



May 6, 2016

*Via First Class Mail*

David Lopeman, Chairman  
Squaxin Island Tribe  
10 S.E. Squaxin Lane  
Shelton, WA 98584

Re: Squaxin Island Tribe Gaming Ordinance Amendment

Dear Chairman Lopeman:

This letter responds to your request for the National Indian Gaming Commission to review and approve an amendment to the Squaxin Island Tribe's gaming ordinance. The Squaxin Island Tribal Council approved Resolution No. 15-75 on November 12, 2015. The resolution, which was received on December 17, 2015, amends the Tribe's gaming ordinance to conform to NIGC's revised regulations.

The ordinance appears to contain a scrivener's error. Section 6.08.210(H) of the ordinance provides "[i]f the Commission has issued a license to a primary management official or key employee before receiving the NIGC's statement of objections, notice and a hearing shall be provided to the licensee, as required by Section 6.08.200." We believe that the reference should cite to § 6.08.240 - Gaming License Suspensions and Revocations. Please let us know if you disagree with our reading of the ordinance.

Thank you for bringing the amendment to my attention. The amendment is approved as it is consistent with the Indian Gaming Regulatory Act and NIGC regulations. If you have any questions, please feel free to contact Staff Attorney Esther Dittler at 202-420-9229.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jonodev O. Chaudhuri".

Jonodev O. Chaudhuri  
Chairman

cc: Mark E. Allen, Squaxin Island Legal Department



# SQUAXIN ISLAND TRIBE

RESOLUTION NO. 15- 75

of the

## SQUAXIN ISLAND TRIBAL COUNCIL

**WHEREAS**, the Squaxin Island Tribal Council is the Governing Body of the Squaxin Island Tribe, its members, its lands, its enterprises and its agencies by the authority of the Constitution and Bylaws of the Squaxin Island Tribe, as approved and adopted by the General Body and the Secretary of the Interior on July 8, 1965; and

**WHEREAS**, under the Constitution, Bylaws and inherent sovereignty of the Tribe, the Squaxin Island Tribal Council is charged with the duty of protecting the health, security, education and general welfare of tribal members, and of protecting and managing the lands and treaty resources and rights of the Tribe; and

**WHEREAS**, the Tribe is a federally-recognized Indian Tribe possessing reserved powers, including the powers of self-government; and

**WHEREAS**, the Squaxin Island Tribal Council has been entrusted with the creation of ordinances and resolutions in order to fulfill their duty of protecting the health, security, education and general welfare of tribal members, and of protecting and managing the lands and treaty resources of the Tribe; and

**WHEREAS**, by Resolution No. 94-78 the Squaxin Island Tribal Council adopted a Gaming Ordinance, which from time to time has been amended, such Gaming Ordinance and amendments having been approved by the National Indian Gaming Commission (NIGC); and

**WHEREAS**, by Resolution No. 14-40 the Squaxin Island Tribal Council amended the Gaming Ordinance and had it sent to NIGC for approval, but it was disapproved due to requirements imposed by the NIGC relating to new provisions required in any Indian Gaming Ordinance submitted for approval after August, 2013;

**WHEREAS**, the rejection of the Gaming Ordinance by NIGC, as adopted by Resolution 14-40, required the drafting of a new Gaming Ordinance;

**WHEREAS**, the Squaxin Island Tribe Gaming Commission has reviewed the attached Gaming Ordinance and, by Commission Resolution 15-01, have unanimously recommend approval of such Ordinance by Tribal Council.

**WHEREAS**, the Squaxin Island Tribal Council finds that it would be in the best interests of the Tribe to repeal Resolution No. 14-40 and to adopt the Gaming Ordinance, as attached, and to have it submitted to NIGC for approval; and

**WHEREAS**, NIGC, subject to approval, should consider the attached Gaming Ordinance as the Gaming Ordinance of the Squaxin Island Tribe, replacing any and all prior ordinances and/or amendments.


**THEREFORE BE IT RESOLVED**, that the Squaxin Island Tribal Council hereby repeals Resolution 14-40, and hereby approves and adopts the Gaming Ordinance, as attached; and

**BE IT FURTHER RESOLVED**, that the attached Gaming Ordinance shall be sent to the NIGC for approval; and

**BE IT FURTHER RESOLVED**, the NIGC, subject to approval, shall consider the attached Gaming Ordinance as the Gaming Ordinance of the Squaxin Island Tribe, replacing any and all prior ordinances and/or amendments.

**CERTIFICATION**

The Squaxin Island Tribal Council hereby certifies that the foregoing Resolution was adopted at the regular meeting of the Squaxin Island Tribal Council, held on this 12<sup>th</sup> day of November, 2015, at which time a quorum was present and was passed by a vote of 4 for and 0 against, with 0 abstentions.

  
\_\_\_\_\_  
David Lopeman, Chairman

Attested by:   
\_\_\_\_\_  
Charlene Krise, Secretary

  
\_\_\_\_\_  
Arnold Cooper, Vice Chairman

## **Chapter 6.08 Gaming Ordinance**

### **6.08.010. Purpose**

The Tribal Council of the Squaxin Island Tribe ("Tribe"), empowered by the Tribe's Constitution and other sovereign and governing authority to enact ordinances, hereby enacts this ordinance in order to govern and regulate the operation of class I, II and III gaming operations on the Tribe's Indian lands.

