United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

SEP 25 1991

Honorable Stanley G. Jones, Sr.
Chairman, Tulalip Tribes of Washington
6700 Totem Beach Road
Marysville, Washington 98270

Dear Chairman Jones:

We are in receipt of the tribal-state compact concluded between the Tulalip Tribes of Washington and the State of Washington, accompanied by the requisite tribal resolution authorizing the compact process. Pursuant to my delegated authority and Section 11 of the Gaming Act, we approve the compact.

We note that the compact includes Class II card games which would not usually be appropriately included in a Class III gaming compact. Class II gaming is within the jurisdiction of the National Indian Gaming Commission and the Tribe rather than the State and the Tribe. However, we understand that the card games are included because of the possibility that they may become Class III games, through other conditions precedent that were negotiated in the compact.

The compact shall take effect upon publication in the FEDERAL REGISTER of notice of our approval pursuant to Section 11(d)(3)(B).

Section 11(d), (25 U.S.C. 2710) of the Indian Gaming Regulatory Act of 1988, (P.L. 100-497; 25 U.S.C. 2710 et seq.), requires the Chairman of the National Indian Gaming Commission to approve tribal resolutions authorizing Class III gaming. However, the Commission does not yet have final regulations governing such approvals.

We wish the Tribe and the State success in this economic endeavor.

Sincerely,

/S/ Eddie F. Brown

Assistant Secretary - Indian Affairs

Enclosure

Identical letter to: Honorable Booth Gardner
Governor of Washington
Legislative Building
Olympia, Washington 98504

cc: Portland Area Office with copy of approved compact
Puget Sound Superintendent with copy of approved compact
National Indian Gaming Commission with copy of approved compact
Penny Coleman, SOL

[4310-02]

Bureau of Indian Affairs

Indian Gaming

AGENCY: Bureau of Indian Affairs

ACTION: Notice of Approved Tribal-State Compact

SUMMARY: Pursuant to 25 U.S.C. 2710, of the Indian Gaming Regulatory Act of 1988 (Pub. L. 100-497), the Secretary of the Interior shall publish, in the FEDERAL REGISTER, notice of approved Tribal-State Compacts for the purpose of engaging in Class III (casino) gambling on Indian reservations. The Assistant Secretary - Indian Affairs, Department of the Interior, through his delegated authority has approved a Tribal-State Compact between the Tulalip Tribes of Washington and the State of Washington executed on August 2, 1991.

DATE: This action is effective upon date of publication.

ADDRESS: Office of Tribal Services, Bureau of Indian Affairs
Department of the Interior, MS 4603 MIB, 1849 "C" Street, N.W.
Washington, D.C. 20240.

FOR FURTHER INFORMATION CONTACT: Joyce Grisham
Bureau of Indian Affairs
Washington, D.C. 20240
(202) 208-7445

/S/ Eddie F. Brown
Assistant Secretary - Indian Affairs

SEP 25 1991
Date

DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

Indian Gaming; Tribal-State Compact Between the Tulalip Tribes of Washington and the State of Washington

AGENCY: Bureau of Indian Affairs; Interior.

ACTION: Notice of approved Tribal-State Compact.

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DATES: This action is effective on October 3, 1991.

ADDRESSES: Office of Tribal Services, Bureau of Indian Affairs, Department of the Interior, MS 4603 MIB, 1849 "C" Street, NW., Washington, DC 20249.

FOR FURTHER INFORMATION CONTACT: Joyce Grisham, Bureau of Indian Affairs, Washington, DC 20240, (202) 208-7445.

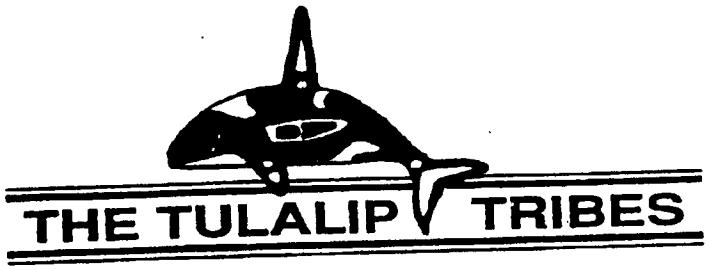
Dated: September 25, 1991.

Eddie F. Brown,

Assistant Secretary—Indian Affairs.

[FR Doc. 91-23819 Filed 10-2-91; 8:45 am]

BILLING CODE 4310-02-M



TRIBAL - STATE COMPACT FOR CLASS III GAMING

Between the

Tulalip Tribes of Washington

and the

State of Washington

Consolidated for Website
August 2004

Amendments 1 through 6
(approved through January 2003)
have been incorporated
within the text of
the following Compact

Actual amendments and
original Compact language
are available upon request

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INTRODUCTION

THIS COMPACT is entered into pursuant to the Indian Gaming Regulatory Act of 1988, P.L. 100-497, codified at 25 U.S.C. §2701-2721 and 18 U.S.C. §1166-1168 (hereafter I.G.R.A. or Act).

PARTIES

THIS TRIBAL-STATE COMPACT is made and entered into by and between the TULALIP TRIBES OF WASHINGTON, a federally-recognized Indian Tribe, possessed of all sovereign powers and rights thereto pertaining; and the STATE OF WASHINGTON, as a sovereign state of the United States, with all rights and powers thereto pertaining.

DECLARATION OF POLICY AND PURPOSE

I.G.R.A. provides for the negotiation of compacts between States and Tribes to govern the conduct of Class III gaming. Indian tribes have rights under I.G.R.A. to regulate gaming activities 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. The overarching policy of the Act is to provide a framework for the operation of gaming by Indian tribes as a means of promoting Tribal economic development, self-sufficiency and strong Tribal governments, as well as providing a basis for the regulation of gaming by an Indian tribe adequate to shield it from organized crime and other corrupting influences, to insure that the Indian tribe is the primary beneficiary of the gaming operation and to assure

that gaming is conducted fairly and honestly by both the operator and players.

This Compact is intended to be the immediate means by which the Tribe may lawfully conduct Class III gaming activities within the State which permits such gaming for any purpose by any person, organization or entity while realizing both State and Tribal objectives by defining the manner in which laws regulating the conduct of gaming activities are to be applied.

It is the policy of the State, recognizing the close relationship between professional gambling and organized crime, to restrain all persons from seeking personal profit from professional gambling activities in the State; to restrain all persons from patronizing such professional gambling activities; to safeguard the public policy against the evils induced by common gamblers and common gambling houses engaged in professional gambling; and at the same time, both to preserve the freedom of the press and to avoid restricting participation by individuals in activities and social pastimes, which activities and social pastimes are more for amusement rather than for profit, do not maliciously affect the public and do not breach the peace.

It is the policy of the Tulalip Tribes to exercise and retain its rights to regulate gaming activities upon its lands and reservation for the purposes of encouraging Tribal employment, economic and social development and funding of Tribal services while insuring fair operation of such gaming and the prevention of corruption or infiltration by criminal or other unwanted influences.

This Compact is intended to embody the policies and the shared and individual goals and concerns of the Tribe and State concerning the conduct of Tribal Class III gaming.

SECTION 1. TITLE.

This document shall be cited as "The Tulalip Tribes of Washington - State of Washington Gaming Compact."

SECTION 2. DEFINITIONS.[1]

For purposes of this Compact:

(a) "Act" means the Indian Gaming Regulatory Act, Pub.L. 100-497, 25 U.S.C. §2701 et seq.

(b) "State Certification" means the licensing process utilized by the State Gaming Agency to ensure all persons required to be licensed/certified are qualified to hold such license in accordance with the provisions of Chapter 9.46 RCW.

(c) "Class III Gaming" means all forms of gaming as defined in 25 U.S.C. Section 2703(8) and authorized under Section 3 of this Compact.

