NATIONAL INDIAN GAMING COMMISSION

PUBLIC CONSULTATION

TAKEN ON

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DAY 2

Reported by: Kimberly S. Hanna
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JONODEV CHAUDHURI: Thank you everyone for being flexible timing wise. I think we are ready to get started. I am Jonodev Chaudhuri, Chairman of NIGC. I am proud to be here. But most important, proud to be here among tribal members.

Before we get started with formal consultation, in keeping with our important practice of opening with blessing, Ms. Barbara Collier has agreed to start us off with some words.

So thank you so much.

BARBARA COLLIER: Good morning.

Thank you for your blessings throughout this day. Be with us as we go into this consultation, provide each and everyone's words and thoughts as we try to progress and do many things for our people. Just be with each and every one and each and every tribe today as we go through our day, businesses, and leaders.

Thank you, the leaders that are here. I apologize for speaking in front of them. But just be with us, direct us and help us do the right things for all the right reasons.
Bless each one as they travel home. Have a safe journey to their homes and their families. Be with all of our elders that are sick, touch them with your greatness.

Be with our little ones. Help them grow and be strong and be leaders in our communities and our country. Be with our country, Lord, and be with all of our soldiers that are fighting.

Thank you once again, Lord, for being with us as we complete our day. Thank you for all of your blessings that you shine upon us. Amen.

JONODEV CHAUDHURI: Thank you so much.

So we are here today to begin our consult on topics. I know a lot of things are going on, a number of aspects of NIGC's Operations, consultation is important to us as an agency as an arm of the Federal Government.

We respect all of our regulatory partners. More importantly, we take every effort to fulfill our trust obligations at tribal nations consultations.

An important part of that, we have an ongoing commitment to working with and listening to agencies before putting pen to paper on any important matters of the agency. And so I thank you for taking the time to be here today. I know a lot of things are going on.
I am going to turn it over to my fellow Commissioners. But after we introduce ourselves, we will go forward with a little bit of housekeeping information. And then we will go ahead and get started.

So, again, thank you all for taking the time to be here today. Let's have a great consultation.

I'm going to turn it over to Tribal Advisor.

KATHRYN ISOM-CLAUSE: Good morning. I am Katherine Isom-Clause. We've said this a few times throughout the conference. But I think it bears repeating. So I just want to mention that, in addition to the tribe's responsibility that all Federal agencies have, our statutory purpose as an agency is to promote tribal economic development, self sufficiency and strong tribal governments. And this allows us to safeguard the benefits of our gaming for future generations.

As partners in our gaming regulations, tribal voices are, of course, essential to this work. And we thank you all for being here today.

One thing I didn't mention yesterday, I would like to briefly mention now, is we are also in the process of developing our required strategic plan.

And the topics today reflect that so the comments we hear today will be used as part of that process as well. And we don't have dates yet. But we
will be happy to review that plan and provide comments specifically on that in the future.

And, beyond that, just thank you all for being here with us today. We look forward to hearing your comments.

SEQUOYAH SIMERMeyer: Thank you. Good morning. My name is Sequoyah Simermeyer. I'm a member of (inaudible) tribe, North Carolina. I join my colleagues in saying thank you for your time and your effort in coming here today and engaging in this consultation process that we are all involved in right now.

I also want to join my colleagues in saying, as you said in the past, our appreciation and our commitment to the consultation process and the opportunity it provides to cultivate, refine, maintain our government-to-government relationship.

It is also a great opportunity for us as a Federal decision making body to make sure we make more informed decisions that are better serving.

I am excited about today's consultation. There are a number of different topics, themes that are important to each of us as members of the Commission. So whether it is discussing our fees and our transparency sufficiency, we are going to talk about the
MICSed standards, and what it means for our diplomatic
decision-making, Tribes' government-to-government
relationship. Thank you.

JONODEV CHAUDHURI: Thank you, Vice Chair
Commissioner.

So let's move forward with some housekeeping
matters. But before I begin, I do want to say this is a
nation-to-nation consultation. We respect everyone's
time. Lots going on here at NIGA. And I know various
folks have plane flights that they may need to catch.

If anybody needs to get a statement on the
record on behalf of their given nation, please raise
your hand now, and we will be happy to take statements
on the record at the front if someone has a plane to
catch.

Okay. Well, with that, again, this is
nation-to-nation consultation. We are here to primarily
hear from our partners, specifically, tribal nations and
tribal regulatory bodies.

We also understand there are likely other
representatives of tribal nations in the room. And so
we will proceed as follows: This is a Tribal
consultation. If there are any requests from tribal
leadership or tribal regulators for this meeting to be
closed, we will be sensitive to that, and we will
address that, if such a request is made.

Otherwise, we recognize that there are a number of attorneys and other representatives in the room. We will allow comment and input from those individuals. But please be clear and specific about who you are representing and whose designated authority you're operating under.

So, with that, we are scheduled to go through until 12:30 today. I always say there's no shame in finishing early. If we finish early, and everybody has had full opportunity to be heard and to ask questions, we will finish early.

But I don't want anybody to feel pressured in any way to keep their statements short. I trust that you can all be respectful of each others time. But, again, no crime in finishing early.

We have six important topics to discuss today. I'll just briefly go down that list of topics again 1) Rural Outreach. 2) Developing a strong Tribal work force through training. 3) Management Contract regulations and Procedures. 4) Technical Standards for local Gaming Devices. 5) Fees. 6) Proposed Draft Voluntary Guidance.

And I see Mr. Stevens in the corner. May I point out we are discussing draft, non-binding,
voluntary, draft non-binding voluntary guidance regarding Class 3 minimum internal controls.

For each of these six topics, we are going to have subject matter representatives, subject matter experts from the agency provide some background information. And we will open up the floor for questions and comments and discussion after each one of those topics.

At end of the all of this, we are going to have a catchall portion in which any additional questions relevant to our consultation will be heard.

I also want folks to feel free to raise other questions of relevance to NIGC. However, we will try to keep within the scope of today's consultation as best that we can. After that catchall section, we will close again if everyone has had their opportunity to be heard.

Today, we also also want to recognize distinguished alumni from National Indian Gaming Commission, Ms. Leal Echo-Hawk. We thank her for her past service As well as I don't see anybody except our distinguished Vice Chair, Ms. Liz Homer here, who is here another alumnus of NIGC, who we appreciate and respect the continued good work you do for Indian Country.

So, before we jump in, it's always good to
know each other a little bit better. We will go through
a round of introductions. But I do want to point out
that we do have a transcriptions. All statements made
today will be ultimately transcribed and be available
for public review.

However, we want everyone here to feel open in
discussing their concerns and their questions.
Therefore, I want to go back to the point that if there
are any requests to close this meeting or possibly even,
discuss matters with only tribal representatives in the
room, you know, we are happy to entertain that.

But at the end of our consultation sessions,
we will be closing the comment period. For these six
topics, we will close the comment period at the end of
June. And so July 1st will be the deadline for all
written comments to be submitted.

However, I want to encourage everyone to
participate in every fashion possible. We have
additional consultations coming up next week, April
20th, in Billings, Montana, from 1:00 to 5:00 p.m., May
4th, in Biloxi, Mississippi, as well as the week of May
23rd at a date to be determined to be held in
conjunction with affiliated tribes of Northwest Indian
Annual conference.

So there will are additional opportunities to
provide verbal comments on the record. But we always appreciate any written comments that are submitted. This is kind of a rolling consultation period. We will be reviewing comments as we receive them.

However, we will compile all the comments and the transcriptions at the end of the comment period and review those for next steps to work on deliverables from these consultation topics.

I do want to point out, we have a slightly different consultation comment deadline for the topic we discussed yesterday. And I want to inform everybody in the room. Largely in response to the request made yesterday in the previous discussions, we understand the time sensitive nature of the Class II Grandfathering Sunset Provision discussions.

And so we are going to close the deadline for those comments on May 31st. And so May 31st, we will send -- this will be available on our website. And we will send notices out.

But we are very, very interested in getting a discussion draft on that topic out as quickly as possible.

And so, again, Grandfathering Class II Sunset Provisions Consultations, our deadline will be for May 31st.
But that does not apply to the consultation topics we are going to discuss today. There's a reason we kind of segmented that topic out on a slightly different time track than these other topics.

So those are some opening ground rules, for lack of better word. We will move forward now with introductions. We have quite a few members of our NIGC Team here today. And that's by design.

We always try to be as responsive to our partners as possible and be available for working through issues. But, in addition to our day-to-day work with our partners, a lot of us are here for trainings that are part of NIGA's agenda.

So I'll turn it over first to our General Counsel. And if we could just go around the room and introduce ourselves so that we can all get to know each other a little bit better and benefit from each other's questions and comments.

MICHAEL HOENIG: Good morning everybody. My name is Michael Hoenig. I am General Counsel for NIGC.

TRAVIS WALDO: Good morning. Travis Waldo,

Director of Technology.

YVONNE LEE: Good morning. I am Yvonne Lee,

Director of Finance of National Indian Gaming Commission.
STEVE BREWER:  Good morning.  Steve Brewer, Training Manager from National Indian Gaming Commission.

FRANK HERNANDEZ:  Good morning. Frank Hernandez, Sacramento Region NIGC.

JANE ZERBI:  Good morning. Jane Zerbi, attorney, representing the United Auburn Indian Community, the Pala Band of Mission Indians and the Jackson Band of Miwuk Indians.

ED MACHADO:  Good morning. I'm Ed Machado, Chairman of the Tribal Gaming Agency for United Auburn Indian Community.

