NATIONAL INDIAN GAMING COMMISSION
TRIBAL ADVISORY COMMITTEE MEETING
NOVEMBER 15, 2011
VOLUME I

DATE: November 15 - 17, 2011
PLACE: Hilton Garden Inn
815 East Mall Drive
Rapid City, South Dakota 57701
INDEX

TAC MEMBERS PRESENT:
  John Magee, Gaming Commissioner, Pechanga Band of Luiseño Mission Indians
  Kathi Hamel, Casino General Manager, Lytton Rancheria of California
  Jason Ramos, Gaming Commission Chairman, Blue Lake Rancheria
  Daniel K. McGhee, Gaming Commission Administrator, Poarch Band of Creek Indians
  Brian Callaghan, Gaming Commission Executive Director, Pokagon Band of Potawatomi Indians
  Christinia Thomas, Office of Gaming Regulation and Compliance Executive Director, Mille Lacs Band of Ojibwe
  Steve Garvin, Gaming Commissioner, Ho-Chunk Nation
  Jeff Wheatley, Director of Gaming, Stillaguamish Tribe of Indians
  Michele Stacona, Gaming Commission Executive Director, The Confederated Tribes of the Warm Springs Reservation of Oregon
  Leo Culloo, General Manager of The Point Casino, Port Gamble S’Klallam Tribe
  Mia M. Tahdoohahniippah, Gaming Commission Compliance Director, Comanche Nation
  Robin Lash, Gaming Commissioner, Miami Tribe of Oklahoma
  Matthew Morgan, Gaming Commissioner, Chickasaw Nation
  Thomas Wilson, Gaming Commission Executive Director, Pascua Yaqui Tribe
  Carleen Chino, Gaming Commissioner Executive Director, The Navajo Nation

NIGC SPEAKERS:
  David Little
  Nimish Purohit
  R. Rust West
  Tracie Stevens
  Michael Hoenig

FACILITATOR:
  Robert Fisher
(November 15, 2011, at 8:05 a.m.)

MR. FISHER: Good morning, everyone. So we're only missing one TAC person so far. And there is a question that has come up before we get to our agenda, and I'm going to turn it over to Commissioner Little.

MR. LITTLE: Good morning, everyone. First of all, I want to welcome everybody here today. Glad everybody made it safely.

Before we even get started with welcomes, introductions, there is an issue that we need to address and to the group to discuss. The Oklahoma Indian Gaming Association has contracted with a court reporter to take a transcript of these proceedings, and then they would like to post it on their website.

When we started this process, we discussed this issue in great detail amongst the commission. And I think through our past experiences, through our consultation in the last basic year and a half, we've been very clear about our desires for transparency and openness. If you look on our website, there's a lot of information, including every single transcript from every single public meeting or consultation.
that we held. We are very big believers in
document -- written documentation, of any
activity that the commission does in the public.
However, when we were talking about this issue,
we did raise a point that we were concerned that
a written document or a transcript, word for word
transcript, could stymy full and open
communication. I think at the end of the day, we
came down to the point that we decided to do a
written summary and have someone take notes
versus doing an actual transcript.

We understand part of the nomination
process, you are all required to get, you know,
permission from your councils that you are able
to make decisions and speak, you know, speak on
behalf of your tribes. We understand that's a
huge responsibility. And, you know, we didn't
want to make sure that you were looking at every
single word that you said with the concern that
that may go back to your council and then there
could be some discussion that may not be, you
know -- you may not like. So that was the whole
reason why we decided not to use a
transcriptionist and decided to go with a written
summary. However, we do have this issue
presented before us.

And the folks that, you know, did bring this reporter, you know, has made some compelling arguments that there has been a lot of questions about this group and what we're doing. So my idea was that this is your group. This is your decision. If it's something that you all believe is in the best interests of, you know, this group going forward, then I'm fine with it. However, I would have two requests. One is that because we did originally talk about doing this, the commission would actually like to pay for it because we think it is something that we think is appropriate to do. And then we would like to put it on our website versus I think the folks from Oklahoma have -- that they would put it on their website. Now, it's entirely up to you. This is obviously your group and I would like to open up a discussion amongst everybody here, including the folks from Oklahoma that did bring the transcriptionist here. I think it's something we need to talk about and take care of right away. Because she is behind us here and ready to go.

MR. FISHER: She's starting.

MS. LASH: I would just like to say for
the record, I don't oppose her being here. I think it's a good idea to have a free flow of information, and I hope that it's not a problem with the TAC. Also, I would like to point out that this is a public hearing, and I think that it's not really the decision of the TAC whether she could be here or not. It's a public hearing, and I think she has the right to be here for the public. It's a public information event. But I think it's a good idea. There's been some errors in the summary, and I think that having that as our only record and dealing with errors in the summary that we have, I think it's better just that the information just be free flowing and accurate.

MR. LITTLE: I don't disagree with anything you said.

MR. WILSON: I don't foresee in my mind that our tribe would have a problem with a court reporter being here. But I do see that if it were posted out on their website as kind of -- that would seem odd to me and that my preference would be that if they're going to be recorded, then that information should be posted wherever you normally would post information. I
personally wouldn't want my tribal council to ask me a question about something they read on a non-NIGC website about the meeting. It just seems to me that that would be a little bit convoluted.

MR. LITTLE: Anybody else that wants to --

MR. WHEATLEY: Is this a standard procedure for NIGC meetings?

MR. LITTLE: It has been since this commission has been formed. We've transcribed every public event and consultation that we've done.

MS. STEVENS: The commission -- I think back -- the previous commission did not do transcriptions. They did transcribe. We did that as soon as I came into office, started transcribing our consultations. It is very costly. What's costly, if any of you have done this before, is it's per page. I think on average, we're spending --

MR. LITTLE: 7 to 10,000.

MS. STEVENS: It's in the thousands in one day because of the pages that they have to transcribe. And so when we do three days in a row, that's very costly. Even the White House is
in a Tribal Nations conference. They do summaries because of the costs. But we've started doing the transcribing. The previous commission in their TACs did not do this. And, frankly, I'm surprised and disappointed that Oklahoma Indian Gaming didn't talk to us about this and sprung this on us this morning with the court reporter being here, when that was something that was never done before with the previous commission. When it was probably more reason to do it there than there is here.

As Dan said, we've been very clear about what our intentions are. We've been letting everybody know what we wanted to do. We are approaching this differently than the previous commission. You know, we have an alternative standard that's been put in front of us, and rather than just taking it, altering it and putting it right to the Federal Register, we're adding not only did we ask it from the tribes and the manufacturers as have happened before; we've added this TAC in here from around the country to give us their opinion of that document, and that's an extra step that's happened. So we've been, I think, very fair.
I'm concerned at how we're stepping off here. You know, ghosts of past and a hangover from previous commissions are still haunting us. And I'm frustrated by this, and I'm disappointed. And, you know, we're going to leave this to all of you to decide, but I have to be honest that having come down from, you know, 15 minutes before the meeting to have this sprung on me is rude. So this will be left to you all to decide. We -- you know, the reason we -- like Dan said, we chose not to do the transcriptionists so that we, one, could be mindful of the costs; and, two, we could have free-flowing conversation and that there be some trust. You know, the summaries go around so that there can be some corrections made to them prior. And it's not like we're trying to hide anything or that we're trying to do anything shifty. But we're just trying to be mindful of free-flowing information and costs. And, overall, and I'm just going to, you know -- one thing you can always count on me for is candor, even if it hurts. I'm disappointed that there is already begun an "us versus them" mentality here. And we put this together and we're not part of your decision-making process as a TAC and we're
sponsoring this so we can get some wide spectrum expertise from Indian Country on these particular standards. And we do want to consider them, and we're counting on all of you to give us your recommendations; not just on this decision this morning, but as we move forward, as you start getting to substance, because we're still in the middle of a process. This is another process question. So that's all I have to say about that. I'm going to be here for a little while this morning, and then I'm going to leave. Dan is going to be in charge of NIGC's participation here, as you all know. I have the utmost confidence in Dan, and I also have the utmost confidence in Robert. So that's all I have to say. Thank you.

MR. LITTLE: Is there anybody else that had any other discussions on this?

MR. FISHER: I think it might be useful to hear from everybody, just see what everybody is thinking and figure out where we go from there.

MR. CULLOO: I don't have a problem with it being recorded, a transcript being put together, though. I would like it -- prefer it to be on the NIGC website if it's going to be
anyplace at all. It does bring into question if we go into small groups, are we going to have the ability to go off the record at any point. So those are the concerns I would have.

MS. HAMEL: I don't have an opinion one way or the other, but I do share Leo's question about is there some discussion that is off the record, because it may be a lot more detailed than needs to be published on the website.

MS. CHINO: I have the same kind of concerns, just that for some -- to go off the record at some point in time, can we do that and that kind of thing. Other than that, I don't see any problem with it either.

MS. THOMAS: I guess I have no issue with it all being transcribed. It is expensive. We've transcribed stuff before for our tribe, and it does run a pretty hefty bill. I do agree with Tom that it should be on the NIGC website. And then just addressing their concerns, our procedures actually allow us to go into a closed meeting, and so at that point I wouldn't think that they would be recording.

MR. WILSON: I would just add that my concern is the Oklahoma association, if the TAC
were to vote, no, we don't, I don't want to get into a debate about whether we have authority or don't have authority to say, yes, we do, or, no, we don't, because I suspect that they'll have this person here anyhow. I mean, she's here now. So I don't know. I just don't want to get into a political debate about whether this person should or shouldn't be here. I just want to make sure that the information is accurate and that I'm not -- I do not want to come across, nor does my tribe, that we are being represented by the Oklahoma Indian Gaming group, and that's why them sponsoring having the court reporter here seems odd to me.

MS. LASH: I've made my statement, but I would like to add, though, you know, I do know that there's a great expense for tribes to come to be here to hear what's being said, and I know that during the consultation, there were a lot of tribes following what was going on at the consultation through reviewing the transcript. So I think it's useful to Indian Country as an information source to follow the discussion and what's taking place at our meetings.

MR. CALLAGHAN: No objection.
MR. MAGEE: John Magee, for the record. I don't object. It's a little odd, but I don't object. As far as -- I'll have to agree with Tom, post it on NIGC's website for the record. I think that's where most of the documents have been presented so far. I would have to agree with that process.

MS. STACONA: Well, I don't think I have any objections. It's a public meeting. I think I'm going to have to watch what I say now a little bit. But I guess my concern is on this, are we still going to have the summary also being done? I prefer a summary. I don't want to go read in all the stuff everybody says line by line. I don't have time to do that. So I would like to still see the summary being done.

MR. GARVIN: I don't have any objections certainly to the transcription. I would appreciate it if the NIGC took on the expense. I would appreciate that offer. I guess I'm a little interested in why Oklahoma kind of did it in the manner that they did it. I guess were you anticipating NIGC, some push-back? Because they explained why they didn't in the first meeting, and so I was kind of interested to know. It
wasn't a good enough reason or --

MR. LITTLE: I don't have a reasoning why it was done. I do understand it was at the last minute, last minute issue, so maybe that's why we weren't contacted. I don't know. Just speculating. You know, I think it's a decision which was made on Friday.

MR. GARVIN: I guess I don't have an objection. I would hope my tribe doesn't have any problem with what I said. I'm sure it will be good.

MR. MORGAN: No objection. I will state it's a public meeting. Every consultation I've been through on your term has been transcribed, and I read the goofy stuff I said on there so far. It's not bothered me. We're here and it's being transcribed. I hope it doesn't limit anybody and anybody doesn't feel uncomfortable to express. That decision was made by the OIG leadership, which none of us here are actually on, so I really can't answer the behind-the-scenes question of what was done, if it was discussed at a general meeting as far as what the -- I guess of how that happened. We don't know. From Oklahoma, we don't sit on that
leadership group, so --

MS. TAHDWHOAHNIPPAH: I have no objections. I think that it would be a positive thing if later down the line, if there ever needs to be why did we do a certain thing or how was it interpreted, it would be helpful. But on the flip side, I hope that doesn't limit conversation and open dialogue.

MR. WHEATLEY: I don't know that I would say I object. Again, I think I echo the sentiments of some other folks that said I think it's odd. I think it's unfortunate the NIGC has to take on the expense, especially in our tight budget times. I think it will limit some of the conversations a little bit. Some people might not feel as comfortable. I don't know who's going to go back and review all these documents. I think that the stuff that we have to read now is plenty, plenty enough on our plate. I certainly won't have time to go back and look at transcripts. But, to me, it's a growing sense that there's an adversarial relationship here, and that's what I'm concerned about. How much more process stuff are we going to have to talk about before we get to reviewing regulations.
We're already behind, and now we're again talking about process issues. And if at what point, how do we decide is this going to be on the record, off the record, do we have to throw that into our operating plan on how we handle those types of discussions? That's my biggest concern is that it's holding up what we're -- the work we're actually supposed to be doing here.