### **6.08.020 Interpretation**

This chapter shall be deemed an exercise of the sovereign power of the Squaxin Island Tribe and all provisions of this chapter shall be liberally construed for the accomplishment of the statement of purpose.

### **6.08.030. Definitions**

The following terms shall have the same meaning and effect as those same terms are defined in the Indian Gaming Regulatory Act ("IGRA"), 25U.S.C. §§ 2701 *et seq.*, and the National Indian Gaming Commission ("NIGC") regulations, 25 C.F.R. §§ 500 *et seq.*, if they are defined in IGRA and the NIGC's regulations.

A. Class I gaming. "Class I gaming" means:

1. Social games played solely for prizes of minimal value; or
2. Traditional forms of Indian gaming when played by individuals in connection with tribal ceremonies or celebrations.

B. Class II gaming.

1. Bingo or lotto (whether or not electronic, computer or other technologic aids are used) when players:
  - a. Play for prizes with cards bearing numbers or other designations;
  - b. Cover numbers or designations when objects, similarly numbered or designated, are drawn or electronically determined; and
  - c. Win the game by being the first person to cover a designated pattern on such cards;
2. Pull-tabs, punch boards, tip jars, instant bingo and other games similar to bingo, if played in the same location as bingo or lotto;
3. Non-banking card games that:

- a. State law explicitly authorizes, or does not explicitly prohibit, and are played legally anywhere in the state; and
    - b. Players play in conformity with state laws and regulations concerning hours, periods of operation, and limitations on wagers and pot sizes;
  - 4. Card games played in the states of Michigan, North Dakota, South Dakota or Washington, if:
    - a. A tribe actually operates the same card games as played on or before May 1, 1988, as determined by the NIGC Chair; and
    - b. The pot and wager limits remain the same as on or before May 1, 1988, as determined by the NIGC Chair;
  - 5. Individually owned class II gaming operations.
    - a. That were operating on September 1, 1986;
    - b. That meet the requirements of 25 § U.S.C. 2710(b)(4)(B);
    - c. Where the nature and scope of the game remains as it was on October 17, 1988; and
    - d. Where the ownership interest or interests are the same as on October 17, 1988.
- C. Class III gaming. All forms of gaming that are not class I or class II gaming, including, but not limited to:
- 1. Any house banking game, including but not limited to:
    - a. Card games such as baccarat, chemin de fer, blackjack (21), and pai gow (if played as house-banking games); and
    - b. Casino games such as roulette, craps, and keno;
  - 2. Any slot machines, as defined in 15 U.S.C. § 1171(a)(1), and electronic or electromechanical facsimiles of any game of chance;
  - 3. Any sports betting and parimutuel wagering, including, but not limited to, wagering on horse racing, dog racing or jai alai; or
  - 4. Lotteries.
- D. Commission. Means and refers to the Squaxin Island Gaming Commission, established to perform regulatory oversight and to monitor compliance with tribal, federal, and applicable state regulations. Any reference to the Commission in regards to its function and duties shall include and contemplate such functions and duties being carried out with the assistance of Commission staff.
- E. Commissioner. A member of the Commission.
- F. Contractor. Means and refers to any management contractor who operates for the Tribe, tribal premises used for Class II or Class III gaming, or operates as

lessee under a lease with the Tribe and any lessor of gaming equipment or supplier of gaming services to the Tribe.

- G. Directly related to. A spouse, child, parent, grandparent, grandchild, aunt, uncle or first cousin.
- H. Facility License. A separate license issued by the Tribe to each place, facility or location on Indian lands where the Tribe elects to allow class II or III gaming.
- I. Gaming Operation. Each economic entity that is licensed by the Tribe, operates the games, receives the revenues, issues the prizes, and pays the expenses. A gaming operation may be operated by the Tribe directly; by a management contractor; or, under certain conditions, by another person or entity.
- J. Indian lands.
  - 1. Land within the limits of an Squaxin Island Reservation; or
  - 2. Land over which an Indian tribe exercises governmental power and that is either:
    - a. Held in trust by the United States for the benefit of any Indian tribe or individual; or
    - b. Held by an Indian tribe or individual subject to restriction by the United States against alienation.
- K. Key Employee.
  - 1. A person who performs one or more of the following functions:
    - a. Bingo caller;
    - b. Counting room supervisor;
    - c. Chief of security;
    - d. Custodian of gaming supplies or cash;
    - e. Floor manager;
    - f. Pit boss;
    - g. Dealer;
    - h. Croupier;
    - i. Approver of credit; or
    - j. Custodian of gambling devices, including persons with access to cash and accounting records within such devices;
  - 2. If not otherwise included, any other person whose total cash compensation is in excess of \$50,000 per year;
  - 3. If not otherwise included, the four most highly compensated persons in the gaming operation; or

