NATIONAL INDIAN GAMING COMMISSION MEETING
MAY 4TH, 2017
MISSISSIPPI COAST CONVENTION CENTER
2350 BEACH BOULEVARD
BILOXI, MISSISSIPPI  39531
COMMENCING AT APPROXIMATELY 1:05 P.M.
MR. CHAUDHURI: Okay, I guess we'll go ahead and begin. And thank you all for being here. Before we get into introductions and, you know, more substantive part of the program, we always strive to open these Consultations in the right way. Today, we're very honored to have Mr. Glendale Willis from Mississippi Band of Choctaw available to open us up with a blessing.

(OFFERING BLESSING)

MR. CHAUDHURI: Again, Mr. Willis, thank you so much for agreeing to open us up. And this is on behalf of the Agency. And thanks to Christinia Thomas.

MR. WILLIS: Thank you, ma'am.

MR. CHAUDHURI: And so we'll go ahead and begin. I know we'll probably have some stragglers come in a little bit later, but my name is Jonodev Chaudhuri. I'm honored to be here. I'm the Chairman of NIGC, I'm Muscogee Creek, and Bengal from India.

And so again, we want to thank everybody for taking the time to be here. Consultation is extraordinarily important to all of us at NIGC. We have an ongoing commitment to never put pen to paper on a matter of substantive importance without engaging with meaningful dialogue with Indian country and regulatory partners.
I'm going to turn it over to my fellow Commissioners, who will speak a little bit more about the importance of today's discussion. But again, I want to thank you all for taking the time to be here, and I very much look forward to a fruitful Consultation today. We're going to turn it over to our Vice Chair.

MS. ISOM-CLAUSE: Thank you all for being here. It's nice to see familiar faces and some new faces, too. I really appreciate you all braving the weather. It's a small room, but for our transcriptionist back here.

As the Chairman mentioned, we're here to honor the relationship between Tribes and the Federal Government, and the best way that we can do that is through the Consultation. So we thank you all again for being here and participating with us in this process.

I think I'll also keep it brief on Chairman's starting with what he said. We're all a little tired today, I think. What I wanted to mention is that we're all developing a strategic plan that Chairman mentioned earlier this morning that will be in effect for the next four years. We're not going to talk about that directly today, but many of our topics today are part of the strategic plan. So any comments that we hear
from you will also be used to inform that process. So we'll give you more opportunity to comment on the actual strategic plan in the future, but we don't have the full details and the timing of that, so we'll let you know as that becomes available.

And finally, our door is always open. Please come speak with us at any point beyond the Consultation sessions today, and we look forward to hearing your comments.

MR. SIMERMeyer: Good afternoon. My name is Sequoyah Simermeyer. I'm a member of the Coharie Tribe, and I'm Associate Commissioner of the NIGC's Gaming Commission.

So I want to join my colleagues in thanking you all for the time it took to participate and prepare for this today, and reiterate the importance of Consultation and the opportunity that we have to define and maintain the governmental relationship that we have. So thank you for your time, thank you for your feedback both today and in the coming weeks as we work together in partnership. So thank you.

MR. CHAUDHURI: Thank you, fellow Commissioners. We have a number of housekeeping matters to discuss, but really, I want to stress that this is a conversation, it's a dialogue. And so even
though we have a number of housekeeping matters to go
over, I don't want this to be anymore formal than it
has to be. I want this to be a two-way conversation.
We're here to answer questions to the best of our
abilities, but we're also joined by many members of our
team who will serve as technical experts today who can
also contribute to the discussion.

That said, today's consultation will be
transcribed, as Commissioner Simermeyer mentioned. We
have a transcriptionist here. I would ask anybody who
offers a comment, for benefit of -- really, for the
benefit of folks who aren't able to be here today, who
will be reading the comments in transcript form, please
state your name, as well as your Tribal affiliation,
and what organization you're with. So I know we often
have a blend of Tribal leadership and regulators at our
Consultations, which we're very happy about, because as
an extension of the nation-to-nation relationship, we
absolutely value Tribal leadership input. But in
addition to leadership, we also absolutely value the
Commissions' and TGRA's input as well, because we are
regulatory partners with our fellow regulators. And so
please state your name, title, Tribal affiliation, and
the nation you are representing for benefit of the
transcriptionist.
And that leads me to another housekeeping point. This is a Consultation, so we are here primarily to hear input from Tribal leadership and Tribal regulators; however, we also recognize that Tribal nations also designate spokespeople to provide comments on their behalf. And that is fine as well. But our main priority is making sure regulators and leadership have an opportunity to speak.

Along those lines, if there's anybody here who's not representing a Tribal nation in a formal capacity, please let us know. We will have room to hear all comments if all comments from Tribal leadership and Tribal regulators have been exhausted. We want this to be a free-flow conversation, but we would like to know who's representing who. And again, that's for the purpose of honoring the nation-to-nation relationship.

So before getting into more housekeeping details, if we could go around the room, rather than introducing all NIGC folks here, we have a lot of folks who are here at the conference today, and as I mentioned earlier this morning, that's by design. We want our regulatory partners to know us by first names so that we're available to answer questions and provide assistance whenever and wherever possible. But rather
than introduce all the NIGC folks, I'll just have us introduce ourselves as we go around in a circle. Again, it's always good to know who we're sharing with. And so with that, if we could go in this direction, and we'll start with Mr. Waldo.

MR. WALDO: Good morning, everyone.

Travis Waldo, Director of Technology, NIGC.

MS. LEE: Yvonne Lee, Director of Finance for the National Indian Gaming Commission.

MS. WILKERSON: Julie Wilkerson, Tribal Attorney, Jena Band of Choctaw Indians.

MS. SMITH: Cheryl Smith, Tribal Chief, Jean Band of Choctaw Indians, Louisiana.


MS. SMILEY: Sharon Smiley, Chairman of the Poarch Band of Creek Indians Gaming Commission.

MR. STABLER: Justin Stabler, Commissioner for the Poarch Band of Creek Indians Gaming Commission.

MR. FIELD: I'm Mark Field, Director of Poarch Band of Creek Indians NGC.

MS. ALFARO: Lucia Alfaro, Gaming
Commissioner, Coushatta Tribe of Louisiana.

MS. BAKER: Trisha Baker, Commissioner, Coushatta Tribe of Louisiana.

MR. AMOS: Roger Amos, Inspector with the Choctaw Gaming Commission, Mississippi Band of Choctaw Indians.

MR. JIM: Jarred Jim, Game Inspector, Mississippi Band.

MS. CARSON: Bea Carson, Chairman of the Choctaw Gaming Commission, Mississippi Band of Choctaw Indians.

MS. COOPER: Linda Cooper, outside counsel for the Gaming Commission, Mississippi Band of Choctaw Indians.

MS. WILLIS: Glendale Willis, Associate Commissioner of the Mississippi Band of Choctaw Indians.

MR. BREWER: Steve Brewer, Training Manager for the National Indian Gaming Commission.

MS. THOMAS: Good afternoon. Christinia Thomas. I'm the Deputy Chief of Staff of the National Indian Gaming Commission. I'm also a member of the Mille Lacs Band of Ojibewe out of Minnesota.