MR. RAMOS: I think I agree with Jeff to a large degree. I think that while it's a public meeting, and I can't object to a public meeting, I do kind of object to the way that it was proposed to the group. I think that the tribes that represent this stenographer had a duty and responsibility to address this in some way during the first meeting in Connecticut where we talked about process. And if you're not going to do it there, then at least get it on the agenda somehow so that we know that it's here and not with the other members of the group showing up and that we're addressing a new issue that I don't have much background in. But I would like to have had some consideration prior to the meeting to be able to formulate some thoughts on it so at the end of the day, stand down or stand by on the
issue, but I think there's some common courtesy that really should have happened.

MR. LITTLE: So what does everybody want to do? Christinia said we could go into a closed meeting, vote to go into a closed meeting, kick everybody out and decide what you want to do off the record. We --

MS. STEVENS: Because you're on the record right now.

MR. LITTLE: I did ask that she not start prior to until we settled this issue.

MS. STEVENS: There's a couple of questions, too. What happens in Connecticut, what happens with the day, how does this get paid for. Because NIGC, we had consultation yesterday, and we couldn't get a stenographer, we couldn't get one locally, so this had to have been decided at some point just recently. Because we planned out all of our consultations, and we couldn't get one for Rapid City, which tells me this was thought about. And so what do we do today? Because she's on someone else's tab right now. That means we don't own this transcript, and it can't go on our website. And then we will have to scramble to find one for
tomorrow and the next day. Which is fine, we'll
do that. I want to be clear. I don't have a
problem with it. It's just a decision. We've
been doing it all along. We'll do it again if
that's what the group decides. But then we've
got another process question here on how do we
move forward. And everybody's -- you know, it's
a little different when you start doing actual
transcription. You're going to have to state
your name, where you're from, so they can get it
accurately into the record. It's going to change
the dynamics here. So we all want to go into
closed session and talk about this, but we have
an issue right immediately on what to do.

MR. WILSON: I'd like to move that we go
into closed session. Because this wasn't an
agenda item, I'm really not prepared to talk
about this in an open session, and I do think
that this was sort of thrown on us, and so I'm
not comfortable discussing it in an open session.
I'd like to move that we go into a closed session
to resolve this.

MR. FISHER: Sure. So the procedures
allow for you to do that. And so if everybody is
okay with doing that, then let's ask the
stenographer to stop and basically ask everybody
despite to leave the room so that we can figure out
what you want to do. Okay.

(Executive session – discussion held off
the record.)

MR. FISHER: Should we get started? Okay.

What did you decide?

MR. WILSON: What we've decided is -- so
I'm speaking for the TAC right now. We don't
have any opinion on having a stenographer or not.
We're neither opposed to it nor in favor of it.
We feel like if there is an issue between NIGC
and Oklahoma Gaming Association, that you guys
can work that out as far as that goes. But we'd
like to move past any further discussion in this
group about that issue.

We would also like to close some
procedural issues. We're prepared to vote on the
guidance documents or operating procedures, as
well as the public comment procedures.

We do have one comment on the public
comment procedures that we would like to discuss.
We'd like to table the summary document to get
some feedback to you, Robert, between today and
tomorrow that we then could have changes made to
that and vote on that document on Thursday. And that's what we'd like to do to move the process forward, and we'd like to put procedural issues to bed now and not have to revisit them unless absolutely necessary.

MR. LITTLE: So is it on the NIGC website, the document, or on OIGA's?

MR. CULLOO: You guys are supposed to decide that.

MR. WILSON: We feel like OIG is going to do whatever they want anyhow, so we had a preference on the NIGC website, but, again, we really don't -- we don't have an opinion one way or the other.

MR. LITTLE: We'll talk to the Oklahoma Gaming Association and see if they'll loan us a copy to put on our website. And then at the next meeting, and all future meetings, we'll arrange to have a transcriptionist do that. Okay.

MS. STEVENS: I'm going to expound on this point. These would not be our documents. And we have no control over the content of the document, so that is my disclaimer, and I'm sure my attorney would agree with me back there, Mike.

These are not ours. We would have to ask
OIGA if they could submit those to us, just like the tribal meeting working group's document. We have to put it on the website that this is not our document; this is someone else's document, and we have no responsibility of the content of those documents for this meeting. Because we have an immediate question to answer right now, which is we have a lady, lovely Amy back here, doing her job and we would need to have her keep doing it or stop. And if she keeps doing it, it's going to be on OIGA's tab, and all we can ask is that OIGA share it with us. And, you know, they can choose to or not to share it with us and then we would have to post it on our website later on as they have submitted it to us and with the appropriate disclaimers that this is the property of OIGA and not NIGC. And then we can arrange for a transcriptionist at the next ones, and we can proceed as we normally do with how we handle transcriptionists in the future. So is that workable for everybody? Okay.

MR. FISHER: Okay. So it sounds like you want to get to doing the voting on the operating procedures and the public engagement protocol.

MR. WILSON: If we could vote on the
operating procedures first and then have a brief
discussion on public protocol and then vote on
that.

MR. FISHER: Before we do that, could I
introduce my colleague, Kim Oliver, who is here
joining us, who I expect is going to be here
throughout however long I'm here with you in
place of Touchard who was here with us at the
last meeting. So, Kim, she also works -- you can
say -- you want to say two seconds?

MS. OLIVER: Sure. I'm currently working
for the Department of Interior in an accelerated
management development program where I spent four
months in various offices under the Office of
Secretary. And collaborative action resolution
is currently one of the offices I'm rotating
through. I've been through environmental policy
and compliance, Office of Civil Rights where I
wrote final agency decisions for the department,
and my first rotation was in the Office of Budget
where I worked in the past. So I'm glad to be
here.

MR. FISHER: I'm glad to have her. It was
my goal to have somebody who would be with us
throughout the whole process. Kim was able to do
that with us. Okay.

Did you want to say something before we start? You look like you do.

MR. LITTLE: I just want to make sure that I know in the protocols, has the group decided on the employee issue disclosure or how that's going to be handled?

MR. FISHER: Well, there was a thing that got -- in this draft of the procedures about employees.

MR. LITTLE: On my checklist here, I would ask if we could go back and get further definition of employee and how it's viewed under FACA. We're prepared to talk about it, unless it's something that's been already resolved.

MR. FISHER: Sounds like they're ready to vote.

MR. LITTLE: What's determining is a resolution going to be provided by your councils. Do you want a form letter created? What is the process for you bringing your, you know, experts or whomever might -- is this the right time to talk about this? How is that to be handled? Okay. It was handled with a resolution from a council last time. Is that going to be the
standard procedure for any experts, produce a tribal council resolution? We need some -- we need some documentation.

MR. FISHER: The way it's written right now, it says that they'll provide written verification, right?

MR. WILSON: Dan, we were comfortable with how it's worded currently in the operating procedures.

MR. LITTLE: Okay.

MR. FISHER: Did you have anything else? Does that -- did that answer your question?

MR. LITTLE: Yeah.

MR. FISHER: All right. So then let's turn to the operating procedures, and it sounds like people are ready to -- so were there any changes to it, or you're ready to approve it the way it is, or is there anything else that people needed to talk about?

MR. WILSON: We were ready to approve it.

MR. FISHER: So, you know, as part of our consensus procedure, raise your hand if you agree with the operating -- the draft of the operating procedures dated 11/10.

(All hands raised.)
MR. FISHER: Okay. That looks like everybody.

MR. MORGAN: Procedural matters are simple majority.

MR. FISHER: Okay. On the procedural things, that's how you want to do your work, by simple majority? Perfect. So I think that's it, correct? We put that in there based on the agenda plan.

MS. STEVENS: On recommendations, when you get to substance recommendations --

MR. FISHER: Right. It's only on process related.

MS. STEVENS: Clarifying.

MR. FISHER: All right. Congratulations. All right. That takes care of that part of it. So now the public engagement protocol.

MR. WILSON: We had a comment on that. We feel like the TAC should be able to determine if a speaker should be given more time. Right now under the three-minute rule, it's NIGC that's determining if somebody should have more time or not. We feel like that should be the TAC that determines that.

MR. FISHER: Okay. Was there anything
else to change in that? No. So it will stay the way it's set up, three minutes, then the response time. Unless the time limits are changed by the TAC. Okay. So all I'll do is cross off the NIGC representative in the TAC in there and it will read, Time limits may be changed at the discretion of the TAC, and then take out the "after consulting." Okay. So are you ready to check to see whether you've got consensus on that? Now this would be a procedural thing. It would only be a simple majority. But we might as well see what everybody thinks about it. If you agree with the document as revised, raise your hand.

(All hands raised.)

MR. FISHER: Okay. Unanimous. All right then.

MR. WILSON: One other comment, Robert. On the summary document that would be on Thursday, one thing they would like is we know there's a summary document, but we're presuming that there is a whole host of notes that really have been taken by the -- in this case, Kim, and we'd like to be able to see the entire package as well as the summary, those two documents
together.

MR. FISHER: So those notes were not taken from the perspective that anybody else was going to read them, other than the person who created the list. So they're raw notes. They're, you know, not a transcript. There could be commentary in there. I don't know. I have no idea what's in there.

MR. WILSON: We're okay with that.

MR. FISHER: I figured you would be. I'm wondering about Touchard. Okay. So how would you like that -- you want me to e-mail that to everybody? I'll e-mail it to everybody. Okay. All right. So on the summary, my understanding is you provide comments tomorrow or --

MR. WILSON: Today and tomorrow.

MR. FISHER: And then I can redo it and send it back out to everybody and then we can determine whether it's final. And once it goes final, NIGC was going to put it on its website. And since -- so you know, in terms of the way that thing was drafted, and I know it got sent to people later than we had said, but Touchard did a first draft, he sent it to me. He got it to me six days later than he committed to getting it to
me. I then read through it and edited it and then sent it out to you. It did not go to anybody else for review before it went out to you. It basically went to everybody for review. I did check on a couple of the provisions in it with -- one with NIGC and one with one of the TAC members about some of the things that were in it, and then it just went out to you for review. So that's basically the procedure, is that nobody is scrubbing those things in advance. And the process is set up for you to be able to review and to make changes so that it accurately reflects what we did. Okay. So when do you want to provide comments on it?

MR. WILSON: Well, some folks will provide comments today. Some --

MR. FISHER: You give it to me in writing. It would be easier in writing.

MR. WILSON: Yes, they'll give it to you and they'll e-mail. Are you able to comment electronically or in writing? Either way. And you'll have all comments by tomorrow at noon. And then that will give you time to make the correction and then get that document back to us on Thursday.

So we need to actually kind of check in with the agenda. Should we check in with the agenda so we're not too far off. We're already in the midst of the work. The only other thing we had on the agenda before we got back into the discussion on the technical standards is whether there were any updates or information to share.

The commission put out its comparison documents. Anybody have anything else to share, or should we go straight into the technical regulations -- technical standards, I mean? Okay.

So what we said on the technical standards was that we would pick up where we left off, and where we left off was on the grandfather provision. So just as a reminder to folks, you know, the group is small enough. You know, that exercise this morning where you talked about the procedural things, to the extent that you can talk to each other across the table, then let's do it. If everybody wants to talk once, then we'll use the cue process with the cards. And we'd ask that everybody in the audience, if you
haven't already signed in, please sign in. If you want to provide public comment to the group before lunch, there's a place to sign in on the sheet up there, and there's additional public comment sheets in writing. Anything that's commented in writing is shared with the TAC. All right.

So we're ready to go to the technical standards. I'm putting all my process documents aside. So where we left off, we did create a recommendation at the last meeting about the Sunset provision. And there were other things that we were talking about in the grandfather provision, so who wants to kind of kick us off and pick up where we left off?

MR. MORGAN: My recollection is the next item we had to discuss is the submission date. The current 547 had a 120-day submission requirement past the November 10, 2008 deadline. The tribal work group proposed that that go away and make it read basically kind of similar to what we talked about in Connecticut, all those authorities kind of fall to your local tribal gaming authorities. I like the way that that is written. I like that authority being at a local
level jurisdictionally, not at a federal level. Like at my jurisdiction, I can choose whether I think something can come into play or not come into play because, again, at least in my jurisdiction, I have requirements above and beyond what these are. So just because you may meet federal 547 regulations to come into play, it doesn't mean you can come into play at the Chickasaw Nation. That's the way -- I don't know if anybody else has any objection to it moving, it being moved or not.

MR. WILSON: Just for a point of clarification, the timeline, the 120 days is to having to submit software. In other words, we've already discussed the boxes, the recommendation grandfathered in, and meeting those four criteria we discussed. This is different, though. This is dealing with the software?

