



NIGC Protects Against Misuse of Gaming Revenue with Tribal Cooperation (UPDATED)

WASHINGTON, April 13, 2017 – On Tuesday, April 11, 2017, an investigation into Cheyenne and Arapaho Tribes’ use of net gaming revenues and sole proprietary interest in its gaming operation culminated in a Settlement Agreement entered into by National Indian Gaming Commission (NIGC) Chairman, Jonodev O. Chaudhuri and Governor Eddie Hamilton of the Cheyenne and Arapaho Tribes. After identifying, self-reporting, and providing documentation of potential gamesmanship activities to the NIGC, the Tribes with Chairman Chaudhuri agreed there is sufficient evidence to issue a Notice of Violation (NOV) under the authority of 25 C.F.R. § 573.3(a) for misuse of gaming revenue and a violation of the sole proprietary interest in the gaming operations.

“The Tribes were instrumental in identifying the misuse of the gaming revenue that is a clear violation of IGRA. They have provided full cooperation to the NIGC throughout the investigation of this matter,” Chaudhuri said.

Over the course of 18 months, the Tribes’ casino paid three times an initially agreed upon purchase price for certain land in a lease agreement orchestrated by the Tribes’ then Chief Executive Officer and Director of Gaming Operations with Clinton Land Holdings, LLC (CLH). The overall total amounts paid amounted to ten times more than the land’s appraised value of \$126,000. Upon discovering the problems with the lease agreement, the Tribes canceled the agreement with CLH, all payments of gaming revenue ceased, and the Tribes requested and received the resignations of the CEO and Director of Gaming Operations as well as the Casino’s General Manager from their gaming operations.

Chaudhuri has made the protection against gamesmanship on the backs of tribes a priority initiative throughout his administration and is further outlining it as a top priority in the Commission’s 2018 Strategic Plan. Through increased awareness, improved ability to detect and disrupt gamesmanship through NIGC training, technical assistance, and enforcement authority, the NIGC will support the prevention of manipulative tactics by non-tribal governmental parties at the expense of tribal self-determination and the integrity of the tribal gaming industry.

As part of the Settlement Agreement, the Tribes will ensure that its Governor, the general managers of all of the Tribes’ gaming operations, and all supervisory Tribal gaming employees will attend NIGC training related to the violations. Additionally, the Tribes will, for a period of three years, receive detailed technical assistance for any arrangement involving Gross Gaming Revenue; the Tribes have also agreed to take action in reclaiming the Net Gaming Revenues unlawfully transferred. The full Settlement Agreement will be available on the NIGC website.

To view a copy of the SA, please click here [SA-17-01](#).

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The Indian Gaming Regulatory Act created the [National Indian Gaming Commission](#) to support tribal self-sufficiency and the integrity of Indian gaming. The NIGC has developed four initiatives to support its mission including (1) To protect against anything that amounts to gamesmanship on the backs of tribes; (2) To stay ahead of the Technology Curve; (3) Rural outreach; and (4) To maintain a strong workforce within NIGC and with its tribal regulatory partners. NIGC oversees the efficient regulation of 497 gaming establishments operated by 244 tribes across 29 states. The Commission’s dedication to compliance with the [Indian Gaming Regulatory Act](#) ensures the integrity of the growing \$29.9 billion Indian gaming industry. To learn more, visit www.nigc.gov and follow us on [Facebook](#) and [Twitter](#).