tribal gaming ordinance<sup>6</sup>
- approve tribal gaming ordinances<sup>7</sup>
- approve gaming management contracts<sup>8</sup>
- appoint and supervise staff<sup>9</sup>

The Commission as a whole is empowered to:

- monitor gaming activities<sup>10</sup>
- inspect gaming premises<sup>11</sup>
- conduct background investigations<sup>12</sup>
- inspect records relating to gaming<sup>13</sup>

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<sup>5</sup> 25 U.S.C. 2705(a)(1).

<sup>6</sup> 25 U.S.C. § 2705(a)(2). Pursuant to the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 (Sec. 701 of P. L. 114-74), the original civil penalty amount of \$25,000 is adjusted annually.

<sup>7</sup> 25 U.S.C. § 2705(a)(3).

<sup>8</sup> 25 U.S.C. § 2705(a)(4).

<sup>9</sup> 25 U.S.C. § 2707.

<sup>10</sup> 25 U.S.C. § 2706(b)(1).

<sup>11</sup> 25 U.S.C. § 2706(b)(2).

<sup>12</sup> 25 U.S.C. § 2706(b)(3).

<sup>13</sup> 25 U.S.C. § 2706(b)(4).

- approve the annual budget<sup>14</sup>
- adopt regulations for the assessment and collection of civil fines<sup>15</sup>
- adopt a schedule of annual fees<sup>16</sup>
- issue permanent closure orders<sup>17</sup>
- adopt regulations as deemed appropriate to implement the provisions of IGRA<sup>18</sup>

Together the Commission serves as an appellate body. Aggrieved parties may appeal decisions of the Chair to the full Commission.<sup>19</sup>

In carrying out its responsibilities, the Commission also:

- maintains and enhances relationships with other Federal agencies and partner governments
- provides education, training and technical assistance regarding applicable regulatory requirements
- assists tribes with background investigations and fingerprint processing
- receives and processes appeals
- conducts formal and informal hearings
- consults with Indian tribes, states and the regulated community
- defends against lawsuits challenging the Commission's actions
- issues advice and guidance through bulletins, advisory opinions and other publications
- provides audits and other evaluative services

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<sup>14</sup> 25 U.S.C. § 2706(a)(1).

<sup>15</sup> 25 U.S.C. § 2706(a)(2).

<sup>16</sup> 25 U.S.C. § 2706(a)(3).

<sup>17</sup> 25 U.S.C. § 2706(a)(5).

<sup>18</sup> 25 U.S.C. § 2706(b)(10).

<sup>19</sup> 25 U.S.C. § 2705(a).

**DEPARTMENT OF THE INTERIOR**  
**NATIONAL INDIAN GAMING COMMISSION**  
**Special Fund Receipt/Expenditure Account**  
**Gaming Activity Fees**  
**(in millions of dollars)**