4. Any other person designated by the tribe as a key employee.
- L. Licensee. A tribally owned class ii or class iii gaming operation or a person licensed by the Commission as a primary management official, key employee or other gaming employee under the provisions of this ordinance.
- M. Management Contract. Any contract, subcontract or collateral agreement between an Indian tribe and a contractor or between a contractor and a subcontractor if such contract or agreement provides for the management of all or part of a gaming operation.
- N. Net Revenues. Gross gaming revenues of an Indian gaming operation less:
1. Amounts paid out as, or paid for, prizes; and
  2. Total gaming-related operating expenses, including all those expenses of the gaming operation commonly known as operating expenses and non-operating expenses consistent with professional accounting pronouncements, excluding management fees.
- O. Person. Means a natural person, firm, association, corporation or other legal entity.
- P. Player. Means any person paying some amount of U.S. currency to the Tribe or the contractor or the agent, servant or employee of the Tribe or such contractor for admission to, or participation in, Class II or Class III gaming and who has some reasonable expectation of receiving a prize as a result of participating, playing or wagering on such Class II or Class III gaming.
- Q. Primary Management Official.
1. The person(s) having management responsibility for a management contract.
  2. Any person who has authority:
    - a. To hire and fire employees; or
    - b. To set up working policy for the gaming operation; or
    - c. The chief financial officer or other person who has financial management responsibility.
  3. Any other person designated by the Tribe as a primary management official.
- R. Prizes. Means and refers to any United State currency, cash or other property or thing of value awarded to a player of Class II or Class III gaming.
- S. Tribal Council. Means and refers to the Squaxin Island Tribal Council, the governing body of the Squaxin Island Tribe.

T. Tribal-State Compact. The Tribal-State compact (Compact) means an agreement between the Tribe and the State of Washington concerning class III gaming under 25 U.S.C. § 2710(d).

U. Tribe. Tribe means the Squaxin Island Tribe, a federally recognized Tribe, as located in Mason County, State of Washington.

**6.08.040. Gaming Authorized**

Class II and III gaming are authorized to be conducted on the Tribe's Indian lands, if such gaming is conducted in accordance with this Ordinance, the Indian Gaming Regulatory Act, the NIGC's regulations, the Compact, and any other applicable laws or regulations.

**6.08.050 Ownership of Gaming**

The Tribe shall have the sole proprietary interest in and responsibility for the conduct of any and all gaming operation(s) authorized by this Ordinance. Individually owned gaming operations are prohibited.

**6.08.060. Use of Net Gaming Revenues**

A. Net revenues from Tribal gaming shall be used only for the following purposes:

1. To fund Tribal government operations or programs;
2. To provide for the general welfare of the Tribe and its members;
3. To promote Tribal economic development;
4. To donate to charitable organizations; or
5. To help fund operations of local government agencies.

**6.08.070. Per Capita Payments**

A. Net revenues from any class II and/or class III gaming activities conducted or licensed by the Tribe may be used to make per capita payments to Tribal members if:

1. The Tribe has prepared a plan to allocate revenues to one or more of the five uses authorized by section 6.08.060 (A) of this Ordinance;



2. The plan is approved by the Secretary of the Interior as adequate, particularly with respect to the uses described in sections 6.08.06 (A) (1) and (3) of this Ordinance;
3. The interests of minors and other legally incompetent persons who are entitled to receive any of the per capita payments are protected and preserved, and the per capita payments are disbursed to the parents or legal guardian of such minors or legal incompetents in such amounts as may be necessary for the health, education, or welfare of the minor or other legally incompetent person; and
4. The per capita payments are subject to Federal taxation and the Tribe notifies its members of such tax liability when payments are made.

**6.08.080. Gaming Commission.**

A Squaxin Island Gaming Commission shall be established as follows:

- A. Membership. The Commission shall consist of five members of the General Council of the Squaxin Island Tribe appointed by the Squaxin Island Tribal Council. Members shall be appointed for three-year terms, however, initial appointments may be for a shorter time period, and staggered, so that terms terminate each year. If a Commission is not appointed, the Squaxin Island Tribal Council will be appointed and serve as the Commission. Members may not have a direct or indirect financial interest in the Class II or Class III gaming activities. The Commission shall establish minimum training standards for the Commissioners, and each new Commissioner to the Commission must complete such training within six months of being appointed to the Commission.
- B. Meetings. The Commission shall meet monthly or at the request of the Chairperson, the Council or three members of the Commission. A quorum shall be three members. Voting shall be by majority unless only three members are present in which case a unanimous vote is required. Notice of the meetings is to be given to the Commission members and to the Tribe five days prior to the meeting except in the case of an emergency meeting. An agenda shall be established; minutes shall be recorded, maintained and filed. Any Commissioner having three unexcused absences from regularly scheduled Commission meetings, during the course of any calendar year, shall have his or her appointment to the Commission automatically terminated. Such conduct and the automatic termination shall be communicated to the Tribal Council by the Commission, at which time Tribal Council shall appoint a new Commissioner to complete the term of the Commissioner removed from the Commission.
- C. Compensation. The members of the Commission may be compensated in an amount and pursuant to a schedule adopted by the Tribal Council. Compensation

and expenses shall be paid from taxes or profits paid to the Tribe from the Class II and Class III gaming activities.

