

**NATIONAL
INDIAN
GAMING
COMMISSION**

MAR 9 1998

Honorable Alex Lujan
Governor, Pueblo of Sandia
P.O. Box 6008
Bernalillo, New Mexico 87004

Dear Governor Lujan:

This letter responds to your request to review and approve the amendment to the Pueblo of Sandia Ordinance of Tribal Law: Permitted Gaming submitted on December 30, 1997. The amendment was adopted by Resolution No. 97-47 on September 19, 1997. The original ordinance was approved by the Chairman of the National Indian Gaming Commission (NIGC) on April 25, 1994. The amendment does not require approval by the NIGC because the amendment addresses issues not raised in the Indian Gaming Regulatory Act (IGRA) or the NIGC's regulations.

While I view with concern that the Pueblo of Sandia Revenue Sharing Agreement provides for substantial payments to the State of New Mexico, those provisions are beyond the scope of the Chairman's statutory review. Under the IGRA and the regulations of the NIGC, the Chairman is directed to review ordinances and amendments with respect to the requirements of the IGRA and the implementing regulations. Thus, the scope of the Chairman's review and approval is limited to the requirements of the IGRA and the NIGC regulations. Provisions other than those required under the IGRA or the NIGC regulations that may be included in a tribal ordinance are not subject to review and approval.

Thank you for submitting the Pueblo of Sandia's Ordinance of Tribal Law: Permitted Gaming for review. If you have questions or require further assistance, please contact Ms. Frances Fragua at (202) 632-7003.

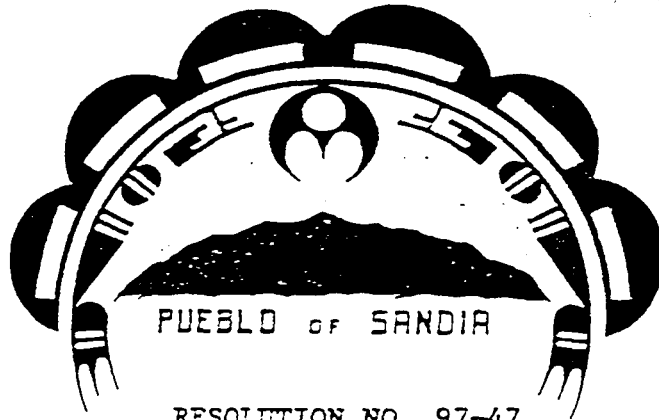
Sincerely yours,


by PJC

Tadd M. Johnson
Chairman

441 - 6 1998

COPY



Alex Lujan
Governor

Patrick G. Baca
Governor

Lucia C. Trujillo
Treasurer

Box 6008
Bernalillo, New Mexico 87004
(505) 867-3317

RESOLUTION NO. 97-47

PUEBLO OF SANDIA

ORDINANCE OF TRIBAL LAW: PERMITTED GAMING

At a duly called meeting of the Tribal Council of the Pueblo of Sandia, the following Ordinance was passed:

WHEREAS in order to comply with the terms of the Tribal-State Compact ("Compact") and Revenue Sharing Agreement ("RSA"), dated July 7, 1997, by and between the State of New Mexico and the Pueblo of Sandia, the Tribal Council of the Pueblo of Sandia intends to enact an additional ordinance regarding Class III gaming, as defined in the Indian Gaming Regulatory Act, 25 USC 2501, *et seq.*, ("IGRA"), and

WHEREAS the Pueblo of Sandia ("Tribe") has expressed, by resolution and other writings, its reservations and concerns regarding the legitimacy of HB 399 and consistency of provisions of the HB 399-mandated Compact and Revenue Sharing Agreement with the IGRA, and is mindful of statements made by the Secretary of Interior voicing the same concerns, and the Secretary's letter of August 23, 1997, to the Governors of the State of New Mexico and the Pueblo of Sandia, and

WHEREAS this ordinance of tribal law is enacted as fulfillment of the HB 399 compact which refers to the legal actions of the Tribe variously as "tribal laws," "regulations," and "enacting provisions," and in so doing, the Tribe regards the same as laws duly enacted by the Tribe, and

WHEREAS the Tribe, in adopting this ordinance of tribal law, assures the honesty and safety of its gaming enterprise and, specifically, intends to provide for the safety of patrons in the Gaming Facility, to provide for the physical safety of personnel employed by the gaming enterprise, to provide for the physical safeguarding of assets transported to and from the Gaming Facility and cashier's cage department, to provide for the protection of the property of the patrons and the gaming enterprise from illegal activity, to participate in licensing of primary management officials and key employees of its Class III Gaming enterprise, to detain persons who may be involved in illegal acts for the purpose of notifying law enforcement authorities, and to record and investigate any and all unusual occurrences related to Class III Gaming within the Gaming Facility, and

COPY

Ordinance of Tribal Law: Permitted Gaming
Page 2

WHEREAS the Tribe does hereinafter refer to certain standards contained in legislative Acts of the United States and the State of New Mexico, and regulations promulgated thereunder, the Tribe does not concede any jurisdiction to any agency of the United States or the State of New Mexico by such reference.