(d) "Compact" means the Tulalip Tribes of Washington - State of Washington Gaming Compact.

(e) "Gambling Device" means any device or mechanism the operation of which a right to money, credits, deposits or other things of value may be created, in return for a consideration, as the result of the operation of an element of chance and any device or mechanism which, when operated for a consideration, does not return the same value or thing of value for the same consideration upon each operation thereof.

(f) "Gaming Employee" means any person employed in the operation or management of the gaming operation, whether employed by or contracted to the Tribe or by any person or enterprise providing on or off-site services to the Tribe within or without the gaming facilities regarding any Class III activity, including, but not limited to, gaming operation

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[1] **Sections 2(f), (g), and (h) were changed by Amendment #5. Amendment available upon request.**

managers and assistant managers; accounting personnel; surveillance personnel; cashier supervisors; dealers or croupiers, box men; floormen; pit bosses; shift bosses; cage personnel; collection personnel; gaming consultants; management companies and their principals; and any other natural person whose employment duties require or authorize access to restricted areas of the gaming facilities not otherwise opened to the public.

(g) "Gaming Facility" or "Gaming Facilities" means the building or buildings or portions thereof in which Class III Gaming as authorized by this Compact is conducted on Tulalip Tribal Lands.

(h) "Gaming Operation" means the enterprise or enterprises operated by the Tribe on Tulalip Tribal Lands for the conduct of any form of Class III gaming in any gaming facility.

(i) "Gaming Services" means the providing of any goods or services to the Tribe directly in connection with the operation of Class III gaming in a gaming facility, including equipment, maintenance or security services for the gaming facility.

(j) "Gaming Station" means one gaming table of the general size and scope as commonly used in Nevada.

(k) "Local Law Enforcement Agency" means any law enforcement agency in the vicinity of the gaming operation and which has jurisdiction to enforce local and state laws within the Tulalip Tribal Lands, or is subject to the terms of a cross deputization agreement.

(1) "Net Win" means the total amount of gaming station income (gross gaming revenue), i.e., the difference between the total amount wagered or played and the amounts repaid to winners. The formula to calculate net win shall be that as contained in Appendix A of this Compact.

(m) "Principal" means with respect to any enterprise: (i) each of its officers and directors; (ii) each of its principal management employees, including any chief executive officer, chief financial officer, chief operating officer, or general manager; (iii) each of its owners or partners, if an unincorporated business; (iv) each of its shareholders who own more than ten percent of the shares of the corporation, if a corporation; and (v) each person other than a banking institution who has provided financing for the enterprise constituting more than ten percent of the total financing of the enterprise.

(n) "Tulalip Tribal Lands" means Indian lands as defined by 25 USC Section 2703(4)(A) and (B), subject to the provisions of 25 USC Section 2719.

(o) "State" means the State of Washington, its authorized officials, agents and representatives.

(p) "State Gaming Agency" means the Washington State Gambling Commission.

(q) "Tribal Gaming Agency" means the Tulalip Tribal Gaming Commission or such other agency of the Tribe as the Tribe may from time to time designate by written notice to the State as the single Tribal agency primarily responsible for regulatory oversight of Class III Gaming as authorized by this Compact. No employee of the gaming operation may be a member or employee of the Tribal Gaming Agency.

(r) "Tribal Law Enforcement Agency" means the police force of the Tulalip Tribes established and maintained by the Tribe pursuant to the Tribe's powers of self-government to carry out law enforcement within the Tulalip Tribal Lands.

(s) "Tribe" means the Tulalip Tribes of Washington, its authorized officials, agents and representatives.

SECTION 3. NATURE, SIZE AND SCOPE OF CLASS III GAMING.[2]

(a) Scope of Class III Gaming Activities. The Tribal gaming operations may utilize in its gaming facilities, subject to the provisions of this Compact, any or all of the following Class III activities:

(i) Blackjack;

(ii) Money-wheel;

(iii) Roulette;

(iv) Baccarat;

(v) Chuck-a-luck;

(vi) Pai-gow;

(vii) Red Dog;

(viii) Chemin De Fer;

(ix) Craps;

(x) 4-5-6;

(xi) Ship-Captain-Crew;

(xii) Horses (stop dice);

(xiii) Beat the Dealer;

(xiv) Over/Under Seven;

(xv) Beat My Shake;

(xvi) Horse Race;

(xvii) Sweet Sixteen;

(xviii) Sports Pools;

(xix) Sic-Bo;

(xx) Poker card games. The Tribes shall submit the proposed rules, manner of regulation and manner of play of such poker card games to the State Gaming Agency at least thirty (30) days prior to the time play shall begin. If the State Gaming

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[2] Sections 3(f) (g) and (h) were changed by Amendment #2. Sections 3(a), (c) through (i), and (m) were changed and (n) was added by Amendment #3. Section 3(a) was changed by Amendment #4. Sections 3(a), (c), and (e) through (m) were changed by Amendment #5. Section 3(a) was changed by Amendment #6.
Amendments available upon request.

Agency does not respond within the thirty (30) days, the Tribe may begin offering the game. If a dispute arises between the Tribe and the State Gaming Agency with respect to the nature of the game, security issues, rules of play or training and enforcement associated with regulation, it shall be resolved pursuant to Section 12(c) of this Compact.

(xxi) Any other table game authorized for play in Nevada and played in accordance with applicable Nevada rules, upon 20 days written notice to the State Gaming Agency. Provided, should a dispute arise, the game shall not be utilized until the dispute is resolved in accordance with Section 12(c).

(xxii) Lottery-type games, including but not limited to, keno and keno-type games, instant tickets, on-line games, lotto, jackpot poker or other lottery-type games authorized for play for any purpose by any person, organization or entity in the State of Washington that are not otherwise treated as Class I or II in the State of Washington pursuant to 25 USC Section 2703(6) and (7). For the purposes of the jackpot poker activity, the Class II poker stations associated with jackpot poker as well as the employees directly associated with jackpot poker shall be subject to Sections 4, 5, 6, 7, 8 and 9 of this Compact. For all such lottery-type games the Tribe shall submit the proposed rules, manner of regulation and manner of play to the State Gaming Agency at least thirty (30) days prior to the time play shall begin. If the State Gaming Agency takes no action within the thirty (30) days, the Tribe may begin offering the game. If a dispute arises between the Tribe and the State Gaming Agency with respect to the nature of the game, security issues, rules of play or training and enforcement associated with regulation, it shall be resolved pursuant to Section 12(c) of this Compact.

(xxiii) Satellite (off-track) wagering on horse races, subject to Appendix C.

(xxiv) Tribal Lottery Systems. Notwithstanding anything in this Compact which could be construed to be to

the contrary, Tribal Lottery Systems operated in conformity with Appendices X and Y are hereby authorized.

(b) Punchboards and Pull Tabs and Washington State Lottery - Separate Locations. In addition to the games authorized by Section 3(a), the Tribe may utilize punchboards and pull tabs in the facility and at other locations within the Tulalip Tribal Lands subject to regulation by the Tribe and operated in a manner consistent with the sale of punchboards and pull tabs in the Tribal bingo facility. The operation of State lottery retail locations shall be subject to the provisions of RCW 67.70 and Tribal Ordinance.

(c) Authorized Gaming Operation. The Tribe may establish two Class III gaming facilities on the Tulalip Tribal Lands which are within or contiguous to the Tulalip Indian Reservation that are held in trust by the United States for the benefit of the Tribe or held by the Tribe subject to restriction by the United States against alienation over which the Tribe exercises governmental power for the operation of any Class III games as authorized pursuant to subsection (a) of this Section. Class III lottery-type games may be conducted by the Tribe at Tribal Class II gaming facilities contiguous and adjoining to the Class III gaming facilities.

(d) Forms of Payment. All payment for wagers made in authorized forms of Class III gaming conducted by the Tribe on its Tribal Lands, including the purchase of chips, for use in wagering, shall be made by cash, cash equivalent, credit card or personal check.