EDWINA BUTLER WOLFE:  Good morning. I'm Edwina Butler Wolfe, Governor of the Absentee Shawnee Tribe of Shawnee, Oklahoma.

KELLY SWITCH:  Good morning. My name is Kelly Switch with the Absentee Shawnee Tribe as Deputy Commissioner and member of the Absentee Shawnee Tribe.

JANICE SULLIVAN:  Good morning everyone. I'm Jan Sullivan. I'm the Executive Director of the Cabazon Band of Mission Indians.

DAVE KERR:  Good morning. Dave Kerr from Sycuan Gaming Commission, Regulations Supervisor.

JASON MARTINEZ:  Good morning. My name is Jason Martinez. Regulation Inspector of Sycuan Band of Camanche.
MICHAEL RUST: Good morning. Mike Rust from San Manuel Band Mission

NANCY GREEN: Good morning. Nancy Green with Green Law Firm, here on behalf of Senequot Bay Nation.

JAROD EASTERLING: Jarod Easterling, attorney with Green Law Firm.

ELIZABETH HOMER: Elizabeth Homer. I am principal attorney for Charter.

BARBARA COLLIER: Good morning again, Barbara Collier, the Executive Director of the Quapaw Tribal Gaming Agency, Quapaw Tribal member from Oklahoma.

GRANTHUM STEVENS: Granthum Stevens, Colorado River Indian Tribes, Tribal Counsel Member.


Ed MAZZETTI: Ed Mazzetti Gaming Commissioner Rincon Gaming. And I'm also Tribal member.

PETER LARSON: Tribal attorney for Rincon Gaming.

JOHN ROBERTS: John Roberts, Chairman of Mashpee Wampanoag Tribal Gaming Commission in Mashpee, Massachusetts.

KATHERINE OGAS: Good morning. Katherine Ogas, here from Lytton Rancheria, California.

SAVANA SAUBEL: Savana Saubel, Agua Calliente
Band, Gaming Commissioner.

KARL SLAGLEY: Karl Slagley, Agua Caliente Band, Senior Director of Tribal Gaming Commission.

PHILLIP OROSCO: Phil Orosco, Agua Caliente Band, Senior Director of Compliance. Tribal Gaming Commission.

JOHN TORO: John Toro, Agua Caliente Band, Vice Chairperson. Tribal Gaming Commission.

LAEL ECHO-HAWK: Good morning. Lel Echo-Hawk, Seminole of Florida. Tribal Attorney.

SHAWN ARAGON: Good morning Shawn Aragon, from Economic Commissioner.

KEVEN WATSON: Director of Technical Services from Video Gaming Services.

GARY LOEBIG: Gary LOEBIG. Video.

PHIL SHERWOOD: Phil Sherwood. Video King.

SHAWNA GRAY: Good morning Shawna Gray, Tribal.

JIM RYAN: Good morning. Jim Ryan, CEO of Pala Interactive.

TOM CUNNINGHAM: Tom Cunningham.

BADGER AUSTIN: Badger Austin.

TRACI SANTILLANES: Tracy Santillanes, Audit Manager, NIGC. And member of (inaudible) tribes Fort Idaho.
JOSH BENEFIL: Josh Benefil, Auditor with NIGC.

STEFFANI COCHRAN: Good morning. My name is STEFFANI Cochran, chair person for Gaming Commission.

ERIC SCHLANASKY: Region Director, NIGC.

CHRISTINA THOMAS: Christina Thomas member of (inaudible).

SHANNON O'LOUGHLIN: My name is Shannon O'Loughlin. I am Chief of staff, Gaming Commission, Oklahoma.

JONODEV CHAUDHURI: Did we miss any?

Okay. We already thanked former Vice Chair Liz Homer, as well as former Counsel, Laurel Echo-Hawk for their past service. I see another alumnus. Thank you for past service at NIGC and continued service.

So we will go ahead and jump into it. Again, Creek as well as a descendant from India. I am very honored to be here. We will go ahead and get started with our subject matter experts. We will start off with -- let's see. Shannon O'Loughlin:

SHANNON O'LOUGHLIN: Good morning everyone.

Everyone is so excited. I can feel it. I wanted to just let you all know that what we are doing here as subject matter experts is we are reading from scripts so that we are consistent in all of our consultations so
that we are giving consistent information to everyone.

But at the end of each script, we will open it up for discussion and questions. So let's get started here. So I'm talking about today our Rural Outreach Initiative.

NIGC would like to consult with you on our Rural Outreach Initiative. We are looking for feedback on how we can do a better job with our training and technical assistance for smaller and rural tribes, as well as asking if you have any feedback that will inform the commission if there are regulatory burdens for smaller rural tribes that may need some tweaking.

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 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 regulations for minimum internal control standards and accounting requirements differ between Tier A facilities that earn less than $8 million; Tier B facilities that earn between $8- and $15 million; and Tier C facilities that earn over $15 million.

And we know from annual gross gaming revenue that the majority of tribal gaming operations throughout the gaming 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 the tribal government services.

The Commission has a responsibility to review the regulations to ensure 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 the 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 beneficiary of their gaming operations.

Now, we are moving on to a Rapid City Region. In order to better meet 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 agency, which currently covers 9 states, 59 tribes, and 144 gaming operations.

To help address the needs of western tribes in the region, in 2003, the Rapid City satellite office was added to the St. Paul region to better reach the tribal gaming operations of 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), 37 tribes and 95 tribal gaming operations.

The new Rapid City regional office would cover four states, (Montana, Wyoming, North Dakota and South Dakota), 22 tribes, and 45 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 as appropriate.

The NIGC would like to hear any questions or
feedback and asks specifically for your discussion and
comments about:

1. Whether regulatory revisions are needed
that protect tribal gaming revenue, integrity of Indian
gaming, while not burdening smaller operations.

2: Whether NIGC should adjust the way it does
business with training, technical assistance and
compliance efforts to provide better assistance where
needed.

And, finally, number 3: Whether the NIGC
should create an eighth region to provide a stronger
connection to Tribes located in North and South Dakota,
Montana and Wyoming.

We are ready for your comments.

JONODEV CHAUDHURI: So we will move forward
with questions and comments. I, again, want to restate
that all comments today are transcribed. So when you
introduce yourself, please restate your name.

And if you have a name like mine that has a
lot of syllables in it, please feel free to spell your
name for the transcriptions, as well as let us know who
you're representing and what your position is.
So we welcome comments, input. Let's open the floor. Ms. Collier. And, again, I would like to thank Mr. Schalansky for all the exercise he's getting today.

BARBARA COLLIER. First off, as we all know, we look at budgets. So we would be concerned, I guess, as to what this would cost. That would initially make our need for NIGC increased.

And, secondly, though, I think it's a wonderful idea if it's within the budget and reason, I would encourage you to -- I think you made the comment about Oklahoma, one of you young ladies. And you're all very young ladies. OTGRA, Oklahoma Tribal Gaming Regulators, was started back off-and-on back in 2005 and 2006. I would encourage you, and I don't know how many other states -- Arizona, of course, I think has a large one, as well as California, but I am not sure about anyone else in their regions.

But Oklahoma Tribal gaming regulators was part of the reason to begin to start that was for training and professional and quality training within Oklahoma or within the Oklahoma area to help rural tribes because there are the most rural tribes there.

So that was part of the reason to even begin the Regulators Association to share in training and expertise. So I would encourage you to try -- I don't
know if they ask you to volunteer. I know there's some
now lately. I know Tom has been there a few times to do
training. But training that you all have respectfully
for auditing and contract writing and preparation and
things like that, if you would offer up something like
that to the hierarchy of those types of organizations
where you could kind of like you do with ATGCR and NIGA
and things like that, maybe either come in and do
training at that level for conferences or else piggy
back that so that you would share it with more.

We have 35 gaming tribes in Oklahoma alone.
And most of them are rural. So we do get a lot of
things done within our organization that wasn't being
done otherwise.

JONODEV CHAUDHURI: Excellent comment. Love
to hear from Shannon and Christina. But we also have
Mr. Steve Brewer here, who is our Training Manager. And
he works very, very hard to build those relationships,
both with specific Tribal nations, but organizations,
you know.

Steve, do you want to talk about it?

STEVE BREWER: Sure. Speaking of OTRA, we
have within the last two years, we will be there at the
end of April this year to provide four training, two
audit specific related courses, one new workshop will be
created. So we are always looking for reaching out and partnering with agencies and associations like OTGRA, NTGCR.

MS. COLLIER: Thank you. I did not attend, I don't think, the last conference. But there was another individual in your position that I had contact with. And that's great. I did see your name on the agenda. But early on, when we began, it was few and far between.

So, as a matter of fact, on one occasion, I asked for an auditor to come and train a new person that I had. And there just was not anyone available at that time. So this was many years ago. So I'm glad it is improving.

And thank you for your efforts to do that. We really appreciate that. It was really makes my heart happy to know that you're doing those things. I appreciate it.

JONODEV CHAUDHURI: That is an excellent point, though, Ms. Collier. We really want to make the trainings meaningful to the communities that we serve. And so beyond today, if there is any specific input, you may have regarding content, please let us know. We want our trainings to be specifically crafted to meet the needs of our regulatory partners. Shannon and Christina.
SHANNON O'LOUGHLIN: Interestingly enough, Ms. Collier, Steve is going to be talking about a strong workforce and is going to be talking about some of our training programs that we are implementing and what we are looking at. So we will be talking about that a little more shortly.

BARBARA COLLIER: I'll be looking forward to it. Thank you.