MR. MORGAN: My understanding is that the purpose was is that all things out there in the market were to be submitted to a -- not necessarily tested, but at least submitted within 120 days, software. The only thing about removing it would be -- and it's kind of -- I'm fuzzy from Connecticut -- is you would still meet
all the grandfathered requirements or whatever requirements you tend to make; it's just that you don't have to submit within that 120 days. You submit it to the lab and you would still go through that normal process under 547 and have anything tested. The only thing we're saying is if you miss that window, you're not forever forbidden from playing that. And that comes into context a lot in that some -- at least from vendors I talked with, some games they didn't think they were going to be profitable anymore. Now they've changed their mind as new technology came along. At least in Oklahoma, we'll be on the one subject for a while, and then you kind of see us go back to an older tradition form of something and then we'll move forward again. And it kind of ebbs and flows. And it's to take away that you would never be able to play the software. All requirements meet. If you still want to play it, and you haven't got it tested by a testing lab, you still have to send it. That's my understanding.

MS. LASH: I agree. One other point is the software, the things that we're talking about have already been approved by court cases in the
Ninth and Tenth Circuit as Class IIs. So we're not going to conflict with what established law is.

MR. WILSON: I'm wondering if we could hear from the NIGC in terms of the thinking about this 120-day rule, what the thoughts were about that and why that was significant or not. Of course, I understand that that was done in the context of having a grandfathering clause, but, you know, are we missing anything on our end as to why you felt a 120-day rule was necessary?

MR. LITTLE: I can't say what their thinking was when they created this, you know. My understanding, I think, from reading the preamble was that they figured the natural course of the market will move these machines out and they will no longer be -- the market won't demand that. I think. I think. I can't be a hundred percent certain what their logic was.

In Connecticut the question, I think, that we had raised was how big of an issue is this. Are there a lot of machines out there that would not make -- and the market in 2009 had to be submitted -- that did not make that date. How big of an issue is that. And I think, if memory
serves me correctly, I think they said it was about 6,000 machines out there that did not make that deadline. And that date could be -- so it was desired to bring them into -- to be used. However they still would have to -- they still would have to meet all the provisions under the grandfather provision, but it's just they cannot meet that arbitrary date. Am I correct?

MR. MORGAN: I think that elicits discussion, but there's probably more than 6,000. What we're talking about is software. So you're talking about a software. Now, what that box, that software goes on, at least in my mind, is irrelevant. Because at least my understanding of our conversation in Connecticut, our concern was was it going to meet the testing standards. As long as it's submitted and meets the testing standards, I won't let the market determine how many boxes that software goes on.

MR. LITTLE: You're right. Those boxes and not the servers -- I mean, the software is fully compliant. It's just the boxes that we're discussing.

MR. MORGAN: Like ours, we own some software that we bought, that we purchased as a
tribe thinking that we could develop it for future uses. I don't really have it assigned to boxes yet, but we have the software. We have that capability.

MR. FISHER: Jeff.

MR. WHEATLEY: As long as the manufacturer goes through the expense of submitting the box or whatever it is to the independent testing lab, I don't think it should matter. I don't think when it was developed or when it was tested, as long as they're meeting the four or five different criteria of the technical standards that are in place now, it shouldn't matter when the box was created. As long as they're submitting them and they meet those four requirements, then they should be able for play, is my --. It's on the manufacturer to absorb those costs.

MR. MORGAN: I think I'm paraphrasing what you actually said. That's my understanding.

MR. FISHER: Wait one second.

MR. LITTLE: What he is telling me is he thought that the previous commission had kind of pulled the manufacturers and that they would set up through, I guess, consensus how long it would take to get them into the lab. So we're just
kind of, you know, trying to remember what -- I can't really say what the last was, but just a little bit of additional information.

MR. RAMOS: I think where we had gotten, Dan, is to the place where we said, Hey, look, where's that arbitrary date, what's really important? What's really important is that the machines are safe for players; they're not going to get, you know, hurt, shocked, whatever; that there's not the -- that there's fairness of play; that they've been tested; that there's not reflexive software, near miss software; and that the transmission was secure. And then Jeff's follow-up comment was that's already in the standards anyway. So we're kind of going full circle there.

MR. McGHEE: So am I clear that the way it's written in the proposed document where it just struck out that "within 120 days," is that basically that we're saying that that's okay?

MR. FISHER: It sounds like that that's the proposal. You want to check to see if people are in agreement with that?

MR. McGHEE: Yeah, if nobody is opposed to it.
MR. FISHER: Right. The question is whether everybody is in agreement with eliminating -- this is my way of saying that, so maybe there's a better way of saying it -- eliminating that the date requirement to submit to a lab, taking out that fixed --

MR. McGHEE: The 120 days.

MR. FISHER: Right, the 120 days. So let's see if we can do it on a short hand wave. Everybody good with this? Anybody have a problem with it? It will be easier if we can work our way through. If people have a problem with it, they can say and we can talk about what the problem is. If nobody has a problem, then we'll consider it to be unanimous that you're in agreement to remove it. Okay. So is there -- there's more in here, right? Kathi?

MS. HAMEL: I have a question just in the document that we're working from does not have the entire 547.

MR. FISHER: Right.

MS. HAMEL: And in 547 for (a), there's provision number 7 that requires the player interface to have a tag on it. And just like what Matthew is saying, it's not the box that
runs the game. It's the software. And I guess I don't understand what the format of only those items that are listed in there, the review documents, are up for discussion, or are all the provisions in 547 up for discussion?

MR. FISHER: Let me take a quick stab at reminding people, because we talked a little bit about this in October, so this document represents the TGWG's comments. And while that's the starting point for our conversation, anything in the regulations is open for discussion.

MS. HAMEL: Do we need to bring it up, for those people that may not have this in front of them?

MR. FISHER: Bring it up, you mean up on the screen?

MS. HAMEL: This section. Do you want me to read it?

MR. FISHER: Yeah.

MS. HAMEL: It keeps talking about the box, 547.4(a)(7).

MR. MORGAN: It's the --

MR. FISHER: Why don't you read it. Before you do that, let me just double-check. So I took it that we had unanimous agreement on
moving the March 20th date, the 120 days
requirement.

Okay. So do you want to read it, Kathi?

MS. HAMEL: I can.

MR. McGHEE: I have a question. So if the
document that was given to us by NIGC, you know,
they only -- if they only list (a) and then (1)
and then they skip the pages, so (2) through (7),
what does that mean? Does that mean they didn't
have a problem with (2) through (7) of the TGWG's
document or that they didn't have an opinion, or
did you only want an opinion on (a)(1)?

MR. LITTLE: When we did these, we only
compared the changes that were made by the TGWG.
And I think we talked about at the last meeting
was there any areas that were not addressed that
the group would like discussed. But we
actually -- at technical standards, we only
addressed the issue changes that were changed.
Now when we move forward to the bingo, we
actually -- there are some areas that we did have
to raise some issues with the parts that were not
affected by the document before us, just for some
clarification. So in this document, it's only
the changes that were presented to us that we
compared.

MR. McGHEE: So if I'm looking, there's changes in 1, changes in 2 and 3, and then -- but those aren't up here for discussion.

MR. PUROHIT: They might be in the subsequent pages. Let me just double-check, though.

MR. FISHER: What -- Dan, say again what you don't see there.

MR. McGHEE: What I'm saying, and maybe I'm missing it, is changes in the TGWG documents are changes, but they're not in the comparison document of NIGC. So it makes me think that they're okay with those. Only the ones that they listed may be the problem, and I just want to be sure.

MR. FISHER: I was pretty sure they were doing everything.

MR. PUROHIT: It was all the major things that had a response from the TGWG for justification. And if you look on the second page, there's 547.4(2)(a) and then subsection (2) that talks about limited media compliance that's on the next page. It was kind of broken down into sections that had like regulations in there.
That's what we tried to focus on.

MR. McGHEE: It's not in order.

MR. PUROHIT: It's not necessarily all together lumped in.

MR. McGHEE: So the changes that you're talking about --

MR. FISHER: It's in there. Which page is it on?

MR. PUROHIT: 547.4. The specific subsection (7) with the box, that's not in here.

MS. HAMEL: I didn't think so. That's the question I'm bringing up. It's not in the document, but I have it.

MR. FISHER: We're still trying to make sure that everything TGWG did is in the document and then we'll come back to yours. Are you good, Dan?

MR. McGHEE: Yeah. Now, just as long as we can find it.

MR. FISHER: The intention is that it's all in there.

MR. PUROHIT: If you notice on the top of each page as well, we kind of grouped it into sections of each. Like in the first section, we talk about the grandfather provision and
everything that the TGWG proposed for that. And
the next one talks about the actual -- the
minimum probability standards and relevant
fairness requirements. So we grouped all the
TGWG proposed changes into that subgroup as well.
So we're kind of looking at the subject area of
the regulation document, not necessarily just
that. As far as the documentation, just do like
reg by reg and take a look at that.

MR. FISHER: So are you good?

MR. McGHEE: Good.

MR. FISHER: So let's go to Kathi's
question with 547.4(a)(7).

MS. HAMEL: The regulation reads, Require
the supplier of any player interface to designate
with a permanently affixed label each player
interface with an identifying number and the date
of the manufacture or a statement that the date
of manufacture was on or before the effective
date of this part. The Tribal Gaming Regulatory
Authority shall also require the supplier to
provide a written declaration or affidavit
affirming that the date of manufacture was on or
before November 10, 2008.

And here's our comment. Why is this a
special requirement for player interfaces with a
grandfathered system? It's just a box. The
player interface has nothing to do with the play
of the Class II gaming system. It is possible
for a grandfathered Class II gaming system to
utilize the player interface cabinets that were
built after November 10, 2008.

MR. McGHEE: Really, it would be trying to
identify that the software was at least -- not
the box.

MS. HAMEL: Exactly. Through software
signature verification.

MR. MORGAN: To me that was their
confusion when the previous NIGC published it,
they kept mixing up software and boxes and
software, and they equated them to one and the
same in a Class II, which it's not. At least
with our last agreement, are you saying that this
should all be removed, is that where you're
getting to?

MS. HAMEL: There's one piece on here that
I think it's valuable that this has to have an
identifying number.

MR. FISHER: I guess the question is --
while we're having that discussion, I can figure
out how to project this.

MR. CALLAGHAN: In the manufacturer's world -- and there's two sides of this. One, I agree with the affidavit, that doesn't belong. Two, manufacturers, particularly in the State of Nevada, are required, and that's where the majority of the boxes are made, in the Class 3 world. They're required to put a label on the outside of manufacturing, and they also have to subscribe on the inside of the cabinet. They tell us that's what they're required to do. So that may be the genesis of this. So you might not see that for a manufacturer out of Norfolk, Georgia.

So then the other part of this is on an annual basis, we have to file a letter with the Department of Justice, and I'm not thinking of -- where it says we have the ability to transfer boxes interstate, and that may also be where that's at. So that might be a safe part. I think a Class 3 manufacturer is going to do this anyway, because Nevada doesn't distinguish between Class II and Class 3. But I do -- I think you really had a very good point on that, on, one, the affidavit; and, two, making the --
distinguishing between the software and the hardware.

MS. HAMEL: And when it was manufactured.

MR. CALLAGHAN: Correct.

MR. MORGAN: My worry here is that technical standards are set up to be a checklist for the independent testing lab, and suddenly we're talking about a stick on a box that says you submit the software back to your thing. So I submit the software. Do I really need to submit the box the software is going into with that label? Because I don't know how that's a technical standard from my perspective. If the Class III of Nevada requires it, that's something they have to meet in Nevada. That doesn't apply to Class II. There's an explicit exemption for Class II's on the Johnson Act for their gaming machines. So I agree with you. I think that's where it came from, now that you say that. We have seen that a lot in the Class II world, where a Class III requirement comes down on a Class II because it makes sense in the Class III, but it doesn't really make sense in our world. So I'm --

MS. HAMEL: I'm not saying there shouldn't
be a label so you at least know where it came from. I'm just saying that it's not relevant to Class II and grandfathered systems and 547.4.

MR. MORGAN: Does this sentence fall anywhere else? Because if we're talking only about grandfathered here, did that sentence fall anywhere else?

MS. HAMEL: I don't recall.

MR. MORGAN: Because if it's not relevant, grandfathered, are we going to get rid of it or move it to a different section so it does apply somewhere, but just not within a grandfathered system?

MR. FISHER: Did you hear his request about whether it appears somewhere else? Do you know the answer to that?

MR. LITTLE: I --

MR. PUROHIT: As far as the software side of it identifying where the software? I don't think there's any requirement that I'm aware of.

MR. MORGAN: The requirement is on the player interface.

MS. HAMEL: Not on the software.

MR. PUROHIT: What you're requesting is is there something that identified the date of the
software itself?

Ms. Hamel: That's the relevant, not the hardware.

Mr. McGhee: So can (7) just be fixed to address software, not --

Mr. Purohit: The key issue also is I think the justification for the whole grandfathered process was to make sure not everything is introduced like this is grandfathered, this is grandfathered even when there's not. There's some kind of identifying factor of what is going to be grandfathered. So I think to Kathi's point, the box itself is from a technical standard perspective. They can't test the date of anything. But that's going to be included that this is the software, this is when it was submitted to a lab or this is when it was identified as being created to prior to 2008 or whatever the timeline is.