BE IT ORDAINED AND ENACTED as follows:

SECTION I. Gaming Activities.

The Tribe may conduct the following commercial gaming activities: any and all forms of casino style gaming, including but not limited to slot machines and other forms of electronic gaming devices; all forms of poker, blackjack, and other casino-style card games, both banked and unbanked; roulette; craps; keno; wheel of fortune; pau gow; and other games played in casino settings; and any form of lottery.

The above recitation shall not be construed as limiting the scope of gaming permitted pursuant to other ordinances, rulings, and resolutions presently in existence.

SECTION II. Tribal Laws Governing Operation.

1. Participation in any Class III gaming by any person under the age of twenty-one (21) is prohibited.
2. The employment of any person in Class III Gaming activities who is under the age of twenty-one (21) or who has not been licensed in accordance with tribal law, the Compact, and the IGRA is prohibited.
3. Standards for the gaming operation of the Tribe are equivalent to those contained in the federal Fair Labor Standards Act of 1938, the federal Occupational, Safety and Health Act of 1970, the federal Family and Medical Leave Act, and the regulations issued pursuant to those acts.
4. On any construction project involving any Gaming Facility or related structure that is funded in whole or in part by federal funds, all workers will be paid wages meeting the standards established for New Mexico under the federal Davis-Bacon Act.
5. Discriminating in the employment of persons to work for the gaming Enterprise or in the Gaming Facility on the grounds of race, color, national origin, gender, sexual orientation, age or handicap is prohibited.
6. Employment benefits will be provided to all employees of a gaming establishment, including, at a minimum, sick leave, life insurance, paid annual leave

COPY

Ordinance of Tribal Law: Permitted Gaming
Page 3

and medical and dental insurance as well as unemployment insurance and workers' compensation insurance through participation in programs offering benefits at least as favorable as those provided by comparable state programs.

7. A grievance process provided in cases of disciplinary or punitive action taken against an employee will include a process for appeals to a person of greater authority than the immediate supervisor of the employee.

8. State Department of Environment inspectors will be permitted to inspect a Gaming Facility's food service operations during normal Gaming Facility business hours to assure that standards and requirements equivalent to the State's Food Service Sanitation Act are maintained.

9. A gaming enterprise will not cash any paycheck or any type of government assistance check, including Social Security, AFDC pension and other similar checks, for any patron.

10. A gaming enterprise will not extend credit by accepting IOUs or markers from its patrons.

11. Odds will be posted on each electronic and electromechanical gaming device.

12. Automatic teller machines on Gaming Facility premises will be programmed so that the machines will not accept cards issued by the State to AFDC recipients for access to AFDC benefits.

13. Each electronic or electromechanical gaming device in use at the Gaming Facility will pay out a mathematically demonstrable percentage of all amounts wagered, which must not be less than eighty percent (80%).

14. All gaming machines on the premises of the Gaming Facility will be connected to a central computerized reporting and auditing system on the Gaming Facility premises, which shall collect on a continual basis the activity of each gaming machine in use at the Gaming Facility, and all such data be electronically accessible to the State Gaming Representative upon entry of appropriate security codes.

15. In the event alcoholic beverages are sold, served, or permitted at the Gaming Facility,

A. An employee of the Gaming Facility is prohibited from selling, serving, giving, or delivering an alcoholic beverage to an intoxicated person or from procuring or aiding in the procurement of any alcoholic beverage for an intoxicated person at the Gaming Facility.

COPY

Ordinance of Tribal Law: Permitted Gaming
Page 4

B. Gaming Facility employees that dispense, sell, serve or deliver alcoholic beverages will attend Alcohol Server Education Classes similar to those classes provided for in the New Mexico Liquor Control Act.

C. A liquor liability insurance policy that will provide, at a minimum, personal injury coverage of one million dollars (\$1,000,000) per incident and two million dollars (\$2,000,000) aggregate per policy year will be purchased and maintained..

16. Alcoholic beverages will not be sold, served, delivered or consumed in that part of a Gaming Facility where gaming is allowed.

17. The gaming enterprise will spend an amount that is no less than one-quarter of one percent (0.25%) of its net win annually to fund or support programs for the treatment and assistance of compulsive gamblers and for the prevention of compulsive gambling.

18. Any Management Contract regarding the Tribe's Class III Gaming Activity will conform to the requirements of tribal law and the IGRA and the regulations issued thereunder.

19. The operation of all Class III Gaming is prohibited for at least four (4) consecutive hours daily, Mondays through Thursdays (except federal holidays).

20. A Tribal Gaming Enterprise and the Tribe are prohibited from providing, allowing, contracting to provide or arranging to provide alcoholic beverages, food, or lodging for no charge or at reduced prices at a Gaming Facility or lodging facility as an incentive or enticement for patrons to game..