MR. HOENIG: Michael Hoenig. I'm the General Counsel of the National Indian Gaming
MR. CHAUDHURI: And Ms. Altimus?

MS. ALTIMUS: I am no one of any significant importance.

MR. CHAUDHURI: We all know Cindy. We're very happy to have our original Director here, Ms. Cindy Altimus.

So let's go over a few housekeeping matters. Again, we don't want this to be anymore formal than it has to be. We want this to be a dialogue. But we're scheduled to go til 5:00 today. If everybody has shared what they want to share today and we are done earlier than that, there's no crime or shame in finishing early. We may very well finish early. But I do want everybody to have the full opportunity to share.

We're here to discuss a number of topics, and the way that this is all structured, we'll have a subject matter expert from NIGC provide some background for a given topic, and then we'll open that topic up for discussion, and then move on to the next topic.

At the end of all topics, we'll have a catch-all section where we allow for any additional comments regarding any of the previous topics. And if we have time, if all comments are exhausted, we want
folks to feel free to share their perspectives on any areas that NIGC could improve its work in. But let me go through those topics in the order we'll address them, and who's going to be speaking to each of them now.

First we're going to hear about Rural Outreach. And we have Steve Brewer, our Training Manager, who will be providing background on that.

Our second topic will be Developing a Strong Tribal Workforce Through Training. Again, Mr. Steve Brewer will provide background.

Our third topic will be Management Contract Regulations and Procedures. Our Finance Director, Ms. Yvonne Lee, will be providing background on that.

Our fourth topic will be Technical Standards for Mobile Gaming Devices. Our Technology Division Director, Mr. Travis Waldo, will be our subject matter person for that.

Fifth topic we'll be discussing some proposed actions regarding fees. Again, Ms. Lee will be providing background on that.

And sixth, we will be discussing Proposed Draft Guidance, Voluntary Draft Guidance Regarding Class III Minimum Internal Controls. And our Deputy Chief of Staff, Ms. Christinia Thomas, will be
providing background.

So as we go through these, I want us to keep the purpose of these discussions in mind. We value and welcome all comments. We never want folks to leave thinking, oh, I wish I had said this, I wish I had said that. If on the drive home you think of a comment that you wish you had made, we will be happy to receive written comments after today as well, and we welcome any -- we'd be very happy if you would attend our other Consultations. We have one more, let's see, one more Consultation on these topics scheduled for May 25th in the northwest area, in the Portland area. It's going to be held in connection with the timing of the Affiliated Tribes of Northwest Indians Conference. And that will be 1:30 to 5:30 p.m., May 25th. So there will be additional opportunities to submit written comments. And we encourage folks to help get the word out about attending our next upcoming Consultation.

At the end of June, we will be compiling all comments that have been received for this Consultation period, and internally compiling them and going over them, as well as the transcripts from these Consultations, to work on deliverables from this round of Consultations. We have made a commitment in the past to work with all diligence on moving forward with
potential deliverables on topics of Consultations. We thank you for your past participation. And specifically, we held previous Consultations last year on some important topics. Please keep an eye out for some deliverables in the coming weeks on those topics.

But that's how today is going to be structured. Again, I don't want this to be anymore formal than it has to be, but if there are any questions at any time, please feel free to ask. If it looks like we're going to be using all of our time, we'll try and work in a break, a stretch-your-legs break, but if we're moving along pretty quickly, we'll finish early.

So with that, I think we can move forward with our first topic. Mr. Steve Brewer, would you like to discuss Rural Outreach?

MR. BREWER: I would. Thank you. Good afternoon. The NIGC would like to consult with you on the Rural Outreach Initiative. We all know in Indian Country that most of our Tribal lands are in rural areas. Reaching out to smaller gaming operations that may not be situated near a strong market is an important initiative of the Agency.

The NIGC recognizes a likely correlation between proximity to large population centers, and the
viability of economic opportunities for those Tribes. Therefore, NIGC appreciates that its functions will likely benefit from a greater understanding of the unique needs of smaller operations.

NIGC has historically taken into account the needs and capabilities of smaller gaming operations through its regulations. For instance, NIGC's regulations for Minimum Internal Control Standards and accounting requirements differ between Tier A facilities that earn less than eight million, Tier B facilities that earn between eight and fifteen million, and Tier C facilities that earn over fifteen million. And we know from Annual Gross Gaming Revenue that the majority of Tribal gaming operations throughout Indian Country are smaller facilities with lower gross gaming revenue. Many small rural gaming operations provide their communities with much-needed jobs, but may earn little net revenue to support Tribal government services.

The Commission has a responsibility to review the regulations to assure that compliance is reasonable and achievable for all Tribal operations, while protecting the integrity of gaming as a whole. The NIGC may find through this Consultation and from your comments that current regulations could be amended to
better address the regulatory needs of smaller operations.

In addition, the NIGC provides technical assistance and training to all Tribes and enforces IGRA and its regulations to ensure Tribes are the primary beneficiaries of their gaming operations.

In order to better meet the technical assistance and training needs of small rural Tribes, the Commission is also considering creating an eighth region that would include North Dakota, South Dakota, Wyoming, and Montana. These states are currently served out of the St. Paul Region, which is the largest administrative region of the agency, and currently covers nine states, fifty-nine Tribes, and a hundred and forty-four gaming operations. To help address the need of more western Tribes in the region, in 2003, the Rapid City satellite office was added to the St. Paul Region to better the Tribal gaming operations in North Dakota, South Dakota, Wyoming, and Montana.

By splitting up the St. Paul and Rapid City offices into separate administrative regions, the St. Paul regional office would then cover only five states, Minnesota, Iowa, Wisconsin, Michigan, and Nebraska, which would consist of thirty-seven Tribes, and ninety-five Tribal gaming operations. The new Rapid
City regional office would cover four states, Montana, Wyoming, North Dakota, and South Dakota, which is twenty-two Tribes, and forty-five Tribal gaming operations. This split will not take away resources or budget from any region, and only split the resources between the St. Paul and Rapid City offices.

The NIGC would like to hear any questions or feedback, and ask specifically for any discussion and comments about whether regulatory revisions are needed that protect Tribal gaming revenue and the integrity of Indian gaming, while not burdening smaller operations; whether NIGC should adjust the way we do businesses in our training technical assistance and compliance efforts to provide better assistance where needed; and finally, with the NIGC should create an eighth region to provide a stronger connection to Tribes located in North and South Dakota, Montana, and Wyoming. Thank you.

MR. CHAUDHURI: Thank you, Steve. So we'll just open it up for questions, comments, any dialogue. And I do want to mention what Vice Chair mentioned about being tired. Thank you so very much for being here. I know many folks, like all of us, got caught up in travel weather-related delays and what have you. You know, I'm still working off of zero
sleep after having driven in from Houston this morning. So I know it's taken a lot to be here, but I think we get a lot done when we communicate with each other and work together in mutual -- in the spirit of mutual interest. And that mutual interest is, you know, supporting the integrity of Indian gaming. And so thank you very much for being here. Let's open it up to questions and comments.