JONODEV CHAUDHURI: Thank you, Ms. O'Loughlin. One last thing to Ms. Collier's point about budget. We have taken a look at some of the costs involved. I think it will be minimal.

Christina, do you want to speak to that a little bit more?

CHRISTINA THOMAS: Currently, we already have space in Rapid City where we are proposing to make the regional office. So we won't have an increased expense by turning it into a regional office versus having that satellite office.

JONODEV CHAUDHURI: Thank you, Ms. Thomas. And happy birthday to Christina Thomas. Today is her birthday and she's celebrating with us.

Thank you, Ms. Collier. Any other questions or comments? Ms. Chochran?

STEFFANI CHOCHRAN: Are you also anticipating
creating another director for it and additional personnel? Are you talking about increasing personnel would Minnesota oversee Rapid City in terms of hierarchy?

SHANNON O'LOUGHLIN: Thank you, Ms. Cochran. We have staffed up over the last year. So we have a strong set of compliance officers in our St. Paul and Rapid City Region offices.

We are also looking to elevate internally for Regional Director position. So we are not necessarily looking to expand. The first thing we want to do is be fiscally responsible and make sure that we work with what we have and see if there is still a need.

So that would be our first set of -- that would be the first thing we do. And then we will see if we need to expand the Rapid City office. Thank you.

JONODEV CHAUDHURI: Thank you for the questions. Any additional comments on rural outreach?

SEQUOYA SIMERMeyer: We appreciate the comment, not just about the specific comment related to Oklahoma regional approach, but also there might be -- the first part of the discussion supposed to keep in mind thoughts about this what might be unique needs that exist in gaming operations.

I believe we had a discussion in Oklahoma.
Some of the things that might be different in another even more densely populated area. But in hearing what people's views are on that. Generally speaking. Rules that the operation might play in the communities. Infrastructure. Work force or anything else. That is useful information for us.

JONODEV CHAUDHURI: That is an excellent point. Let me add to that. These consultations are really designed to truly be engaging. We want to know what we don't know. We want to learn more about what we don't know.

Let me give a good example. We have our first Director of the Technology Division, Mr. Travis Waldo here. One of the factors in the creation of that Technology Division, and it was an important factor, was a comment that was made in a tribal meeting, such as this, in San Diego -- I think it was in San Diego actually, it was in California. But there was a comment made by one regulator, saying, "We actually don't have the capacity to have, you know, a fully staffed I.T. office. So as a matter of necessity, we have to rely on our vendors to perform a lot of I.T. work for us."

And the question was, what can NIGC do to help in those situation. Well, it's neither our statutory charge, nor a realistic possibility, that we can perform
I.T. services for every tribal nation that we serve.

But there are things that we can do. From that, Mr. Waldo helped develop I.T. vulnerability assessments. And those I.T. vulnerability assessments helped form the foundation of discussions that led to the Technology Division being developed.

And that was all from a comment received in a room such as this. So I really want to echo Commissioner Simermeyer's statement about really hearing about anything and everything we can do to -- whether it's on the operational side of things or the regulatory side of things -- serve rural communities better. So we have some ideas. But we really want to hear the ideas from our partners.

So any additional comments or concerns before we move on to -- Yes, Ms. Homer.

ELIZABETH HOMER: You guys just gave me an idea, and I wanted to share it with you. Have you considered incorporating into your training program some cross-training so that maybe tribes -- you all could be doing some of the technical training, but tribes could be providing an NIGC personnel training about Tribal Governments, about how they go about regulating on a day-to-day basis, those types of things. So it's a two-way system that benefits both the NIGC and the
Tribal regulatory arena.

JONODEV CHAUDHURI: I think that's an excellent point. We do have Strong Work Force discussions coming up in a bit. And those incorporate quite a bit of training discussions.

So far, we have been doing our best to recruit and retain some of the best and brightest from Indian country. So we are very proud of some of the newest members of our team coming from regulatory bodies in Indian country. So we are trying to cross-pollinate the best we can. The idea of cross-training -- I am not much for cross-fit. It's catching on like wild fire.

But cross-training is very, very important. So thank you for that. Ms. Collier?

BARBARA COLLIER: I can't imagine the topic that was brought up before with all the states that were covered in the new area that you're maybe, possibly, trying to expand on because Oklahoma's tribes are all compacted right there together.

But I appreciate the fact that Travis does know about rural Oklahoma. He's from there and knows all about that. So technical assistance is one of the big issues with OTGRA with coming in and I.T. and all of those things, which he's already aware of that I'm sure.

But those kinds of things are the things that,
typically, are troublesome to smaller tribes. Not all the tribes in Oklahoma have enough revenue to support those kinds of things. I have one I.T. person. And I am very fortunate, I feel, to have that.

But the smaller tribes that just have very small enrollment and monetary avenues to go down don't have that. So I know he's working and hope that he's working diligently to help those -- and that's one of the big things looking at future, whatever we have, internet, not internet, back and forth, hand-helds, and all of that stuff that is way beyond my wants and needs.

But, you know we realize, that electronics is where it's going to, down every avenue. So that's a very important position. I complement you for getting the new office. I think it's very well needed and can be very well used.

JONODEV CHAUDHURI: Thank you for that. It's a perfect segue to Strong Work Force. But I want to make sure all comments -- we will allow for all comments on Rural Outreach before we move forward.

KELLY SWITCH: Good morning, Mr. Chairman. My name is Kelly switch: That's a great idea of having cross training. I know yesterday we had a discussion with some individuals here in our casino, we have check list about Class II, actually, how machines are done
with audits, and things. So I think it would be a brilliant idea to do some of the cross-training to get the feel of how things are ran in different casinos and everything, a little bit more kind of outside of the box thing. So that's how I want to bring that up here. Thank you.

JONODEV CHAUDHURI: Thank you, sir. As a decidedly amateur poker player, I've spent a significant amount of time on the floor. So I have got some sensitivity. But its decidedly amateur. But I think it's a great idea. Thank you, sir.

STEVE BREWER: Can I just add something to this? So we haven't done a cross-training. But we have invited Tribal subject matter experts to come in for our trainings. We have always opened up the door to the regional directors when we are putting our agenda together, to reach out to the tribes. And if they know a subject matter expert from a different tribe, and they are comfortable coming to speak, we have always encouraged that. Because we understand that the process in California might be a little bit different than Oklahoma. So it's always nice to bring in that subject matter expert and invite them to speak at our trainings.

JONODEV CHAUDHURI: Thank you for that point.

LIZ HOMER: When I think about cross-training,
I am thinking about it being bilateral. So the NIGC staff is being trained and the Tribal regulators or operators are being trained. So it's a back and forth, both sides training one another.

JONODEV CHAUDHURI: And I think it's a great idea. We will discuss it internally. But these things can be rafted to the existing schedules they have in place so it's the least burdensome on our partners. I don't want to get into Steve's way. Steve knows the logistics of setting up these trainings a lot better than I do. But you can see portions built in for cross-pollenization. It's a great idea.

Okay. With that -- no crime in finishing early. Any other comments before moving on to the next topic? Just as a housekeeping topic, we have a long agenda. We are going to finish at 12:30. We can shoot for a break around 10:45 or so, just a five-minute stretch-your-legs break if you want.

But if we are moving pretty quickly, if we are pretty close to the end at 10:45, we can push through. But we will kind of discuss among ourselves whether we want to do that.

But if we are proceeding as scheduled with the idea of going all the way through 12:30, we will take a five-minute stretch your legs break around 10:45.
So any other questions or comments before we move on to the next section? There will be a catchall discussion at end.

With that, we will move on to the next topic of consultation, which is developing a Strong Tribal Workforce Through Training. This is another one of our for principal priorities at the agency. We have our Training Manager, Mr. Steve Brewer.

STEVE BREWER: Good morning. Again, I am Steve Brewer, Training Manager with NIGC. A strong workforce is essential to the success of any business. The NIGC believes that our best asset is our employees and recognizes this is also the case with gaming operations.

With this in mind, the commission has prioritized supporting a strong work force, both within NIGC and among our tribal regulatory partners, as one of its four initiatives.

In order to foster a strong Tribal work force, the NIGC seeks to enhance our external training program and 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 about how we
can deliver a better training program to meet the needs of our Tribal Regulatory Partners.

As some background, the NIGC offers three types of events: The Regional Training Conferences, which are derived from our training catalog and are based on the needs of the region where training is occurring; our Regulatory Gaming Technology is geared toward providing both an understanding of a variety of technologies on a casino floor; and strategies on how to effectively regulate and understand such technology.

The RGT training for 2017 has been suspended to allow time to revamp the training to make sure new technologies are included. We anticipate that a new RGT course will resume 2018.

And, finally, Site Specific Training 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. As Jonodev spoke about earlier, the first assessment opportunity is Information Technology Vulnerability Assessment or ITVA. The ITVA is performed by NIGC I.T. Auditors who complete a vulnerability assessment of a facility's I.T. system to identify potential security threats.
The second type of assessment is an Internal Control Assessment, or an ICA, performed by our Audit staff. This can be a comprehensive review of a tribal gaming facility's entire system of internal controls, or a specific review, such as internal audit, and or drop and count.

Based on the findings identified in either a completed ITVA or ICA, the training program can then develop training specific for that tribe.

All NIGC training is developed to support 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.

Apparently, the Training Program is revamping and revising all of our training offerings.

The NIGC is committed to craft trainings and 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 the instructor-led training courses to provide more interactive and hands-on experiences.

As a commitment to the value we 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 will utilize more technology
in our trainings offerings. We are working towards
offering online on-demand training to allow for live
video conferencing events.