(e) Size of Gaming Floor. The actual gaming floor within a gaming facility upon which the gaming stations and other Class III gaming are located shall not exceed the square footage determined as appropriate by the Tribe.

(f) Size of Class III Gaming Operation. The maximum number of Class III gaming stations shall not exceed seventy-five (75) gaming stations within one facility and a total of fifty (50) gaming stations within a second facility plus, at the option of the Tribe, one (1) additional gaming station ("the nonprofit station") for every twenty-five (25) gaming stations allowed in a facility. The proceeds from all nonprofit stations shall be dedicated to support nonprofit and charitable organizations and their activities located within Snohomish County or the State of Washington. PROVIDED, that the Tribe is required to obtain transfers of Class III gaming station authorization from another tribe which has entered into a compact with a State for the use of Class III gaming stations, as defined in this Compact for any Class III gaming stations, except for nonprofit stations, beyond sixty (60) in total for all gaming facilities. PROVIDED FURTHER, that the transfer of Class III gaming station authorization from another tribe shall be effectuated through the use of a "Class III Gaming Station Transfer Agreement" substantially in the form appended hereto as Appendix D of this Compact. For purposes of determination of "proceeds" from a nonprofit station only, proceeds shall mean the pro rata net profit of the nonprofit station. Such proceeds are not subject to the calculation for the community contribution under Section 14(c) of this Compact. The Tribal gaming ordinance shall require regulations be adopted concerning the types of bona fide nonprofit and charitable organizations or types of projects of such organizations that shall be supported by a nonprofit station.

(g) Wagering Limitations. Wager limits shall not exceed five hundred dollars ($500).

(h) Hours of Operation. Operating hours may not exceed one hundred fifty-six (156) hours per week in each Class III gaming facility. The Tribe shall provide to the State Gaming Agency a

schedule indicating the hours of operation of each Class III facility. Provided, upon twenty (20) days written notice to the State Gaming Agency and Tribal Gaming Agency, the Tribe may, but not more than three (3) times in each gaming facility in any twelve (12) month period, conduct Class III operations for up to one hundred sixty (160) hours per week. This shall be accomplished only by shifting hours or portions of hours from other weeks and consequently reducing the corresponding period of operation during such weeks. In the event the Tribe engages in lottery-type gaming activities and/or if the satellite wagering authorized by this Compact is for events occurring at hours other than the then-established operating hours for the Class III gaming facility, the satellite wagering and lottery-type gaming activities, subject to the other provisions and restrictions herein regarding hours of operation may be conducted independently of other Class III gaming activities.

(i) Ownership of Gaming Facilities and Gaming Operation. The gaming operations, including the gaming facilities, shall be owned, operated and managed by the Tribe; provided however, the Tribe shall be entitled to contract for the management of any gaming facility and gaming operation. Any such management contract shall be subject to the terms of this Compact, including all certification and licensing requirements.

(j) Prohibited Activities. Any Class III gaming activity not specifically authorized in Section 3(a) is prohibited. Unless authorized by the Tribe and the State, any electronic facsimile of a gaming activity, and all gambling devices are prohibited. Except as provided in Section 3(a)(xx), nothing herein is intended to prohibit or restrict otherwise lawful and authorized Class II gaming activities upon Tulalip Tribal Lands or within any gaming facility.

(k) Prohibition on Minors. No person under the age of eighteen shall participate in any gaming operation, or be allowed on the gaming area authorized by this Compact during actual hours of operation. Should alcoholic beverages be offered on the gaming floor pursuant to applicable law, then no person under the age of twenty-one shall be permitted on the gaming floor during actual hours of operation. PROVIDED, that such age limitation shall not apply to an individual accompanied by an adult for the specific and limited purpose of proceeding directly and immediately across the gaming area for legitimate non-gaming purpose, with no gaming area loitering or gaming participation by the underage person or accompanying adults.

(l) Prohibition on Firearms. The possession of firearms by any person within the gaming facilities shall be strictly prohibited. Provided, this prohibition shall not apply to authorized agents or officers of the Tribal Gaming Agency, Tribal Law Enforcement Agency, State Gaming Agency, state and local law enforcement agencies.

(m) Financing. Any person, firm, corporation or entity extending financing, either directly or indirectly, to the gaming facilities or gaming operations shall be subject to the annual licensing requirements of the Tribal Gaming Agency and shall be required to obtain State certification prior to completion of the financing agreement, and annually thereafter; provided however, the foregoing licensing and certification requirements shall not apply to any third party financing extended or guaranteed for the Class III operation and facility from either an agency of the United States or a member institution of the FDIC or an institution regulated by the Comptroller of the Currency.

(n) Conditions. After any six months of operation of the Class III facility from the anniversary of its opening, the State and Tribal Gaming Agencies shall conduct a review of the Class III operation to determine general compact compliance and whether the conditions set forth below have been satisfied. If, as a result of the review, the State and Tribal Gaming Agencies determine that the operation is in compliance with these conditions, the Class III operation may implement "phase two." If the State Gaming Agency determines that the Class III operation has not satisfied the conditions, any resulting dispute will be resolved through the dispute resolution procedures set forth in Section 12(c) of this Compact. Any increase in the number of gaming stations, hours of operation, or wager limits beyond that initially authorized during "phase one" of Class III gaming operations shall be conditioned upon the following criteria:

1. There have been no violations of the provisions of the Compact that have resulted in sanctions imposed by the Federal District Court.

2. There have been no violations of the Compact which are substantial or, due to repetition, would be deemed material.

3. There have been no material adverse impacts on the public health, safety, or welfare of the surrounding communities in the nature of criminal activities directly related to the operations of the Class III gaming facility.

4. There have been no material violations of Appendix A of this Compact.

5. The Tribal Gaming Agency has developed a strong program of regulation and control demonstrating an adequate level of proficiency, which includes the hiring of trained Tribal Gaming Agents, an independent management and reporting structure

separate from that of the gaming facility, a thorough and developed system for the reporting of Compact violations, and a strong and consistent presence within the Class III facility.

SECTION 4. LICENSING AND CERTIFICATION REQUIREMENTS.[3]

(a) Gaming Operation and Facility. The gaming operations and gaming facilities authorized by this Compact shall be licensed by the Tribal Gaming Agency in conformity with the requirements of this Compact prior to commencement of operation, and annually thereafter. Verification of this requirement shall be made by the State Gaming Agency and the Tribal Gaming Agency through a joint pre-operation inspection and letter of compliance. If a dispute arises during the inspection, it shall be resolved pursuant to Section 12(c) of this Compact.

(b) Gaming Employees. Every gaming employee shall be licensed by the Tribal Gaming Agency and shall be certified by the State prior to commencement of employment, and annually thereafter.

(c) Manufacturers and Suppliers of Gaming Services. Each manufacturer and supplier of gaming services shall be licensed by the Tribal Gaming Agency and shall be certified by the State prior to the sale of any gaming services. If the supplier or manufacturer is licensed or certified by the State of Washington it shall be deemed certified for the purposes of this Compact. The licensing and certification shall be maintained annually thereafter.

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[3] **Section 4(a) was changed by Amendment #5. Amendment available upon request.**

SECTION 5. LICENSING AND STATE CERTIFICATION PROCEDURES.

(a) Procedures For Tribal License Applications and State Certification. Each applicant for a Tribal gaming license and for State certification shall submit the completed application along with the required information to the Tribal Gaming Agency and to the State Gaming Agency. Each completed State certification application shall be accompanied by the applicants' fingerprint card(s), current photograph, and the fee required by the State Gaming Agency.