MS. WILKERTON: With regard to expanding the Rapid City region, it sounds like it's not taking money, say, from this region, where you have Poarch, Mississippi, and Coushatta, and Jena represented, but could you give us a little background? It's obvious that there's a need there for Rapid City, and it seems like this may have been in the works for a little bit, and in asking our feedback, if we could understand a little more of the eastern region. BIA has asked several things sometimes, and had worked on it for a long time to get what they needed, so I just wanted a little background for that.

MR. CHAUDHURI: Absolutely. And thank you for that question. Again, Christinia over there.

MS. THOMAS: As in background, the reason that we're tying it to Rural Outreach is because of the Tribes that are in that area, and wanting to heighten
the type of -- the amount of technical assistance and
view, I guess, how often we're on the ground in that
particular area is why we're looking at trading that as
its own particular region so that we can kind of focus
more on the Tribes that are in North and South Dakota,
Montana, and Wyoming.

And St. Paul, like, administratively is the
largest administrative regional office we have, and
that's a lot of space to put on one regional office and
one regional director to try and manage everything
within those nine Tribes. So from an administrative
and from an efficiency purpose, it makes sense to split
them so that we can focus on those Tribes in those four
states.

MS. WILKERSON: I take it those Tribes are
very excited about this?

MS. THOMAS: Well, they're not objecting
to it.

MR. CHAUDHURI: Thank you for that
question. I don't want anyone to feel locked into just
the scope of the regional split.

Let me give a good example of how, you know,
honest dialogue actually leads to action on the part of
NIGC. We talk about our focus on rural outreach.
There are a lot of things that we do as an agency that
kind of blends -- that maybe falls into one or two --
I'm sorry, two or more initiatives. A good example of
that is our IT Vulnerability Assessments. And why am I
talking about that?

Let me go through very briefly our four
initiatives right now. One is focus on technology.
Another one is strengthening the workforce both at NIGC
and among our regulatory partners. Third one is
protecting against gamesmanship on the backs of Tribes.
And the fourth -- the first one I said was rural
outreach, right? I said technology. The fourth is
rural outreach.

Well, our IT Vulnerability Assessments grow
out of both the technology and rural outreach
commitments. But even though they're the brainchild of
our Director, Travis Waldo, as well as our Deputy Chief
of Staff, as well as another member of our team, Sean
Mason, they really addressed a need that came about in
a conversation very similar to this in California. We
had one regulator talking about some of the capacity
restraints that a given Tribe had, largely because of
budgetary issues. And those capacity restraints led to
quite a bit of reliance on vendors for IT services.
And this regulator raised concerns about how much they
had to rely on a vendor for IT services. And it
prompted a lot of internal discussion at NIGC about what could we do to support some of those rural communities with those capacity issues a little bit better. And that kind of helped paved the way for the great ideas that Travis, and Christinia, and Sean all came up with. I always give Travis all the credit, but I'm trying to include Christinia and Sean in there, too. But that came from just an offhand comment somebody made about having to rely on vendors, and it got us thinking and got us working on it. So it helped lead to the technology division, it helped lead to IT Vulnerability Assessments.

Please don't feel locked into just the regional discussion. We want to hear about anything that we could be doing, and anything that we do that could better support smaller or rural operations, keeping in mind, even the biggest operations typically had to start somewhere. And so we all have experience, I mean, regardless of how established an operation is, most everybody does have experience with the smaller rural challenges.

MS. ISOM-CLAUSE: I wanted to add, we have an end for the comment period, but that's certainly not the end of the discussion on Rural Outreach and on any of the other issues. These are ongoing discussions,
but we just kind of want to be able to move forward with current proposals. That's no way cutting off the conversation, so please feel free to let us know about other things you may think about, as the Chairman mentioned, on the drive home, or whenever you may think about them. Thank you.

MR. CHAUDHURI: The drive home, or sitting in the airport with a canceled flight. Whatever the case may be. I'm sorry. Knock on wood.

Anything else anybody wants to add before we move on to the next topic?

MR. SIMERMeyer: I just wanted to, before we wrapped up the discussion about the Rural Outreach, just encourage you to think about it as my colleagues have. And it's a good opportunity to both address efficiencies that can be made, and also to look at how we're preparing for innovation that comes forward. So I think there is a lot of overlap in some other areas. And for me, and I know the Chair identified this as an early initiative for him, I think there's a lot of opportunity there. So thanks for your continued thoughts about this topic.

MR. CHAUDHURI: And again, we'll have a catch-all opportunity at the end if any ideas about any of these topics come to mind. We want everybody to
feel free to bring them up at the end.

So we'll go ahead and move forward with our next topic, and that will also be framed by Steve Brewer, and that topic is Developing a Strong Tribal Workforce Through Training.

MR. BREWER: Hello, I'm still Steve Brewer.

A strong workforce is an essential ingredient to the success of any business. The NIGC believes that one of our best assets is our employees, and recognizes that this is also the case for Tribal Gaming Operations. With this in mind, the Commission has prioritized supporting a strong workforce, both within NIGC and among our Tribal regulatory partners, as one of its four initiatives.

In order to foster a strong Tribal workforce, the NIGC seeks to enhance our external training program to ensure that it continues to meet the needs and demands of the industry. To that end, we take this opportunity to update you on the direction and commitment of our training program, and to consult with you on how we can deliver a better training program to meet the needs of our Tribal Regulatory Partners.

Currently the NICG offers three types of training events. The Regional Training Conferences,
which are trainings derived from our training catalog and are based on the needs of the region where training is occurring. Regulating Gaming Technology, which is geared towards providing both an understanding of a variety of technologies on a casino floor, and strategies on how to effectively regulate and understand such technology. It should be noted that the RGT training for 2007 has been suspended to allow time to revamp the training, and to make sure new technologies are included. It is anticipated that a new RGT course will resume in 2018. And finally, Site Specific Trainings. These are trainings requested by a Tribe to meet the individual needs of its Tribal government, gaming commission, regulators, and operators.

The NIGC has developed some assessment tools that Tribes can request at no cost. The first assessment opportunity is the Information Technology Vulnerability Assessment, or ITVA. The ITVA is performed by NIGC IT auditors who complete a Vulnerability Analysis of a facility's IT system to identify potential security threats. The second type of assessment is an Internal Control Assessment, or ICA, performed by audit staff. This can be a comprehensive review of a Tribal gaming facility's
entire system of internal controls, or a limited review such as an internal audit or cage operations.

Based on the findings of either a completed ITVA or ICA, the training program can then develop targeted training specific to the need of the Tribe.

All NIGC training is developed for our Tribal customers. The training request process is used to shape and deliver training courses and programs that are uniquely tailored to each organization based on their specific needs and requests.

The NIGC training program is currently undergoing a process to revamp, revise, and update all of our training offerings.

The NIGC is committed to craft trainings that are carefully targeted to meet the evolving needs of our regulatory partners, and address high priority matters critical to safeguarding the Indian Gaming industry.

In this manner, the NIGC training program is in the process of revising its instructor-led training courses to provide for a more interactive and hands-on approach.

As a commitment to the value we have put on training, we have recently brought in additional staff to help develop our training platform and assist with
incorporating new methods of training. Additionally, we are utilizing more technology in our training offerings. We are working towards offering on-line and on-demand training and for live videoconferencing events.