Ms. Hamel: I think we have enough language about software verification and testing through labs because there has to be documentation to support that. I just don't think this applies at all to this section. I don't think it's relevant at all.
MR. FISHER: So your proposal would be to remove it. So let's --

MR. RAMOS: I think it really -- with this entire discussion, it kind of centers around what we're really targeting in regulation. And, really, from my perspective, it's the software involved with the server and not so much this discussion around the boxes.

MR. McGHEE: How would we -- just strike that?

MR. WHEATLEY: So are we saying that the box does not get submitted to the independent testing lab at all?

MR. MORGAN: There's safety requirements.

MR. WHEATLEY: I think that the label still needs to be there with the serial number and the model number so that the tribal gaming regulatory body can ensure that the model of machine, regardless of what softwares, they'll have do the software verification, but they also need to confirm that the box that is on the floor has been through an independent testing lab, and then they'll do that through a model number.

MR. McGHEE: Number 7 doesn't require a model number. It just requires a tab that says
this was manufactured. Somewhere in here, and I
don't know if it's in here or the MICS, that says
they have to have that stuff on the box. But
that paragraph number 7 only says it's something
to identify that that cabinet was produced before
November 7th or something.

MR. WHEATLEY: That all goes away with our
recommendations about the grandfathering and the
120 days. So that portion wouldn't be necessary.
As long as it's somewhere else within the
document that says that the box needs to have a
label that has the model number, serial number,
blah, blah, blah, I'm fine with that.

MR. MORGAN: You need some type of
identifying number.

MR. WHEATLEY: The tribal gaming
regulatory body needs to have a way to be able to
identify that this is an approved box.

MR. FISHER: So is that currently in a
separate regulation?

MR. LITTLE: I'm not aware of that.

MR. WHEATLEY: If there's hardware
requirements.

MR. PUROHIT: I'm not aware of any
specific technical standard that requires models
to be affixed on the side of the terminal or anywhere identified. I think that might be in the MICS.

MR. CULLOO: By the serial number.

MR. PUROHIT: The serial. That's definitely a requirement.

MR. McGHEE: That's what I recall it being, and when it talks about being an identifying number and stuff like that. But I'm not going to swear to it.

MR. FISHER: So the question that was posed was whether people were in agreement or disagree with removing this section (7). You raised a question about wanting to make sure there were other requirements that were still in place. What I heard the answer was is that it's in the MICS, not in the technical standards.

MR. McGHEE: Which (7) doesn't do that anyway. Number (7) doesn't do it.

MR. FISHER: So why don't we check to see what people are thinking about with respect to the proposed recommendation to remove Section 547.4(a)(7), what's projected up on the screen there.

MR. PUROHIT: Can I say one word of
caution, though? The other thing about the
technical standards, there is minimum design
guidelines for manufacturers. So if you take
that requirement, put it in the MICS, then the
manufacturer is going to say we have to start
looking at the MICS now, too, to put the labeling
on our terminals and all that stuff.

MR. McGHEE: This number (7) --

MR. PUROHIT: Again, the date itself.

MS. HAMEL: It does say a statement. It
doesn't necessarily have to be affixed. So
it's --

MR. McGHEE: The modeling and stuff he's
talking about are a separate issue to number (7).
Because this is only about making sure about that
before November 7th. So it would be formally
grandfathered or something. As far as model
number, serial number, whether you take this away
or add it or not, I don't think this is going to
appear somewhere else or not somewhere else.

MS. HAMEL: Are there player interfaces
out there without any sort of language affixed in
them? So to keep this -- the intent of
understanding where player interface came from,
could number (7) end at the date of manufacture
and strike the rest?

MR. PUROHIT: That's what I was trying to get at. It has to be put in by the manufacturer. It's still a design principle of the device itself.

MR. FISHER: You would do that, right? That's what you were saying? Let's pause here for a second. So to make sure everybody is hearing, Kathi, this is what you were saying, it would stop here?

MS. HAMEL: That would give you a label. It gives you some sort of identification, identifying the number and the date of manufacture. And obviously this -- the suppliers would have their name on it, I assume.

MR. McGHEE: Is that a -- something that needs to be limited? Once we take away all that other garbage, what we're asking should probably be somewhere in the (inaudible.)

MR. WILSON: Is the relevance of the date of manufacture -- because I understand this part that was in there is because of the arbitrary date to determine this was prior to November or whatever and this was after. So my question is: What's the relevance of that date? I'm trying to
think from a standpoint of auditing or something after the fact, do I need that date, do I need that information?

MS. HAMEL: It's not relevant on the box.

MR. WILSON: On the box. So if -- because I'm wondering, too, with manufacturers even on some of these machines, it's when they were manufactured or other than if generically you can say that this set of machines was manufactured prior to whatever. But, again, if that date serves no purpose for me, then --

MR. McGHEE: Just because the date is on the machine doesn't mean you have to replace everything on the machine, like the parts of it that are not manufactured, the --

MR. WILSON: That's what I'm trying to get at, is does this date mean anything to me from an audit standpoint if I'm trying -- do I need that date to determine something about that box?

MR. CULLOO: The box can be modified any way. The date makes no difference.

MR. FISHER: So where does that take you in terms of the suggestion around how to deal with this section?

MR. MORGAN: To follow up on Dan's
question, and I heard Jeff say probably in the hardware. If you will look at 547 -- 8; 547(d), Player interface. The player interface shall include a method or means to: display information, allow player to interact with the gaming system. My suggestion would be if you think that statement is relevant and it needs to go somewhere, that's probably the section it needs to go in, on the player interface, 547(b). You could have an (a) or I guess (1) or (2) or however you want to.

MR. McGHEE: There's no (d).

MR. MORGAN: Yeah, (d). If you like that first sentence, my suggestion is you move that to 547(d). If you like it. I'm in agreement, I don't disagree with having that statement, but I think it's misplaced if you have it there.

MR. FISHER: 547 -- 547.7(d), physical enclosures.

MR. MORGAN: You got (c) and (d). So either right there, physical enclosures, or player interface. Because 547.7, the subject is, What are the minimum technical hardware standards applicable to Class II gaming systems. That seems to be more appropriate for that section if
that's where you want to keep it.

MR. FISHER: Okay. Kathi, back to you in
terms of what's your suggestion?

MS. HAMEL: I agree with that, it needs to be down with the hardware.

MR. FISHER: So it would be that first sentence from --

MS. HAMEL: Or it can be 7. I mean, it talks about an identification plate in (d).

MR. FISHER: Right.

MS. HAMEL: That includes serial number and date of manufacture. It does say that.

MR. FISHER: You're saying it's covered?

MS. HAMEL: Isn't that what an identification plate is?

MR. WILSON: It seems like the issue is whether the manufacturer is going to be required to put that information on the box or whether the gaming regulatory authority requires that information to be on the box. And it just seems to me that it probably makes more sense for it to come from the manufacturer as to make, model, whatever identifying information needs to be on there from the manufacturer.

MR. PUROHIT: Another word of caution, if
you remove it from 547.4 altogether, then it's saying that this is only a requirement for fully compliant cabinets, terminals. But, you know, we're not concerned about the box. But then if the tribal regulatory body wants to still do an audit of grandfathered boxes for that nameplate as well, then there's nothing that requires the manufacturer to put that on any grandfathered system and the components on there. It's only for the fully compliant boxes. That's just a word of caution over here. The way -- if you just put it in here in 547.7, that's my only urge of caution.

MS. HAMEL: So if you leave it in 547.4, there's enough language in 547.7 that talks about the physical box as well as an identification plate. And if you just take out all the other languages, it's telling the suppliers what they need to do to be able to get a player. But I don't think the date is relevant or when it was manufactured in relationship to grandfathered.

MR. WHEATLEY: There's no such thing as a grandfather clause anymore. There's only four or five technical standards that any system needs to meet in order to become compliant. So there's no
MR. FISHER: Well, you got a little ahead of everybody. So far we've been chipping away at removing the pieces. We haven't said yet there's a recommendation to remove the whole grandfather provision.

MR. LITTLE: Just remove the deadline.

MR. FISHER: We remove the deadline, so now you can have those dates. Does that change what you were -- how you approach this?

MR. WHEATLEY: No, I think that thought process is the same. It depends on if we agree to remove the 120-day, the time frame clause. But we've already removed the Sunset provision which would be for existing compliances to meet additional technical standards. Since we removed that, the only requirement is that they meet the existing technical standards that are in place now. The question on the table, though, when we go around is whether we remove the 120-day clause that those systems already had in place, or now can any system be submitted to conform to the existing technical standards that are in place now. If we do that, we essentially remove any type of grandfathering clause in my mind. And if
that's the case, then that requirement would go away as well. There's not a need to identify whether a box or cabinet needs a grandfather clause because there isn't one. Am I --

MR. WILSON: I'm not quite sure that's correct, because we've got two levels of standards. You've got the grandfather standards, which are the four criteria that those have to meet. But newer machines meet a higher degree of standards that the older machines can't meet because of their inherent design. So there really are still two components. So new machines being made are being made to meet a higher level of standards, but not built to be the four criteria.

MS. HAMEL: And you could take a box manufactured after November 2008 on a grandfathered and play it on a grandfathered system and use it on a grandfathered system.

MR. FISHER: Okay. So where does that leave us in terms of the recommendation? Daniel?

MR. McGHEE: All right. So what we're saying is with number 7, we want to -- basically we're talking about striking the whole paragraph. The only concern was that grandfathered systems
still have a requirement that they have an end
plate or identifying number. So what she had
said before, where it ended at player interface
with an identifying number, period --

MS. HAMEL: And date of manufacture.

MR. McGHEE: Which isn't on here. It
ended after manufacturer would solve the problem.
So how does everybody stand on that?

MR. FISHER: I think we need to delete --
sorry, I'm trying to -- it's that --

MR. PUROHIT: Kathi, for consistency would
it be some language along the lines of in 547.4,
identification plates as required by tribal
agreement regulatory authority? Kind of leave it
like --

MS. HAMEL: But in 7, 547.7, not 547.4.

MR. PUROHIT: No, in 4, because there's
still a requirement for the TGRAs, like what Tom
was just outlining, you still want to be able to
audit any of the information, the unique
identifiers on there. Instead of putting a date
requirement, just any kind of requirements that
you might have specific to your jurisdiction,
including date, serial number, whatever. But
it's just like keeping a generic with the
identification plate from 547.7, as well. That's what I was trying to get at.

MS. HAMEL: So I don't understand.

MR. WILSON: From my standpoint, it's just that I want to be able on the floor or whenever to identify a machine, a box, as knowing that that box is A, B, C, and the box next to it is D, E, F. And just from an audit perspective, if you -- put it this way: Each box should have a unique identifier, whether that's for inventory purposes for whatever it happens to be; there should be a unique identifier. And I can tell you right now, we're going through issues with the fact that we have tables for manufacturers, card tables that don't have any unique identifiers, and we just discovered the fact that we're talking about Table A, but it could be Table B that's moved off the floor. And this might not matter, but the reality is this idea of having a unique identifier for a piece of equipment is relevant for probably any number of reasons that you might want to be able to say it's this machine that we're talking about or it's this box that we're talking about.

MS. HAMEL: And if -- wouldn't that cover
that?

MR. WILSON: Well, I think if I understand what Nimish is saying, is that the one statement covers new machines, but if it's not saying that in 547.4, it wouldn't necessarily apply to what we're currently calling grandfathered machines.

MR. PUROHIT: One is saying, like, identification plates and the other one is saying identifying numbers. I was saying if there's consistency, then there's any requirements that the TGRA operations needs.

MR. McGHEE: I think you would add a note, not necessarily language, to y'all's purpose to make sure that it is consistent with 547.7. Not that it belongs there. It still belongs here. But make the language consistent.

MR. FISHER: So the recommendation would be -- so let me see if I can see where we are, and maybe -- because you had your card up and you had your card up. But the recommendation would be as projected on the screen, right, so stop the sentence at the end of "manufacturer" and with a note that says "make it consistent with 547.4."

MR. McGHEE: 547.7(d).

MR. FISHER: Does everybody understand
where we are? Good. So you want to check that?
Leo has his card up. We can take his comment and
then check.

MR. CULLOO: I'm confused because every
machine I know on my floor has the date of
manufacture, serial number and has the
information you're talking about. Where is it
defined what specifically has to be on the label,
other than there where it says with identifying
number, date of manufacture?

MR. PUROHIT: There isn't any specifics as
far as what the definition of identification,
you're right. It's just left as a -- I think
it's implied language on whatever the TGRA wants.
If you put in all the specifics in there, it's
going start varying by jurisdiction to
jurisdiction. The only requirements has to be
unique identifiers, that's it. That's all that's
implied in there. What that unique identifier is
depends on whatever your jurisdictional needs
are. Date and serial number, if you start going
into that detail --

MR. McGHEE: The TGRA can take these and
expand upon them.

MR. CULLOO: That's the minimum. That's
the baseline.

MR. FISHER: Okay. So that's -- if I got that right, that's the suggestion, assuming that.