With the kickoff of our current training year,
the NIGC has included new training opportunities,
including a 12-hour comprehensive training for Internal
Audit; a 12-hour hands-on workshop for Development of
Tribal Internal Controls and System Internal Controls; a
new Gamesmanship 2.0, helping regulatory detect
gamesmanship, and a new IT training relating to the
auditing of Class II control standards in relation to
543.20.

Each training is designed to be interactive
and take a hands-on approach. And 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
Reviews 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 90 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 type of trainings 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 developments, such as online and on-demand training, smart phone or tablet apps or other technology?

Or do you have any other questions or concerns you would like to share? We look forward to hearing your input and questions.

JONODEV CHAUDHURI: And Thank you, Steve. So just as a matter of process, there were some very helpful comments made regarding training and workforce development, the previous topic.

We are not going to put blinders on when we review the comments. We will incorporate those comments into our discussions on the training side as well.
So we will open up for questions and comments.

Thank you, Steve.

ED MACHADO: Ed Machado: Rincon Gaming. My question is about skill based sports. Are you guys planning on any kind of training like that? Because we are going to skill based. As a matter of fact, we are having live demonstration now and will be on the floor on the 17th.

Are you going to do any type of training or anything like that?

JONODEV CHAUDHURI: So, Steve, I know we do a lot of regional trainings, a lot of topic based training. But we do a lot of site specific tribally requested trainings as well.

Do you want to speak a little more to that, Steve?

STEVE BREWER: That's exactly where I was going to go. So with something like skill-based or gaming as far as gaming machines are going, we have don't have a current training program for that specific area.

We do have the gaming machines training trainings and Bingo training. But we can always ask you to submit a site specific training requested where you can tell us what you want. And then we can determine
whether or not we can fill those needs. And we come in and train specifically on what it is you're asking for. Probably, one of the things that we are really proud of is with our site specific training is we can really get to the level of what it is that the Tribal operations are doing. So we can tailor that training specific to the need, as opposed to regional trainings where it's going to be kind of broad based to incorporate all this training for everybody, we can drill down to that specific training.

ED MACHADO: The thing is a skill-based gaming, it's here. These sportsmanship -- as a matter of fact, I believe it's (inaudible) has a complete floor just for that. I think they are planning on being live by, I believe, it's 2018, a whole floor dedicated. MGM already has it.

And I'm sure that there's going to be a Tribal Operations that are going to start. I'm looking into that. Trainings for that may be headed that way.

JONODEV CHAUDHURI: Well, I think it's an excellent question that is kind of is interwoven with some other policy matters that we talk about frequently internally.

Our regulations are, of course, tailored, mandated by IGRA. And so our regulations kind of
implement the authorities and requirements of IGRA.

And so day-to-day regulation on some of those activities is something that we are discussing in the broader conversation above and beyond training in terms of how some of these platforms that are being developed impact our ongoing responsibilities as an agency.

So we would welcome any thoughts about regional trainings or larger trainings that might help inform best practices in the industry.

But it would be something we would have to discuss in conjunction with Steve's, you know, curriculum right now.

But if you have specifics about trainings that you think that would be helpful across the board for fellow regulators who understand that a number of communities are considering skill-based games, and on a day-to-day basis through our technical assistance functions we -- so we are always hesitant to really kind of get into the broad discussions about those approaches because the platforms that are in use are very dependent on specific technologies that, really, the nature of the platform kind of dictates what our role is.

And so separate and apart from trainings, our office of general counsel's phones are always open to work through any questions that a given community may
have about how a given game or a given platform fits
into our regulatory activity.

    So I'm a little hesitant to say we are going
to do trainings on every potential platform out there
because some platforms, frankly, are outside of our
scope as an agency.

    But given the nature of the question, I do
want to make a point that, in addition to trainings,
OGC -- and Mike is looking at me like don't throw it in
my lap.

    But our Office of General Counsel is always
open if folks have a questions about a specific -- maybe
they have been approached by a vendor with an idea for a
certain game, and they want to know, is this Class III?
Is this Class II.

    Those are very important questions. And we
would much rather prefer to work with a given nation on
the front and look at the actual platform that is being
presented and work through any potential regulatory
issues and be of service to that nation.

    Because we know communities invest a lot of
money in moving forward with those platforms. And some
are good and some are bad out there. And much rather
work on the technical assistance side of things to
provide guidance and feedback early and often.
Mike, I don't know if you want to add to that.

MIKE HOENIG: Sure. I'll just say that I know what the up and coming games are skill based. I know the east port is huge. From what I've been reading about it, it's definitely a major industry.

So I think we are looking at these at the same time a lot of folks in the industry are looking at them. But, yes, if you do have any specific questions about these games, about classifications or anything like that, how they fall into the general scope of IGRA or regulations, feel free to reach out to the Office of General Counsel.

In fact, I'll point out that Austin Badger over here is the California Region Attorney. So he's a good point of contact for Office of General Counsel for any questions you may have about that.

I think as the agency kind of figures out about these games, I'm sure that training is, as we kind of learn about the training and things like that, would be part of our, something that we are out there regulating, it would make sense to provide training on that just as anything else we regulate.

JONODEV CHAUDHURI: One last point I want to add to that. Again, back to the idea of not painting some of these emerging technologies with a broad stroke.
That is one of the reasons we developed the Technology Division. OGC, as well as Training, works closely with Travis and his team to evaluate these games, both for training purposes, as well as for technical assistance service purposes.

So I always refrain from saying, "Oh, we are going to give trainings on skill-based gaming or we are going to give trainings on -- all of these are very dependent on the guts of the games that are presented. You have to look at the guts to be able to weigh in on what they mean for classification purposes or what they mean for other regulation purposes.

So, bottom line, we are very sensitive to the interests the Tribal nations have in investing in emerging technologies. But we want to take a very measured approach in working with our partners in evaluating those games early and often and be as much service to you.

So I would much rather us approach those things through our technical assistance functions that can really get into the guts in a little bit more detail rather than addressing things in broad generalities.

But excellent, excellent question. And this speaks to a lot of kind of broader issues that as we try to keep an eye on things coming down the pike and
looking over the horizon to see what types of emerging technologies there are, we do want to be aware of, you know, the economic development investments that Tribal nations are making. And thank you so much for that, sir.

Anything anybody else wants to add to that? Excellent, question. Excellent, excellent question.

So additional questions, comments, regarding Developing a Strong Workforce? You know, some of these, I know we have broad consultation topics. Some of them are very specific in their regulatory nature, and some of them are a little more general.

But the idea is we want to hear about maybe things that we should be thinking of but we aren't. The last question is a perfect in that regard.

But all of this goes to our general approach of really listening before we do anything major so we are not locked into the idea that it just has to be a regulatory tweak that we consult on. If there are major directional issues that we are considering, we want to hear from Indian country.

So with that, any questions or comments before we move on to our next topic? And, again, we are going to have a catchall session at the end.

Okay. So before we move on to the next one, I
just want to move on to the point I just made. The next
topic is procedural in nature. We do want to hear about
regulatory tweaks that may be recommended.

But this is a good example of our consultation
approach. As a matter of administered activity, the way
we process management agreements, I think it is designed
to try and get things done as quickly as possible.

But we know the financial impact on Tribal
Gaming Operations that management agreements have, and
that the process, itself, in improving management
agreements also has a financial impact.

That's why we welcome comments, not just on
the regulation side of things -- or the regulatory side
of things. When I say "regulation," I'm talking about
C.F.R. regulations. But we also want to hear input on
our process. Many of the people in this room have
worked on the management agreement approval process with
us and do welcome those thoughts and concerns. But to
give background on that, we have our Director of
Finance, Ms. Yvonne Lee, who is going to give us a lot
more background information. We will move forward with
that consultation topic now.

YVONNE LEE: Good morning. One of our primary
initiatives at NIGC is to protect against anything that
amounts to gamesmanship on the backs of tribes.
Gamesmanship is a broad term for any third-party threats to tribal assets or operations.

It includes third-party interference with a tribe's sole propriety interests in its gaming operations. Many gamesmanship violations may occur when a third-party vendor or services provider is managing some aspect 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 contracts 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 protect against gamesmanship -- but the 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
To provide some context to this consultation, I'll briefly summarize the current approval process. Then, we will open the floor to questions and suggestions.

A manager 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 the manager is suitable to manage 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 investigation.

You can also print the checklists from the NIGC's website. As you can see on the flow chart, which illustrates the process flow of management contract review, once the 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 are any information and/or documents still missing. Then, the staff in both the Division of Finance and the Office of General Counsel will conduct the 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 issues 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 NIGC review is dependent upon 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 cleared and the submission is complete with all necessary documents, then the Chair has 180 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 these 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 to 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 or entities, background investigations are required. Individuals or entities previously found suitable may also need to have their background investigations updated, depending upon 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 NIGC can improve its efficiency in processing these applications and providing technical assistance? Thank you.

JONODEV CHAUDHURI: Thank you, Ms. Lee. As I said before, I see a lot of folks in this room who have worked under these management agreements. And we welcome all perspectives and thoughts. And we always want to do better. I think Yvonne and her team as well
OGC and the rest of us that have touched the process, we do our best. We are proud of the work that we have done. We had the honor of visiting a new facility yesterday -- was it yesterday? So much has been going on -- yesterday that opened after an approval of such a management agreement. We understand the important role the management agreements still play for some communities. And so we want to hear feedback. We will open up the floor please share comments, concerns, questions.

I'm taking that silence on a vote of approval, by the way.

ELIZABETH HOMER: Looking back to the, you know, ancient times when I was at NIGC, the management contract process has just been vexing for everybody.