Identification code 14-5141-0-2-806	2016	2017	2018
	Actual	Estimate	Estimate
01.99 Balance, start of year.....	-	-	-
Receipts:			
02.00 NIGC, Gaming activity fees.....	18	18	19
02.99 Total receipts and collections.....	18	18	19
04.00 Total: Balances and Collections.....	18	18	19
Appropriations:			
National Indian Gaming Commission			
05.00 NIGC, Gaming activity fees.....	-18	-18	-19
05.99 Total appropriations.....	-18	-18	-19
07.99 Balance, end of year.....	-	-	-
<b>Program and Financing (in millions of dollars)</b>			
Obligations by program activity:			
00.01 Direct Program Activity	19	22	23
09.00 Total new obligations.....	19	22	23
Budgetary Resources:			
Unobligated balance:			
10.00 Unobligated balance brought forward,			
Oct 1.....	16	15	11
Budget Authority			
Appropriations mandatory:			
12.01 Appropriation (special or trust fund):.....	19	18	19
12.03 Appropriation (previously unavailable):.....		1	1
12.32 Appropriations and/or unobligated balance of			
appropriations temporarily reduced.....	-1	-1	
12.60 Appropriations, mandatory (total).....	18	18	20
19.30 Total budgetary resources available.....	34	33	31
Memorandum (non-add) entries:			
19.41 Unexpired unobligated balance, end of year.....	15	11	8
Change in obligated balance:			
Unpaid obligations:			
30.00 Unpaid obligations, brought forward, Oct 1.....	2	3	3
30.10 Obligations incurred, unexpired accounts.....	19	22	23
30.20 Outlays (gross).....	-18	-22	-23
Obligated balance, end of year (net):			
30.50 Unpaid obligations, end of year .....	3	3	3
Memorandum (non-add) entries:.....			
31.00 Obligated balance, start of year.....	2	3	3
32.00 Obligated balance, end of year .....	3	3	3
Budget authority and outlays, net\:			
Mandatory:			
40.90 Budget authority, gross.....	18	18	20
Outlays, gross:			
41.00 Outlays from new mandatory authority.....	4	7	12
41.01 Outlays from mandatory balances.....	14	15	11
41.10 Outlays, gross (total).....	18	22	23
41.60 Budget authority, net (mandatory).....	18	18	20
41.70 Outlays, net (mandatory).....	18	22	23
41.80 Budget authority, net (total).....	18	18	20
41.90 Outlays, net (total).....	18	22	23



**DEPARTMENT OF THE INTERIOR  
NATIONAL INDIAN GAMING COMMISSION  
Special Fund Receipt/Expenditure Account  
Gaming Activity Fees**

**Object Classification (in millions of dollars)**

Identification code 14-5141-0-2-806	2016	2017	2018
	Actual	Estimate	Estimate
<b>Direct obligations</b>			
11.11 Personnel compensation: Full-time permanent.....	11	13	13
11.21 Civilian personnel benefits.....	3	3	4
12.10 Travel and transportation of persons.....	1	1	1
12.31 Rental payments to GSA.....	3	1	1
12.52 Other Services.....	1	4	4
19.90 Subtotal, direct obligations.....	19	22	23
99.95 Below reporting threshold.....	---	---	---
99.99 Total new obligations.....	19	22	23
<b>Personnel Summary</b>			
<b>Total compensable workyears</b>			
Full-time equivalent employment .....	102	115	131

**DEPARTMENT OF THE INTERIOR**  
**NATIONAL INDIAN GAMING COMMISSION**  
**Reimbursable Activity**  
**(in millions of dollars)**

**Program and Financing**

Identification code 14-0118-0-2-806		2016	2017	2018
		Actual	Estimate	Estimate
Obligations by program activity:				
08.01	Reimbursable Program Activity	2	2	2
09.00	Total new obligations.....	2	2	2
Budgetary resources:				
Unobligated balance:				
10.00	Unobligated balance brought forward, Oct 1.....	2	2	2
Budget authority:				
Spending authority from offsetting collections, discretionary				
17.00	Collected.....	2	2	2
17.50	Spending authority from offsetting collections, disc (total)	2	2	2
19.30	Total budgetary resources available.....	4	4	4
Memorandum (non-add) entries:.....				
19.41	Unexpired unobligated balance, end of year.....	2	2	2
Change in obligated balance:.....				
Unpaid obligations:				
30.00	Unpaid obligations, brought forward, Oct 1 (gross).....	2	2	2
30.10	Obligations incurred, unexpired accounts.....	2	2	2
30.20	Outlays (gross).....	-2	-2	-2
30.50	Unpaid obligations, end of year .....	2	2	2
Memorandum (non-add) entries:.....				
31.00	Obligated balance, start of year:.....	2	2	2
32.00	Obligated balance, end of year:.....	2	2	2
Budget authority and outlays, net:				
Discretionary				
40.00	Budget authority, gross.....	2	2	2
Outlays, gross:				
40.10	Outlays from new discretionary authority.....	1	1	1
40.11	Outlays from discretionary balances.....	1	1	1
40.20	Outlays, gross (total).....	2	2	2
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:.....				
40.33	Non-federal sources.....	-2	-2	-2
40.70	Budget authority, net (discretionary).....	---	---	---
40.80	Outlays, net (discretionary) .....	---	---	---

