

REGULATORY REVIEW GROUP I

SANTA ROSA RANCHERIA TACHI TRIBE TESTIMONY AND
COMMENTS IN REGARD TO REVISED REGULATIONS 25 CFR PART 542 MINIMUM INTERNAL
CONTROL STANDARDS FOR CLASS III, 25 CFR PART 523 REVISION AND APPROVAL OF
EXISTING ORDINANCES AND RESOLUTIONS, 25 CFR PART 14 FEES AND PART 559 FACILITY
LICENSING
AS OFFERED BY THE SANTA ROSA RANCHERIA TACHI TRIBAL GAMING COMMISSION

The Santa Rosa Rancheria Tachi Tribal Gaming Commission would like to express our thanks for being provided the opportunity to offer our Tribes comments in regard to the issues identified in the above Regulations. The Santa Rosa Rancheria Tachi Tribal Gaming Commission would also like to express our appreciation for the approach that the NIGC has undertaken in relationship to seeking comment and input from the Tribes on a transparent basis.

The Santa Rosa Rancheria Tachi Gaming Commission would first like to preface our position in regard to the following comments, **that the Indian Gaming Regulatory Act in its present form is working and that a “Legislative Fix” is unwarranted, so long as the consultation approach NIGC is presently taking, is maintained.**

The following comments are based upon our Tribe’s experiences and its familiarity with said issues. Hopefully experiences will assist with the formulation

of revised and/or amendments to the NIGC's Regulations and will encourage an enhanced review of the Regulations from a day to day regulatory perspective:

PART 542 – CLASS III MINIMUM INTERNAL CONTROL STANDARDS

The Santa Rosa Rancheria Tachi Tribal Gaming Commission recognize that Internal Control Standards are extremely important to the Indian Gaming Industry and more particularly to our Tribal gaming due to its intent to provide the protection of Tribal assets as well as providing for the integrity of the Tribe's Gaming Operations. In addition, Santa Rosa Rancheria Tachi recognizes the need for consistency in the auditing process of Internal Control Standards in Indian Gaming Operations.

Experience has shown that many Tribes that offer Class III Gaming have used the NIGC's Bulletins as clear direction to follow certain guidelines and have used said Bulletin's as primary guidelines for purposes of regulating Indian Gaming. Santa Rosa Rancheria Tachi Tribal Gaming Commission believes that Tribes that offer gaming are just as technically knowledgeable and professional as most non-Indian gaming commercial entities and are aware that if they did not develop and institute their own Tribal Internal Control Standards that they would in effect be opening itself up to illegal activity. Santa Rosa Rancheria Tachi Tribal Gaming Commission looks to industry standards in the gaming area and if it does not have the expertise or technical ability in certain gaming areas, it retains the expertise to carry out what is needed to protect its gaming operation for the benefit of its Tribal Members. It is our Tribe's belief that it performs the due diligence required in relation to following industry standards, whether or not a Regulation

requires it. Should Part – 542 Class III MICS be eliminated and replaced with Guidelines, it is Santa Rosa Rancheria Tachi’s Tribal Gaming Commission opinion that the Tribes will continue to institute industry standard internal controls in the area of Class III. As to those Tribes who have incorporated 542 Class III MICS in their Ordinance or it is a part of their Compact, there may be resulting challenges, but we believe that most Tribes have appropriate internal controls in place and that the Internal Control Guidelines, would be used to supplant what is in previously adopted Ordinances.

In summary Santa Rosa Rancheria Tachi Tribal Gaming Commission would recommend that said Internal Control standards be issued as Guidelines and that, they would be provided to the Tribes in a Bulletin format and be updated on regular basis as technology changes. Technology is changing so quickly that a governmental notice and rulemaking process is not only too slow to keep up with said changes, but may prove to be more costly in the long run. Possibly “internal control standards” could be addressed in recommended changes to Tribal Ordinances. **It is our recommendation that those tribes who would like the NIGC to enforce the Class III MICS should then pay for said services so that all other gaming tribes are not paying for those fees.**

PART 522 – SUBMISSION OF GAMING ORDINANCES OR RESOLUTIONS

Santa Rosa Rancheria Tachi Tribal Gaming Commission of the opinion that this section does not need revision, but that perhaps a Bulletin could be issued that addresses recommended changes in an Ordinance if a Tribe chooses to update

their Ordinance, for instance the issue of “internal control standards” could be recommended to be required to be adopted by the Tribal Gaming Regulatory Agency.

PART 514 FEES

It is apparent that the revised draft language relating to fees is clearly an improvement over the present Regulation. The specificity protects the Tribes in the event an alleged violation is found in relation to late payment of fees and/or failure to pay fees. The process outlined in the draft language indicates that the due process for a Tribe has been considered and that previous comments from various Tribes were taken under consideration. **The issue of the fees for enforcement of the Class III MICS could be placed in this particular section.**

PART 559 – FACILITY LICENSES, SUBMISSIONS AND RENEWALS

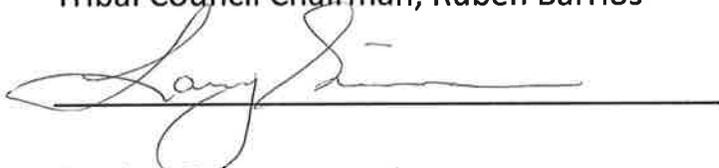
The revised language of the Facility License Regulation provides the Tribal Gaming Commissions and Regulatory Agencies the ability to exercise their front-line regulatory responsibilities in regard to facility licensing that we believe was the original intent of the *INDIAN GAMING REGULATORY ACT at 25 USC 2701(5)* which states:

“(5) Indian tribes have the exclusive right to regulate gaming activity on Indian lands if the gaming activity is not specifically prohibited by Federal law and is conducted within a State which does not, as a matter of criminal law and public policy, prohibit such gaming activity.”

Thank you for this opportunity, and if you have questions please contact the Santa Rosa Rancheria Tachi Tribal Gaming Commission.

A handwritten signature in cursive script, reading "Ruben Barrios", positioned above a solid horizontal line.

Tribal Council Chairman, Ruben Barrios

A handwritten signature in cursive script, reading "Larry Sisco", positioned above a solid horizontal line.

Gaming Commission Chairman, Larry Sisco

8/9/2011