With the kickoff of our current training year, the NIGC has included several new training classes, including a twelve-hour comprehensive training for Internal Audit, a twelve hour hands-on workshop for TICS/SICS development, a new Gamesmanship 2.0 training, and a new IT training relating to auditing the Class II control standards as, a part, 543.20. Each training is designed to be interactive and a hands-on approach. We are in the process of revising our full training catalog to reflect these new training opportunities.

In 2016, the NIGC instituted Knowledge Reviews in certain audit courses. The intent of the Knowledge Review is to review the effectiveness of our training. The testing is performed at two points: First upon completion of a training class to understand what the student learned; and second, another test is performed ninety days later to see if the student retained the information.

For 2017, the NIGC is expanding the Knowledge Reviews for all courses offered by the NIGC.
The NIGC is interested in learning from you about what our training program can do to meet the needs of your operations, what additional types of training or events you would like to see, what more can our training program do to help Tribes stay abreast of emerging trends in Indian Gaming, including technological development such as online and on-demand training, Smartphone, or tablet apps, or other technology. Or do you have any other comment or concerns you would like to share? We look forward to hearing from you. Thanks.

MR. CHAUDHURI: Thank you, Steve. This is a very comfortable crowd. You guys are on a good path. We'll take that as a vote of confidence. Silence is a good thing.

MS. WILKERSON: Julie Wilkerson, Jena Band of Choctaw Indians. It's really a comment. Based on the recommendation from Keith, the Tribal Council asked for the Internal Control Assessment last year. Ms. Altimus, Cindy, came, Rest West, we got to know Rest very well, and I was trying to remember from IT, we got the IT golden bill to hand the ICA. And it resulted that this year when we turned in our AUP, or I think we'll give credit also for the ICA, and the Chief will agree that our compliance folks at the casino were so
happy because the number of findings, or the things that were noted in our AUP audit were substantially down. And I think a lot of that was helpful because they got the findings from NIGC. Management took it to heart, and I think they began working on it to make changes and corrections, and just making a more efficient better way to do things.

So my comment is, thank you for offering this. I think we are seeing results at Jena Choctaw casino as a result of Keith's recommendation and everyone coming in from NIGC and being there on site. And it's not just, you know -- of course management's first thing was, they're going to be here how long; they're going to be doing what? But it's really good, because they came in and met with Council, and Commission, and Management to say, here's what we're doing, laid it all out, and then hands-on, and were right there for several weeks. We found it very helpful. And the results are, look at our AUP. And we still have things that I think everyone will always have, but this was helpful. So just a comment.

MR. CHAUDHURI: Thank you so much, Ms. Wilkerson. That's exactly how it's supposed to work. I mean, the idea is these assessments are one of the purest forms of technical assistance that we can
provide. And so it's always more efficient to work to address things early in a collaborative fashion rather than let things get to the point that they have to be addressed solely through the compliance arm of things. And so if we can flag things early and put together a plan about how to address them as quickly as possible, that's kind of the gold standard. So thank you so much for that.

MS. WILKERSON: Kudos to Keith, because, you know, Council tries to keep up, I try to keep up with, but this was, we thought, fairly new, but Keith made the recommendation on his visit, and it's probably not something we would have really been aware of if he hadn't said, you know, you've been open long enough, probably you might want to think about this, not saying you have to or anything, but this recommendation is available to take advantage.

MR. CHAUDHURI: All right. And thank you, Keith. And thank you for that comment, Julie.

MR. MCGHEE: Daniel McGhee with Poarch Creek. Just a suggestion that I know our Commissioners, we have seven Commissioners, so we usually get about one new Commissioner every year that usually comes in starting from scratch not knowing anything. And we get a lot of requests to attend these
verification programs that NIGA offers, which is a pretty expensive little program, but it goes over you've got to take Class I, Class II, Class III before you can be officially certified. And that might be something to consider. I don't know if you guys can do that, if there would be some kind of certification program for new Commissioners, or something like that, so that they can go, here's everything you need to know from A to Z as a new Commissioner, or someone who's just wondering, and yours may be free, of course, and that's good.

MR. CHAUDHURI: And thank you for that question and for that comment. I'll turn it over to Christinia and Steve in a moment, but a couple of things come to mind.

So we take great care to make sure that we are supportive of our regulatory partners as we can be. So for that reason, we recognize the role that TGRAs play in certifying qualifications for their giving Commissions. We typically don't do certifications ourselves. That doesn't mean we don't do the training. And actually, we support a lot of training that NIGA does. And we have a pretty good relationship with NIGA, and we try to be as helpful in that area as we can be. But whether we call it certification, or, you
know, following a curriculum set forth in our trainings, the point is, we do want to provide as much meaningful training as possible. But I don't know if you want to add more to that. But we have been asked about certifying in the past, and there's some specific reasons why we don't do that, and it's only because we typically haven't created a regulatory requirement that's not provided for in IGRA.

Do you want to add to that?

MS. THOMAS: I can try.

MR. CHAUDHURI: Maybe I was so thorough.

MS. THOMAS: So yes, we have been asked if we could do a certification similar to NIGA. And there is a reason we can't do a certification, but right off the top of my head, I can't remember it, so I didn't have as bad a travel as the Chairman did, but my travel yesterday was not all that exciting either, so I'm tired today, too. But Dan, I mean, I have your contact information, so I can get back to you with the specifics of why we can't do a certification, because there is a reason as a Federal Agency why we can't. I can't remember right now why. And Mike can't remember either. I was trying to dump it on him.

MR. CHAUDHURI: But we still support the big picture of getting folks trained up as much as
possible. So we'll do the substance, it's just, you know, the certificate. And thank you for that comment. And let me just kind of add one -- well, I think that covers it.

MR. MCGHEE: And I'll say, this is not knocking NIGA's certification, it's very good certification, but some Commissions just don't have that kind of funds to do that, you know, because you're talking it's a separate trip each time, a separate hotel, separate airfare to do it. So it would be a good option, something for those Commissioners or people of the Commission to do.

MR. BREWER: Just one thing I would add to that is one of the things that we've recently done is we've acquired some webinar software. The plan is that we're going to start offering webinar-based training. We'll be in D.C. We'll open it up to regions. And trainings that would be valuable for new Commissioners would be included in that webinar-based training. That way they can just get behind a computer, watch the training, and receive it that way. It limits expense all the way around for everybody involved.

MR. CHAUDHURI: Again, thank you for that comment. During the break after today's panel, we had the CEO of Chumash talk about ways that we could bring
-- I mean, we could help bridge communications between operators and regulators. I mean, we're open to innovative ideas for trainings that, you know, there's Proof of Attendance, I don't know if we call it a certificate, but anyway, we definitely want to get the regulators what they need to go back to fulfill their own internal requirements, but we have limitations.

MR. WILLIS. Glen Willis of Mississippi Choctaw. I've just got a question on the IT assessment. Do you guys work in conjunction with management, or just a regulatory body? The reason I'm asking that is we did one through GLI. And once the reports came in, we reviewed it with management on the concerns that were there, and shortly thereafter, their IT director left, and we never really got a response on the fix. At that time, we didn't consult with management, we conducted through GLI on our own.