(b) Background Investigations of Applicants. Upon receipt of a completed application and required fee for State certification, the State Gaming Agency shall conduct the necessary background investigation to ensure the applicant is qualified for State certification. The State Gaming Agency shall expedite State certification applications. Upon completion of the necessary background investigation, the State Gaming Agency shall either issue a State certification to the applicant with a copy to the Tribal Gaming Agency, or deny the application. If the application for certification is denied, a statement setting forth the grounds for denial shall be forwarded to the applicant in accordance with the provisions of Chapter 230-50 WAC with a copy forwarded to the Tribal Gaming Agency.

(c) Grounds for Revocation, Suspension or Denial of State Certification. The State Gaming Agency may revoke, suspend or deny a State certification for any reason or reasons it deems to be in the public interest. These reasons shall include, but not be limited to when an applicant or holder of certification:

(i) Has violated, failed or refused to comply with the provisions, requirements, conditions, limitations or duties imposed by chapter 9.46 RCW and any amendments thereto, or any rules adopted by the State Gaming Agency pursuant thereto, or

any provision of a Tribal/State Compact, or when a violation of any provision of chapter 9.46 RCW, or any State Gaming Agency rule, or any provision of a Tribal/State Compact has occurred upon any premises occupied or operated by any such person or over which he or she has substantial control;

(ii) Knowingly causes, aids, abets, or conspires with another to cause, any person to violate any of the laws of this State or the rules of the State Gaming Agency, or the provisions of a Tribal/State Compact;

(iii) Has obtained a license, State certification, or Tribal license by fraud, misrepresentation, concealment, or through inadvertence or mistake;

(iv) Has been convicted of, or forfeited bond upon a charge of, or pleaded guilty to, forgery, larceny, extortion, conspiracy to defraud, willful failure to make required payments or reports to any Tribal, State, or U.S. governmental agency at any level, or filing false reports therewith, or of any similar offense or offenses, or of bribing or otherwise unlawfully influencing a public official or employee of the Tribe, any state or the United States, or of any crime, whether a felony or misdemeanor involving any gambling activity or physical harm to individuals or involving moral turpitude; provided however, crimes, other than gambling, of a Tribal member relating to the exercise or defense of Tribal treaty rights shall not be grounds for revocation, suspension or denial;

(v) Makes a misrepresentation of, or fails to disclose, a material fact to the State Gaming Agency or the Tribal Gaming Agency;

(vi) Fails to prove, by clear and convincing evidence, that he, she or it is qualified in accordance with the provisions of this Section;

(vii) Is subject to current prosecution or pending charges, or a conviction which is under appeal, for any of the offenses included under sub-section (iv) of this Section. Provided, that at the request of an applicant for an original certification, the State Gaming Agency may defer decision upon the application during the pendency of such prosecution or appeal.

(viii) Has had a Tribal license revoked or denied during the preceding twelve months.

(ix) Has demonstrated a willful disregard for compliance with gaming regulatory authority in any jurisdiction other than the State of Washington, to include: Suspension, revocation and forfeiture of license.

(x) Has pursued or is pursuing economic gain in an occupational manner or context which is in violation of the criminal laws of this state if such pursuit creates probable cause to believe that the participation of such person in gambling or related activities would be inimical to the proper operation of an authorized gambling or related activity in this state. For the purposes of this section, occupational manner or context shall be defined as the systematic planning, administration, management or execution of an activity for financial gain;

(xi) Is a career offender or a member of a career offender cartel or an associate of a career offender or career offender cartel in such a manner which creates probable cause to believe that the association is of such a nature as to be inimical to the proper operation of the authorized gambling or related activities in this state. For the purposes of this section, career offender shall be defined as any person whose behavior is pursued in an occupational manner or context for the purpose of economic gain utilizing such methods as are deemed

criminal violations of the public policy of this state. A career offender cartel shall be defined as any group of persons who operate together as career offenders.

For the purpose of reviewing any application for a state certification and for considering the denial, suspension or revocation of any state certification the state gaming agency may consider any prior criminal conduct of the applicant or holder of certification and the provisions of RCW 9.95.240 and of chapter 9.96A RCW shall not apply to such cases.

(d) Right To Hearing For Revocation, Suspension, or Denial of State Certification. Any applicant for State certification, or holder of a State certification shall be entitled to a full hearing on any action by the State Gaming Agency which may result in the revocation, suspension, or denial of State certification. The hearing will be conducted in accordance with the procedures contained in the applicable provisions of Chapter 9.46 RCW, Chapter 34.05 RCW and Chapter 230-50 WAC. Provided, the State may defer such actions to the Tribal Gaming Agency at the State's discretion, and nothing herein shall prevent the Tribal Gaming Agency from invoking its disciplinary procedures and proceedings.

(e) Denial, Suspension, or Revocation of Licenses Issued By Tribal Gaming Agency. The denial, suspension, or revocation of any Tribal gaming license by the Tribal Gaming Agency shall be in accordance with Tribal ordinances and regulations governing such procedures and the grounds for such actions shall not be less stringent than those of Section 5(c).

(f) Duration and Renewal of Tribal Issued Licenses and State Certifications. Any Tribal issued license or State certification shall be effective for one year from the date of issuance. Provided, that a licensed or certified employee or party that has applied for renewal may continue to be employed

under the expired license or State certification until action is taken on the renewal application by the Tribal Gaming Agency or State Gaming Agency. Applicants for renewal of license or certification shall provide updated material as requested, on the appropriate renewal forms, but shall not be required to re-submit historical data already available to the Tribal Gaming Agency or the State Gaming Agency. Additional background investigation shall not be required unless new information concerning the applicant's continuing suitability or eligibility for a license, or a State certification is discovered by either the Tribal Gaming Agency or the State Gaming Agency.

(g) Identification Cards. The Tribal Gaming Agency shall require all gaming employees to wear in plain view identification cards issued by the Tribal Gaming Agency which include photo, first name and a four digit identification number unique to the individual tribal license and/or certification which shall include a Tribal seal or signature, and a date of expiration.

(h) Exchange of Licensing and State Certification Information. In an effort to ensure a qualified work force in all areas of Class III gaming, and in all types of gambling authorized under the laws of the State, upon completion of any administrative action against a Tribal license or State certification, the final disposition shall be forwarded to either the Tribal Gaming Agency or the State Gaming Agency and maintained as part of both agencies permanent licensing records.

(i) Fees For State Certification. The fees for State certification shall be the following:

(i)	Gaming Employee Initial Certification	$ 150.00
(ii)	Gaming Employee - Renewal	$ 75.00

(iii)	Manufacturers and Suppliers Initial Certification	$1500.00
(iv)	Manufacturers and Suppliers Renewal	$ 500.00

Provided, should actual costs incurred by the State Gaming Agency exceed the above fees, those costs will be assessed to the applicants during the investigation process. Payment in full to the State Gaming Agency will be required prior to the issuance of State certification. Notwithstanding any other provision of this Compact, the State Gaming Agency may modify any of the above fees consistent with like fees charged by the State Gaming Agency for non-Compact gaming elsewhere in the State by giving the Tribe sixty (60) days notice of intent to modify fees. Should a dispute arise under this section it shall be resolved pursuant to Section 12(c) of this Compact.

(j) Fees For Tribal License. The fees for all gaming employee licenses shall be set by the Tribal Gaming Agency.

(k) Temporary Certification of Gaming Employees. Unless the background investigation undertaken by the State Gaming Agency within twenty (20) days of the receipt of a completed application discloses that the applicant has a criminal history, or unless other grounds sufficient to disqualify the applicant pursuant to sub-section (c) of this Section are apparent on the face of the application, the State Gaming Agency shall upon request of the Tribal gaming operation issue a temporary certification to the applicant. The temporary certification shall become void and be of no effect upon either the issuance of a State certification or upon the issuance of intent to deny, in accordance with the provisions of this Compact. During the twelve month period immediately following the effective date of this Compact as provided herein, any applicant who has a current license issued by the State Gaming Agency, together with his or

her completed application shall be immediately issued a temporary certification by the State Gaming Agency pending completion of the certification investigation.