D. Staff. The Commission is authorized to hire or contract for staff.

E. Powers and Duties.

1. Conduct background investigations, or cause such investigations to be conducted, for primary management officials and key employees;
2. Review and approve all investigative work conducted in connection with the background investigations of primary management officials and key employees;
3. Create and maintain investigative reports based on the background investigations of primary management officials and key employees;
4. Obtain and process fingerprints, or designate a law enforcement agency to obtain and process fingerprints;
5. Make licensing eligibility determinations;
6. Submit a notice of results to the NIGC of the background investigations done for each primary management official and key employee applicant;
7. Issue gaming licenses to primary management officials and key employees of the operation, if warranted by the eligibility determination;
8. Establish standards for licensing Tribal gaming facilities;
9. Issue gaming licenses to Tribal gaming facilities;
10. Inspect, examine and monitor all of the Tribe's gaming activities, and have immediate access to review, inspect, examine, photocopy and audit all records of the gaming establishment;
11. Ensure compliance with all Tribal, state and federal laws, rules and regulations regarding Indian gaming;
12. Investigate any suspicion of wrongdoing associated with any gaming activities;
13. Hold hearings on patron complaints, in accordance with procedures established in this Ordinance and/or any Commission regulations;

14. Comply with any and all reporting requirements under IGRA, the NIGC's regulations and any tribal-state compact to which the Tribe is a party, and any other applicable law;
15. Promulgate and issue regulations necessary to comply with applicable internal control standards;
16. Promulgate and issue regulations on the levying of fees and/or taxes associated with gaming license applications;
17. Promulgate and issue regulations on the levying of fines and/or the suspension or revocation of gaming licenses for violations of this ordinance or any Tribal, federal or state gaming regulations, if applicable;
18. Establish a list of persons not allowed to game in the Tribe's gaming facilities in order to maintain the integrity of the gaming operation;
19. Establish a list of persons who have voluntarily agreed to be excluded from the Tribal gaming facility, and create regulations for enforcing the exclusions;
20. Provide referrals and information to the appropriate law enforcement officials when such information indicates a violation of Tribal, federal or state statutes, ordinances, regulations, codes or resolutions;
21. Create a list of regulatory authorities that conduct background investigations of, and license, vendors who are recognized as trustworthy;
22. Draft regulations exempting vendors from the licensing and/or background investigation requirements if they have received a license from a recognized regulatory authority;
23. Perform such other duties the Commission deems appropriate for the proper regulation of the Tribal gaming operation; and
24. Promulgate such regulations and guidelines as deemed appropriate to implement the provisions of this Ordinance, so long as they are in furtherance of, and not in conflict with, any provisions of this ordinance.
25. The Commission will also have a role in monitoring compliance with the gaming operation's internal controls and in tracking gaming revenues. In order to carry out its regulatory duties, the Commission shall have unrestricted access to all areas of the gaming operation and to all of its records. The Commission shall have authority to take enforcement actions, including suspension or revocation of an individual gaming license, when appropriate.

- F. Reporting. The Commission shall cause a report to be submitted quarterly to the Council on the Commission's responsibilities. The Commission shall report to the Council twice annually on the performance of any approved Management Company with whom the Tribe has an approved contract.
  
- G. Confidential Records. The Commission shall ensure that all records and information obtained as a result of an employee background investigation shall remain confidential and shall not be disclosed to any persons who are not directly involved in the licensing and employment processes. Information obtained during the course of an employee background investigation shall be disclosed to members of management, human resource personnel and/or others employed by the Tribal gaming operation on a need-to-know basis, for actions taken in their official capacities.

The confidentiality requirements above, do not apply to requests for such records or information from any tribal, federal, or state law enforcement or regulatory agency, or for the use of such records or information by the Commission and staff in the performance of their official duties.

#### **6.08.090 Audits**

- A. The Tribe shall cause to be conducted independent audits of gaming operations annually and shall submit the results of those audits to the NIGC.
  - 1. Annual audits shall conform to generally accepted auditing standards.
  
- B. All gaming-related contracts that result in the purchase of supplies, services or concessions for more than \$25,000 in any year (except contracts for professional legal and accounting services) shall be specifically included within the scope of the audit conducted under Section 6.08.090(A) of this Ordinance.
  
- C. Copies of the annual audit of each licensed gaming operation, and each audit for supplies, services or concessions of each gaming operation, shall be furnished to the NIGC within 120 days after the end of each fiscal year of the gaming operation.

#### **6.08.100. Environment and Public Health and Safety**

- A. Each gaming facility shall be constructed, maintained, and operated in a manner that adequately protects the environment and the health and safety of the public.
  
- B. The Commission shall identify and enforce laws, resolutions, codes, policies, standards, or procedures, which are applicable to each gaming place, facility or location, to ensure adequate protection of the environment and the health and safety of the public.

**6.08.110. Patron Dispute Resolution**

Patrons with complaints against the gaming establishment (not otherwise provided for by Squaxin Island Tribe Tort Claim Ordinance) shall have as their sole remedy the right to file a petition for relief with the Commission. Complaints shall be submitted in writing. The Commission shall hold a hearing within 30 days of receipt of the petitioner's complaint. The petitioner may have counsel present at the hearing. The petitioner may be allowed to present evidence, at the discretion of the Commission. After the hearing, the Commission shall render a decision in a timely fashion. All such decisions will be final when issued. Any patron complaint must be submitted to the Commission within thirty (30) days of the incident giving rise to the complaint. All claims by patrons shall be limited to a maximum recovery of \$500.00 per occurrence, and a cumulative limit of \$ 1,000.00 per patron in any 12-month period, except disputes relating to a patron's entitlement to a game prize, which shall be limited to the amount of such prize. The Commission's decision shall be considered final, and not subject to appeal.