You know, it takes a long time. And, you know, some of that gamesmanship -- and I think that there is a lot of gamesmanship out there -- is to circumvent the process, not necessarily because the actors are bad or there is some mal intent. It's just to make something happen more expeditiously.

And so that's the big criticism about management contractor fee process. There are some things in here, on the chart too, that I think we have had other conversations about, like the per review. We
really do we need per review on a management contract
signature still today after all of the water under that
bridge.

Now the process takes a long time. It's very
expensive. At E.A., it can cost you upward of $150- to
$250,000 in some cases. So it's like, you know, that's
a problem.

The background investigation fees has gone
from $5,000 to $10,000. That's a lot. The process is
just really expensive.

And when you start adding up all of these
things that you have to do, it's very expensive. And, you
know, for some of these big gaming management
companies, maybe that's not such a big deal. But, you
know, not everybody needs Harrah's or Ceasers, or that
kind of thing.

So I think by reviewing these elements, you
know, and looking at it, not only -- I mean, we have to
balance the need for integrity in the process to make
sure we do not allow bad people to get in control of our
casinos on the one hand. But, on the other hand, the
time and expense that is associated with the process.

I think if it could be -- if the cost could
be contained in a reasonable way and the decisions made
more timely, you wouldn't see so many people trying to
be consulting agreements or vendor contracts or having a management contractor is being called by a different name because the parties are eager to go forward with their development.

So that's just my observations.

JONODEV CHAUDHURI: And thank you, Ms. Homer. Let me just address a few things. I always try to give kudos to the team wherever I can. So just kind of a cor -- corollary -- If people don't catch the speech impediment that I have, I can't say my "r"s.

Coro -- Okay. Sorry. We have to have add a little levity, especially on the last day at NIGA of the morning. And we will start talking about Bugs Bunny, and the "Wascally Wabbit."

But an important corollary to the Management Agreement Approval Process is the defamation letter process that OGC undertakes. And so they go hand-in-hand. And the time frames for turn around defamation letters under our General Counsel's leadership, Mike Hoenig, have greatly diminished. And I really want to thank Mike for that. Because you're right, Ms. Homer, a lot of the of circumvention involves trying to get around Management Agreement Approval Processes.

But we recognize that, and we say, "Hey, if
you have a grievance that you can send to us that are
important to your financing, or important to your
opening in other respects, and you want us to weigh in,
we have this defamation letter process. Please submit
to us early and often because once things gets executed,
all of a sudden you're in the compliance world. And
that's a different process.

And so I really want to tip my hat at Mike for
that important cor -- I'm not even going to try to say
it again. I don't know why I can't say that word.

Anyway, thank you Mike. But as to your other
points, Liz, about the backgrounding, we do what we can.
And we also recognize that in some cases, the management
agreements have involved people who have been
backgrounded very recently in other agreements or other
Tribal communities.

So we try to not reinvent the wheel where we
can. But part of that involves a sharing of information
sometimes from, you know, other agencies. And we look
to build relationships as much as we can.

So part of that is kind of practical in terms
of developing those relationships. And I know Yvonne's
team is making quite a bit of in-roads. What I'm
referring to is, in some cases there is information from
other law enforcement organizations that we try to work
with to speed up the process.

But, finally, in terms of the NEEBA side of things, I, again, want to take my hat off to Mike and his team, Yvonne and her team, as well as Ms. O'Loughlin and Ms. Thomas. The work they have done to work on the CATX, on Non Construction Management Agreements. Our goal is to pursue a possible CATX for all management agreements.

But I think we are pretty close to unveiling some significant progress regarding a CATX on non construction management agreements.

And that's all been done with an eye towards the expense and time involved with the NIGRA reviews. We absolutely respect and appreciate the importance of environmental protection.

But we also recognize that tribes have their own inherent environmental safeguards that they implement on the ground. And we look to the true nature of our Federal action when we approve these management agreements. And we understand the limited nature of the Federal action involved when we approve these management agreements.

And so the progress that has been made toward the CATX on non construction management agreements has largely been driven by Mike and his team, Yvonne and her
team. And I want to thank the input that we have
received from Indian country to help get us there.

So those are all excellent points that you
raised, Ms. Homer, especially with regard to the
defamation letter parallel process that we have.

That's another word that's hard to pronounce.
I still have problems with -- this goes back to the
second grade. I can't address it now. Okay. But thank
you, Ms. Homer.

YVONNE LEE: Can I just say one thing? In
terms of the background investigation cost of $10,000.
That's a deposit that is required. Often times, we
don't use up all that deposit, depending on the
complexity of the person's background.

JONODEV CHAUDHURI: Coro -- Thank you so much.
That transcript is going to be hilarious. Yes, Ms.
Collier.

BARBARA COLLIER. I do have an "R" in my name.
Don't do it. That's my comment. Don't do it.

I would be curious though -- none of you know.
But we had one of those a long time ago. And our
gamesmanship was fined $4,000,000 by the NIGC. Did
you all ever get any of that?

JONODEV CHAUDHURI: I am sorry?

MS. COLLIER: Our gamesmanship back in
2004, was fined $4,000,000 by the NIGC. Did you ever get any of that? Was it eleven? I thought it was four.

JONODEV CHAUDHURI: Do you have a check for us.

MIKE HOENIG: So our fines don't come back to us, the agency. They go to the treasury. So if somebody has not paid a fine, we put the United States Treasury on them. We have a collection basically. I can't remember the name of the act but there is an act that we rely on. So we turn it over to the Department of Treasury, and they then go and collect it. We have had to do that a few times. So that's the way it works.

So I can check to see if that money ever made it over. I would imagine it did. Because I know that they are pretty diligent.

MS. COLLIER: Just curious. But if you didn't get it, yeah, we'll help you.

MR. HOENIG: Okay. Thank you.

JONODEV CHAUDHURI: Thank you, Ms. Collier.

See, the "r"s at the end are fine.

Additional comments, questions on Management Agreements? And thank you for those comments. So we will have a catchall at the end. We will move forward. It's ten o'clock. We are doing very good on time.

Okay. So with that, our next topic of
consultation involves Technical Standards for Mobile Gaming Devices. And before turning it over to Mr. Waldo, let me just say, we are very appreciative of the comments received in Oklahoma on this topic. One of those comments was, "This is helpful, but have you weighed the pros and cons of something in the CFR, versus just some informal guidance that can be updated as necessary and updated a little bit more quickly than a regulation?"

We are very much appreciative of those comments. We are talking about those options internally.

But I want to turn it over now to Mr. Travis Waldo, our first director of the Division of Technology to discuss our presentation. So take it away Travis.

TRAVIS WALDO: Thank you sir. The National Indian Gaming Commission is considering draft language to amend 25. C.F.R. 547.18, which would clarify and add new technical standards for wireless gaming systems and communications 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 from collaboration with our tribal partners. The intent of the new draft is to support the growth and innovation of mobile gaming systems.

Portable handheld gaming devices have been around for many years and are authorized in many state jurisdictions. Handheld gaming devices are electronic devices that allow the casino patrons to play anywhere within the casino or within tribal lands, as defined by the 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 handheld mobile devices within tribal lands. The draft technical standards, which can be found on our website, are proposed for tribal review, comment and consultation. We'll take questions now.

NANCY GREEN: Nancy Green. My question goes to how would these proposed standards -- I'm recognizing this is a draft and maybe a first effort. But how would these standards apply to, say, a mobile device that is somebody's cell phone, somebody's iPhone? As we all recognize, technology has advanced considerably and will continue to do so.
So, I mean, I think that if that were, at some point, an option in somebody's facility, then we would not want to curtail that. We would not want to prohibit anything that would be beneficial to that Indian gaming facility.

So how would these particular regulations, proposed regulations, apply in that scenario?

TRAVIS WALDO: In a situation like that, that's actually one of the reasons we are looking at drafting these, is to kind of maybe spur some growth in that area in that industry. The standards are best practices based on integrity and to protect patrons.

It does not necessarily specify that you can or cannot do something on specific device. Because there's the option for iPads, there is options for mobil devices. But ultimately the TGRA has discretionary authority over what type of systems that they will allow in, and if they're comfortable with those controls and security.

And these standards just kind of specify what kind of security and controls that you could have on a mobile gaming system, whatever system that may be. It's not designed to be restrictive in nature.

NANCY GREEN: Well, we are, I think, venturing a little bit out of my area as far as technology goes.
But the way I read some of these, they would apply to
the device itself. As far as sports and things like
that, they can't be there.

And so, again, I feel like it would limit
those sorts of regulations that go to the device itself.
It does not contemplate something that a person owns,
but it is capable of interacting with the system.

MICHAEL HOENIG: Well, yeah. I'll just say I
think that it's a good point. And these are just a way
to kick it off. I think that's something that we need
to consider. And it's helpful to hear things like that
because I think that the reason -- Travis correct me if
I'm wrong. But one of the reasons we kind of ventured
into this is because going out into some of the
facilities, we hear from the TGRAs or from the
operations, "Is this allowed?" and "Does 547 prohibit
these things?" and "How do we do this?"

And so this was kind of a way to kind of
answer some of these questions and show, that, yeah,
there are ways that you can do this.

I mean, the technical standards apply to all
technologic aids to the Class II gaming. So all this
stuff is already included. I think the preamble to the
previous technical standards even mentions mobile
devices.
So this was kind of a way to get at these things specifically and show and demonstrate that there is a way to do this. And if there are things we need to consider. Certainly, it was not the intent to limit or try to prevent any future technology.