(l) Summary Suspension of Tribal License or State Certification. The Tribal Gaming Agency, pursuant to the laws of the Tribe, and the State Gaming Agency, pursuant to the laws of the State, may summarily suspend any respective Tribal license or State certification if the continued licensing or certification of a person or party constitutes a threat to the public health, safety or welfare.

(m) Submission to State Administrative Process. Any applicant for State certification agrees by submitting such application to submit to State jurisdiction to the extent necessary to determine qualification to hold such certification, including all necessary administrative procedures, hearings and appeals pursuant to RCW 9.46, WAC 230-50 and the State Administrative Procedures Act, RCW 34.05. Tribal members who apply specifically waive any immunity, defense, or other objection they might otherwise have to the exercise of State jurisdiction for these purposes, but only for the purposes discussed in this paragraph. Nothing in this Section shall be deemed or interpreted as a waiver of immunity or submission to State jurisdiction for any other purpose or cause of action.

SECTION 6. TRIBAL ENFORCEMENT OF COMPACT PROVISIONS.[4]

(a) Tribe. The ultimate responsibility for ensuring the regulation, control, and integrity of the gaming authorized by this Compact shall be that of the Tribe. The Tribe shall provide for and oversee the following functions:

[4] **Section 6(a) through (f) were changed by Amendment #5. Amendment available upon request.**

(i) Ensure the enforcement in the gaming operation, including the facilities, of all relevant laws;

(ii) Ensure that the gaming operation has adequate policies in place for the physical safety of patrons in the establishment;

(iii) Ensure the physical safety of personnel employed by the establishment.

(b) Tribal Gaming Agency. The primary responsibility for the on-site regulation, control and security of the gaming operation authorized by this Compact, and for the enforcement of this Compact within Tulalip Tribal Lands, shall be that of the Tribal Gaming Agency. As part of its structure, the Tribal Gaming Agency shall perform the following functions:

(i) the physical safeguarding of assets transported to and from the gaming facilities and cashier's cage departments;

(ii) the protection of the patrons and the establishments' property from illegal activity;

(iii) the detention of persons who may be involved in illegal acts for the purpose of notifying the law enforcement authorities; and

(iv) the recording of any and all unusual occurrences within the gaming facilities. Each occurrence shall be assigned a sequential number and, at a minimum, the following information shall be recorded in indelible ink in a bound notebook from which pages cannot be removed and each side of each page of which is sequentially numbered:

(aa) the assigned number;

(bb) the date;

(cc) the time;

(dd) the nature of the incident;

(ee) the person involved in the incident; and

(ff) the security department employee assigned.

(c) Inspectors. The Tribal Gaming Agency shall employ qualified inspectors or agents under the authority of the Tribal Gaming Agency. Said inspectors shall be independent of the Tribal gaming operation, and shall be supervised and accountable only to the Tribal Gaming Agency.

(d) Reporting of Violations. A Tribal gaming inspector shall be present in each gaming facility during all hours of such facility's gaming operation, and shall have immediate access to any and all areas of the gaming operation for the purpose of ensuring compliance with the provisions of this Compact and Tribal Ordinances. Any violation(s) of the provisions of this Compact, or of Tribal Ordinances by the Tribal gaming operation, a gaming employee, or any person on the premises whether or not associated with the Tribal gaming operation shall be reported immediately to the Tribal Gaming Agency and forwarded to the State Gaming Agency within seventy-two (72) hours of the time the violation(s) was noted.

(e) Investigation and Sanctions. The Tribal Gaming Agency shall investigate any reported violation of the Compact provisions and shall require the Tribal gaming operation to correct the violation upon such terms and conditions as the Tribal Gaming Agency determines are necessary. The Tribal Gaming Agency shall be empowered by Tribal Ordinance to impose fines and other sanctions within the jurisdiction of the Tribe against a gaming employee, or any other person directly or indirectly involved in, or benefiting from, the gaming operation.

(f) Reporting to State Gaming Agency. The Tribal Gaming Agency shall forward copies of all completed investigation reports and final dispositions to the State Gaming Agency on a

continuing basis. If requested by the Tribal Gaming Agency, the State Gaming Agency shall assist in any investigation, initiated by the Tribal Gaming Agency, and provide other requested services to ensure proper compliance with the provisions of this Compact, Tribal Ordinances, laws of the Tribe, or applicable laws of the State.

(g) Quarterly Meetings. In an attempt to develop and foster a relationship in the enforcement of the provisions of this Compact, representatives of the State Gaming Agency and the Tribal Gaming Agency shall meet, not less than on a quarterly basis, to review past practices and examine methods to improve the regulatory program created by this Compact. The meetings shall take place at a location selected by the Tribal Gaming Agency. The State Gaming Agency prior to or during such meetings shall disclose to the Tribal Gaming Agency any concerns, suspected activities or pending matters reasonably believed to possibly constitute violations of this Compact by any person, organization or entity, if such disclosure will not compromise the interest sought to be protected.

SECTION 7. STATE ENFORCEMENT OF COMPACT PROVISIONS.[5]

(a) Monitoring. The State Gaming Agency shall, pursuant to the provisions of this Compact, have the vested authority to monitor the Tribal gaming operation to ensure that the operation is conducted in compliance with the provisions of this Compact. In order to properly monitor the Tribal gaming operation, agents of the State Gaming Agency shall have free and unrestricted access to all areas of each gaming facility during normal operating hours without giving prior notice to the Tribal gaming operation.

[5] **Section 7(a) and (d) were changed by Amendment #5. Amendment available upon request.**

(b) Access to Records. Agents of the State Gaming Agency shall have authority to review and copy, during normal business hours, all records maintained by the Tribal gaming operation. Provided, that any copy thereof and any information derived therefrom, shall be deemed confidential, and proprietary financial information of the Tribe. The State Gaming Agency shall notify the Tribe of any requests for disclosure of such information and shall not disclose until the Tribe has had a reasonable opportunity to challenge the request. Any records or copies removed from the premises shall be forthwith returned to the Tribe after use, unless otherwise permitted to be retained by the State Gaming Agency under this Compact. Provided further, this public disclosure prohibition shall not apply to evidence used in any proceeding authorized by this Compact.

(c) Tribal Gaming Agency Notification. At the completion of any inspection or investigation, copies of the investigative report shall be forwarded to the Tribal Gaming Agency.

(d) Cooperation With Tribal Gaming Agency. The State Gaming Agency shall meet periodically with the Tribal Gaming Agency and cooperate fully in all matters relating to the enforcement of the provisions of this Compact and immediately notify the Tribal Gaming Agency of any activity suspected or occurring whether within each gaming facility or not, which adversely affects State, Tribal or public interests relating to each gaming facility and operation. Provided, such disclosure shall not compromise the interest sought to be protected.

SECTION 8. REGULATORY JURISDICTION RELATING TO ENFORCEMENT OF THE PROVISIONS OF THIS COMPACT.

Concurrent Jurisdiction. The Tribal Gaming Agency and the State Gaming Agency shall have concurrent jurisdiction to investigate violations of the provisions of this Compact, and to

bring administrative charges, in accordance with Tribal Laws and the provisions of Chapter 9.46 RCW, Chapter 34.05 RCW and Chapter 230-50 WAC, against any individual or business entity that is licensed by the Tribal Gaming Agency or certified by the State Gaming Agency in accordance with Section 4 and Section 5 of this Compact. In recognition of the need to foster a joint regulatory program to enforce the provisions of this Compact, the Tribe consents to the exercise of jurisdiction over such administrative actions by the Office of Administrative Hearings and Superior Courts of the State with respect to such actions to enforce the provisions of this Compact. Furthermore, no state gaming license shall hereafter be issued to any other person, organization or entity within the Tulalip Tribal Lands, without the prior concurrence of the Tribe.