**6.08.120. Facility Licenses**

- A. The Tribe shall issue a separate license to each place, facility or location on Indian lands where Class II and/or Class III gaming is conducted under this Ordinance.
- B. The Commission is responsible for issuing new or renewed facility licenses to each place, facility or location.

**6.08.120. Agent for Service of Process**

The Tribe designates the Chairman of the Squaxin Island Tribal Council as the agent for service of any official determination, order or notice of violation.

**6.08.140. Tribal Access to Financial Information**

A copy of the Tribal gaming operation's annual audit will be made available for review to the Squaxin Island Tribal Council.

**6.08.140. License Application Forms**

- A. The following notice shall be placed on the Tribe's license application form for a key employee or a primary management official before it is filled out by an applicant:

In compliance with the Privacy Act of 1974, the following information is provided: Solicitation of the information on this form is authorized by 25 U.S.C. §§ 2701 *et seq.* The purpose of the requested information is to determine the eligibility of individuals to be granted a gaming license. The information will be used by the Tribal gaming regulatory authorities and by the National Indian Gaming

Commission members and staff who have need for the information in the performance of their official duties. The information may be disclosed by the Tribe or the NIGC to appropriate Federal, Tribal, State, local, or foreign law enforcement and regulatory agencies when relevant to civil, criminal or regulatory investigations or prosecutions or when pursuant to a requirement by a tribe or the NIGC in connection with the issuance, denial, or revocation of a gaming license, or investigations of activities while associated with a tribe or a gaming operation. Failure to consent to the disclosures indicated in this notice will result in a tribe being unable to license you for a primary management official or key employee position.

The disclosure of your Social Security Number (SSN) is voluntary. However, failure to supply a SSN may result in errors in processing your application.

- B. The following additional notice shall be placed on the application form for a key employee or a primary management official before it is filled out by an applicant:

A false statement on any part of your license application may be grounds for denying a license or the suspension or revocation of a license. Also, you may be punished by fine or imprisonment (U.S. Code, title 18, section 1001).

#### **6.08.150. License Fees**

The Tribe may charge a license fee, to be set by the Commission, to cover its expenses in investigating and licensing key employees and primary management officials of the gaming operation.

#### **6.08.160. Fingerprints**

The Commission shall perform a background investigation for each primary management official and key employee of the gaming operation. The Commission shall request fingerprints from each primary management official and key employee. Fingerprints shall be taken by the Commission and will then be forwarded to the NIGC for processing through the Federal Bureau of Investigation ("FBI") and the National Criminal Information Center to determine the applicant's criminal history, if any.

#### **6.08.170. Background Investigations**

- A. The Commission shall perform a background investigation for each primary management official and key employee in the gaming operation.
- B. The Commission is responsible for conducting the background investigations of primary management officials and key employees.
- C. The Commission shall obtain from each primary management official and key employee all of the following information:

1. Full name, other names used (oral or written), social security number, birth date, place of birth, citizenship, gender and all languages spoken and/or written);
2. Currently, and for the previous five (5) years, business and employment positions held, ownership interests in those businesses, business and residential addresses, and driver's license numbers;
3. The names and current addresses of at least three (3) personal references, including one (1) personal reference who was acquainted with the applicant during each period of residence listed under paragraph (C)(2) of this section;
4. Current business and residential telephone numbers, and all cell phone numbers;
5. A description of any existing and previous business relationships with other tribes, including any ownership interests in the businesses;
6. A description of any existing and previous business relationships with the gaming industry generally, including ownership interests in the businesses;
7. The name and address of any licensing or regulatory agency with which the person has filed an application for a license or permit related to gaming, whether or not such license or permit was granted;
8. For each felony for which there is an ongoing prosecution or a conviction, the charge, the name and address of the court involved, and the date of disposition, if any;
9. For each misdemeanor conviction or ongoing misdemeanor prosecution (excluding minor traffic violations) within 10 years of the date of the application, the name and address of the court involved and the date of disposition, if any;
10. For each criminal charge (excluding minor traffic charges), whether or not there is a conviction, if such criminal charge is within 10 years of the date of the application, and is not otherwise listed pursuant to paragraphs (C)(8) or (C)(9) of this Section, the criminal charge, the name and address of the court involved, and the date of disposition, if any;
11. The name and address of any licensing or regulatory agency with which the person has filed an application for an occupational license or permit, whether or not such license or permit was granted;
12. A photograph; 19
13. Any other information the Tribe deems relevant; and

14. Fingerprints obtained in accordance with procedures adopted by the Tribe pursuant to 25 C.F.R. § 522.2(h).20.

D. When a primary management official or key employee is employed by the Tribe, a complete application file, containing all of the information listed in Section 6.08.160 (c), shall be maintained.

**6.08.180. Background Investigations and Investigative Reports.**

A. The Commission shall be responsible for conducting a background investigation of each applicant for a primary management official or key employee position. The investigation must be sufficient to allow the Commission to make an eligibility determination under Section 6.08.190 of this Ordinance.