So like you're saying, I think with some of these there may be -- like with closed ports and things like that, and not having certain features. It may be as simple as just ensuring that those things are secure, and if we need to go back and look at that, even if we look at this guidance or however.

NANCY GREEN: Thank you.

JONODEV CHAUDHURI: Thank you Mr. Hoenig.

LIZ HOMER: Okay. Just for full disclosure purposes, I have no clients that are game manufacturers. But I do get concerned about rule making that affects the tribe, but, in fact, is affecting the industry and affecting technology that, basically, the tribes are purchasing or leasing or licensing, but are not manufacturing that.

And I think that the Federal agency has to proceed very cautiously about doing product standards. And I was concerned about that initially with the Class II 547, for all the Class II gaming systems. But I think that -- And I am not making an accusation that
this is Mission Creek. But, I mean, be cognizant about that, and be cognizant about -- you can consult with me and my clients all day. But really when you start affecting products, it's really only fair to include the manufacturers and get their feedback and input because we don't want to have unintended consequences so we are putting some guy out of business, and we are not even aware of that, or we are creating a monopoly somewhere. And I am not saying that your proposal does those things. I am just raising them as general concerns, just as a principal of good governments.

JONODEV CHAUDHURI: Thank you, Ms. Homer. Homer. This is not a broad based Class II discussion. But I think it's a helpful parallel discussion.

Two years ago the Commission -- and this is during the time that former Vice Chair Cochran was here and worked hand in hand with Chair Stevens and Commissioner Little and pretty large Class II overall. And all that was done with an eye towards listening and working with tribes regarding regulatory needs but having an ear to the ground on economic impact of those, you know, those 547 tweaks. And 547 was a big part of that, as we know.

Right now, we are working toward refining some provisions of that. And that what yesterday's
consultation was for. We have a number of ways we receive input from industry. But for purposes of today, this is a nation-to-nation consultation. That is where our primary trust responsibility lies.

So we welcome and always encourage feedback from Tribal nations on the governmental side and the operational side of our regulations and our regulatory approach.

But, certainly, we are sensitive to industry concerns, and we have a number of ways that we hear from industry. And so excellent point. But we don't have a blind eye by any means, or we don't turn a blind eye by my means to impact on industry.

But I wanted to again bring this back to the scope of today's consultation.

SEQUOYA SIMERMeyer: I appreciate those comments. Aside from the specific area of the security issues, that tribes have input from (inaudible). Present with another opportunity to have this section down the road about the process and how we assess and integrate this feedback. I understand your point about moving forward, having a clear perspective about the impact that it would have. We want to approach guidance, not having the same rule making process might have. But also just in terms of having a perspective in
terms of, as Liz said earlier, how do we know what the overall impact is in other areas.

How do we know what the overall impact is. To make sure that are regulations are sticking to our responsibilities and not become a burden to the business and not allowing a monopoly to take place.

JONODEV CHAUDHURI: Thank you.

JAN SULLIVAN: Hello, Jan Sullivan. When is the deadline for comments?

JONODEV CHAUDHURI: As I mentioned earlier, I believe we are looking at the end of July -- I am sorry. July 1st. July 1st for these comments. So at the end of June, July 1st. I'm a little bit off this morning. Cor-ro-larry. Additional comments? Concerns.

Okay. With that, we are doing great on time. It's 10:11. I think we will just push through without a break.

The next topic really speaks to good governments. We are very excited about the potential for this minor important tweak to be made to our regulations and it involves the timing to receive fees. Ms. Yvonne Lee will go into details. But we are excited about this. Yvonne, take it away.

YVONNE LEE: The Commission is considering amending the language to 25 C.F.R. 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 the 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 date will also apply to the fingerprint processing fee rate. These are the proposed 514.2 changes on fee rate. These are the Proposed 514.16 changes on fingerprint rate.

By setting and announcing the fee rate once a year, the Commission will be able to: (1) Improve the efficiency of the fee rate analysis and publication process. (2) 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. (3) Reduce the margin for error for fee calculations as the rate would only be set once within a fiscal year. (4) Mitigate any confusion that may arise from changing a fee rate twice a year.

In addition, a majority of tribes have fiscal years ending either on September 30th or December 31st. Tribes' submissions of audited financial statements are required 120 days after the end of their fiscal years.
Thus, when we first use these financial statements to set the preliminary fee rates, 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 seeks comments on the proposed changes to the time period these rates are published.

JONODEV CHAUDHURI: Thank you, Ms. Lee.

So we think this is a very sensible tweak that will allow us to schedule our fee assessment and our budget at the same time.

We are not about to make significant impact on our partners in terms of when fees are submitted. We think it makes sense. But we definitely want to hear from folks before we move forward.

SEQUOYA SIMERMMEYER. For me, coming to the commission is a unique experience when it comes to the budget process. But any information, I believe, that we can have to better form the process, or making sure we
are aware of the impact of our decision making process, I think is a good thing. So I think this is a good opportunity to think about how our actions on the setting might affect your decision making process or your operations.

KATHRYN ISOM-CLAUSE: I just want to add to that very briefly that I think this proposed regulatory change kind of reflects the attitude that we have where we are trying to be more efficient, where we can streamline processes making things easier for tribes, while not creating big changes that take effort, time, money to adjust it. So it kind of reflects our approach when we look at regulations.

JONODEV CHAUDHURI: Absolutely.

Comments? Questions? Yes.

STEFFANI COCHRAN: Steffani Cochran. The only thing that I think will impact us is we don't budget on the calendar year. We budget on the fiscal year. So your fee rate will come out after we have asked for our budget from counsel.

JONODEV CHAUDHURI: Yvonne, do you want to speak to the impact? We know some tribes work on the fiscal year; some tribes work off the calendar.

YVONNE LEE: Well, unfortunately, it's hard to accommodate every tribe because every tribe operates
under a different fiscal year. Some end September 30;
Some end December 31st.

So for the tribes whose fiscal year ending
December 31st, they can incorporate this into the next
coming years's budget. But the tribes whose fiscal year
is ending September 30th, unfortunately, it's going to
be hard.

STEFFANI COCHRAN: What I'm asking is, does it
have to be November? Can it be July 1st? Can it be
some other day that might accommodate both sets of
budget processes?

YVONNE LEE: Well, when we proposed the
changes, what we have in mind is we really need to
understand the agency's operations and funding for the
next year in order to set the fee rate as accurate as
possible.

So we will take that comment and go back and
consider that. But we use rather than training as a
factor when we calculate the fee rate as well. So that
information will not be available until early July. And
then our budget for the next fiscal year won't be ready
until September 30th.

So the reasonable day will be anything after
September 30th. So we will take that comment go back
and look at that.
JONODEV CHAUDHURI: Thank you for that comment and question. We recognize that this has impasse on the budget side of things for tribes. So that's why I definitely wanted to hear feedback.

But we are trying to be as up front as we can be as to why we are looking at this. I have a feeling, Ms. Cochran, you've dealt with the budget setting issue versus the fee setting issue at the Commission before.

It forces you to be kind of a fortune teller in terms of how to accurately set the budget when it's hard to forecast what the fees will be. But thank you for that question.

Additional comments? Concerns? Rotten tomatoes? Okay. We will move forward to our final consultation topic. Again, as I mentioned, there will be a catchall section.

And our final topic will be drafts, non binding -- I had a dream the other night that I got to go on vacation in had Maui. And I was there by myself on the beach. And then out of nowhere a gentleman named Granthum Stevens from the Colorado River Indian tribes appeared. And he kept me honest about Class III Non Binding Voluntary Guidance and Minimum Internal Controls.

So It's good to see you on the beach there,
Mr. Stevens. We really appreciate the input that we received from Indian Country on this important topic. We are really trying to do our best to provide helpful guidance to Indian country, while recognizing that making landscape is so different from state to state, and given the unique landscapes that tribes navigate.

And so we are thankful for past comments and input. We are very much looking forward to ongoing comments and inputs regarding our efforts in this regard.

But for this topic we have the birthday person, Ms. Christina Thomas, to discuss our NON-BINDING Voluntary Guidance.

CHRISTINA THOMAS: Thank you Mr. Chairman. Christina Thomas, Department Chief of Staff with NIGC.

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 industry input and intends to thoroughly consider all comments we receive from you to inform this guidance.

The draft 64-page guidance document is
available today and also available 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 style of the current 543 Class II MICS. We hope it assists those tribes with MICS 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.

And, we would also like your input on the intent on suspending the existing 542 regulations.

Thank you.

JONODEV CHAUDHURI: Thank you Ms. Thomas.

So we will open the floor up for comments on this. And then, as I said before, this one, while we appreciate input on all of our topics, we have received quite a bit of input on this one.

Thank you. Ms. Collier.

BARBARA COLLIER: I did have a more formal comment. And then -- "Don't do it."

In an earlier consultation in Tulsa, back in March, you announced NIGC will be suspending part 542, Voluntary Non Binding Guidance, as a reference for tribes.
As you're aware, Oklahoma tribes have a compact that require us to have internal control standards that equal or exceed those in part 542.

The problem with 542 is that they are outdated and don't always reflect the processes in place today. However, we understand the position that the NIGC is in, in that it cannot update or amend the regulations because of the CRIT decision.

But for Oklahoma and other tribes with compacts that reference part 542, we are stuck with outdated the standards. And guidance does not necessarily help us in this regard.

None the less, given the circumstances, we reviewed your proposal to suspend part 542 and issue a new guidance that is an acceptable approach.

Today I'm questioning you about the method on the actual language that you have in mind for suspending part 542, the logistics, if you will. Where will this language to suspend 542 be placed?