MR. LITTLE: Could we make some suggested language or put it out there? After -- replace identifying number with an identification plate consistent with 547.7(d) and as recommended by TGRA. I'm sorry, required by TGRA.

MR. PUROHIT: Something along those lines.

MR. FISHER: Say that again.

MR. LITTLE: Right there. Identification plate consistent with 547.7(d). There you go. And "as required by TGRA," or you can put "as recommended," whatever. "Required by TGRA." Is that right?

MR. FISHER: I got the section reference, right, 547.7(d), which is --

MR. McGHEE: It's (c) on this. Physical enclosures is (c).

MR. PUROHIT: We're going with the current standard as it is.

MR. MORGAN: That was my fault for -- I was meaning to put it under player interface, because that's what we were talking about.

MR. LITTLE: It should be (c) or (d).
MR. FISHER: It's (e) on what I've got, player interface.

MS. HAMEL: Physical enclosures is (d).

MR. MORGAN: We're talking about requirements of player.

MR. WHEATLEY: You're referencing where it's stated. I have it as (d).

MR. LITTLE: We are working off this document, so it should be (e). Yes.

MR. PUROHIT: Whatever the section is going to be.

MR. McGHEE: And it's (c).

MR. MORGAN: Jeff, if I understand, you have all attachments such as buttons, identification plates, and labels shall be sufficiently robust to avoid unauthorized removal, that's where the point --

MR. FISHER: It's intended to be a reference to the physical enclosure section. So, Kathi, did you have something?

MS. HAMEL: "With" is there twice.

MR. FISHER: Two "with's". They got two.

MR. McGHEE: I think that would be "and any other additional information," because it's not as required by, right? You should add
anything else TGRA wants on it.

    MS. HAMEL: How about "or"?

    MR. PUROHIT: I don't think you need "or."
    Just say, "as required by TGRA." So that gives
    the flexibility so it could be anything you want
    in that unique identifier as long as it --

    MR. FISHER: Kathi, does that --

    MS. LASH: Is this (c), not (d) on the
    original file?

    MR. McGHEE: Just leave that question mark
    in parentheses, wherever physical enclosures ends
    up being.

    MR. FISHER: There. Did I do it? That's
    the intention, is to hit that section. Okay. So
    everybody -- let's check on this and see what
    people are thinking, because a lot of people we
    haven't heard from yet. So the recommendation is
    to go with what's up on the screen for all of the
    reasons people have talked about it. So let's
    just try this one. If you're -- if you agree
    with this recommendation, raise your hand.

    (Indicating.)

    MR. FISHER: Okay. So we missed Tom
    because he's not in the room. But I will check
    with him to see -- if it counts as unanimous
because he's not in the room. But we might as well check with him anyway. Okay. It's about 20 after 10. We had a scheduled break at 10 o'clock, which we didn't take because of our time change. Do you want to take a break now? All right. So why don't we take a 15-minute break.

MS. STEVENS: I'm taking off. I'm so glad to hear this conversation happening, and I'm sure you are all very happy, too. So I trust that you all will come with some really good representation for us. You will see me again. We do consultations right before -- on other relations before the TAC, so I've been handling those. I've been staying over so I can say, you know, hey, hope you all are doing well. And then Dan will be here representing NIGC and our staff, and hopefully that you utilize NIGC and our staff and really have robust conversation about anything that's written from the NIGC's perspective, just like you are now. So I thought I heard Matt over here talking about high lightning speed you're going now comparatively, I guess, so I hope that continues and wish you all the best of luck. Thank you.
MR. FISHER: Okay. Let's start again. So on our agenda, we have until 11:30, and then at 11:30, we're scheduled for public comment. And there is one person signed up to give public comment. So we're back -- are we back to the -- let's not get distracted by my computer here. So we're still back -- is there anything else in the grandfather provision on the Page 1 of the TGWG document?

MS. HAMEL: Well, I have comments or questions, mostly comments, about many of the phrases in grandfathering that aren't listed on the grandfathering provision of the document. So you just want me to go ahead?

MR. FISHER: Sure. Go ahead. Start with the first one.

MS. HAMEL: We did number 7. And then (b) of the grandfathering provision (3). It talks about as permitted by the TGRA, individual hardware or software components of a grandfathered Class II gaming system may be repaired or replaced to ensure proper functioning, security or integrity of the grandfathered Class II gaming system. My comment
is that as this is written literally, you can only modify, repair or replace individual components of the gaming system that are grandfathered. No new components can be added. For example, a gaming system software is fully compliant, but you may want to add a new theme and interfaces to the existing four that are grandfathered. But that -- this language about grandfathering and hardware and software is limited.

MR. FISHER: You're reading number (2), correct?

MS. HAMEL: (3), as permitted by the TGRA.

MR. McGHEE: Individual hardware or software.

MR. MORGAN: Can you say that again?

MS. HAMEL: 547.4(b)(3).

MR. FISHER: Up on the screen.

MS. HAMEL: I'm working from 547.

MR. FISHER: Okay. So did you want to maybe restate your --

MS. HAMEL: As it's written literally, as a Class II operator, we can only modify, repair or replace individual components of the gaming system that are grandfathered. What if I want to
add a new component that's technology, or I want to add a new piece of software to a grandfathered system? Our interpretation of number (3) is limited.

MR. McGHEE: I can't hear what you're saying.

MS. HAMEL: Or new themes. Or you may have a fully compliant Class II system, but you want to bring in a grandfathered theme. Our interpretation of this regulation is you couldn't do that. Am I --

MR. PUROHIT: I'll jump in. The way I would always approach this, and that was, I think, a first question that we talked about in October as well. The way this is written and the way I was explaining to it tribal regulators any time I'm asked is the whole intent of this, even from a lab and a former regulatory background, the way I read this was a grandfathered system doesn't have to be in stasis. You can make any changes to that as you want, as long as at what point does it cease being the grandfathered system. When you start approaching a software that we talked about as well, the minute that that's touched, that's where the compromise comes
in. So I can see you're concerned with the specific language as well. The most common thing that happens, I think we talked about it in October as well, is you might have a game theme library that was grandfathered initially as part of this overall package by a manufacturer, and then they started releasing new themes instead of just grandfathering the whole system again. What you're saying is you're taking a stricter approach that you can't really add on any themes. And, vice versa, if it's a fully compliant system, you can't add on any grandfathered themes as well. Grandfathered software in general, I think that you want to put it in an overall umbrella?

MR. McGHEE: Do you have a suggestion?

MR. FISHER: Before you get to the suggestion, Jason has his card up.

MR. RAMOS: I guess I'm still a little confused. And maybe members either from National Gaming Commission or the group can tell me, what's the real purpose behind having the grandfathered language anyway? What is it specifically about? Is it something about the software? I mean, why was that regulation
proposed? Because we keep talking about
grandfathering and keep going back. What are
those core elements of a grandfathered system
that industry-wide we don't want, we shouldn't
have?

MR. PUROHIT: Can't really speak on the
"shouldn't have" part.

MR. RAMOS: We said before, the near miss
software, the reflective software, those are all
-- are those the elements we're talking about
here?

MR. PUROHIT: Yeah, in general the main
intend of having -- I think going back to the
first part of your question, the main intent was
to make sure that you effectively freeze any kind
of systems that were in place when it was passed
and make it comparable to other jurisdictions
that had existing gaming products out there when
a set of regulations were passed. So anything
manufactured after that point, once regulations
go into effect, they have to be tested to
everything applicable in there. So as far as the
bad parts, like you pointed out, the four
minimums are definitely in here. But there are
other risk areas in general, I think what Tom
brought up last time as well, with the -- what is it that you're assessing with the risk as far as having the five-year period or whatever. But what that was referring to is any kind of technology that might be in its infancy at the time when the regulations were passed, for example. And once they were passed as far as the date, like let's say 2008, that technology which has since then evolved as well, it might not had been able to regulate it because at that point, it didn't have the capabilities in there. Remote access is the one thing I keep bringing up. When these started being drafted back in 2006, 2007, you know, whatever the expiration was, remote access of gaming was still in its infancy as well. But since then it's evolved to a significant point. But it's not to the point that where grandfathered systems need to be fully compliant with all remote access requirements. I don't know if that makes sense or not.

MR. RAMOS: To some degree. I'm just wondering why we go back to grandfathering. Why not have a remote access standard, right? I mean, we keep going back to this grandfathering. So far that's the only part of this grandfathered
section that I really -- the argument I've heard besides the software. I think the software can be solved through testing laboratories, some standards through testing laboratories and this other way, and we can get -- I mean, I'm looking at it globally. What's the regulatory value of having this grandfathered system, this idea of having a grandfathered clause? And so I'm not too sure -- I'm not so sure I'm seeing the value; is it protecting the public, is it about -- is it just about software? We have those standards. Is it just about the UL certification or some protection of the public? I think we have that. So just kind of getting back to the core argument of why we should have this grandfathering clause, I think that's worth a discussion.

MR. FISHER: Pause for a second while you guys are conferring. So let's go Tom and then Daniel.

MR. PUROHIT: I'll let the TAC talk about it. I'll address it after the TAC gets done as well.

MR. FISHER: Tom, Daniel, Mia.

MR. WILSON: I think there's two components; one is you have manufacturer
interests that they have, you know, 6,000 
machines or whatever that may or may not come
into play, depending upon whether there's a
grandfathering clause or not. But then you also
have tribes that are using -- and that
manufacturing has to be owned by a tribe. And
then you have tribes that are using these older
machines that want to continue to have that
capability to use those machines without having
to meet the newer technical standards because
they don't envision a point in time in the near
future, anyhow, where they would be changing
those machines out, nor monetarily do they want
to invest in that new capital to have to bring in
machines that meet the new standards. So that's
kind of the economic piece behind the whole
grandfathering piece, as I understand it, why
that even exists.

MR. RAMOS: And they wouldn't meet the
standard -- they wouldn't meet the new standards
now because of what reason? Software?

MR. WILSON: Software capabilities. So
just like what Nimish was saying, the new
standard talks about remote access or things like
this. Well, those older machines don't even have
that capability, so they can't meet that standard. So you have to have some way to grandfather them in and say you're okay because just the hardware and the software just physically can't do that at the time it was designed. So, you know, that's kind of that reality issue.

MR. RAMOS: Okay.

MR. PUROHIT: I'll add one more example to that, too. I think I spoke about it last time, securing communications from eavesdropping and all that. That, too, at the time was in its infancy as far as the gaming environment was concerned, even though Class II gaming is advanced as everyone here knows as well. But as far as like the encryption of the data that goes from one point to another in a server-based environment, that wasn't still as advanced as it is right now. So some of the requirements in here may be the grandfathered systems, which when this standard was passed, may be five or six years old or even older than that. So they're already dated at that time when this was passed. So not only are they not going to meet any existing requirements at that time, but even
technology from five or six years before that.
So that's the main reason to capture that segment
of the market that's been on the floor for a
while as well; that even though it might have the
technology, the technology was installed in the
system well before the standards were passed as
well. It's not just the operator communications
in there. Some simple requirements in there;
they sound like they are trivial. Like help
screen requirements, as far as what's being
displayed to the patrons, price schedule
requirements and their artwork, anything generic
from disclaimers. I can speak -- give you
examples of jurisdictions of tribal regulators
where they just told manufacturers, put it on
them. But something as simple as actual payouts
determined by the game of bingo are similar and
malfunction, voids, the two minimum disclaimer
requirements, stuff like that as well. When
there were no standards, that wasn't a
requirement to be put in. So there's a whole
array of systems. And I think the idea was that
because they've been on the floor for a while at
that point, you effectively freeze it and only
require those older machines that might not have
capabilities or it might just be logistically
impossible to give them time to catch up, and
that's where the five-year period came in as
well.

MR. FISHER: Mia, then Matthew, then
Robin.

MS. TAHDOOAHNIPPAH: I just want to make
an overall comment on (b)(3), altogether. It is
very confusing and it's very wordy and it is very
confusing. And I am not in big favor of how it
just generically lists the sections that it has
to be compliant to because it is very difficult
to -- now I got to flip over and see this one,
547.14, now I got to read that. I think it adds
to the confusion.

MR. McGHEE: This is the one she was --

MS. TAHDOOAHNIPPAH: Uh-huh.

MR. MORGAN: My comment is to address the
reasons for grandfathering, Tom. And I think you
summed up economic reasons why. I guess my take
at it would be legal requirements; that there are
machines out there that -- again, we're operating
a regulatory framework, but when we look back at
IGRA, the governing document, three statutory
requirements. And as long as you meet those
three statutory requirements, you're bingo. And no matter what we do by regulation, we can't change that. I mean, that's been upheld in so many court cases. So for those machines that do meet the minimum requirement, I think your grandfathering provision does allow a pathway for those machines to make it to the marketplace, albeit with some minimum software and safety requirements. And their recommendations that's placed on them is now you can't update to the latest and greatest of some aspects. Maybe it is remote. And if you choose to take advantage of those technological upgrades, now you're going to have to meet the newer standards. So I definitely think there is a place for grandfathering and a place for grandfathering machines out there, but I agree with Tom on all your points on the economic reasons for it as well.