**DEPARTMENT OF THE INTERIOR**  
**NATIONAL INDIAN GAMING COMMISSION**  
**General and Special Funds: Salaries and Expenses**

**Object Classification (in millions of dollars)**

Identification code 14-0118-0-4-806	2016	2017	2018
	Actual	Estimate	Estimate
Reimbursable obligations			
22.52 Other services from non-Federal sources.....	2	2	2

**DEPARTMENT OF THE INTERIOR  
NATIONAL INDIAN GAMING COMMISSION  
EMPLOYEE COUNT BY GRADE OR GRADE EQUIVALENT**

	<b>2016</b>	<b>2017</b>	<b>2018</b>
	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>
EX-IV	1	1	1
EX-V	2	2	2
AD-00	0	0	0
ES-4	0	0	0
ES-3	0	0	0
ES-1	0	0	0
GS-15	16	16	16
GS-14	16	22	22
GS-13	37	46	46
GS-12	16	25	25
GS-11	4	5	5
GS-10	4	4	4
GS-09	0	0	0
GS-08	0	0	0
GS-07	1	0	0
GS-06	7	7	7
GS-05	1	3	3
<b>Total Employee Count</b>	<b>105</b>	<b>131</b>	<b>131</b>

In accordance with the Act, appointments are made without regard to the provisions of Title 5, U.S. Code governing appointments in the competitive services.

## GPRC Information



## **Government Performance and Results Act Information**

In 2006, Congress amended the Indian Gaming Regulatory Act, 25 U.S.C. §§ 2701 – 2721, Pub. L. 100-497, and for the first time made the National Indian Gaming Commission subject to the Government Performance and Results Act of 1993 (GPRA), Pub. L. 103-62. That obligation is set out at 25 U.S.C. § 2706(d)(1), which states: “In carrying out any action under this chapter, the Commission shall be subject to the Government Performance and Results Act of 1993.”

GRPA requires that an agency’s “strategic plan shall be updated and revised at least every four years.” 5 U.S.C. § 306(b). Consistent with this obligation and the Commission’s vision of adhering to principles of good government including transparency to promote agency accountability and fiscal responsibility, the Commission completed four Tribal Consultation sessions for comment and review of a new Strategic Plan and published the final strategic plan for years 2014-2018.

## Summary and Highlights of Commission Activities

During FY 2016, the Commission's four primary initiatives arising from its 2014 Strategic Plan consisted of consulting and building relationships with tribal governments, providing technical assistance and training, continuing its regulatory review, and reviewing its internal operations. As such, during the past fiscal year, the Commission accomplished the following goals and tasks.

- The Commission continued its emphasis on working with tribal, state, and Federal regulators to ensure effective coordination in the regulation of Indian gaming, working with tribes to ensure compliance with IGRA, and taking enforcement action for violations of IGRA when necessary.
- The agency increased its focus on rural outreach and protecting against gamesmanship on the backs of tribes.
- Implemented appropriate steps to address employee engagement. Based on the Federal Employee Viewpoint Survey results, historical areas for improvement remain, including performance management, recognition and employee training and development. Despite these areas of concern, the 2016 results when compared with previous results do show that the agency is working to improve agency concerns and needs.
- Met NARA standards for electronic record management and is on schedule to meet records management priorities.
- The Office of General Counsel advised the Chair and Commission on management contracts, tribal ordinance submissions, and litigation. Additionally, the Office of General Counsel assisted and brought stability to the tribal gaming industry by offering opinions on a variety of matters including game classifications, Indian land status, and whether financing or other agreements implicate management or sole proprietary interest concerns.
- Training and technical assistance continued to be offered to gaming tribes regarding the regulatory changes.
- The NIGC increased the amount of training offered to gaming tribes throughout the country. Courses were offered in direct response to tribal requests for training. During FY 2016, the NIGC conducted approximately 33 training events comprising approximately 420.5 training hours, and attended by approximately 1,662 training participants.
- The Commission continued the process of targeting its training activities and agency resources by identifying partnerships, improving training offerings, and utilizing technology to more effectively reach target audiences.
- Commission auditors performed six internal control assessments (MICS audit), two onsite Internal Audit/ NIGC fee reviews, and 474 reviews on audited financial statements. The audit findings were included in reports delivered to the audited tribes.