In the preamble to the registered notice part 542 regulation itself, how would you reconcile your new language with the CRIT decision? Will there be rule making prior to the final rule.

The language you use will be critical for two important reasons. First, it will dictate the terms of
the suspensions duration.

Will the suspension be for an indefinite period? If so, how would you phrase that? Also, the language needs to be carefully worded to make clear that this is not a temporary clause, but a more permanent policy on the regulation enforcing part 542.

Suspensions are generally considered temporary in nature. The language needs to be make clear the justification and policy reasons for suspending regulation so that a new administration cannot come in and reverse course.

That's all I have for now with respect to the Class II MICS proposal. My more formal written comments will follow in coming months.

JONODEV CHAUDHURI: Thank you for that comment, Ms. Collier. I think a number of us can speak to that issue. But in terms of our current thinking, maybe the best person will be your General Counsel Mike Hoenig.

So, Mike, do you want to speak to that suspension question?

MICHAEL HOENIG: Sure. And this is one that we actually had. We put a lot of work into figuring out how this exactly would work because it is something we have not done before.
So we have had a lot of conversations with the folks at the Federal Register about what this means and how it would be done.

And the plan is, is to suspend the rights. And then, in the regulation itself -- not the preamble, but in the actual regulation -- so any time somebody goes to look at part 542, what they will see is, "This right has been suspended."

And then there will be some language that we will put right at the top, explaining that it has been suspended because of the decision of the Colorado River Indian Tribe's case, that the court held that we did not have the authority to enforce these regulations.

So that would be the justification for doing the suspension. Basically, it was court ordered. We do not have any way to enforce these.

And so we looked at a couple of -- as you know, prior consultations, we talked about, well, do we just pull it down entirely, or do we just leave it up as is and create a parallel set of guidance.

And taking it down entirely, obviously, did not work for a lot of folks, including the Oklahoma tribes. And we understood that. And then leaving them up with no explanation when they are not enforceable anymore. And having guidance, we figured would just
confuse everybody with having two competing sets of standards.

So with the suspension, it allows all of the text to stay there. We will do a preamble just as we would in any other rule making, explaining things.

But the actual language as to why they are suspended, what the justification is for that, would state in the CFR itself.

Plus, it would have a note in there directing folks to go and look at guidance if they want a more updated MICS. They can go look at the guidance that we put on the website. So we will direct them to that as well.

As for the administrative process itself, this is not something that the agency necessarily has to give notice and comment on, because, really, we don't have any choice here. The court has ordered this to go down.

But I think that we would definitely be open to hearing -- Well, I shouldn't speak for the Commission. But I imagine that everybody would be open to getting feedback on the language that we put in front of the existing regulation so that is as clear as possible and that does not inadvertently do any damage. I'm sure we can talk about that as well.

Does that answer everything? I hope it covers
a lot of your questions.

    MS. COLLIER: Yes, thank you.

    MICHAEL HOENIG: Okay. Thank you.

    JONODEV CHAUDHURI: Thank you for that. And thank you for your past input. We do value your ongoing contributions to this. Yours personally, but also anybody who provides a perspective on potential impacts given to the specific state in which you're located. Oklahoma is a very important part of the framework.

    BARBARA COLLIER: I know.

    JONODEV CHAUDHURI: Ms. Echo-Hawk.

    LAEL ECHO-HAWK: I understand this is non binding voluntary guidance. But what is this guidance going to be like under this? Is it's going to be like a model building code, or gap.

    And so I encourage the Commission to look carefully at how those kind of documents are drafted. And I understand we have got fact issues, and do we want to do a Tribal Advisory Committee? But this is a guidance. So I think that there has to be some wiggle room.

    But I think it's very important. The industry is going to look at this. Tribes are going to look at this. Whether it's binding, non binding, voluntary, et cetera, it still is going to be the model.
And so it might useful to look around the other Federal agencies and see how they developed sort of models or guidance that impact -- as Ms. Elmar said earlier -- in a significant way. Because this is going to be the gold standard.

JONODEV CHAUDHURI: Excellent point. I don't know if the birthday person or Mike wants to weigh in. Both of you could equally weigh in on forming that guidance with best practices. Which one?

Okay. Ms. Thomas.

CHRISTINA THOMAS: So speaking to your specific question on how we kind of formatted it and came up with it. I got the joy of compiling this document and drafting it.

And going off of what Mike had said earlier, for simplicity purposes, so that there was no confusion, I did follow the path of former Class II MICS for it so that if a tribe was going to use this at some sort of MICS facility, it would be very comprehensive and kind of fit right in to how a class II was already drafted. As for looking at other areas, I didn't look so much at how Federal agencies did it.

But I did read a lot of different tribes. I read all of the Nevada stuff. I read all of the Missouri stuff, New Jersey, to kind of compile and keep
up with what some of the standards in history were for
Class II areas.

MICHAEL HOENIG: Also, I think one of the
benefits of the Guidance is, we can be a lot more nimble
and quick with making changes and adjustments as the
industry advances and continues to grow, obviously, than
we could with the rule making, or the administrative
process and everything.

And I think that not only is this one out for
comments, and I really do hope we get a lot of comments
on this. I welcome red lines, however you want to send
it, but also just ongoing feedback as the industry
continues to grow.

I know the Class II subcommittee. But I think
that things like that where people are looking at this
and kind of keeping an eye on how these internal control
standards, these minimums as well as how the industry
are keeping up, so we can make sure we are staying on
top of it going forward as well.

So I think the Commission welcomes and all of
us on the ground at the agency welcomes ongoing feedback
on this as well.

JONODEV CHAUDHURI: Thank you for that, Mike.
Thank you for that Ms. Echo-Hawk.

JANICE SULLIVAN: Jan Sullivan. Understanding
that these are guidance memos. And moving forward
during the comment period. There was a mention of a
Tribal committee providing comment. In your
presentation yesterday, you referred very heavily on
working with the boots on the ground, the Tribal
regulators to ensure that things are done the way that
the current practices are being done.

Is there any thought of the commission to put
an advisory group together to do that?

JONODEV CHAUDHURI: I want to be honest. No.
And I am happy to explain that. But do you want to?

SEQUOYA SIMERMeyer: (Inaudible) Process or
how to work in the future in terms of how to make sure
that there is still some sort of responsive
transparency, or some sort of process. That we have
perspective. It's important to have a ruling making
process. But whether it's important those are some.

JONODEV CHAUDHURI: Thank you. I'll be
careful. My own personal comment on this. To be
honest, no. Well, I don't want to say the thought has
not gone into it. A lot of thought has gone into
whether or not a TAC -- a Tribal Advisory Committee --
would be appropriate for this topic.

A lot of thought has gone into that. There
are no plans to create a TAC for this. And let me
explain why. The first and foremost, the idea is the guidance want it -- the word "nimble" was used. We want it to be helpful to the Indian gaming community as quickly as possible.

So we want to be able to amend and adapt as technology changes. That does not mean we don't want to do that hand-in-hand with Indian country.

So close work with tribal leadership and tribal regulators is paramount to our process. The question is, what form does that take?

One of the benefits of consultation, as well as ongoing dialogue through everyday technical assistance, is that it engages all potential voices of Indian country.

So all regulatory bodies, all tribal leaders are welcome to provide input and comment and advice on this product. And so that's why we are reaching out at every stage that we can to solicit that feedback.

We really want this to be an all Indian country event. We had utmost respect for the advisory committee process because when you're kind of working on -- we're finding giving language, sometimes it helps to take a committee approach to nail down a consensus for a certain line or a certain paragraph. And that there is absolutely value in the committee process.
But we don't want to just hear from committee members. We want to hear from all Indian country on this because we know that different communities are impacted in different ways.

So you combine the need for being nimble on one hand, as well as the interests in hearing from all corners of Indian country.

I recognize, being a former lawyer, that there are benefits to the people who are involved in the committee itself. And this isn't to diminish from the committees. But we also want to hear from the non-lawyers and from the, you know, tribal leaders, and tribal regulators. And that is why we are engaged in activity consultation.

So I have utmost respect for communities -- Let me give you an example, one of the hybrids that works -- And I want to thank somebody for breaking this down into two words. I can say the word, "Larry". And I can say the word "coral".

So I'm going to try to say them separately. A good corollary is the Class II discussion involving the Grandfathering Provisions, the Sunset provisions. NIGA has created a class II sub committee that we worked very closely with to solicit input and feedback. And I thank Mr. Matthew Morgan, who is in the room, for his work on
that committee. That was a committee that is kind of organic to Indian country that was generated from Indian country that was providing us input and recommendations and comments.

And we are listening very, very closely to the input and guidance and comments being generated by that committee. And that work has proceeded in, you know, a very speeding fashion. And we are thankful for that.

We welcome any comments from Indian country. And I think that sub committee is a good example of that. But the Tribal advisory committee approach, it definitely worked when we were talking about the large scale regulatory over all that went into 547 and all the Class II regulatory changes we made a few years ago.

Here, since we are talking about guidance, we are really not being driven by being nimble, and hearing from all Indian Country. So I don't know if that helps. And I don't mean to bag on my fellow lawyers. I'm a lawyer, for better or worse. We are all lawyers. Thank you for that comment. Nothing against lawyers.

JANE ZERBI: Jane Zerbi, Attorney. I'm here on behalf of the United Auburn Indian Community, the Pala Band of Mission Indians, the Jackson Band of Milwuk Indians. These are all California tribes.

First, we want to -- I am echoing comments
that were made in Northern California recently at a tribal consultation.

But really we want to express our appreciation of you taking an approach where 542 Class III MICS would stay published in the Federal Register. Because we feel it plays an important role and positive in the industry having uniform Federal Standards.