SECTION 9. LAW ENFORCEMENT JURISDICTION RELATING TO GAMBLING.[6]

(a) Investigative Authority. The Tribal Gaming Agency, Tribal Law Enforcement Agency, the Snohomish County Sheriff or law enforcement agencies cross deputized by same, the Washington State Patrol and the State Gaming Agency shall have the authority to investigate gambling and related crimes against the laws of the Tribe and of Chapter 9.46 RCW made applicable, that occur within the gaming facility or within Tulalip Tribal Lands.

(b) Jurisdictional Forums. Following investigation and arrest, formal charges will be brought in the appropriate venue. Criminal prosecution of non-Indians will be through the proper State or Federal courts. Indian criminal defendants will be prosecuted in the Tulalip Tribal Court, State or Federal Court.

[6] **Section 9(c) was changed by Amendment #1. Amendment available upon request.**

(c) Consent to Application of State Law. For the purposes of 18 USC Section 1166 (d) and enforcing the provisions of this Compact, and of protecting the public health, safety and welfare, and to the extent not inconsistent with other provisions of this Compact, RCW 9.46.140; 9.46.155; 9.46.160; 9.46.170; 9.46.180; 9.46.185; 9.46.190; 9.46.196; 9.46.198; 9.46.220; 9.46.230; 9.46.240; as now or hereinafter amended, including those amendments enacted by the 1991 Legislative Regular Session, set forth in Appendix "B", shall be applicable and incorporated herein as part of this Compact and the Tribe consents to this transfer of jurisdiction to the State with respect to gaming on Tulalip Tribal Lands.

(d) Exception to Consent. Except for the transfer of jurisdiction to the State with respect to gaming on Tulalip Tribal Lands contained in this Section and elsewhere for acts of individuals, nothing in this Compact shall be deemed a consent or submission of or by the Tribe to the jurisdiction and laws of the State.

(e) Law Enforcement Coordination. In an attempt to foster a spirit of cooperation between the law enforcement agencies authorized to enforce the criminal laws of the State, the Tribe and those laws affecting the public health, safety and welfare of the surrounding communities, representatives of those law enforcement agencies shall meet prior to commencement of operations and periodically thereafter to discuss mutual concerns and coordinate the enforcement actions necessary to minimize those concerns.

SECTION 10. ENACTMENT OF COMPACT PROVISIONS[7]

(a) State Gaming Agency Rules or Regulations. Pursuant to its general rule making authority contained in Chapter 9.46 RCW, the State Gaming Agency may enact as part of its rules or regulations governing gambling, all or part of the provisions of this Compact.

(b) Tribal Gaming Agency Regulations. Pursuant to Tribal Ordinance providing for its general rule making authority, the Tribal Gaming Agency may enact as part of its regulations governing gambling, all or part of the provisions of this Compact.

SECTION 11. REGULATIONS FOR THE OPERATION AND MANAGEMENT OF THE TRIBAL GAMING OPERATION.[8]

(a) Adoption of Regulations for Operation and Management. Pursuant to Tribal Ordinance, the Tribal Gaming Agency shall adopt regulations to govern the operation and management of the gaming operation conducted under the authority of this Compact. The regulations shall ensure that the interests of the Tribe and the State relating to Class III gaming are preserved and protected. The regulations shall maintain the integrity of the gaming operation and shall reduce the dangers of unfair or illegal practices in the conduct of the Class III gaming operation. The initial regulations to govern the operation and management of the Tribal gaming operation shall be the standards set forth in Appendix A. The Tribal Gaming Agency shall notify the State Gaming Agency of any intent to revise the standards set forth in Appendix A and shall request the concurrence of the

[7] **Section 10(b) was changed by Amendment #5. Amendment available upon request.**
[8] **Section 11(a) and (b) were changed by Amendment #5. Amendment available upon request.**

State Gaming Agency for such revisions. State Gaming Agency concurrence shall be deemed granted unless written disagreement within sixty (60) days of submission of the revised standards is delivered to the Tribal Gaming Agency. The State Gaming Agency shall concur with the proposed revisions upon request, unless it finds that they would have a material adverse impact on the public interest in the integrity of the gaming operation, and shall disagree with such portions which are determined to have a material adverse impact upon that interest. If the State Gaming Agency disagrees with the request, it shall set forth with specificity the reasons for such disagreement. Upon a notice of disagreement, the parties shall meet, and in good faith try to resolve the differences. If unsuccessful, the matter shall be resolved pursuant to Section 12(c) of this Compact.

(b) Additional Operational Requirements Applicable To Class III Gaming. The following additional requirements shall apply to the gaming operation conducted by the Tribe:

(i) To ensure integrity, the Tribal gaming operation shall maintain the following logs as written, or computerized records which shall be available for inspection by the State Gaming Agency in accordance with Section 7(b) of this Compact: a surveillance log recording all surveillance activities in the monitoring room for each gaming facility; a security log recording all unusual occurrences for which the assignment of a Tribal Gaming Agency employee is made.

(ii) The Tribal Gaming Agency shall establish a list of persons barred from each gaming facility because their criminal history or association with career offenders or career offender organizations poses a threat to the integrity of the gaming activities of the Tribe. The Tribal Gaming Agency shall employ its best efforts to exclude persons on such list from entry into

each gaming facility. The Tribal Gaming Agency shall send a copy of its list on a quarterly basis to the State Gaming Agency.

(iii) The Tribal Gaming Agency shall require the audit of the Tribal gaming operation, not less than annually, by an independent certified public accountant, in accordance with the auditing and accounting standards for audits of casinos of the American Institute of Certified Public Accountants.

(iv) The Tribal Gaming Agency shall notify the State Gaming Agency of the rules of each game operated by the Tribe and of any change in such rules. Summaries of the rules of each game relevant to the method of play and odds paid to winning bets shall be visibly displayed or available in pamphlet form in each gaming facility. Betting limits applicable to any gaming station shall be displayed at such gaming station. Rules for games identified in Section 3(a) shall be based upon such games as commonly practiced in Nevada, including wagering, as do not fundamentally alter the nature of the game as the Tribal Gaming Agency may approve. Rules for games identified in Section 3(a) shall be submitted to the State Gaming agency for review, which review shall determine if said rules do not fundamentally alter the nature of the game. The Tribe will provide the State Gaming Agency ten (10) days advance notice of the rules of each game and any modifications thereof, and will provide adequate notice to patrons of the gaming operation facilities to advise them of the applicable rules in effect. In the event of a dispute, the matter will be handled in accordance with Section 12(c) of this Compact.

(v) The Tribal gaming operation shall maintain a closed circuit television system for each facility in accordance with the regulations set forth in Appendix A, and shall not modify such regulations without the agreement of the State Gaming Agency. The Tribal gaming operation shall provide the Tribal

Gaming Agency and the State Gaming Agency with copies of its floor plan and closed circuit television system for each facility and any modifications thereof for review by the Tribal Gaming Agency. If a floor plan or closed circuit television system does not provide unobstructed camera views in accordance with such regulations, the Tribal Gaming Agency shall modify such floor plan or closed circuit television system in order to remedy such deficiency. The Tribal Gaming Agency shall forward a copy of each floor plan and closed circuit television system to the State Gaming Agency for review and consideration prior to final approval. A single, common monitoring room may be used for both facilities if such is deemed adequate by the State and Tribal Gaming Agencies. In the event of a dispute, the matter will be handled in accordance with the provisions of Section 12(c).

(vi) The Tribal gaming operation shall maintain a cashier's cage for each facility in accordance with the standards set forth in Section 7(3) of Appendix A, and shall not modify such standards without the concurrence of the State Gaming Agency. The Tribal Gaming Agency and the State Gaming Agency may review cashier's cage security. If a cashier's cage does not comply with the security standards set forth in said Appendix, the Tribal operation shall modify the cashier's cage to remedy such deficiency. In the event of a dispute the matter will be handled in accordance with provisions of Section 12(c).