The Commission will offer technical assistance to the tribes in identifying and implementing remedial action.

- Commission staff continued to work diligently on the management contract review. Two management contracts and five amendments to management contract were approved by the Chairman in FY 2016.
- The Commission continued to conduct financial background investigations on persons and entities associated with management contractors. The Commission received 21 applications for background investigations in FY 2016.
- The Commission processed approximately 226,857 actions including dissemination of fingerprint cards to and from the FBI and name checks for tribal gaming commissions.
- The Commission through its Compliance Division analyzed tribal gaming facilities and created a compliance plan that in part ensured at least one site visit was completed at all tribal gaming facilities. The Compliance Division completed 599 site visits, 185 surveillance reviews, 314 licensing on site reviews and 94.5 site specific training hours. Additionally, the Compliance Division staff trained 367.5 hours at NIGC and national training events.
- The Commission continued to maintain and update its data systems by tracking each of the tribal gaming facilities in order to enhance communication and compliance.
- The Commission completed IT upgrades including: increased bandwidth of T1 line to the DS3 connection; improved communication speed with field offices and tribes; and continued to upgrade and improve virtualized server environment for network availability, redundancy, and easy upgrade of servers, operating systems and line of business applications without organizational impact including down-time to the organization.

**During FY 2017, the Commission will continue its four primary initiatives by working on the following goals and tasks.**

- The Commission began consulting with tribes on seven important topics including: Rural Outreach, Developing a Strong Tribal Workforce through Training, Management Contract Regulations and Procedures, Technical Standards for Mobile Gaming Devices, Regulatory Changes to Fees, and Class III MICS guidance, and 25 C.F.R. Part 547 Grandfathered Class II Gaming Systems.
- The Commission continues its initiative to offer technical assistance, and enforcement when necessary, to help facilitate compliance throughout all regions.
- The Commission continues to build upon relationships with tribal, Federal, and state regulatory and/or law enforcement agencies.
- Rural outreach and protecting against gamesmanship on the backs of tribes continue to be the focused priorities of the agency.

- The Commission continues to review and update its regulations to maintain the integrity of Indian gaming. The Commission will continue to consult with tribes as part of its regulatory review.
- The Office of General Counsel continues to advise the Chair and Commission on management contracts, tribal ordinance submissions, and litigation. Additionally, the Office of General Counsel continues to assist and bring stability to the tribal gaming industry by offering opinions on a variety of matters including game classifications, Indian land status, and whether financing or other agreements implicate management or sole proprietary interest concerns.
- The Commission continues to work on drafting (or revising) and adopting additional internal agency policies related to the following subjects: (i) standards of ethical conduct; (ii) loss or damage to employee's personal property; (iii) release of information to news and information media; and (iv) social media and social networking.
- The Commission continues to respond to requests from tribes for technical assistance, and increase both the amount and breadth of technical assistance provided. It utilizes all forms of training forums and locations to better reach targeted audiences being mindful of Commission and tribal financial resources. The Commission continues to provide training to tribes within all seven NIGC regions. The Commission continues to update the training catalog as necessary.
- The Commission is continuing efforts to modernize the NIGC IT network to improve and maintain reliability and manageability. This includes continuing to update the website to provide the end user with ease of navigation and searchability of NIGC resources.
- Continue to improve operational efficiency through enhanced records management that includes the electronic conversion of documents, forms and manuals.
- The Commission will continue to track technological developments in the industry to ensure the Commission provides up-to-date technical assistance, maintains current regulations, meets its oversight responsibilities, and otherwise performs its statutory mandates.
- The Commission continues to work on its everyday tasks, including:
  - performing internal control assessments specific to Class II gaming operations.
  - performing IT vulnerability assessments as a service for tribal gaming operations to protect against IT threats.
  - responding to requests from tribal gaming operators and regulators for IGRA and gaming related training and technical assistance.
  - working with tribes on the Tribal Access Portal (TAP), a database that enables tribal gaming regulators who are engaged in issuing gaming licenses to check whether a license applicant has a licensing history with any other gaming tribe. Along with information provided by the NIGC/FBI fingerprint