MR. WALDO: Travis Waldo, Director of Technology. Yes, the program is designed to work with both operators and the Commission. When we send out the questionnaires and then we send out the waivers to have the information actually signed so we can be on site, we look for two signatures. We look for one from operations, and one from the Commission, so that way, everybody is on the same page, they know when we're out
there, what we're doing. And when we're finished with
the assessment and we create the report and we sit down
with you and go over it, we try to sit down with
operations, IT, whoever is there, and anybody from the
Commission that you want there as well.

MR. WILLIS: Thank you.

MR. CHAUDHURI: Does that help?

MR. WILLIS: Yes.

MS. WILKERSON: Just as a follow-up, maybe
it will be helpful, I know when they came in last year
for our IT, they actually set up in the -- set their
computers and everything up in the Gaming Commission
office, which is right behind the casino, and were able
to work with the Commissioners, but also then had IT
right next-door, and they were coming in, and so they
worked very well with Commission in their office, but
then IT was in and out, and they were on the floor
looking at everything, so, you know, we found it to be,
you know, a hand in glove between Management, and
Commission, and the NIGC.

MR. CHAUDHURI: And thank you, Julie. And
just to add a final point, I think it's already been
made, but as opposed to private assessments, I don't
want to say our assessments are free, it's more --
they're more pre-paid, because everything we do is
funded by travel fees, but there's no costs associated for the assessment itself. Again, we see it as a valuable service, and helping support the integrity of gaming. So that's why we do it.

Great comments so far. And I just brought up the idea about the operators and regulators discussions. You know, I don't want us to be limited by even how we frame these topics. If you have ideas regarding training, please share them with us.

Okay, any other comments before we move forward with the next topic?

MS. CARSON: Bea Carson, Mississippi Band of Choctaws. I'm going to ask a question, but I'm going to refer to our lawyer here.

Mississippi has passed a --

MS. COOPER: Linda Cooper, Counsel for the Commission.

At a CLE yesterday, I understood that it appears that Mississippi has passed legislation that would allow certain types of fantasy sports wagering and so on. The Mississippi Gaming Commission is currently working to promulgate regulations that would be applicable to operators who do that type of sports betting. I think the chairwoman raised the good question with me as to whether there are any related
regulations that NIGC has promulgated or will
promulgate relative to that aspect of gaming?

MR. CHAUDHURI: Well, this may be a
question for others, Mike or Travis, to elaborate on.
But we implement IGRA, and IGRA talks about gaming on
eligible. Eligible Indian lands defines gaming. And
so we're governed by the definitions of IGRA.

And so what we look at is whether or not the
activity -- well, first of all, do we have jurisdiction
over the matter, are we talking about gaming on
eligible Indian lands, and second, are we talking about
gaming. And so I don't -- I never like to speak in
generalities, because all of the -- there are a lot of
types of games out there. And differences matter about
whether or not they fall into, first, the definition of
gaming, and second, what type of gaming, Class III,
Class II. And if they're a Class III, what do the
Compacts say about them. So that's the lens that we'll
look through at that.

Now, there have been larger discussions about,
you know, national legislation for these types of
activities. We just apply the law as written. But
that's a whole lot of talking without saying anything
in particular. But I mean, the point that I'm trying
to make is, regardless of how vendors are framing
certain types of games, we look at the definitions of gaming. Is it Class III? If it's Class III, what do the Compacts say about it in determining our rules? So we would rely on our existing framework as we analyze whether or not we have jurisdiction over anything. And again, zero sleep. Zero sleep today.

MR. HOENIG: I can say that general counsel are looking at it so we can figure out how to advise the Commission as well as the compliance folks. But I know it's not new, but it seems to be kind of ramping up, so that's why we're just kind of -- we're trying to figure it out. And also, you talk about fantasy sports, and you think of one thing, but really, it's thousands of different things. So it's such a game-specific thing, it's hard to kind of figure out, when people say fantasy sports, exactly what they even mean by that. So that's something we're working through as well.

MR. CHAUDHURI: Do you hear how crisp his answer was? This guy, his flight came in day before yesterday, so he's the only one of our team that actually got eight hours of sleep last night. He's making us all look bad.

But thank you for that question. I don't know if that was a helpful answer.
MS. COOPER: Thank you. It is. We just sort of, just as of yesterday, have begun to think through what that would mean for that aspect of gaming on the Reservation. But it's helpful to have just your top-of-the-head thought of that from NIGC's standpoint. So thank you.

MR. CHAUDHURI: Let me flip it on its head a little bit, and just something for regulators to think about.

So regardless of what a state does, I mean, Tribes have a role in regulating gaming activities within their own eligible Indian lands. So regardless of what state law says, whether it's fantasy sports, or any online activities, you know, I think as regulators, we should always be looking at our authorities and our jurisdiction within our lands. And some of the games that are out there, some are geofenced, some aren't. Back to Mike's point, every game is different, and it really depends on the guts of the game that you're discussing. But you know, the regulatory bodies, the TGRAs have quite a bit of authority within their own spheres. And so I don't know if that's always on, you know, on the minds of the folks who are drafting legislation or proposing new games, but there is a role for Indian country in terms of being the primary
regulators of gaming within Indian lands. Great question. Thank you.

Additional comments on training before we move forward? Okay, we will have a catch-all at the end. We'll move forward with our third topic, which is Management Contract Regulations and Procedures.

Before hearing from Director Yvonne Lee, I do want to say that even though the word gamesmanship isn't mentioned here, Management Agreements and the Agency's role in approving Management Agreements have a lot of interaction with our responsibility to ensure that Tribes are the primary beneficiaries of their operations. So we take our role in performing our responsibilities and the approval process very seriously, because we recognize the fiduciary responsibility that we have to Tribal nations when we process these Agreements, and we're always looking for that perfect balance between making sure that we do everything we can to uphold our responsibilities, but also not creating roadblocks, or artificial roadblocks to economic development. So we understand that the approval process takes some time. It's a very thorough process, but it's thorough because we have a responsibility to fulfill. And many of the folks in this room have been through that process. We certainly
have ideas about areas of improvement, but we're really interested in hearing yours.

So with that, Director Lee.

MS. LEE: Good afternoon. I'm Yvonne Lee, Director of Finance for NIGC.

One of the primary initiatives at NIGC is to protect against anything that amounts to gamesmanship on the backs of Tribes. Gamesmanship is our broad term for any third-party threats to Tribal assets or operations. It includes third-party interference with a Tribe's sole proprietary interest in its gaming operations. Many gamesmanship violations may occur when third-party vendor or services provider is managing some aspects of the gaming operation without an approved Management Contract, or where a management contractor is operating outside of an approved management contract. Thus, approval of Management Contract by the NIGC Chair is required by IGRA as a means of protecting the Tribe against gamesmanship. The Chair has a fiduciary responsibility to Tribes to ensure that they remain the primary beneficiary of their gaming operations.