MS. LASH: And just to follow on both the comments of Tom and Matt, there's value in these games, and there are requests for those games and they're simple games. And there are legal indications again -- back to the legal -- there are cases that said these are Class II machines
and some random dates can't change that. They're still -- they were approved back by lab tests when they were in operation. They're older games, they're simple games, but they're still Class II games, and they shouldn't be excluded.

MR. FISHER: Daniel.

MR. McGHEE: I agree with what everybody said about that. All right. Because this is something else. I'm getting past that.

So to go back to Kathi's concern, is what I'm trying to determine where we're at, is what was listed here, you're saying, for instance, if you have a grandfathered machine and you wanted to make it compatible with, say, CNP or something, right, and you still want it to be considered a grandfathered machine, and you want to make sure this language doesn't prevent you from being able to add that and mess it up, right?

MS. HAMEL: Right, because it's not a repair or replace. It's something new.

MR. McGHEE: And it's not ensuring proper functioning, security or integrity. So we just need to figure out, if everybody is okay, something we can add. Because the next one says,
Any modifications that affect the play is a
different category. Which you have a category
missing that would be -- I mean, if we can
identify what that is, then we can fix this
section.

MS. HAMEL: Right. And in Section (3),
also, if you've got a fully compliant system, but
you want to put a grandfathered theme or
grandfathered software on the floor, this seems
to be a contradiction to the ability to do that.

MR. McGHEE: But then you're getting into
what can I do to another system, a fully
compliant system, which I think you can do
anything to a fully compliant system, as long as
you're not then turning it into a grandfathered
system. So you can add grandfathered provisions
to a fully compliant system as long as you're not
bringing that new system back.

MS. HAMEL: Right, but this is talking
about components of the system.

MR. McGHEE: Components of the
grandfathered system.

MR. PUROHIT: What's unique is this is not
a system that just came off the shelf. This was
a system that was grandfathered back in and then
it was gradually brought into full compliance.
So at what point does it become a fully compliant.

    MS. HAMEL: But then there's theme that was a grandfathered theme and it can play on a fully compliant system.

    MR. McGHEE: But are themes really grandfathered? I mean, software and the way in which a game is played is --

    MS. HAMEL: Software.

    MR. McGHEE: Software, but then a theme is really just bells and whistles, so to speak. It all plays the same on an X, Y, Z software platform and you may change it from pigs to dogs, but that's just a theme.

    MR. PUROHIT: The fairness requirements are standard, but then there might be something along the lines of what --

    MS. HAMEL: Help.

    MR. PUROHIT: -- exactly, the help screens, the artwork, all of that in order to make that fully compliant as well. There's numerous other requirements just at the theme side as well. So it might be cost prohibitive for manufacturers, for example, to fully comply,
fully certify all the game themes that were at one point grandfathered.

MR. FISHER: Tom.

MR. WILSON: My concern would be from a risk standpoint, is that it's this idea of trying to freeze the technology of one, you know, the grandfathered system, but not being able to take a grandfathered system and make it then something other than what it was at the time when it was grandfathered, if you will. If the ultimate objective -- and we had talked last month, that over time, just the sheer nature of the market and stuff would determine what happens with these machines anyhow. But my concern as a regulator would be are you now -- is that machine being turned into something other than what it was as part of the grandfathered provision. And I'm not disagreeing with what you're saying. I'm just saying that from a regulatory standpoint, if I were asked to go evaluate this machine, I would be evaluating -- one of the criteria I would be evaluating on is has this machine changed from what we approved, if you will, at this point in time, to what's being asked to be changed in the machine now at this point in time. That would be
the question that I would have to resolve in my mind about whether this still is a grandfathered machine or this is a machine that no longer meets the criteria and therefore is no longer a grandfathered machine, hence, it can no longer be operated.

MR. FISHER: Okay. Let's take the comments, and then we'll see where we are on this. Matt.

MR. MORGAN: Kind of following up with Tom, I have that concern, too. But my question to Kathi is: Is this a proper question at a federal minimal, or is this a proper question for your local regulatory body to say there may be ambiguity here, but after discussions with my staff or with the lab or whatever, whoever, I think it falls into this. Because, again, we're talking about when that line is crossed. That is going to be an interpretation from every jurisdiction, and I'm not for sure if that's an overarching minimal and federal concern.

MS. HAMEL: That's the section that makes it confusing for the regulatory at our property. If we have a fully compliant system, this says we can't bring in a grandfathered software for the
theme.

MR. FISHER: Back to you, Daniel, and then Nimish.

MR. McGHEE: I don't -- if you'll just tell me or maybe help me understand, because I'm not getting it, why this statement doesn't allow you to do something to a fully compliant machine. Because all this is really addressing is grandfathered systems, the way I read it.

MS. HAMEL: Because it's talking about grandfathered software components and hardware.

MR. McGHEE: It says, Individual software and hardware components of a grandfathered Class II gaming system may be repaired or replaced to ensure proper functioning, security, or integrity of the grandfathered Class II gaming system.

MR. PUROHIT: Let me give you an example.

MR. McGHEE: It's talking about the Class II grandfathered system. She's talking about new.

MR. PUROHIT: Let's say originally manufacturer X, Y, and Z had a server, like about 20 game themes, and like all these other accounting systems, proprietary accounting systems, everything else for that one Class II
gaming system as a whole, that was initially grandfathered with the technical standards, everything. Then that manufacturer saw that for them it might not be economically feasible for what they did, so gradually they brought that whole system into full compliance. But except for out of those 20 themes, they only brought 10 themes into full compliance, and the remaining 10 themes are still grandfathered. So that's the software component side of it. So another particular example for X, Y, Z, now, the issue comes into the fact we have a grandfathered system that it's been brought into full compliance except for the ten themes that they were initially grandfathered with. So what do we do with these ten themes, even though we want to use them for a couple years more? And what does that do to the status of the grandfathered system for the system that was fully -- brought into full compliance, and only ten themes were brought into full compliance, but we still want to use the other ten themes that are still in the grandfathered.

MR. McGHEE: What happens is these ten themes, if they really want them, make the
manufacturer make the ten themes compliant if you want to use them. When does the manufacturer have to do something to, you know -- he only brought ten into compliance. He left the other ten lingering back there for whatever reason. And as an operator, then you would say, I want the other ten, bring them into compliance. Because then just the gray lines start getting to ten of these have been moved up and ten of these are still back here. It's a regulatory tool. It's not for operations so much. It's to help the regulator understand what's going on. So at some point, the buck has to fall on the manufacturer to either decide you want it to be grandfathered systems or not a new system, not a hybrid of something.

MR. FISHER: Let's take Jeff and then Leo, and then we're going to come back to what problem are we trying to solve and what's the way to do it. So Jeff.

MR. WHEATLEY: So I understand what your argument is, Daniel. And I guess kudos to the manufacturer for bringing their system fully compliant, but now they have these other games to worry about. My fear is if we told the
manufacturer that, no, you can no longer use
those themes, that's going to drive other
manufacturers not to bring their systems fully
compliant. Because then there's an economic loss
to them with those themes that are currently
existing and grandfathered. If they're
grandfathered under a grandfathered system, why
couldn't they operate, I guess, on a fully
compliant system. You're not changing the
experience for the guests at all. So if there is
economic viability -- and maybe it's only at one
property. Maybe it's only at Kathi's property,
so that's why they don't want to invest the extra
dollars just to bring those one or two themes or
ten themes into compliance just for Kathi's
property. Maybe there's not an economic
viability there. But I think if we put too many
restrictions and we say that we can't allow them
to use those games on a fully compliant system,
it will drive other manufacturers not to become
fully compliant. They'll want to stay in a
grandfathered status as long as possible.

MR. CULLOO: As far as requiring the
manufacturer to upgrade it to be compliant, I
think it's such a niche market right now, so
there's not that many machines that it's cost prohibitive for them. They're not going to do it. And if they do, they're going to pass the cost on to the tribe that wants it. So every manufacturer I see, when they change their OAS system, eventually they quit supporting old software because it's too expensive. It's not the market. By requiring the vendor to do it, it's hurting the tribes, not the vendor because the vendor is going to say, I don't see a value to that; it's cost prohibitive, we're not going to do it.

MR. RAMOS: Getting back to the example, is it the case you think that that legacy software, it's not we're not saying -- or that grandfathered software is a better term -- it's not compliant. It passes the GLI certification, independent lab certification, but it's not compliant because some of those elements you spoke of earlier; it doesn't have a help screen, doesn't have some other -- is that where we're going with that?

MR. PUROHIT: Yes.

MR. RAMOS: So nothing prohibits it from being valid software?
MR. PUROHIT: Exactly. It's just grandfathered at that point. The way I would read this as well is just in that particular example, it's just that because the system was grandfathered at one point, when you start adding grandfathered components, it just reverts it back to a grandfathered system. It's no longer a fully compliant system. And that's where the whole issue of labeling comes in as well, like how do you certify it, whatever you classify it, is it a grandfathered system now because you're adding in grandfathered components because of those ten themes; what does happen to that? Because only a couple of components aren't fully certified.

MR. McGHEE: There's the November 10th deadline, that it says basically so you can't bring that new system back because it wasn't already operating.

MR. FISHER: Christinia.

MS. THOMAS: Going on what Nimish said, my understanding of how software and stuff is tested and hardware and that specific software, if you have software that is fully compliant, that's what you look at when you look at independent
testing labs when you look at it's compliant with. When you're looking at the grandfathered software, you're looking at the previous provisions that are approved on it. So why wouldn't you just maintain that separation even if you're putting it all into a system together? Because you would still have to look at that software individually as having proved either this way or this way.

MS. HAMEL: Because the confusion is that now this system that was fully compliant is not because one of its components are grandfathered.

MR. McGHEE: Because they couldn't have a help screen, that's just an example.

MR. FISHER: So maybe -- so there's two more cards up. Maybe we need to create something that addresses that circumstance, right, instead of -- and maybe changing this language is the way to do it. Maybe we need something new. Matt and then Tom.

MR. MORGAN: I don't read it as prohibiting what you want to do. And maybe that's an issue with your individual regulators.

My question would go to NIGC. Do you read it as prohibiting that? Because as a regulator,
I'm going to talk to the lab and then I may call you guys and see what your opinion is before I make my opinion. Is this an issue with their regulator? Because I don't see it as prohibiting that. In my place, I think I would allow that to happen, like Christinia was talking about, and keep them separate. I don't see that prohibition in there.

MR. LITTLE: I don't think this commission does, but then again --

MR. MORGAN: But it's my job as the primary regulator to classify and issue an opinion. Your job, no matter what it is, is to come back and look respectfully and say, I may or may not bring an enforcement. But that's my job to do for my jurisdiction, and I need to have reasoning and documentation and do some due diligence. That's my decision. And, again, I know things change as commissions change, but I don't see it as a prohibition. And that's maybe where I'm getting lost myself.

MR. PUROHIT: I had a couple conversations with Commissioner Little about this as well. The combined intent of 3 and 4 from everyone that I've spoken to and that pretty much agrees, is
that you can have a grandfathered system, but, you know, as long as you're bringing it into gradual compliance -- that was the original intent and that was pretty much the only intent -- it's not supposed to be in stasis. And I think the interpretation part of it, I think, that's where the issue is coming in as well, as far as what the software components are versus what the play components are, like Dan pointed out with the number 4 here as well. Is it the language combined with 3 and 4 that is something that is still ambiguous from that perspective that the intent is not being carried out that you can add and make changes to the system as long as the core software that was certified as grandfathered is still grandfathered when you bring it into gradual compliance with any other additions you're bringing on. Any other additions you are making to it are bringing it into full compliance gradually and not touching this core software as well. Is there something that needs to be added in 3 and 4 to make sure that that gives you the comfort level, I guess?

MS. HAMEL: I believe so. And I wish I could tell you what it should say to indicate
that. And I will tell you that all of these comments are not based on the discussions that we had in October in Connecticut where there was no longer a date. But that 2013 date was looming, and our ability to continue to make our floor competitive and to add new to a grandfathered system, we interpreted, as limiting by these two regulations.

MR. FISHER: So we have made a fundamental change to the structure that you just talked about in terms of dealing with grandfathered machines. So it may be that you have to revisit the effect of 3 and 4 and that fundamental premise as a way to figure out whether there's still a problem. And it may be we can't do it at the table here and you need to figure out some other way to do that. So I think it's Tom, Michele, and then Mia.

MR. WILSON: Kathi, I want to be clear, because we keep jumping back and forth between adding something to a grandfathered machine or adding grandfathered stuff to a fully compliant system. And is this a both way or is this one way?

MS. HAMEL: Would be both ways. You could
add a component to a grandfathered system that's new. It's not a repair or replace because it's new; it's new technology. So that doesn't talk about something new. It just talks about repair or replace to ensure. And you also could have a fully compliant system and you want to put a grandfathered software component on.

MR. WILSON: Theme is what you're talking about?