21.. The Tribe, the Tribal Gaming Agency, or a Management Contractor is prohibited from contributing directly, or through an agent, representative or employee, revenue from the Gaming Enterprise owned by the Tribe, or anything of value acquired with that revenue, to a candidate, political committee, person holding an office elected or to be elected at an election covered by the State's Campaign Reporting Act.

COPY

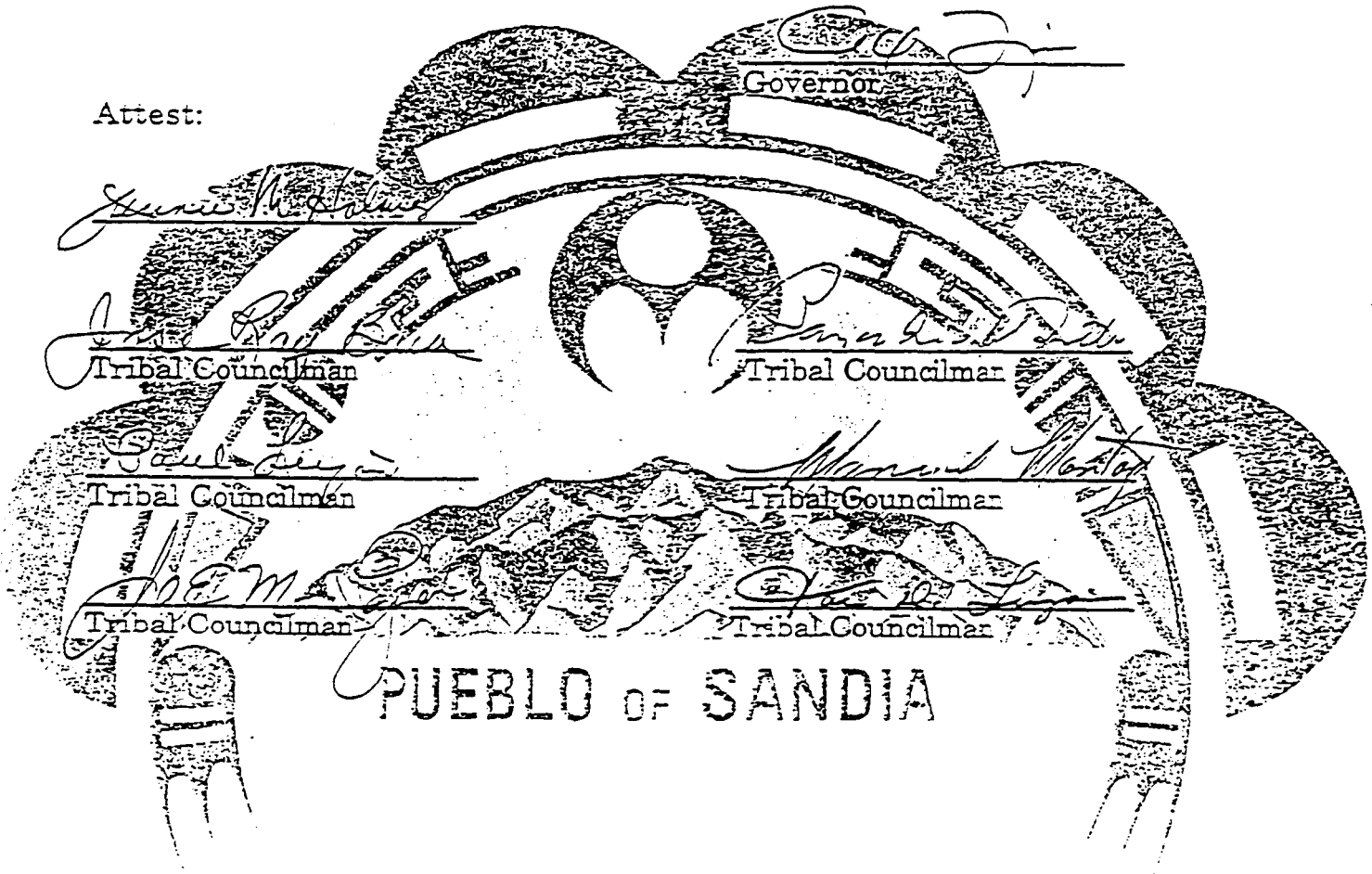
Ordinance of Tribal Law: Permitted Gaming
Page 5

CERTIFICATION

The foregoing ordinance was considered by the Tribal Council of the Pueblo of Sandia at a duly called meeting and was adopted and enacted by the Tribal Council with a quorum being present at such meeting on the 19th day of September, 1997.

For: 13; Against: 0; Abstained: 0

Attest:



Governor

[Signature]

Tribal Councilman

Tribal Councilman

Tribal Councilman

Tribal Councilman

Tribal Councilman

Tribal Councilman

PUEBLO OF SANDIA