The Management Contract and backgrounding process should also not stymie the entrepreneurial spirit of Tribes. With this in mind, the Commission is
seeking feedback and recommendations on whether changes are needed to the Management Contract and background investigation regulations. Specifically, we want input that may improve our efficiency in the Management Contract review process, but also continue to protect Tribes' sole proprietary interest in their gaming activities. To provide some context to this consultation, I'll briefly summarize the current approval process. Then we will open the floor for questions and suggestions.

The Management Contract is any contract, subcontract, or collateral agreement between an Indian Tribe and a contractor, or between a contractor and a subcontractor that provides for the management of all or part of the gaming operation.

Detailed requirements for a Management Contract can be found on our website. To commence the review and approval process, submitters must submit a Management Contract and all relevant documents in accordance with 25 CFR Parts 531 and 533 to NIGC.

The Chairman must also make a determination that a manager is suitable to managing the gaming operation. The background investigation process is an important component of the submission. Background information must be submitted for all persons and
entities that have a financial interest in or
management responsibility for the Management Contract
as identified in 25 CFR Part 537.

Once a contract is submitted to the NIGC, they
are processed and reviewed based on the order received.
We've distributed three handouts to help you understand
our review process. The first handout is the Process
Flow Chart. The second and third handouts are the NIGC
Checklists for Management Contract Review and
Background Information. You can also print the
checklist from NIGC's website.

As you can see on the Flow Chart, which
illustrates the process flow of Management Contract
review, once a submission is received, it will
immediately be distributed to all staff involved to
start the review process. We will first send out a
submission letter to inform the parties if there is any
information and/or documents still missing. Then the
staff in both the Division of Finance and the Office of
General Counsel will conduct a review for their
respective area, as outlined on the Flow Chart. During
the review process, there will be internal discussions
and meetings among the NIGC staff to coordinate the
review and monitor the status. After the review is
completed, we will send out an issue letter to notify
the parties if there are any issues with the Management Contract. In addition, the NIGC staff will work with the parties to help them understand the issues, if necessary. Please bear in mind that sometimes it might take a few rounds to resolve all issues.

The length of the NIGC review is dependent on several factors, which can include the number of prior applications received and already in the review queue; the completeness of each submission, the responsiveness of the parties and compliance with existing laws and regulations; and the complexity of the submission and those subject to background investigation.

Once all issues are clear and the submission is complete with all necessary documents, then the Chair has one hundred eighty days to approve or disapprove the Management Contract.

The NIGC Chair may approve a Management Contract if it meets the standards of Parts 531, 533, 535, or 537. If the NIGC Chair learns of any actions or conditions that violate the standards, or the manager deliberately or substantially fails to follow the terms of the Management Contract or Tribal Gaming Ordinance, the Chair may disapprove a submitted contract, or void the contract, or require modifications of an approved contract. If submitters...
find the Chair's determination unsatisfactory, they may appeal the decision.

If a Tribe wants to amend a term of an existing approved contract, or simply extend the original approved contract, pursuant to 25 CFR 535, it must submit an amendment and relevant documents, including a letter from the Tribal Chairperson, and associated resolutions, as well as background investigation applications.

For new individuals and entities, background investigations are required. Individuals or entities previously found suitable may also need to have their background investigations updated, depending on the length of time since their last background investigation.

We would now like to take this time to hear from you. Do you have any questions about the process or regulations, or any suggestions as to how the NIGC can improve its efficiency in processing these applications and providing technical assistance? Thank you.

MR. CHAUDHURI: Thank you, Ms. Lee. So the floor is yours.

MS. WILKERSON: Julie Wilkerson, Jena Band of Choctaw Indians.
As the Commission knows, we just recently had an approved Management Contract November 9th of 2016. It did take some time. I guess my comment on that is I think we had to do an updated business plan and include financial projections, and I think ours was not a new contract, it was an amendment of an approved Management Contract, and I think that may have slowed down some of our -- that and the fact that you had other management contracts that were in the process, and more so than normally you would have, I think, so there was some restructuring, I believe. We spoke about that last year.

But I guess we did an updated business plan that included the financial projections for the refinancing, because you requested it. I think we thought, we're not a new contract under the regs, we're an existing contract with just an amendment, but we want to do and comply with whatever you needed, but I think that kind of slowed us because there was a lot of attention to the financial part of that, which we thought was pretty self-evident for the Tribe, that it was going to be a good thing.

So I guess my comment on that is that that seemed to, you know, maybe slow our process down, recognizing that you did have other ones in front of
it. And not to take away from we certainly appreciated the way y'all worked with the Tribe and took note of and were willing to meet with us whenever we requested when we were in your area. So just as a comment, because we certainly were appreciative.

MS. SMITH: And everything you said is exactly what we went through, it sounds like. That's what we did. We answered back, and then it was a process. But we had to do it. We had to do it, so we are thankful, and we got through it. It took quite a while, but we thank all of you for what you did.

MR. CHAUDHURI: And thank you for that. So this is the challenge. As I mentioned before, we've got a fiduciary responsibility to make sure that the Tribe's interests are protected, but at the same time, time is of the essence, and most of these Agreements have financing aspects to them. And so, you know, on one hand, you need to be as thorough as possible, but on the other hand, you need to be as streamlined as possible. So how that may play into any specific tweaks, you know, we're always open to those ideas. But thank you so much for understanding. It is important for us to move as quickly as possible, but being thorough with the challenge. And Yvonne's team does a great job.
MS. LEE: And I just want to add, we all know waiting is always painful, waiting in a line, or waiting for responses. But if you're waiting for us, you can always reach out to us and ask where we stand and all that. And the Jena Band is a very good example. We asked, they delivered, so that's kind of the responsiveness we're looking for from the parties.

And as we review the Management Contract, I mean, it's not like there's a book saying how you review Management Contracts. So as we review it and we are trying to help the Chairman exercise his position as a Trustee, we are looking after the Tribe's interest, so that's why we were asking for the financial information.

MR. CHAUDHURI: And I like that slogan, we asked, they delivered. That's a good one, Yvonne.

MS. WILKERSON: Julie Wilkerson with Jena Band.

Also, as you know, we have come in with background investigation, and that's been an issue that kind of came up, and maybe -- we kind of think it might have been a case of first impression for you with our General Manager and now with our CFO. And just appreciate that you worked with us, and that was over a year ago that we were able to work that out, and that
issue was we had a General Manager that we needed to
hire, but he couldn't go through the background
investigation and be determined favorable without some
problems with managing without a favorable background
determination by the -- or determined to be approved by
the NIGC. But you worked with us.

And I don't know if there's a thought about
putting those in a policy or a regulation, or if we
were just kind of a case-by-case, but it's come up now.
About a month ago, as you all know, we hired a CFO, and
he's going to go through the background investigation.
He's already submitted the application. But the way
you worked it out, if you recall, was the Gaming
Commission has issued a license to the General Manager.
The General Manager was determined to be suitable, at
the same time, though, as our approved Management
Contract, but the CFO is now going through the
background investigation, and has a gaming license by
the TGRA, and we will continue to do the NIGC
investigation.

