

NWX-DOI NTL BUSINESS CENTER

Moderator: Jonodev Chaudhuri
October 30, 2017
12:00 pm CT

Coordinator: Welcome, and thank you for standing by. At this time, participants will be on a listen-only mode until the question and answer portion. If at that time you would like to ask a question press Star one.

Today's conference is also being recorded. If you have any objections, please disconnect at this time. And now I would like to turn the call over to your host today, to Mr. (Jonodev Chaudhuri), Chair of the NIGC.

(Jonodev Chaudhuri): Thank you. And good afternoon. And good morning as the case may be to everybody who's joining us online. My name's (Jonodev). I'm going to turn it over to my fellow commissioners here in a moment but I want to thank each and every one of you for taking the time out of your day to join us on this important consultation.

Today's consultation is the continuation of an ongoing discussion that the NIGC has had with Indian Country and Indian Gaming stakeholders dealing with our Part 547 Sunset Provisions. Quite a bit of headway has been made through the - that ongoing discussion. But today's discussion is part of our

commitment to formal consultation -- active and meaningful consultation -- and for that we thank you for taking the time to join us today.

At this point I'm going to turn the call over to our Vice Chair, Ms. (Kathryn Isom-Clause).

(Kathryn Isom-Clause): Thank you. This is (Kathryn Isom-Clause). As Chairman mentioned, I'm Vice-Chair of the Commission and I am from Taos Pueblo. Today we'll keep our opening comments a bit more brief than usual because we only have the one topic today.

This topic is a continuation of our consultation series from earlier this year. And from - over quite a bit of time that we've been speaking with tribes over the years about this issue. So it's very important to us to continue the dialogue. And we hope that making it a telephone conference is a little bit easier on folks logistically.

And we really appreciate you being here with us today. I will now turn it over to Commissioner (Simermeyer) for some further remarks on consultation.

(Sequoyah Simermeyer): Thanks Vice Chair and Chairman. And thank you everyone who's joined today. I'm (Sequoyah Simermeyer), I'm a member of the Coharie tribe from North Carolina.

And want to join my fellow Commissioners in saying welcome and thank you for participating on this session. We've -- as they have mentioned -- has been an ongoing dialogue. And we just want to reiterate that for me -- and I know for my colleagues too -- it's an important part of making the decision making process to have durable results and to be able to be responsive to all the needs.

So we want to thank you. And appreciate the time and effort that went into preparation both with our colleagues here in the - at the Agency and out in Indian Country with the leadership and the representatives.

(Jonodev Chaudhuri): Thank you Commissioner and Vice Chair. So let me provide some additional background. At NIGC we always strive to be as respectful of and supportive of the primary regulators of Indian Gaming, namely native tribes. Tribal nations.

Internally, we also recognize that the primary movers and shakers at the Agency -- which is the wonderful team that we have from top to bottom at NIGC -- and we have some important representatives of that team here with us today to assist with this consultation. First and foremost, we have Mr. (Mike Honnet) our general counsel. He's joined by an attorney from his office, Mr. (Austin Badger) -- otherwise known as The Texas Badger -- to assist as a subject matter expert on today's call.

And we're also joined by our Chief of Staff, Ms. (Christina Thomas). So at this time I'm going to turn it over to our Chief of Staff -- (Christina Thomas) - - to provide a few housekeeping items. Or to discuss a few housekeeping items. Thanks.

(Christina Thomas): Thank you Chairman. Good afternoon or good morning, depending on where you're at. So just a couple of things before we get started on the information regarding 547. Today's consultation is scheduled to go till 4 pm. We may go ahead and finish up early if we conclude all Q and A portion at the end of this.

Just so everybody knows, the meeting is transcribed. So if you do ask a question we ask that you state your name and the organization that you're with

prior to the question. And as a reminder the comment period on the NPRM for this concludes on November 13, 2017.

So with that I am going to turn it over to (Austin Badger) to give the presentation today.

(Austin Badger): All right, thank you (Christina). And just a little background on the technical standards. In 2008 the Commission first issued Minimum Technical Standards for Class Two gaming systems and equipment.

The technical standards were designed to assist tribal gaming regulatory authorities and operators with ensuring the integrity and security of Class Two gaming, the accountability of Class Two gaming revenue, and provide guidance to equipment manufacturers and distributors of Class Two gaming systems.

In - the 2008 Commission understood however that some existing Class Two gaming systems might not meet all of the requirements of the technical standards immediately. Therefore -- to avoid any potentially significant economic and practical consequences of requiring immediate compliance -- the Commission implemented a five-year sunset period, which allowed eligible gaming systems manufactured before November 10, 2008 to remain on the gaming floor.

