United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, D.C. 20240

DEC 19 2002

Honorable Gary Aiken, Sr.
Chairman, Kootenai Tribe of Idaho
P.O. Box 1269
Bonners Ferry, Idaho 83805

Dear Chairman Aiken:

On November 7, 2002, we received the Amendment to the Class III compact between the Kootenai Tribe of Idaho (Tribe) and the State of Idaho. We have completed our review of this Amendment and conclude that it does not violate the Indian Gaming Regulatory Act of 1988 (IGRA), Federal law, or our trust responsibility. Therefore, pursuant to my delegated authority and Section 11 of IGRA, we approve the Amendment. This Amendment shall take effect when the notice of our approval, pursuant to Section 11(d)(3)(B) of IGRA, 25 U.S.C. § 2710(d)(3)(B), is published in the FEDERAL REGISTER.

We wish the Tribe and the State success in their economic venture.

Sincerely,

Neal A. McCaleb

Assistant Secretary – Indian Affairs

Enclosure

Similar Letter Sent to: Honorable Dirk Kempthorne
Governor of Idaho
700 W. Jefferson Street
Boise, Idaho 83720

cc: Northwest Regional Director
National Indian Gaming Commission
Idaho United States Attorney

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AMENDMENT

The Class III Gaming Compact By and Between the Kootenai Tribe of Idaho and the State of Idaho, dated September 23, 1993 and approved pursuant to federal law by the appointed representative of the Assistant Secretary, Indian Affairs, Department of the Interior, on October 29, 1993, is hereby amended. Idaho ballot measure Proposition One, the Indian Gaming and Self-Reliance Act, which having received a majority of the votes in the November 5, 2002 Idaho state election is the law of the state of Idaho. The terms set forth in Section 4 of Proposition One are now codified at Idaho Code § 67-429C and create a new section, Article 6.8, which is hereby added to the Compact and states as follows:

Article 6.8 Tribal Video Gaming Machines; Expansion Limitation; Education Funding

.1 Notwithstanding any other provision of this compact and as clarified by this compact amendment, the tribe is permitted to conduct gaming using tribal video gaming machines as described in Section 67-429B, Idaho Code.

.2 Not withstanding any other provision of this compact, in the 10 years following incorporation of this term into its compact, the number of tribal video gaming machines the tribe may possess is limited to the number of tribal video gaming machines possessed by the tribe as of January 1, 2002, plus 25% of that number; provided, however, that no increase in any single year shall exceed 5% of the number possessed as of January 1, 2002. Thereafter, the tribe may operate such additional tribal video gaming machines as are agreed to pursuant to good faith negotiations between the state and the tribe under a prudent business standard.

.3 Not withstanding any other provision of this compact, to the extent such contributions are not already required under the tribe's existing compact, the tribe agrees to contribute 5% of its annual net gaming income for the support of local educational programs and schools on or near the reservation. The tribe may elect to contribute additional sums for these or other educational purposes. Disbursements of these funds shall be at the sole direction of the tribe.

.4 Not withstanding any other provision of this compact, the tribe agrees not to conduct gaming outside of Indian lands.

This Amendment is effective upon the approval by the Secretary of the Interior or her designated representative. Pursuant to Idaho Code 67-429C(2) there is no need for further signature or action by the executive or the legislative branches of state government to effectuate this Amendment.

KOOTENAI TRIBE OF IDAHO

Gary Aitken Sr.

Gary Aitken, Sr., Chairman
Dated this 6th day of November 2002.

DEPARTMENT OF THE INTERIOR

Consistent with 25 U.S.C.A. § 2710(d)(8) this compact amendment is approved on this 19 day of DECEMBER, 2002, by the Assistant Secretary - Indian Affairs of the United States Department of the Interior.

By: Neal A. McCaleb

Neal A. McCaleb
Assistant Secretary - Indian Affairs