That was an example of y'all working with us,
and we certainly appreciate it because we were between
a rock and a hard place with our management contractor,
we were paying thirty percent for a management fee, but
that included some expertise.
MR. CHAUDHURI: And thank you. That process has certainly formed our discussions since then. I don't think we've talked about putting it down in the form of best practices or a bulletin, because each one of these Agreements is so fact based, I mean, fact specific in terms of the issues that need to be addressed. But certainly if there are things that we should consider for possible regulation or policies, I don't know, maybe we can continue to discuss it. I'm not sure how it would apply to lessons learned, good lessons learns through coordination to other Agreements. But it was -- we were certainly thankful for everyone rolling their sleeves up and getting it done together.

MS. LEE: Yeah. I just want to add, background investigation is really a case-by-case situation. Once you start the background -- our background investigation team started their investigation, as they dig into it, they might find some issues, or whatever, that they're going to have to look at other stuff which originally they didn't plan to do that. So it's hard to put in all regulation or policy to cover all the things that's going to happen, because a lot of it, it's kind of as we go and what we discover.
MS. WILKERSON: Julie Wilkerson. Just briefly, and this is a thank-you, because I know that the management company pays for the background investigation, they submit their application, we don't ever see that, but the NIGC investigators have always kept the Tribes, as far as I know, Lee has always kept the Tribe informed of any issues that may come up. And if there is anything, he insists on a call that included the Tribe's management and all applicable parties, which we certainly appreciated.

MR. CHAUDHURI: Thank you. It's great to hear. That's where our responsibility lies.

Any additional comments or questions regarding Management Agreements before we move on to the next topic? And I think we're doing pretty well on time here, so we had talked about the possibility of a five-minute stretch-your-legs break, but we're going through these topics so quickly, any objections to just continuing to move forward? Okay.

With that, we'll move on to our fourth topic, Technical Standards for Mobile Gaming Devices. And our Technology Division Director, Travis Waldo, will provide more background.

But before he goes into that background, we heard some great comments, I think it was in Oklahoma,
about the pros and cons of going the formal rural route -- or I'm sorry, regulatory route versus guidance on this topic. And that's something that we've been talking about quite a bit internally. But again, that's the benefit of comments at Consultation. So Travis.

MR. WALDO: Thank you, sir. Again, Travis Waldo, Director of Technology.

The National Indian Gaming Commission is considering draft language to amend 25 CFR 547.18, which would clarify and add new technical standards for wireless gaming systems and communication between mobile communication devices and mobile gaming systems. These new draft regulatory standards provide clear and specific definitions that have not been included in the regulations previously. The new standards also support security and system integrity for mobile gaming operations.

The draft language is based on input and collaboration with our Tribal partners. The intent of the new draft regulation is to support the growth and innovation of mobile gaming systems.

Portable hand-held gaming devices have been around for many years and are authorized in many state jurisdictions. Hand-held gaming devices are electronic
devices that allow casino patrons to play anywhere
within the casino or within Tribal lands, as defined by
Indian Gaming Regulatory Act, such as at restaurants,
hotels, or other amenities.

The draft technical standards for mobile
gaming devices will not authorize internet gaming.
These draft technical standards only address hand-held
mobile devices within Tribal lands.

The draft technical standards, which can be
found on our website, are proposed standards for Tribal
review, comment, and consultation. Thank you. We'll
take questions now.

MR. CHAUDHURI: Questions, comments? And
this really is an effort, and thankful for Travis'
efforts, to tee this up as a possible action. But this
really is an outgrowth of trying to provide some
helpful guidance or helpful language for fellow
regulators. This is an emerging technology, and we
realize sometimes it's helpful to have a framework to
work off of. But again, internally, we're going to be
talking about whether guidance is better than a
regulation.

Okay, moving forward. We'll move on with the
next topic. And this involves something that I think
we're all pretty excited about. It's a small but
important change to the way we -- the timing with which
we collect fees. It will allow us to synchronize our
budgeting a little more closely with our fee
collection. Yvonne will speak in more detail about it,
but I think this really speaks to our efforts to
improve efficiency as an Agency.

MS. LEE: This is Yvonne Lee again. And
don't worry, this one is much shorter.

The Commission is considering amending the
language to 25 CFR Part 514. Under the current
regulation, the Commission announces a preliminary fee
rate on March 1st, and a final fee rate three months
later on June 1st.

The proposed regulation will require NIGC to
set the fee rate only one time per year, to be
announced on November 1st. The proposed changes on the
fee rate publication day will also apply to the
fingerprint processing fee rate.

These are the proposed 514.2 changes on fee
date, and these are the proposed 514.16 changes on
fingerprinting.

By setting and announcing the fee rate once a
year, the Commission will be able to, one, improve the
efficiency of the fee rate analysis and publication
process; two, coincide the fee rate announcement with
the annual release of the Gross Gaming Revenue and the completion of the Commission's budget for the upcoming year; three, reduce the margin of error for fee calculations as the rate will only be set once within a fiscal year; four, mitigate any confusion that might arise from changing a fee rate twice a year.

In addition, the majority of Tribes have fiscal years ending either on September 30th or December 31st. Tribes' submissions of audited financial statements are required one hundred and twenty days after the end of their fiscal years. Thus, when we first use these financial statements to set the preliminary fee rate, our analysis is limited to a fractional portion of the financial audit submissions, and must be reanalyzed again after additional submissions are received at the end of April. The proposed changes will allow the analysis to take place once a year after the Commission has received all annual audited financial statements. In addition, the fee rate calculation will more accurately reflect the Commission's required operation funding which will become available by September 30th each year.

The Commission is seeking comments on the proposed changes to the time period these fee rates are published.
MR. CHAUDHURI: Thank you, Yvonne. So any questions, comments, observations? Going once, going twice. Okay, we'll move on to our sixth and final topic. Again, we'll have a little catch-all opportunity at the end to address any questions that you may have, but we'll move forward with our Deputy Chief of Staff, Christinia Thomas, who will talk about Voluntary Non-Binding Class III Guidance.

MS. THOMAS: Thank you. So as a result of the 2015-2016 Consultations, the Commission will issue non-binding Class III MICS guidance. We have issued a draft of that guidance, and are asking for your feedback before we finalize and publish. Although a guidance document does not require a formal notice and comment process, the Commission recognizes the value of Tribal and industry input, and it tends to thoroughly consider all comments we receive from you to inform this guidance. The draft sixty-four page guidance document is available for you today, and is also on our website for review. The NIGC is fortunate to have so many Tribal gaming subject matter experts working for the Agency who are well-versed in operational procedures and the risks associated with them. They have been diligently working to develop this draft.

You'll notice that the draft follows the
formatting and style of the current Part 543 Class II MICS. We hope it assists those Tribes with mixed facilities to develop a comprehensive set of controls, while still enabling Tribes themselves to establish standards that best fit their needs. Exclusively Class III areas, such as gaming machines and table games, have been updated after extensive review of other jurisdictions, incorporating Tribal regulatory and current industry standards.

Additionally, those controls in Part 543 that require TGRA analysis and approval, such as variances and supervision controls, are carried over into the Class III guidance.

We would also like to consult with you on our proposed decision to suspend the existing 542 regulations. Suspension of the regulations leaves the existing text in the Code of Federal Regulation, but adds a note that they are not enforceable, and refers the reader to the guidance document. We believe that this solution accomplishes the goals of keeping the language accessible for those who need it.