submission service, the TAP system assists tribes to complete their own comprehensive background investigation of prospective license applicants.

- updating its database with accumulated financial data from the gaming operations' audited financial statements and Agreed Upon Procedures (AUP) report filings. The Commission establishes a preliminary and final rate utilizing this data.
- performing internal audits of NIGC departments to increase the Commission's efficiency, effectiveness, and compliance with Federal regulations.
- reviewing management contracts and amendments to management contracts.
- processing fingerprint cards for tribal gaming employees as they are submitted by the tribal gaming commissions and tracking payment for fingerprint processing.
- continuing to respond to technical assistance requests from tribal governments and tribal regulators, in particular, assisting tribes that are considering entering the Indian gaming arena or have recently opened a new Indian gaming facility.

**As part of its program objectives for FY 2018, the Commission plans to:**

- Enhance relationships with partner governments and sister agencies.
- Continue to take steps to achieve the NIGC High Priority Performance Goals as identified in the Strategic Plan.
- Continue rural outreach and protecting against gamesmanship on the backs of tribes as the focused priorities of the agency.
- Continue efforts to modernize the NIGC IT network to improve and maintain reliability and manageability. This includes increasing cyber security protocols to protect agency data.
- Monitor strategic plan performance measures.
- Continue its regulatory review, which it began during FY 2011, and implement its new and/or revised regulations, and to provide training to tribes on compliance with any new requirements.
- Continue to review management contracts, tribal ordinance submissions.
- Continue, through its Office of General Counsel, to offer opinions on a variety of matters including game classifications, Indian land status, and whether financing or other agreements implicate management or sole proprietary interest concerns.
- Continue the development of the Commission's internal administrative and personnel manual, and develop and implement corresponding training programs.
- Continue to inform the public about the Commission's activities through various media and training resources.

- Coordinate and provide training events to tribal entities in each of the seven regions.
- Continue to respond to requests from tribes for technical assistance, and increase both the amount and breadth of technical assistance provided, updating the training catalog as necessary.
- Utilize all forms of training forums and locations to better reach targeted audiences and save Commission and tribal financial resources.
- Continue to perform and grow knowledge reviews to examine how effective the agency's training program is to achieve compliance.
- Continue to perform internal control assessments, IT vulnerability assessments, and other types of compliance reviews to maintain the integrity of gaming industry.
- Continue to implement the requirements of GPRA, including the development of the 2018 – 2022 strategic plan, and the development and implementation of a performance measurement system.
- Continue to update information systems to ensure compliance with the receipt of personal identifiable information.
- Maintain a consistently high level of compliance for the submission of gaming activity fees and external year-end audits through continued monitoring and contact with gaming tribes, with an emphasis on voluntary compliance.
- Continue to enhance internal records management. Monitor the training and employee development program in order to attract and retain highly-qualified personnel. The agency will annually assess the skills of its employees and provide necessary training.
- Continue to track technological developments in the industry to ensure the Commission provides up-to-date technical assistance, maintains current regulations, meets its oversight responsibilities, and otherwise performs its statutory mandates.
- Promote the self-determination goals of IGRA through administration and promotion of the law's self-regulation provisions.