B. The Commission shall create and maintain an investigative report for each background investigation of a primary management official or key employee.

C. Investigative reports shall include all of the following information:

1. Steps taken in conducting the investigation;
2. Results obtained;
3. Conclusions reached; and
4. The basis for those conclusions.

**6.08.190. Eligibility Determinations**

A. Before a license is issued to a primary management official or key employee, the Commission shall make a finding concerning the eligibility of that person for receiving a gaming license by reviewing the applicant's prior activities, criminal record, if any, and reputation, habits and associations.

B. If the Commission, in applying the standards adopted in this Ordinance, determines that licensing the person poses a threat to the public interest or to the effective regulation of gaming, or creates or enhances the dangers of unsuitable, unfair or illegal practices, methods and/or activities in the conduct of gaming, he or she shall not license that person in a key employee or primary management official position.

C. Copies of the eligibility determination shall be included with the notice of results that must be submitted to the NIGC before the licensing of a primary management official or key employee.



**6.08.200. Notice of Results of Background Investigations**

- A. Before issuing a license to a primary management official or key employee, the Commission shall prepare a notice of results of the applicant's background investigation to submit to the NIGC.
  - 1. The notice of results must be submitted to the NIGC no later than 60 days after the applicant begins working for the Tribe.
- B. The notice of results shall include the following information:
  - 1. The applicant's name, date of birth, and social security number;
  - 2. The date on which the applicant began, or will begin, working as a primary management official or key employee;
  - 3. A summary of the information presented in the investigative report, including:
    - a. licenses that have previously been denied;
    - b. gaming licenses that have been revoked, even if subsequently reinstated;
    - c. every known criminal charge brought against the applicant within the last 10 years of the date of the application; and
    - d. every felony offense of which the applicant has been convicted or any ongoing prosecution; and
  - 4. A copy of the eligibility determination made in accordance with Section 6.08.190.

**6.08.210. Granting Gaming Licenses**

- A. All primary management officials and key employees of the gaming operation must have a gaming license issued by the Tribe.
- B. The Commission is responsible for granting and issuing gaming licenses to primary management officials and key employees.
- C. The Commission may license a primary management official or key employee applicant after submitting a notice of results of the applicant's background investigation to the NIGC, as required by Section 6.08.200.
- D. The Commission shall notify the NIGC of the issuance of a license to a primary management official or key employee within 30 days of issuance.
- E. The Tribe shall not employ an individual in a primary management official or key employee position who does not have a license after 90 days of beginning work at the gaming operation.

- F. The Commission must reconsider a license application for a primary management official or key employee if it receives a statement of itemized objections to issuing such a license from the NIGC, and those objections are received within 30 days of the NIGC receiving a notice of results of the applicant's background investigation.
  - 1. The Commission shall take the NIGC's objections into account when reconsidering a license application.
- G. The Commission will make the final decision whether to issue a license to an applicant for a primary management official or key employee position.
- H. If the Commission has issued a license to a primary management official or key employee before receiving the NIGC's statement of objections, notice and a hearing shall be provided to the licensee, as required by Section 6.08.200.

#### **6.08.220. Denying Gaming Licenses**

- A. The Commission shall not license a primary management official or key employee if it is determined, in applying the standards in Section 6.08.190 for making a license eligibility determination, that licensing the person:
  - 1. Poses a threat to the public interest;
  - 2. Poses a threat to the effective regulation of gaming; or
  - 3. Creates or enhances the dangers of unsuitable, unfair or illegal practices, methods and/or activities in the conduct of gaming.
- B. When the Commission does not issue a license to an applicant for a primary management official or key employee position, or revokes a previously issued license after reconsideration, it shall:
  - 1. Notify the NIGC; and
  - 2. Forward copies of its eligibility determination and notice of results of the applicant's background investigation to the NIGC for inclusion in the Indian Gaming Individuals Record System.

#### **6.08.240. Gaming License Suspensions and Revocations**

- A. If, after a license is issued to a primary management official or a key employee, the Commission receives notice from the NIGC that the primary management official or key employee is not eligible for employment, the Commission shall do the following:

1. Immediately suspend the license;
  2. Provide the licensee with written notice of the suspension and proposed revocation; and
  3. Provide the licensee with notice of a time and place for a hearing on the proposed revocation of the license.
- B. The right to a revocation hearing vests only when a license is granted under an ordinance approved by the NIGC Chair.
- C. Following a revocation hearing, the Commission shall decide whether to revoke or reinstate the license at issue.
- D. The Commission shall notify the NIGC of its decision to revoke or reinstate a license within 45 days of receiving notification from the NIGC that a primary management official or key employee is not eligible for employment.

**6.08.250. Records Retention**

- A. The Tribal Gaming Commission shall retain, for no less than three years from the date a primary management official or key employee is terminated from employment with the Tribe, the following documentation:
1. Applications for licensing;
  2. Investigative Reports; and
  3. Eligibility Determinations.

**6.08.260. Licenses for Vendors**

Vendors of gaming services or supplies, with a value of \$25,000 or more annually, must have a vendor license from the Tribal Gaming Commission in order to transact business with the Tribal gaming operation. Contracts for professional legal and accounting services are excluded from this Section.

