

**PROPOSED CIVIL FINE ASSESSMENT**

**Ref No. : NOV-99-03**

**April 1, 1999**

Via Facsimile and Certified Mail

To: Jerry Haney, Principal Chief  
Seminole Nation of Oklahoma  
P.O. Box 1498  
Wewoka, Oklahoma, 74884,

Respondent.

1. Under the authority of 25 U.S.C. § 2713(a) of the Indian Gaming Regulatory Act (IGRA) and 25 C.F.R. § 575, the Chairman of the National Indian Gaming Commission (NIGC or Commission) hereby provides notice of his intent to assess a civil fine against the Seminole Nation of Oklahoma (hereinafter referred to as the "Tribe" or the "Respondent"), located in Wewoka, Oklahoma for violations of 25 C.F.R. § 558.3(b) and 25 C.F.R. § 573.6(a)(5). The violations are set forth in detail in Notice of Violation No.: NOV-99-03, issued on March 2, 1998.

2. Pursuant to 25 U.S.C. § 2713(a) and 25 C.F.R. § 575.4, the Chairman may assess a civil fine, not to exceed \$25,000 per violation per day, against a tribe, management contractor, or individual operating Indian gaming for each violation cited in a notice of violation issued under 25 C.F.R. § 573.3. In the subject proceeding, the gaming operation is owned by the Tribe and is located on tribal lands in Wewoka, Oklahoma.

In arriving at the proposed civil fine, the Chairman has considered the factors outlined in 25 C.F.R. § 575.4, as follows:

a. Economic benefit of noncompliance. The violation resulted in no economic benefit to the Tribe.

b. Seriousness of the violation. The failure to conduct background investigations and forward applications and reports to the NIGC is a substantial violation. The failure to properly complete background investigations of key employees and primary management officials undermines the regulatory scheme adopted in the IGRA and Commission regulations. Such regulations are to ensure the suitability of all individuals performing critical functions within a gaming operation. Without properly completed background investigations there is no mechanism for excluding individuals whose past conduct indicates they may be a threat to the honesty or financial integrity of

the gaming operation.

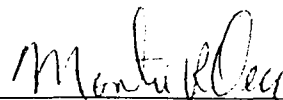
c. History of violations. The Tribe has no prior history of regulatory violations.

d. Negligence or willfulness. The violation addressed in the Notice of Violation appears to be the result of the Tribe's willful disregard for Commission regulations. On numerous occasions the Tribe was advised by Commission representatives of the necessity to submit the required information and to perform the necessary background investigations. Despite these repeated warnings the Tribe submitted only a minimal amount of the required information prior to the issuance of the Notice of Violation and failed to complete the required background investigations.

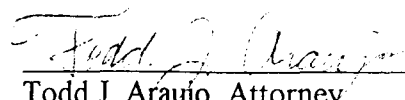
e. Good faith. The Chairman of the Commission may adjust a fine based on the degree of good faith of the Tribe in attempting to achieve rapid voluntary compliance after a Notice of Violation has been issued. The Chairman has determined that subsequent to the issuance of the March 2, 1999, Notice of Violation, the Tribe has accelerated its effort to submit the required information to the Commission and has demonstrated a good faith effort to come into compliance with the IGRA.

THEREFORE, the Chairman having carefully reviewed the above factors, has determined that a fine in the amount of \$4,500.00 is assessed against the Tribe. This amount represents an appropriate balancing of the factors cited above.

Pursuant to 25 C.F.R. § 577.3, the Tribe may appeal the proposed fine to the full Commission within thirty (30) days after service of this Proposed Civil Fine Assessment, by submitting a notice of appeal to the National Indian Gaming Commission, 1441 L Street, N.W., Ninth Floor, Washington, D.C. 20005. The Tribe has a right to assistance of counsel in such an appeal. A notice of appeal must reference this Notice Proposed Civil Fine Assessment. Within ten (10) days after filing a notice of appeal, the Tribe must file with the Commission a supplemental statement that states, with particularity, the relief desired and the grounds therefore, including, when available, supporting evidence in the form of affidavits. If the Tribe wishes to present oral testimony or witnesses at a hearing, the Tribe must include a request to do so with the supplemental statement. The request to present oral testimony or witnesses must specify the names of proposed witnesses and the general nature of their expected testimony, and whether a closed hearing is requested and why. The Tribe may waive its right to an oral hearing and instead elect to have the matter determined by the Commission solely on the basis of written submissions.



Montie R. Deer, Chairman  
National Indian Gaming Commission



Todd J. Araujo, Attorney  
National Indian Gaming Commission