(vii) The Tribal gaming operation shall provide the Tribal Gaming Agency and the State Gaming Agency with a description of its minimum requirements for supervisory staffing for each table gaming pit operated in a gaming facility, and in the event that the State Gaming Agency regards such supervisory staffing as inadequate to protect the integrity of the table games, the Tribal Gaming Agency and State Gaming Agency shall promptly

confer in good faith in an effort to reach agreement on supervisory staffing requirements. If agreement cannot be reached between the State Gaming Agency and the Tribal Gaming Agency, the dispute shall be handled in accordance with Section 12(c) of this Compact.

SECTION 12. REMEDIES FOR BREACH OF COMPACT PROVISIONS.

(a) Injunction Against the State. If the Tribe believes the State, whether or not through the State Gaming Agency, is in breach or default or is otherwise acting contrary to, or failing to act in the manner required by, any of the provisions of this Compact, the Tribe may seek injunctive or other relief in a court of competent jurisdiction.

(b) Injunction Against the Tribe, the Tribal Gaming Operation, or any Individual. The State Gaming Agency may bring an action to enjoin the Tribe, the Tribal gaming operation, or any individual, if the State determines that any gaming operation authorized by the provisions of this Compact is being conducted in violation of the provisions of this Compact. If any Class III activity is being conducted by others elsewhere on Tulalip Tribal Lands in violation of the provisions of this Compact, the State may also seek to enjoin that activity. Such action shall be brought in the U.S. District Court, pursuant to 25 U.S.C. s2710(d)(7)(A)(ii). For the purpose of this remedy, the Tribe consents to such suit and waives any defense it may assert by way of its sovereign immunity.

(c) Dispute Resolution. In addition to the other remedies and enforcement provisions elsewhere in this Compact and without prejudice to either party to seek injunctive relief against the other, the parties hereby establish a method of non-judicial dispute resolution in order to foster a spirit of cooperation and efficiency in the administration and monitoring of

performance and compliance by each with the terms, provisions and conditions of this Compact. Unless other procedures and time frames are elsewhere set forth in this Compact, then and in the event of a dispute or disagreement between the parties regarding the implementation and compliance with this Compact where referenced herein or otherwise by mutual agreement of the parties, such and same shall be redressed as follows:

(i) Either party shall give the other, as reasonably proximate to the event giving rise to the concern, a notice setting forth the issues to be resolved;

(ii) The parties shall meet and confer not later than ten (10) days from receipt of the notice;

(iii) If the dispute is not resolved to the satisfaction of either within twenty (20) days of the first meeting, then the party may seek and cause to have the dispute resolved by and in accordance with the policies and procedures of the Judicial Arbitration and Management Service of Seattle, Washington (JAMS);

(iv) The hearing, unless another date is stipulated to by the parties, shall occur no later than fourteen (14) days from Judge(s) selection before a JAMS judge or judges of agreed selection by the parties, but in the event no agreement is made, then as selected by JAMS;

(v) The hearing shall occur at a time, place and location of mutual selection, but if such cannot be agreed to, then as selected by JAMS;

(vi) The decision of JAMS shall be final and unappealable and if the party against whom sanctions are sought or curative or other conforming action is required and not paid or performed or expeditiously undertaken to effect cure if not capable of immediate remedy, then the failure to do so shall be

deemed a default and breach of the provision(s) of the Compact at issue;

(vii) The rules of pleading and procedure of the American Arbitration Association - Seattle for commercial disputes shall supplement those of JAMS, unless the parties otherwise agree to other rules and procedures and document the same by an appendix to this Compact. Should JAMS cease to provide these functions, then the parties agree to substitute the services of the American Arbitration Association - Seattle.

(d) Sanctions/Civil Fines. The following is a schedule of civil fines for any infraction of the provisions of the Compact Sections set forth below. These penalties are set forth as maximums to be set within the reasonable discretion of the State Gaming Agency and charged and levied against the Tribe. The event or circumstances occasioning the charge and the extent and amount of the penalty for the infraction, if contested by the Tribe, are subject to dispute resolution under Section 12(c). All such penalties are subject to disposition under Section 12(e).

Violation of Terms, Conditions and Provisions of Section 3;	First and subsequent infractions: up to a maximum suspension of gaming operations within the facility not to exceed 5 days of operation (100 hours) per violation or the dollar equivalent of the net win to the Tribe from operations for the number of days of suspension, all not to exceed 30 days.

Violation of Terms, Conditions and Provisions of Section 4 - Non-Certified or Non-Licensed Gaming Employee(s)/Manufacturer(s) and Supplier(s);	(a) Employees: First infraction: Fine equal to daily net win for each day of employment divided by the number of stations in play for each day of employment. Second infraction (same person): One day's suspension (20 hours) of gaming operations for each day of employment or a fine equal to the net win for each day of employment; (b) Manufacturers and suppliers: First infraction: Up to $5,000.00; second infraction: Up to $20,000.00.
Violation of Terms, Conditions and Provisions of Section 11 and Appendix A - Violation of Same Provision;	First infraction: written warning; second infraction: up to $250.00; third infraction: up to $500.00: any subsequent violation up to $1,000.00, all to be charged and monitored on a per-violation basis on an annual basis dating from the issuance of the written warning. Provided, during the first six (6) months of actual operation only written warnings will be issued.

(e) Disposition of Civil Fines Collected. Any civil fines collected by the State Gaming Agency or the Tribal Gaming Agency pursuant to the provisions of this Compact shall be disbursed at the end of each fiscal year to the Washington State Council on Problem Gambling, a bona fide nonprofit organization. In the event the Washington State Council on Problem Gambling ceases to exist or substantially changes its purpose, then the parties agree to meet and in good faith designate a successor recipient

bona fide nonprofit organization whose primary purposes are related to addressing the ills of compulsive and/or problem gambling within the State, Tulalip Tribal Lands and neighboring communities. Provided, in the event a dispute arises, it will be resolved pursuant to Section 12(c) of this Compact.

SECTION 13. TRIBAL REIMBURSEMENT FOR EXPENSES INCURRED BY THE STATE GAMING AGENCY.

The Tribe shall reimburse the State Gaming Agency for all costs and expenses actually incurred by the State Gaming Agency in carrying out its responsibilities as authorized under the provisions of this Compact. Reimbursement shall be made for monitoring, investigative, and processing costs. With regard to administrative actions, reimbursement shall be made to the extent that costs incurred exceed the certification fees received. The State shall submit a verified, detailed statement with supporting documentation on a quarterly basis to the Tribal Gaming Agency. The Tribe shall reimburse the State Gaming Agency within thirty (30) days after the receipt of the statement of expenses. In the event a dispute arises, it will be resolved pursuant to Section 12(c) of this Compact.

SECTION 14. PUBLIC HEALTH AND SAFETY.[9]

(a) Compliance. For the purposes of this Compact the Tribal gaming operation shall comply with the following minimum standards with respect to public health and safety:

(i) National Environmental Policy Act;

(ii) Uniform Building Code and Tulalip Tribal Zoning Code; and

[9] **Section 14(c) was changed by Amendment #3. Section 14(b) was changed by Amendment #5. Amendments available upon request.**

(iii) Public health standards for food and beverage handling in accordance with United States Public Health Service requirements and Tulalip Tribal Ordinance.

(b) Emergency Service Accessibility. The Tribe shall make provisions for adequate emergency accessibility and service.