**6.08.270. Submission of a Vendor License Application**

In order to obtain a gaming vendor license, the business must complete a vendor application and submit to background checks of itself and its principals. Principals of a business include those officers, directors, managers, owners, partners, and non-institutional stockholders that either own 10% or more of the business' stock or are the 10 largest stockholders, as well as the on-site supervisors or managers designated in an agreement with the Tribe, if applicable.

## **6.08.280. Contents of the Vendor License Application**

A. Applications for gaming vendor licenses must include the following:

1. Name of business, business address, business telephone number(s), federal tax identification number (or social security number, if a sole proprietorship), main office address (if different from business address), any other names used by the applicant in business, and type of service(s) applicant will provide;
2. Whether the applicant is a partnership, corporation, limited liability company, sole proprietorship or other entity;
3. If the applicant is a corporation, the state of incorporation and the qualification to do business in the State of Washington, if the gaming operation is in a different state than the state of incorporation.
4. Trade name, other names ever used and names of any wholly owned subsidiaries or other businesses owned by the vendor or its principals;
5. General description of the business and its activities;
6. Whether the applicant will be investing in, or loaning money to, the gaming operation, and, if so, how much;
7. A description of any existing and previous business relationships with the gaming industry generally, including ownership interests in those businesses;
8. Names, addresses and telephone numbers of three (3) business references with whom the company has regularly done business for the last five (5) years;
9. The name and address of any licensing or regulatory agency with which the business has filed an application for a license or permit related to gaming, whether or not such license or permit was granted;
10. If the business has ever had a license revoked for any reason, the circumstances involved;
11. A list of lawsuits to which the business has been a defendant, including the name and address of the court involved, and the date and disposition, if any;
12. A list the business' funding sources and any liabilities of \$50,000 or more;
13. A list of the principals of the business, their social security numbers, addresses, telephone numbers, titles, and percentage of ownership in the company; and

14. Any further information the Commission deems relevant.

- B. The following notice shall be placed on the application form for a vendor and its principals:

Inclusion of false or misleading information in the vendor application may be grounds for denial or revocation of the Tribe's vendor license.

- C. A vendor may submit to the Commission a copy of a recent license application to another jurisdiction if it contains the information listed above. The vendor will be required to submit, in writing, any changes in the information since the other license application was filed, and any information requested by the Tribe not contained in the other application.

**6.08.290. Vendor Background Investigations**

The Commission shall complete an investigation of a gaming vendor. This investigation shall include, at a minimum, the following steps:

- A. Verification of the vendor's business' incorporation status and qualifications to do business in the state where the gaming operation is located;
- B. Obtaining a business credit report, if available, and conducting a Better Business Bureau check on the vendor;
- C. Conducting a check of the vendor's business' credit history;
- D. Calling and questioning each of the references listed in the vendor application; and
- E. Conducting an investigation of the principals of the vendor's business, including facilitating a criminal history check, obtaining criminal history check results, obtaining a credit report, and interviewing the personal references listed.

**6.08.300. Vendor License Fees**

The Tribe may charge a license fee, to be set by the Tribal Gaming Commission, to cover its expenses in investigating and licensing vendors of the gaming operation.

**6.08.310. Vendor Background Investigation Reports**

An Investigative report covering each of the steps taken in the background investigation of the gaming vendor and its principals, shall be completed and considered by the Commission.

**6.08.320. Exemption for Vendors Licensed by Recognized Regulatory Authorities**

The Commission may adopt regulations naming specific licensing authorities that it recognizes and may authorize exemptions to the vendor licensing process for vendors who have received a license from one of the named regulatory authorities.

**6.08.330. Gaming Operations.**

- A. The Tribe's Class II gaming may be conducted each and every day of the week and at such hours of the day or night as determined in the exercise of the Tribe's sole discretion, and there shall be no limit as to prize money for any single gaming activity, bingo game or session except as determined in the exercise of the Tribe's sole discretion. The Tribe's Class III gaming may be conducted each and every day of the week and at such hours of the day or night as determined in the exercise of the Tribe's sole discretion, and there shall be no limit as to prize money for any single gaming activity, bingo game or session except as determined in the exercise of the Tribe's sole discretion and as limited, if at all, by agreement in a tribal-state compact.
- B. All persons involved in the conduct of Class II and Class III gaming must be a bona fide employee of the Tribe or contractor.
- C. No person under the age of eighteen (18) shall participate in any Class II or Class III gaming. If liquor is served at any gaming facility, no person under the age of twenty-one (21) shall participate in any Class II or Class III gaming.
- D. No person who holds, operates, conducts or assists in holding, operating or conducting Class II or Class III gaming may play at the game at which such person is holding, operating, conducting or assisting.
- E. All persons operating or assisting the operation or conduct of any Class II or Class III gaming shall wear their Identification Badge, issued by the Tribal Gaming Agency. The Badges shall be legible tags evidencing the person's name and photo, and the legend of the Tribe. Identification Badges must be visible and worn or otherwise affixed to all persons operating or assisting in the operation of any Class II or Class III gaming, in accordance with applicable internal controls.