Also, in California, tribes all have different situations in California, that 542 is mentioned in a compacts. It's mentioned in a statewide uniform regulation. It was adopted through a Tribal State Association through the compacts.

And, also, there's a number, quite a few, actually, of California tribes that voluntarily procreated in the gaming ordinance.

So I think you've been responsive to our concerns about suddenly having nothing where there's a reference to it.

To the point of -- it's already been made -- of how it's talked about in the Federal Register and, perhaps, in the guidelines published, I think that specifying -- and, obviously, you would figure out where it would be best to specify -- the different guidelines that are proposed meet or exceed the 2006 MICS and necessarily account for the technical changes.
It's helpful from a California perspective because that sort of language complements the way CGCCA talks about it, which references, for instance, the published 2006 standard and Tribal standard that meets or supercedes it, gaming ordinance that are similar.

So it just takes away any confusion and enables the tribe to know that the government guidelines.

JONODEV CHAUDHURI: Thank you for that. It's great to see you, by the way. I don't think there's any issue or any challenge. It's very helpful. And again, we want to bring a clarity. We don't want to muddy the waters any more. So thank you for that.

JENNI WILDCAT: Jenni Wildcat, Northern Arapaho Tribe. Something we would like to think about is (inaudible). However, one of the things that you guys want to do is say that we don't have any (inaudible). But we adopted 542 and 543 into our rates. And within our secondary procedures, we give enforcement to the National Gaming Commission.

So, yes, I understand we are unique in that we are one tribe. But that is something we would like you to think about that we do give enforcement action to (inaudible). And you will run into some of my colleagues next week in Billings. And they might have
the same comments there. But we will follow up with
written comment.

        JONODEV CHAUDHURI: And thank you for that. I
don't know if anybody else wants to speak to that. But
it's an important distinction to make here.

        We always make the distinction between our
internal controls or MICS and other responsibilities and
authorities of the agency, recognizing that there is a
lot -- I mean, there's incredible diversity in the
compacts that tribes have with the States. But there is
also incredible diversity in ordinances that tribes
have. And in quite a few communities were requested or
required to engage in other responsibilities that flow
from either ordinances or compacts. So we are careful
not to kind of muddy the waters.

        All we are doing here is we are working on the
MICS side of things. But I always make a point that you
do have a role in many communities for many different
reasons in the Class III arena separate and apart from
the issuance of MICS.

        But I don't know if anybody wants to add to
that. Thank you for drawing that distinction. It's an
important distinction to make. Thank you for that. And
we take those responsibilities seriously.

        Mr. Stevens.
GRANTHUM STEVENS: Granthum Stevens, Colorado River Indian tribe. Understanding the NIGC's decision (inaudible), the decision that came out of it. Understanding where this is going, 542. Like I said before, when we get that clarification, that clear line, of where 542, 543, in our State compact appendices, especially for us, where does that lie at? Where is that definitive line? (Inaudible) back in Phoenix, was that when 543 came out, it seemed to muddy that water back up again. It blurred that line between a Class II and Class III facility.

That was always our biggest concern (inaudible). Where does that definitive line begin? With the suspending 542, like I said in 15 and 16 during the consultations, especially here in San Diego, 15 was that we had asked how many compacts would have been affected during that time frame?

Now we have new secretarial procedural that have come out that reflect back to 542 and 543. So we basically need that line re-drawn again and reemphasized, saying that NIGC acknowledges it does not have that predatory presence in class III.

I'll bring back up in the voluntary process, under Section 13, an audit accountant, goes back to E2, is, the tribe must submit two copies of agreed upon
procedures to report to the commission within 120 days
of being in operation fiscal year, and in conjunction
with the submission of the annual financial audit report
pursuant to 525 (inaudible).

   If it's voluntary, why do I have to submit
that in when it's not binding? Who actually enforces
that? This is what I'm saying when it comes down to we
are putting extra layers of regulations on top of a dead
layer of regulation.

   And knowing that 542 suspensions, I agree, it
needs to be updated. If it's going to be removed, then,
ultimately, make that decision coming down the road,
saying, "We are going to go ahead and remove it."
Because right now, like they're saying, when it reads
(inaudible), it says that 542 is suspended see the
guidance, how are they going to take a Class II
regulation and then say, go look at a Class III
guidance, when you have 543 that became a Class II MICS?

   So, basically, you're just saying, "We didn't
like this one. Here, go look at that one. But you
still have to maintain 543."

   Because when 543 first came out, it was your
original draft Class III MICS. When it was first
developed it was classified as a Class III MICS until
the decision came back out and re-defined that line.
I wish we could have that consultation on the beach. But it's really just coming back down to if it's non-voluntary, non-binding, then I don't see adding the extra regulation inside the non-binding involuntary act.

You know CRIT'S decision is we want that line clearly defined in Class III. We want it to be echoed out there, saying it is going to be a Class III.

But I think with 542, you won't have the standard as it is coming out. Like I said, the secretary of procedures (inaudible) compacts will renegotiate it. It's going to give language back to 542. So you have got your hands full.

Thank you.

JONODEV CHAUDHURI: Thank you so much, Mr. Stevens. So, you know, there were a few things that were covered there. Again, very thankful for the input and comment and thankful for ongoing dialog.

As we can see from today's discussion, the references to 542 that are made in compacts are different from State to State and across the board.

Some compacts don't reference them at all. Some mandate that 542 be followed. And it's everywhere in between. So, you know, trying to have a helpful approach that brings clarity to the industry, that's what we are trying to achieve.
But let me, as an important corollary, to the discussion with the last question, let me kind of separate a couple of ideas out.

Again, we want to distinguish this guidance from other Class III responsibilities and authorities. I appreciate the effort and idea of bringing clarity between Class III Guidance and Class II MICS. I want it separate that out from discussions with other authorities.

And, in addition to that, I think we have had previous discussions about how MICS facilities are governed by 543 as well.

And so with that, for additional detail, I don't know if Ms. Thomas wants to speak about how we have been approaching this draft. But it's not been a cut-and-paste job. We want the guidance to be consistent with the 543 MICS that are out there. They're some things that are covered. I think what -- Keno. But it's not a cut and paste. So I don't want there to be a discussion, "Hey, if it's already there with 543, why do we need to do this with 542?" It's not one-to-one overlap.

CHRISTINA THOMAS: To clarify that a little bit more, (inaudible). There were two areas that were not game specific so they were not specific between or
game Class III. The sections in Class II MICS like that, auditing accounting, surveillance, cage dropping, those were carried over, so if an individual had a MICS facility, it would be easier to have it flush with Class II controls it would be together. It would be a complete set of controls. So that's why the language is there. That is a requirement under Class II MICS. And that would be just for simplicity purposes.

If somebody is going to use this, (inaudible) MICS facility, they would have the information there. So the (inaudible) in the Guidance is Keno, and (inaudible). And those are all Class III. And those have not been updated with newer industry standards.

JONODEV CHAUDHURI: Thank you, Mr. Stevens. See you in Maui. Additional comments, questions, concerns.

Go ahead Jane.

JANE ZERBI: Jane Zerbi, Attorney. I'm here on behalf of the United Auburn Indian Community, the Pala Band of Mission Indians, the Jackson Band of Milwuk Indians. (Inaudible Comment)

JONODEV CHAUDHURI: Thank you. We will look forward to those comments. So additional questions on this topic or comments? With this, we will move forward with our catchall section.
I think we are all on board with kind of pushing through. So, again, I want to say, if on the drive home, there are additional comments folks wanted to make or folks think about, our date line for comments on these topics is July 1st.

So any final questions, comments? Before turning it over to my fellow commissioners, I just want to personally thank everybody for helping me work through something that has vexed me since the second grade. I can now say "cora-larry." Breaking it up into two words helps.

Again, I'll turn it over to our Vice Chair. Thank you for taking the time to be here today.

KATHRYN ISOM-CLAUSE: Welcome. That's my routine up here. A little bit of analogy how we work through all of this. I thank you all for being here and providing your perspectives and comments and concerns with your years of background experience, we very much respect all of the expertise and knowledge we have in the room.

So thank you very much. Mr. Chairman said there is no crime in finishing early, so I'll keep it brief. Thanks again.

SEQUOYA SIMERMeyer: I'll keep it brief too. But I want to take the opportunity to say thank you for
everyone's comments (inaudible). This is, as I mentioned, only because I think it's really important in our consultation process is our required dialogue (inaudible).

But I want to comment on the importance of making sure that the cost of, the time associated with the process does not become a roadblock for getting done things that are necessary. (inaudible) what we need to do. I also heard that (inaudible) transparency in the governments and being diplomatic in the roles that we play, recognizes game importance for tribes (inaudible). So I just wanted to pass that on with respect continuing thoughts on the consultation process and say thank you for everyone.

JONODEV CHAUDHURI: Thank you. Many of you have flights home today. Long drives home. We wish you safe, safe travels. Thank you for today's comments. And thank you for your ongoing dialogue partnership. Many blessings to you.

(The consultation concluded at 11:00 a.m.)
I, KIMBERLY S. HANNA, CSR NO. 12230, a certified shorthand reporter for the State of California, do hereby certify:

That said Hearing was taken down by me in stenographic writing at the time and place therein named and thereafter reduced to computer-aided transcription under my direction;

That the foregoing transcript, as typed, is a true and accurate record of the proceedings;

I further certify that I am not interested in the event of the action.

Witness my hand this 29th day of May, 2017.

_______________________________
KIMBERLY S. HANNA, CSR NO. 12230