(c) Community Contribution. A sum of money equal to two percent (2%) of the net win of the gaming stations, less and except the "non-profit" gaming station(s), shall be paid by the Tribe to Snohomish County and any other neighboring jurisdictions for law enforcement and related purposes as a contribution to defer the actual or potential impacts upon those jurisdictions resulting from the operation of the Class III gaming facility, and/or other purposes as the Tribe and a jurisdiction may agree. These funds shall be proportionately shared by the such impacted jurisdictions based upon evidence of such impacts as demonstrated by each jurisdiction. The contribution shall be made annually upon the anniversary of the opening of the initial Class III facility, in the manner and method first mutually agreed upon between the Tribe and the jurisdictions involved in writing.

(d) Community Relations. The Tribal Gaming Agency agrees to be available to meet and discuss with neighboring communities any concerns regarding the impact(s) of the Class III gaming operation upon the neighboring communities.

(e) Alcoholic Beverage Service. Standards for alcohol service shall be subject to applicable law.

SECTION 15. AMENDMENTS, DURATION AND EFFECTIVE DATE.[10]

(a) Effective Date. This Compact shall constitute the agreement between the State and the Tribe pursuant to I.G.R.A. and shall be amendable and modified only pursuant to the provisions herein and shall take effect when notice of approval by the Secretary of the Interior that such Compact has been published in the Federal Register.

(b) Voluntary Termination. This Compact shall be in effect until terminated by the written agreement of both parties. Provided, should the Tribe wish to cease Class III gaming operations, the Tribe may unilaterally terminate this Compact by submitting written notice sixty (60) days prior to the date of termination to the Governor of the State of Washington. Provided, State jurisdiction shall continue until the completion of any pending investigation or court action. Provided furthermore, suspension or injunction of Class III gaming operations shall not constitute termination for the purpose of this sub-section.

(c) Other Termination - Change of State Law. If the laws of the State authorizing the activities set forth herein, as Class III gaming activities are repealed prohibiting such gaming for any purpose by any person, organization or entity, it is the State's position that the provisions of the Compact providing for such gaming would not be authorized and continued operation of such gaming would constitute a violation of the Compact and the State may bring an action in Federal District Court pursuant to 25 USC Section 2710 (d)(7)(A)(ii).

The Tribe disagrees that such subsequent State legislation would have this effect under IGRA and the Compact, but does

[10] **Section 15(d) was changed by Amendments #3 and #5. Amendments available upon request.**

agree that such an action, if commenced in that forum, is the appropriate State recourse and for such purpose the Tribe consents to such a suit and waives any defense it may assert by way of its sovereign immunity.

(d) Amendments/Renegotiations.

(i) Amendments - Mutual. The terms and conditions of this Compact may be amended at any time by the mutual and written agreement of both parties.

(ii) Amendments - Contractual. The parties shall amend through renegotiation the wagering limitations, hours of operation, size and/or scope of Class III gaming as set forth in Section 3 above upon written notice and request by the Tribe to the State if and when:

(aa) State or Federal laws are amended, expanding gaming beyond that which is now allowed under the terms of this Compact;

(bb) a State or Federal court within the State of Washington or a federal court interpreting the laws of the State of Washington permits participation in a gaming activity that was not authorized for any purpose by any person, organization or entity at the time this Compact was executed or not authorized by this Compact; or

(cc) notwithstanding any other provision of this Compact to the contrary, in the event the State enters into or amends a compact with another tribe and such agreement gives any such tribe more gaming facilities, activities, stations or higher wager limits, more hours of operation, or any combination thereof than that provided under the terms of this Compact, then this Compact shall be amended thereby upon approval and acceptance of any such increases by the Tribe and written incorporation of such amendments to this Compact provided to the State.

(iii) Renegotiation - Tribe. The parties shall renegotiate the nature and/or scope of Class III gaming as set forth in Section 3 above upon the written notice and request by the Tribe to the State if and when:

(aa) State or Federal laws are enacted allowing that gaming which is now prohibited; or

(bb) the Tribe wishes to engage in other forms of Class III gaming other than those games authorized in Section 3(a), including a Tribal lotto/lottery, off-track betting and/or horse racing track and facility.

(iv) Renegotiation - State. The parties shall renegotiate Sections 4, 5, 7, 11 and 14 upon the written notice and request by the State to the Tribe if and when circumstances and events unforeseen at the time of the negotiation and execution of this Compact occur meriting discussion and renegotiation of such provisions, provided however, if any renegotiation of Section 14 would require additional expenditures of Tribal funds, then the source and origin of such funds must be addressed and resolved. If the renegotiations are unsuccessful, then the matter shall be resolved pursuant to Section 12(c) which in this instance shall be mandatory and binding.

(v) Process and Negotiation Standards. The notices to amend or renegotiate shall include the activities or circumstances to be negotiated together with a statement of the basis supporting the request. If the request meets the requirements of this sub-section or proviso, the parties shall confer and required negotiations shall commence within thirty (30) days of the request. All matters involving negotiations or other amendatory processes under Section 15 shall be otherwise governed, controlled and conducted in conformity with the provisions and requirements of 25 USC Section 2710(d), except

the delegation of the actual resolution of an unsettled dispute under Section 15(d)(iv) pursuant to Section 12(c).

(vi) State Authorization of Additional Class III Gaming Activities. In the event the State hereafter authorizes any additional Class III activity, including electronic facsimiles of Class II or Class III gaming, the Tribe shall be authorized to conduct such activity prior to completion of the subsequent negotiations as provided in this sub-section (d), if such activity is conducted in accordance with all of the limitations and requirements of the State.

(vii) Interim Restrictions on Renegotiation/Amendments. Compact subsections 3(c), (f), (g) and (h) will not otherwise be subject to renegotiation or amendment for thirty-six (36) months from the date of execution by the parties of this Amendment, unless one of the following occurs: (1) the laws of the State or Federal laws are amended, expanding gaming beyond that which is now allowed under the terms of this Compact; (2) a State or Federal court within the State of Washington or a Federal court interpreting the laws of the State of Washington issues a decision permitting participation in a gaming activity that was not authorized for any purpose by any person, organization, or entity at the time this Compact was executed or not authorized by this Compact; (3) another tribe West of the Cascade Mountains obtains, through a Compact approved by the Secretary of the Interior, greater levels of wagering, hours of operation, size and/or scope of Class III gaming activities, than authorized by the provisions of this Compact; or (4) another tribe East of the Cascade Mountains obtains, through a Compact approved by the Secretary of the Interior, greater levels of wagering, hours of operation, size and/or scope of Class III gaming activities, than authorized by the provisions of this Compact and the Tribe can demonstrate that such levels have resulted in an adverse

economic impact on the Class III gaming operation; provided however, these interim restrictions on renegotiation/amendment shall not affect any ongoing renegotiation/amendments concerning gambling devices or renegotiation/amendments pursuant to any Tribal/State declaratory judgment lawsuit concerning the same or the settlement or mediation thereof. In the event of a dispute hereunder, this matter shall also be handled in accordance with the provisions of Compact Section 12(c) as other disputes arising under this Section 15 and other Sections elsewhere in this Compact.

SECTION 16. NOTICES.

Unless otherwise indicated by this Compact, all notices required or authorized to be served shall be served by first class mail at the following addresses:

Governor
State of Washington
State Capitol
Olympia, Washington 98504

Tribal Chairman
Tulalip Tribes of Washington
6700 Totem Beach Road
Marysville, Washington 98270

Washington State Gambling Commission
P. O. Box 42400
Olympia, Washington 98504-2400

SECTION 17. SEVERABILITY.

In the event that any Section or provision of this Compact is held invalid, or its application to any particular activity held invalid, it is the intent of the parties that the remaining Sections of the Compact, and the remaining applications of such Section or provision shall continue in full force and effect.

ORIGINAL COMPACT SIGNED BY:

TRIBAL CHAIR STANLEY G. JONES SR. ON AUGUST 2, 1991

GOVERNOR BOOTH GARDNER ON AUGUST 2, 1991