**6.08.340 Violations—Jurisdiction.**

- A. It is unlawful for any person to:
  - 1. Alter or misrepresent the outcome or other event on which wagers have been made after the outcome is made sure but before it is revealed to the players;
  - 2. Place, increase or decrease a bet or to determine the course of play after

acquiring knowledge, not available to all players of the outcome of the game or any event that affects the outcome of the game or which is the subject of the bet or to aid anyone in acquiring such knowledge for the purpose of placing, increasing or decreasing a bet or determining the course of play contingent upon that event or outcome;

3. Claim, collect or take or attempt to claim, collect or take, money or anything of value in or from a gambling game, with intent to defraud, without having made a wager thereon, or to claim, collect or take an amount greater than the amount won;
4. Knowingly to entice or induce another to go to any place where a gambling game is being conducted or operated in violation of the provisions of the tribal-state compact or this chapter with the intent that the other person play or participate in that gambling game;
5. Place or increase a bet after acquiring knowledge of the outcome of the game or other event which is the subject of the bet, including past-posting and pressing bets;
6. Reduce the amount wagered or cancel the bet after acquiring knowledge of the outcome of the game or other event which is the subject of the bet, including pinching bets;
7. Manipulate with the intent to cheat, as defined below, any component of a slot machine or gaming device in a manner contrary to the design and normal operational purpose for the component, including, but not limited to, varying the pull of the handle of a slot machine or gaming device, with knowledge that the manipulation affects the outcome of the game or with knowledge of any event that affects the outcome of the game;
8. Knowingly to use other than coins or tokens approved by the Tribe, or other lawful coin, legal tender of the United States of America, or to use coin not of the same denomination as the coin intended to be used in the gambling game;
9. Use any device or means to cheat as defined below, or to possess any such device while at the Tribe's gaming facility;
10. Any person having a direct or indirect financial interest in a management contract, a person having management responsibility for a management contract, or their agents to significantly and unduly influence the adoption of an ordinance or resolution regarding Class II or Class III gaming;
11. Give or provide, or offer to give or provide, directly or indirectly to any Tribal Council or Commission member, primary management official, key employee,

employee, contractor, or any person with an indirect or direct interest in the operation of Class II or Class III gaming any commission or reward, or share of the money or property paid or received through gambling activities, in consideration for obtaining any license, authorization, permission or privilege to participate in any gaming operations except as authorized by this chapter or the rules and regulations adopted pursuant to this chapter.

- B. For purposes of this section, "cheat" means to alter the selection of criteria which determined the result of a Class II or Class III gaming activity, or the amount or frequency of payment in such gaming activities.
- C. Any person who willfully or knowingly violates any provision of this chapter, or any rule or regulation authorized thereunder, shall be guilty of a criminal offense punishable by a fine not to exceed five hundred dollars (\$500.00) for each violation, or for each day the violation continues, or by imprisonment for not more than six months, or both.
- D. Any person who willfully and knowingly violates any provision of this chapter, or any rule or regulation authorized thereunder, may have the equipment, material and supplies used in conducting the unlawful activity seized and forfeited.
- E. The Tribal Courts shall have exclusive civil and criminal jurisdiction with respect to Class II gaming. The Tribe may, with respect to Class III gaming, enter into a tribal-state compact allocating criminal jurisdiction and establishing enforcement protocols. Nothing, however, in this chapter shall be construed to authorize or require the criminal trial and punishment by the Tribe of non-Indians except to the extent allowed or required by any applicable present or future act of Congress or any applicable federal court decision.
- F. The Tribe shall retain the right to revoke any license of any contractor who engages in conduct other than as authorized by this chapter, the tribal-state compact or the contractor's agreement with the Tribe, which involves moral turpitude, dishonesty or any act which is punishable as a felony or misdemeanor involving moral turpitude under state or federal laws, or which involves a violation of tribal law.

#### **6.08.350. Net Revenue Tax.**

There shall be a tribal tax of that percentage of the net Class II and Class III gaming revenue equivalent to one and one-half percent (1.5%) of gross revenues within the jurisdiction of the Tribe. The tribal tax shall be assessed and paid monthly into the Squaxin Island general fund. "Net revenues" means gross gaming revenues less amounts paid out as, or paid for, prizes; and total gaming-related operating expenses, excluding management fees. The Council may reduce or waive such tax as necessary to promote economic development on the reservation.



**6.08.360. Compliance with Federal Law**

The Tribe shall comply with all applicable federal laws, including the Bank Secrecy Act, 31 U.S.C. § 5311 *et seq.*

**6.08.370 Severability Clause.**

The provisions of this chapter shall be severed and if any phrase, clause, sentence or provision of this chapter is found to be contrary to the Tribe's Constitution, or declared to be in violation of applicable federal law or is held to be invalid, the validity of the remainder of this chapter shall not be affected and shall remain in full force and effect.

**6.08.380 Enactment of Tribal-State Compact.**

The provisions of this chapter relating to the operation of Class III gaming shall become effective upon the effective date of the tribal-state compact. The Tribe enacts and incorporates herein by reference all of the provisions of the tribal-state compact as fully set forth in this chapter.

**6.08.390. Repeal**

To the extent that they are inconsistent with this Ordinance, all prior Tribal gaming ordinances are hereby repealed.

**6.08.400. Effective Date**

This ordinance shall take effect immediately upon its approval by the NIGC Chair.