MS. HAMEL: Right, and that's a component and therefore would make the entire system all compliant.

MR. WILSON: And that's, I guess, where I'm trying to understand. I mean, when I get back to my simplicity thing, my computer is running on Windows 7, Version 2, but your computer might be running on Windows 7, Version 3. By virtue of the fact that she's running Version 3, she has the benefit of certain changes in Version 3 that I don't have in 2, but it doesn't make 2 any less significant than it was before Version 3 came out. So, I mean, I always get back to this risk thing. Adding this grandfathered component to a fully compliant machine, in my mind, it doesn't make it any less
compliant. What it means is there's now a component there, the component -- and I may be incorrect, Nimish -- but the component doesn't meet the standard. But, you know, unless you're telling me that by adding that component, it changes the entire parameters of that machine. Then in my mind, that is a significant issue as opposed to we're just adding a non-compliant component, but the rest of the machine, the rest of the software is still operating to the standard that it was approved.

MR. PUROHIT: If the software that has like the random number generator for ball drop, if that gets changed out, I think everybody is in agreement that's a significant issue. But I don't think that's the example that's happening right down here either.

And as far as components being added on, it's usually the stuff that, you know, the core system and the software that's on there and the game server that houses all the software, too. That continues to remain untouched. It's just these add-ons that you pointed out that are being put on there. And some of these add-ons have been fully certificated and some haven't. I
don't think they may be restrictive from that point of view, but we want to make sure that there's -- it does capture that, too, because it's a unique situation.

MS. STACONA: I think Tom got into what I was trying to get at. When you have a grandfathered system that's compliant and you want to add an old software on there, whatever, does that -- I guess my question is: Does it affect the risk of fairness and integrity of the whole system, is my question? If it doesn't, then I don't see no problem with it. I guess that's why I need to find out from them. I mean --

MR. FISHER: So are you asking NIGC?

MS. STACONA: Yeah.

MR. PUROHIT: No matter what software is added on to what system, any of them have to meet those four minimum risk criteria.

MS. STACONA: Right. If you add that, why does that then make it non-compliant then? I just don't get it. When it's okay at the bottom level, why can't you put it into a current compliant system?

MR. PUROHIT: I think it's just an issue
of calling it a fully compliant system. I think it's labeling it fully compliant versus not being fully compliant just because you have a couple components that are still grandfathered. It's a unique situation because it was something that was originally grandfathered and then it was brought into full compliance. So at that point where it was reverted back, quote, unquote, "a little bit," you're still being there but not there because of those couple of components. So it might be something that's a marketing negative feedback for the manufacturer because they can't truly call it a fully compliant system even though for lack of a better word it is. I think it's in the labeling. That's why I don't really see an issue with it as far as the core components because everything else has been brought into full compliance.

MS. STACONA: So could we add some language in there that covers that? Because you're still going to have a compliant system.

MR. PUROHIT: Right.

MS. STACONA: Is that something we can do?

MR. PUROHIT: I think that's going to get into the issue of like you start figuring out all
of these scenarios, and that's going to go into Matt's observation that it's going to really, really make the regulations specific, and I don't think that's a good intent with it.

MR. LITTLE: You're right on.

MR. PUROHIT: I think it's going to have to go into the scenarios -- I think it might be an issue of putting in some kind of clarification language and the intent in the preamble with a comment as well.

MS. HAMEL: Maybe that's where it is.

MR. FISHER: Mia and then Dave.

MS. TAHDOOAHNIPPAH: In 3, 4, under -- it does say that no such modification may be implemented without the approval of the TGRA. So, I mean, I think that's pretty clear that a modification is at the direction, and what kind of modification. So it leaves the TGRA up to decide. And then the second part in (3)(i), it states that after receiving a new testing laboratory report, you know, that the modifications are compliant with the standards. I think that that's pretty clear that the lab report should state whether it's fully compliant or what components are not fully compliant.
MR. PUROHIT: They'll do that.

MR. McGHEE: I was going along the same lines. Even numeral (iii), like (iii) -- triple I, which says, Any other modification to the software of the grandfathered Class II gaming system that the TGRA finds will not detract from, compromise or prejudice. So even there it says if you as a TGRA decide it's not going to affect these things, then you can allow it. And that's already in there.

MR. FISHER: Okay. So I don't see any more cards up. So now the question is what's the -- what do you want to do with this, right? So there have been a couple different suggestions for how to deal with this. So what do you think?

MS. HAMEL: Well, I agree with Nimish, if there's something in the preamble that talks about the components versus the overall system, so that there's clarification for the TGRAs as well as the operators.

MR. FISHER: So the recommendation would be that -- let me just try to say this and then -- you want to try to say what the recommendation is?

MR. MORGAN: No. My comment would be,
remember, the preamble goes away -- if it's published in the Federal Register, the preamble goes away. So maybe what you're looking for is a statement, a guidance, a bulletin or something from them, or I don't know if it's -- when it's published, you issue a comment and they have to respond back to your comment to try to clarify. I'm just not sure a preamble is the correct vehicle because it does go away once published, and I'm not for sure what weight the preamble will hold.

MS. HAMEL: Afterwards.

MR. MORGAN: Yeah, afterwards.

MR. WILSON: I think -- I mean, that's a critical thing. As a regulator, the most frustrating part of dealing with regulations is the ambiguity. Because we all end up debating. And, you know, you're going to have a different interpretation of, just as you brought up, where, you know, Matthew doesn't see that same ambiguity there. So I think that some kind of guidance document -- and, you know, the tribal working group has done a pretty good job of identifying guidance of many of these things, that if there's a guidance document that one can reference that
says here's the intent of this piece, and there
you can spell out what the intent is, it's not to
limit this, but it's to do this. As a regulator,
that's what I would need most to quell the
discussions so that I don't end up with a
discussion with my gaming enterprise division
and, you know, this long, drawn-out thing about
is this affecting this or is it not affecting
that. So I think a guidance document of some
kind that supports these things would be most
beneficial for me as a regulator.

MR. McGHEE: So if we add under this
section of that particular paragraph you're
talking about something that says, Guidance
document should be provided by NIGC, would
that --

MR. FISHER: It could be a recommendation.
It may be the exact language of which you could
sort out, people could sort out overnight and
bring it back. But the essence of it is how you
deal with grandfathered pieces that go into a
fully compliant system or mixing going both ways,
right? So it's guidance, direct guidance on what
the status of those the components and the
machines are, right? So maybe what we could do
to kind of put this aside for right now is ask a
couple of folks to maybe kind of come back to the
group later on this afternoon, or if you could do
it over lunch or first thing in the morning, to
come back with a suggestion for the specific
recommendation you would make to NIGC about what
should be included in guidance. So, Kathi, are
you willing to --

MS. HAMEL: I'll work on that.

MR. FISHER: Yeah?

MR. McGHEE: I'll work with her.

MR. FISHER: Daniel. And you just
volunteered Nimish to work?

MR. LITTLE: I did, yes.

MR. FISHER: All right. There's help for
you there to draw on, Kathi. So Daniel and
Nimish. So we would bring that back. If you
could do it over lunch or sometime this
afternoon, we will do it before the end of the
day today. All right.

So when we started this and came back from
the break, you said there were other provisions.
Are there other things in this that you want to
raise?

MS. HAMEL: Yes. Any reference to 542.
MR. FISHER: All right. If I'm remembering correctly from what you said in October, it was there should be no reference to 542?

MS. HAMEL: Correct. Because 542 is Class III.

MR. McGHEE: It is in. It's just a matter of everybody accepting it, I think.

MR. FISHER: So it is something that the TGWG also proposed?

MR. McGHEE: Yeah.

MS. HAMEL: It's just that the document we're working from -- but there's -- throughout 547, there's reference to 542, so I don't know if you want to go through each one of them and highlight them or --

MR. McGHEE: Make a note that any reference to 542 should be stricken.

MR. FISHER: Why don't we test that with everybody around the table. Does everybody understand the suggestion that's being made? It's right? Daniel, could you say it again?

MR. McGHEE: That we make a recommendation to strike any reference to 542 throughout the technical standards.
MR. FISHER: Let's see what -- not what's on the screen right now, but -- don't look up. All right. So should we test it? If you're in favor of that recommendation, which is to strike all references in the technical standards to Section 542, which is the Class III, raise your hand.

(All hands raised.)

MR. FISHER: You'd raise two hands if you could?

MR. CALLAGHAN: Correct.

MR. FISHER: Carleen, did you have your hand up?

MS. CHINO: Yes.

MR. FISHER: Okay. All right then. Unanimous. That was a fast one. So we have about four more minutes before we're supposed to shift to public comment. So, Kathi, did you have another one you wanted to raise?

MS. HAMEL: I don't think so.

MR. FISHER: Okay. So then that would take us back to the TGWG document. So the changes that were proposed by the TGWG. Okay, Mia, did you have something?

MS. TAHDOOAHNIPPAH: In the (a), 547.4(a),
it uses the word "and were in operation," and then in 547.4(b)(1), it uses "or."

MR. FISHER: 547(a)(1).

MS. TAHDOOAHNIPPAH: (a)(1) requires that all Class II gaming system software that affects the play of the Class II game and were in operation prior to November 10, 2008 be submitted "and" were in operation prior to.

And then in (b)(1), it says all Class II gaming systems manufactured or placed in a tribal facility on "or" before effective date.

MR. FISHER: Right. So maybe that effective date provision -- that reference to the effective date has to change because we've changed that provision. We've recommended that provision be changed.

MR. McGHEE: I see the first one. Where's the second one?

MS. TAHDOOAHNIPPAH: (b).

MR. FISHER: It's up on the screen.

MR. McGHEE: Where's the specific --

MR. FISHER: It's right here (indicating).

MS. TAHDOOAHNIPPAH: Manufactured or placed in a tribal facility on the effective date. So on the effective date, I guess we're
talking about November 10, 2008.

MR. FISHER: This part right here is the
-- that's the November 2008.

MR. McGHEE: Now, we struck out her first
reference, didn't we? Wasn't that decided?

MR. FISHER: Yes, you struck out the
reference to 120 days from November 10, 2008.

MR. McGHEE: I thought we struck the whole
paragraph? No, we didn't. Never mind. The
question is should it be "and" or "or" in both
places?

MR. MORGAN: Which one are you thinking?
It should be "and" or "or"?

MR. FISHER: There's a lot of lawyers in
the room, and they can tell you about the "and"
and the "or".

MS. LASH: I think the "or" is fine with
us, not "and." Just "or."

MS. TAHDOOAHNIPPAH: They should just be
the same, not one different than the other. So I
think that's right, the correct one sounds
more -- in (b) sounds more correctly stated.

MS. LASH: Yeah.

MR. FISHER: So in 547 -- let me scroll up
for a second. 547(a)(1), right?
MR. McGHEE: Is this the document we had before?

MR. FISHER: Yes.

MR. McGHEE: Didn't you strike the 120 days?

MR. PUROHIT: We gave her a current copy of the regulations. We're going to give them that after lunch so he has a copy of that.

MR. FISHER: This is not reflecting all of the changes so far. So we just picked up with the change that we did on Section 547(a), right? But the recommendation -- now I'm a little confused. Which part do we need to change?

MR. McGHEE: It's in the TGWG document that she's referring to, that she says. So there's new language there. And that's the document we're working from. So it says -- and in the new language that's proposed she's saying it should say "or."

MR. FISHER: Got it. I don't have that. I see. Got it. Okay. So I'm trying to keep track of all these changes that you're making. I got it. So anybody disagree with changing that from "and" to "or"? Okay. I found it. Okay. Tom and then Daniel.
MR. WILSON: I just want to make an observation, because I know we're going to be going to public comment, for the TAC to think about during lunch. While I don't disagree the comment about "and" and "or" is important, I don't know that it's important right now. And one of the things that we've talked about is what's important for me is that NIGC understand the concepts of what it is that we want them to embrace when these regulations are being written. So, you know, I'm more concerned about like Kathi's point that we get the concept out there that everybody understands, you know, we don't want a limitation of this sort or that sort as a part of the regulation. But I'm afraid if we get into a line-by-line discussion, which is kind of what's happening, we won't get through what we need to get through. And it just seems to me that we have two levels of dealing with all of this. And, you know, one level is a concept that we want to get out that these regulations have to embrace. But I don't know that right now, getting into the specific word, you know, it should say "and" or "or" is going to get us where we need to get to because we're going to spend a
lot of time discussing that. And since this isn't a final document anyhow, it just seems like we're going spend a lot of time discussing something that's all going to be subject to change anyhow. And I'm more concerned about just the group keeping in mind that these concepts that I think are important for us and for NIGC to walk away with, that we're in agreement on, and then focus on the wording of how we get there as an afterthought of this. So just an observation.

MR. FISHER: Okay. So we're -- by my clock, it's 11:30, just about 11:35, which means we should be shifting to public comment. Okay. So Jess, I think --

MR. GREEN: Withdrawal. I signed up just in case. Well, I don't have anything to say at 9 o'clock in the morning. I signed up just in case. You all are doing a good job. I don't need to say anything.