The Commission subsequently extended its sunset provision until November 10, 2018. With that date now approaching, the Commission believes it appropriate to include the minimum technical standards -- and in particular the sunset provision -- as a topic for consultation.

The Commission issued a discussion draft on June 14, 2017. Significant portions - significant highlights of the discussion draft included removal of the sunset provision requiring all player interfaces to have a date of manufacture before November 10, 2008, providing that TIGRAs would conduct an annual review of 2008 systems to determine what component modifications would be necessary to approve the system as compliant with the standards for newer systems.

(And) providing that all modifications to a Class Two gaming system be tested to the standards for newer systems, and providing that TIGRAs determine whether -- based on the testing lab report -- the modification could be approved as either maintaining or advancing the system's compliance with the technical standard.

The proposed rule -- which was issued on September 28, 2017 -- included additional changes responsive to the comments received through consultation and written comments received. The proposed rule removes the discussion draft requirement that all player interfaces for (2008) systems have a date of manufacture before November 10, 2008.

This was in recognition that -- between 2008 and the present -- player interfaces may have been replaced or upgraded with newer player interfaces. The proposed rule also clarified that the annual review of 2008 systems is intended as a review of existing testing laboratory reports associated with the 2008 system components.

The proposed rule also clarifies that systems manufactured before November 10, 2008 -- which has subsequently been approved as fully compliant -- are no longer subject to the 2008 system provisions. And again, comments continue to be solicited through November 13, 2017.

(Jonodev Chaudhuri): Thank you (Austin). So I think we'll turn it over to the moderator at this point, who will discuss the format of our Q and A today. But before we begin, I - oh I mean I recognize that some folks may not be able to stay for the entire consultation today.

If anybody needs to get an opening statement on the record, please let the moderator know as quickly as possible and we'll try and work that in as quickly as possible. So we'll turn it over to the moderator at this time.

Woman: (Melissa).

(Jonodev Chaudhuri): (Melissa). Thank you.

Coordinator: Yes, sir. Thank you. For Q and A if you would like to ask a question please remember to press Star one and record your name clearly. To withdraw your questions, you may press Star two.

Again, as reminders to ask a question please press Star one and record your name. Thank you. At this time, I'm showing no questions.

(Jonodev Chaudhuri): Well. As we always say at these consultations, there's no crime in finishing early. We take the lack of questions as, you know, as part and parcel of the fact that we've been discussing these issues with Indian Country for better part of two years now.

And we're excited about the draft, we think it's the product of many robust discussions. And we look forward to moving on to the next step.

Coordinator: Excuse me sir, we do have one question that just came in.

(Jonodev Chaudhuri): Go ahead (Melissa).

Coordinator: Thank you, one moment. And sir, they did press Star one to ask their question however they did not record their name. If you did press Star one, please ask your question. Please check your mute button.

(Matthew Morgan): Yes, this is (Matthew Morgan). Sorry for joining you a little bit late. I am with the Chickasaw Nation. Also serve as Vice Chair of the Oklahoma Indian Gaming Association. And Chair of the NIGA Class Two Sub-Committee.

Mr. Chairman, I have more of a statement than a question, but I just want to thank you for your efforts on this issue. And being so open to discussion on something that's long been a sticking point to the Class Two industry.

I am actually here at the beautiful River Spirit Casino this morning having an OIGA meeting with many of the tribal leaders in Oklahoma. And stepped out for a moment to be on this call and to express their thoughts. And everybody was in agreement in our executive committee that we look forward to this issue moving forward.

It's, you know, Class Two is a very important issue in Oklahoma. And you know, it's something that we feel like we do a great job on. And we're -- again -- thankful for you being so open to this discussion. And look forward to this rule becoming finalized and returning the authority for regulating all of Class Two back to the primary regulators, the tribes.

So thank you again Mr. Chairman.

(Jonodev Chaudhuri): And thank you Mr. (Morgan). I think I can speak for all of us that we absolutely appreciate the involvement of the sub-committee members and all tribes who engage in Class Two gaming.

And while we may not always agree on every fine point, I appreciate the respect and openness that all parties have engaged in in this important discussion. So thank you for that, Mr. (Morgan).

Coordinator: And with that sir, I'm showing no further questions.

(Jonodev Chaudhuri): Well with that we will close at this time. And we thank everybody for their ongoing participation. I do want to remind everybody about the NPRM comment deadline, which is November 13. And is there a separate deadline for the consultation comments? Or no, okay.

Woman: No.

(Jonodev Chaudhuri): Please keep in mind the November 13 NPRM comment deadline. With that we'll close, and thank you.

Coordinator: Thank you. And this does conclude today's conference. All parties may disconnect.

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