Again, the guidance is being done to provide voluntary non-binding updated regulatory controls for Class III gaming areas. Because it will be guidance instead of regulations, we will be able to be much
quicker at adapting to changes in the industry, and we
are seeking your feedback on the draft guidance. And
finally, we would also like your input on the intent of
suspending the existing 542 regulations. Thank you.

MR. CHAUDHURI: Thank you, Ms. Thomas.

Questions? Comments? This is the best crowd. This is
great. Okay.

Well, at the risk of creating comments, this
really has been the product of a lot of discussions to
date with our partners across Indian country. And I
think we're pretty close to getting to a good spot
where we're able to provide assistance or something
helpful to Tribes whose Compacts reference our mix,
while at the same time respecting the limitations on
our authorities. And so always thankful for Indian
country comments, but this topic, in particular, and
those comment have helped shape our thinking on this
matter.

Okay. As promised, we do want to leave room
for any additional comments on any of the six topics
that we discussed. But if time allows, if there's
anything else that you'd like to share about ways we
could improve our operations at NIGC, we are all yours.

MS. ALTIMUS: Well, Mr. Chairman, there's
a section in the book on the grandfathered games. And
they were asking if we could discuss that.

MR. CHAUDHURI: Absolutely. So we've actually had a parallel set of Consultations specifically on the grandfathering provisions. And those have been very good discussions, very robust discussions.

I don't know, do you feel comfortable with talking about the current status of our discussions, Mike? I'm happy to as well.

MR. HOENIG: So yeah, the grandfathering system. So this is all out of 547, our Technical Standards. So the Technical Standards are put into place initially in 2008, and what the Technical Standards are, basically just that, they're a set of uniform standards that all Class II gaming systems have to be tested to. In total, for a fully compliant system, there's fifty-six standards that are tested to.

The issue that came about in 2008 was this was the very first time the NIGC had put these standards on the Class II gaming systems, and so there were all the games out there that were on the floor that were being played, all these Class II systems that were already out there that, you know, may not meet all fifty-six of the standards, and the Commission was sensitive to the idea that you can't just make everybody pull them off
and get rid of these games and now buy a whole new set of games, or whether the manufactures would even be ready to put games out at that time.

So this idea of grandfathered systems was put into the Regulation. And that was that all of these games that are manufactured before November 10th of 2008 could be kept on the floor for a period of five years. Within that five years, they need to be brought up to full compliance so that they be testful to all of the standards, or if they couldn't be brought up to full compliance, they'd have to be taken off, removed from the gaming floor.

The Commission revisited all of its regs in 2012. And as part of that, the Commission put a Tribal Advisory Committee that Christinia and Daniel McGhee were on from the Tribal perspective. I don't see anybody else in here that was on that. And then myself and former Commissioner Dan Little attended with the NIGC, as well as a lot of other staff. And under those discussions came an extension, essentially, that the sunset on all these games was taken from five years out to ten years.

And so that ten-year date is coming up next year on November 11th, 2018. And so the Commission put out some requests for information on how to address
that. Does something need to be done? Are all these
games going to be fully compliant on November 11th,
2018, and as part of those discussions, NIGA put
together a Class II subcommittee that's really been
focused on this. They've been gathering information.
I think we're still waiting on the final report, but
they've been keeping us informed on the preliminary
findings so far.

And so the Commission is essentially
considering a range of options. I'll just say the two
ends of the spectrum are do nothing, and the ten-year
period, the sunset provision closes and all the games
have to be fully compliant or they have to be removed
from the floor. On the other end of the perspective is
what we've heard from a lot of folks in the industry is
to just do away entirely with the sunset provision so
that these grandfathered systems can stay on the floor
until they just naturally matriculate, or they
naturally come off of the floor because they've reached
the end of their planned life. And then there's some,
I think some possibilities in between those two
extremes, which the Commission is also considering.

I know that we want to put out a discussion
draft for everybody's consideration soon, and it's one
of the things that I have to look at so that I can get
it back to the Commission so that that can come out and we can kind of get feedback on some of those options.

So that's the grandfathering discussion. That's kind of the latest on where we are. You know, definitely want to hear from everybody in the industry. We've heard a lot about this. Like the Chairman said, there were two full Consultations just on this, one at NIGA, and one at NTGCR in Tulsa. But yeah, we have lots of time today. And November 10th, 2018 is the sunset. I was a day off there.

MR. CHAUDHURI: This is a great opportunity. We're all in the same room. I mean, there are no limitations. That's a perfect example of a great question that helps educate us all.

With that, I'll ask one last time again, any additional questions, comments before I turn it over to my fellow Commissioners who are going to have wrap-up statements? Okay.

With that, I'll share a couple of thoughts at the end here, but I'm absolutely grateful for today's discussion. I'm going to turn it over to our Vice Chair, who may have some closing thoughts.

MS. ISOM-CLAUSE: Thank you. I think last time we were here at this conference a year ago, we held just an informal roundtable that some of you
attended, and I really appreciate you being with us here again today in a bit more formal context. But even when we're not in the region, because we can't always be here, unfortunately, please pick up the phone and talk to our staff, contact us in the Commission, and just please help us keep the dialogue going. I thank you for all your comments today. I think that's all I have.

MR. SIMERMeyer: I also want to thank everyone for their comments and their effort leading up to today, and in the coming weeks.

In general, I appreciate some of the comments and feedback that came about from people's experiences on these topics. All the topics give us a chance to improve how we do business as an Agency so that our decisions are more efficient, how we do our work, more transparent. And those evolutions and how we do business are going to help us evolve and prepare for how we as a Commission, or future Commission is able to meet the next generation of needs. And so whether it's the grandfathering issue, in terms of not just the specifics of that topic, but how we address the issue, or the wireless issues that came up, it provides a way for us to have someone who has learned about how do we best roll out your ideas and concepts, and having the
perspective of Tribal leadership and Tribal regulators, who have a responsibility to the larger of our Indian communities, to help us to better -- their specific communities is going to help us to better meet our (inaudible) roles. So thanks for your comments and continued thoughts.

MR. CHAUDHURI: And I just want to echo all of that. I know many of us may have tired minds, but just the spirit and heart of cooperation and coordination is apparent. So our minds may be tired, but our spirits aren't. We have a shared goal of strengthening the regulatory structure of Indian gaming. Thank you for your work day in and day out in that regard, and thank you for your communication, your dialogue, and your openness. And safe travels to all of you. And thank you for being here.

(MEETING CONCLUDED 2:35 P.M.)
CERTIFICATION

STATE OF MISSISSIPPI

I do hereby certify that the above and foregoing transcript of proceedings in the matter aforementioned was taken down by me in machine shorthand, and the questions and answers thereto were reduced to writing under my personal supervision, and that the foregoing represents a true and correct transcript of the proceedings given by said witness upon said hearing.

I further certify that I am neither of counsel nor of kin to the parties to the action, nor am I anywise interested in the result of said cause.

____________________________
Margaret C. Turner, CCR, RPR
NO. 1853