

NOTICE OF VIOLATION

Ref. No.: NOV-98-01
January 13, 1998

To: Mr. Jerry Haney
Principle Chief
Seminole Nation of Oklahoma
Post Office Box 1498
Wewoka, Oklahoma 74884

1. The Chairman of the National Indian Gaming Commission (NIGC) hereby gives notice that the Seminole Nation of Oklahoma, (hereafter referred to as "Respondent"), located in Wewoka, Oklahoma is in violation of the Indian Gaming Regulatory Act (IGRA) and NIGC regulations.¹

2. The circumstances of the violation are:

The Respondent is a federally recognized Indian Tribe with tribal headquarters in Wewoka, Oklahoma. From November 7, 1997 through January 12, 1998, the Respondent conducted gaming at the Seminole Nation Bingo operations located in Seminole, Oklahoma. From November 18, 1997, through January 12, 1998, the Respondent conducted gaming at the Seminole Nation Trading Post near Wewoka, Oklahoma. The Respondent has offered the video gaming machine known as "Reels of Skill" for play in these gaming operations throughout these time periods.

3. The Respondent is in violation of NIGC regulations as follows:

Under Section 502.4 of the NIGC's regulations, Class III gaming means all forms of gaming that are not Class I gaming or Class II gaming specifically including (but not limited to) any slot machines as defined in 15 U.S.C. § 1171(a)(1) and electronic

¹NIGC regulations are set forth in Chapter III, Title 25, Parts 500-599 of the Code of Federal Regulations. All sections of NIGC regulations cited in this Notice refer to the pertinent parts of Title 25. NIGC regulations implement provisions of the Indian Gaming Regulatory Act (IGRA), 25 U.S.C. 2701 et seq., signed into law on October 17, 1988.

or electromechanical facsimiles² of any game of chance. Under NIGC regulations an electronic or electromechanical facsimile means any gambling device as defined in 15 U.S.C. § 1171(a)(2) or (3). See Section 502.8.

Since November 7, 1997, the Respondent has offered a video gambling machine known as "Reels of Skill" for play at its Seminole Nation Bingo gaming operation. Since November 18, 1997, the Respondent has offered a video gambling machine known as "Reels of Skill" for play at its Seminole Nation Trading Post gaming operation. This machine is a gambling device as defined under 15 U.S.C. Section 1171 (a) and therefore falls within the definition of Class III gaming. The Respondent does not have a compact with the State of Oklahoma which authorizes the playing of video gambling machines at the Respondent's gaming facilities. Accordingly, the Respondent is operating Class III games in the absence of a tribal-state compact in violation of 25 U.S.C. 2710(d) and Section 573.6(a)11.

4. The measures required to correct the violations are:

The Respondent shall cease and desist the playing of all "Reels of Skill" video gaming machines within the Seminole Indian Bingo and Seminole Nation Trading Post gaming operations.

5. Pursuant to 25 C.F.R. §573. 6(b) of the NIGC regulations, the corrective measures described in paragraph 4 above must be accomplished within 24 hours of the NIGC issuing a notice and order to the Respondent, pursuant to §577.15 of NIGC regulations, affirming this Notice of Violation .

6. The violations cited in this Notice of Violation may result in the assessment of civil fines against the Respondent in an amount not to exceed \$25,000 per violation per day. Under Section 575.5(a), the Respondent may submit written information about the violation to the Chairman within 15 days after service of this Notice of Violation (or such longer period as the Chairman of the Commission may grant for good cause). The Chairman shall consider any information submitted in determining the facts surrounding the violation and the amount of the civil fine, if any. Such information should be submitted to: Chairman, National Indian Gaming Commission, 1441 L Street, NW, suite 9100, Washington, D.C. 20005.

7. Under Section 577.3, the Respondent may appeal

the allegations contained in this Notice of Violation to the full Commission within 30 days after service of this Notice of Violation. The Respondent may appeal the allegations by submitting a notice of appeal to the Commission at the address set forth in paragraph 6 above. The Respondent has a right to be represented by counsel in such an appeal. A notice of appeal must reference this Notice of Violation. Within ten days after filing a notice of appeal, the Respondent must file with the Commission a supplemental statement that states with particularity the relief desired and the grounds therefore and that includes, when available, supporting evidence in the form of affidavits.

If the Respondent wishes to present oral testimony or witnesses at a hearing, the Respondent 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 Respondent may waive the right to an oral hearing and instead elect to have the matter determined by the Commission solely on the basis of written submissions.

Dated this 13th day of January, 1998.

Tadd M. Johnson by ARF
Tadd M. Johnson
Chairman
National Indian Gaming Commission