MS. HAMEL: Even though you have time?

MR. LITTLE: Get that for the record.

MS. HAMEL: Jess had nothing to say.

(Laughter.)

MR. LITTLE: Moving right along.

MR. FISHER: I know that the sign-in sheet
is back at that table on the other side of the
door. Is there anybody else in the audience that
signed up and would like to give public comment
right now? Okay then. Hearing none, we can go
back to the discussion on the technical
standards. Okay. We don't have anybody. All
right.

So any -- partially in response to what
Tom raised about what level are we focusing on in
terms of our discussion, the way I thought you
were doing the recommendations was at the
conceptual level. So a recommendation that said,
you know, to the NIGC, remove this provision or
change this provision. We did make some specific
language with changes right now because it seemed
to be the easiest way to do it. But you do have
to figure out how each of those recommendations
get specifically framed to the NIGC. And what I
was thinking was that I would -- we would, Kim
and I tonight, would try to create a list of
everything that came out of the conversation
today and give you that tomorrow on paper so that
you will have that to basically be in front of
you and to work from. If that would be useful,
we can check at the end of the day whether you
want that.

Let's go back to the TGWG and keep moving through the provisions in there. We've got a little over 20 minutes before we are scheduled to break for lunch.

MR. McGHEE: I was trying to determine if we were done with the whole grandfathered.

MR. FISHER: That's the question. Are we done?

MR. McGHEE: Where does it end in the actual document?

MR. RAMOS: I got one more thing.

MR. FISHER: On the grandfathered provision?

MR. RAMOS: Yeah. I guess I wanted to make a statement and ask the National Indian Gaming Commission, I know it wasn't your commission that came up with the idea of grandfathering. Clearly the idea is to move the industry forward. So that there were some parts of those devices that were deemed to be not so good for the public and not so good for the industry. You freeze it and you move forward. I guess my question is, since that's been in place, do you see that grandfathering provision actually
accomplishing that goal? Is the industry moving forward and meeting these new standards, or do we have manufacturers that are now just hiding in the grandfathered provision? It's just a general statement.

MR. LITTLE: I mean, kind of a general response is, you know, my personal opinion, I haven't discussed this with our commissioners. The market is going to demand what is going to be required. And there's 400 different, you know, facilities in this country, 200 different tribes with varying different degrees of markets and capabilities and consumer demands. And that's what's going to, I think, you know, push forward. I can't speculate on what the previous commission, their goals was. From reading the preamble, I think I can get an idea. I figure the market would have pushed these machines probably through the normal course and new technology would come in, and that's what the market would demand. But it sounds to me like the market is still demanding these machines. So I think from my personal perspective is that we need to make a, you know -- we need, you know, to adopt regulations that can be, you know, utilized
by, you know, all the facilities and all the tribes. And that's difficult. It's a very difficult thing to do. But that's kind of the goal.

MR. PUROHIT: The other thing in here, too, I think we're all only focusing on just player terminals that resemble electronic gaming machines. You've got to understand, too, that these are also met as any applicable standard for session bingo device, those CardMinders, electronic CardMinders that have those as well. Generally speaking, that technology, even though it's pretty robust in its sense, it doesn't evolve, if I may -- and I know it might be a volatile, but it doesn't evolve at the same speed as the general market because it's a much smaller market together. But these standards also apply to them as well. I think that's the other sense. It's not just making sure that the grandfathering requirements apply to the gaming terminals, but also that other segment of the different types of Class II gaming systems and components that are still there, and there's a significant portion out there, too, that might not necessarily be able to be forced out because that is the market
at this point. So we all want to make sure --
the commission is also going take a look at that
point as well and make sure that they're not
required to put in significant resources that
some of the TAC members pointed out may be passed
on to the tribes well. There's a couple of
segments of the technology here that I hope TAC
keeps in mind as far as the Class II systems are
concerned from a grandfathering point. I don't
know if that answers it.

MR. RAMOS: I think it does. For me, I
look at and say with the grandfathering clause we
created all these other ambiguities that we are
negotiating here today or reviewing here today.
And as a regulator, personally I would rather see
the real core issues addressed, the four or five
things about these machines that we could really
hang our hat on and then move forward with the
rest of it. So I was wondering if that program
has been effective and whether or not you really
see the industry moving forward.

MR. PUROHIT: I can tell you one thing.
The one thing, as far as the industry that I've
seen the report, and I'm sure Commissioner Little
would agree with me, is that I've been a big fan
of this document, even though it has its blemishes on there. But I can't think of any other document that's empowered all the regulators like this document has as far as Class II gaming systems. The single most important point in here being nothing can be put on the floor or no changes can be made without the tribal regulatory authority approving it. From that sense, absolutely it's moved the industry forward. And I think that's that main segment of this document as well, among with other market forces and everything as well.

MR. LITTLE: That's the regulation, the 547 regulation you're referring to?

MR. PUROHIT: Exactly. As far as empowering the tribal regulatory body, the technical standards.

MR. FISHER: When you said "this document," you meant the current regulation?

MR. PUROHIT: Correct, when it was first passed. There was nothing that empowered tribal regulators as far as the technology was concerned and entering the jurisdictions especially at the national level. It definitely has moved the industry forward in that way.
MR. FISHER: Okay. So are we ready to --

if we're ready to move on to the next item on the
TGWG list, the question was whether there's
anything else in the grandfathering provision in
547.4, because the next one on Page 2 here is
547.5. Okay. We're on Page 2 of the TGWG
document, and the --

MR. LITTLE: The comparison, you mean?

MR. FISHER: Comparison document, I'm
sorry. And it goes to this provision right here.
All right. So the way we had set up in October
for each of these provisions was to ask somebody
from the TGWG to say what the purpose or the
intention is here with the changes that are
proposed, and then open it up for discussion and
get any kind of NIGC comment. Do I have the
wrong provision up there?

MR. LITTLE: Yeah.

MR. FISHER: I do?

MR. MORGAN: That's the current provision.

MR. LITTLE: We're going to get you a copy
of the TGWG document. That's what we should be
working off of.

MR. FISHER: Okay. So let's take that
down because it's creating confusion.
MR. LITTLE: It is.

MR. FISHER: And so over lunch, I'll get the TGWG document so I can project that up there. Okay. So back to the basic format. So does somebody who was on the TGWG want to talk about this provision and what's proposed and the reasons for it?

MR. MORGAN: The probability -- this section addresses the probability standards. The current goal was to talk about fairness. The way that they got to fairness was instituting an arbitrary, in our opinion, an arbitrary standard that was more based on a Class III premise on probability. What the Tribal Gaming Work Group did is say we agree that something needs to address fairness, but the way to get there is to get some of the manufacturers to disclose to the testing laboratory, this is what our expectation is under a bingo math model, and them to test that to make a determination of whether you're meeting that expectation. Not pick out some arbitrary, what is it, less than 1 in 100 million standard. So the TGWG actually thinks that it enhances the fairness question with its change by saying the test laboratory shall calculate and/or
verify the mathematical expectations of game
play, where applicable, in accordance with the
manufacturer stated submission. The results
shall be included in the test laboratory's report
to the TGRA. Which would then allow the TGRA to
make that determination on whether the
manufacturer has met its stated goal, whatever
that may be, because it leaves up to the
manufacturer what its goal is in bingo, whether
it's 75 balls or whether it's 50 balls, and how
often do you think you're going to get there or
what is your percentage of win-backs. That was
the point of the Tribal Gaming Work Group's
document instead of relying on arbitrary, what we
felt was a Class III probability standard.

MR. FISHER: Brian.

MR. CALLAGHAN: I based my research on the
class. This is the one time that I looked at a
parallel and actually pulled some contracts from
various manufacturers. What standard would you
-- there has to be some reasonable expectation.
I think the idea is eradicating the idea that you
will never hit. So what probability would you
hit. Because it's contribution rate. The rate
that's going to go -- at least that's going to go
into a progressive is going to be the public is contributing so much from every card, correct?
So then what would be the reasonable expectation of an outcome, 1 in 100 million or -- I don't understand what the resistance is to not having some kind of a parallel there at least.

MR. MORGAN: When you play a session bingo game, you know what you're playing for. You know what patterns exist. This is the winning pattern in order to win this game. Whether it's in session bingo or an electronic Class II game, that is the same information you need. What pattern do you have to achieve and what number of balls in order to win designated prize A. It's not a probability question. It is what is the pattern involved. As long as you understand what that pattern is, you can test it; did it meet that pattern in there. What does it matter whether it was 1 in 50 or 1 in 100. I equate it to percentages when you do your payback percentages. You tell your player that that's 98 percent or that's at 93 percent. As a regulator in your individual jurisdictions, you may have a floor and you may also tell them it has to be a percentage that's tested by the
independent testing lab. You just can't pick out anything because I need to go in and verify that's what it's set at. But as long as it's in that range, again, we're talking about fairness to the player. They have the rules in front of them. They know what it takes to achieve that winning pattern. They know what prize is associated with that winning pattern. How is that not fair to them? That's my --

MR. CALLAGHAN: Still it is -- it is an RNG. You have to bring some kind of probability to the math model, don't you?

MR. MORGAN: I once saw a bingo math presentation. Do you remember that? I'm not very good at explaining it. Maybe you are.

MS. HAMEL: I saw it three times.

MR. MORGAN: The math model is so much different from a Class II.

MS. HAMEL: Nimish understands it.

MR. MORGAN: I want to say he did the presentation.

MR. FISHER: Before you go into that, so --

MR. CALLAGHAN: Leo could kick in on this because of the lottery based. There is a
probability that is built into this. Again, the only reason I see this is setting some kind of a maximum expectation, you know, at least 1 in 100 million. That's the way I look at it. The way I understand it, couldn't it be the first card? Let me equate it to a Class III. First pull, even if it was a 10 in 100 million, and it's got -- you see it with a million dollars, the first card could very well hit that and take that jackpot down and then you're upsidedown.

MR. MORGAN: If it's a blackout, four corner. We have to equate that back to a session bingo game, not a Class III. What patterns are achievable in what number of balls? Everybody ran bingo back in the day on session. You understood what your profit margin is on that and when things can be achieved and not. At least in my opinion, it's a different way of looking at it than a purely based Class III, this is a 4, this is a --

MR. CALLAGHAN: This is where I'd like to see -- I hadn't had the opportunity to get some feedback from the manufacturer. In particular, I've got some Rocket games on my floor. They automatically seed it with a million dollar
jackpot. They must be doing that on some
probability. I can't imagine they're doing it
out of the fact that they're not, one, getting a
return, and -- well, if it's being seeded, it's
being seeded. There's got to be some way that
they're minimizing their risk which would mean a
math model.

MR. MORGAN: Whatever their math model is,
they have to submit it to the lab, and the lab
has to verify that what they are portraying to
you is correct. Whether you have issues with
that math model or not may be an individual
jurisdiction question. They do have to disclose
this is our model.

MR. WILSON: And I think, Brian, the thing
with this is understanding that there is a very
complex math model for bingo. It just doesn't --
the probability -- or the probability standards
that, you know, you're used to seeing in Class
III, it's different in bingo, but there's still a
mathematical testable or something that can be
validated as, yes, this --

MR. CALLAGHAN: That answers the question.
Then there's true probability that's going to
hit. Rather than having -- understanding what
you're saying with not applying it to Class III
where it's 1 in 100 million, but with the
understanding that there is a true probability
that it eventually is going to be hit. It's not
like going into a carnival and it's got a punch
board.

MR. FISHER: Let's go to Jason and then
Nimish.

MR. RAMOS: I agree with you, Brian, and I
think that to a large degree, that's what this
change does. I know that when I talked to a
large commercial manufacturer, they had a problem
with the progressive amount, 1 in 100 million.
It seems like a large number to me. But they
seem to believe that -- and certainly I'm not
representing them today. They seem to say to me,
their response was that's restrictive. That's
going to restrict the way in which we develop the
software. That's going to restrict the prizes
that -- the prize structure, and that, really,
it's just it's not needed in there. But they
really specifically spoke to the progressive
portion of that.

MR. FISHER: Nimish.

MR. PUROHIT: I have a few things I'll
bring out as well. I'll try to make sure I'm not overly technical as well. If you look at every compact in jurisdiction, because that's pretty much the closest thing that compares this document. Every single one, if they have any kind of requirements, they don't have odds requirements. They have minimum payback requirements. So as someone that used to attest to this before, to have odds requirements and not have any payback percentage requirements, that was very, very difficult. So from a testing standpoint, it was always what are we testing it to do.

The other fact of it is, kind of what Matthew and what everybody pointed out as well, it's underneath the fairness section. So it's arbitrarily assigning a value of what fairness is in this particular case, which 100 million for progressive prizes. And then there's also by the way a word that says, it's 1 in 50 million or better for all other prizes. No other jurisdictions -- if you're familiar with the odds department, they don't say for all. They say for top advertised awards. So it's only for the highest one. So to put a limit on all advertised
products not only limits the creativity on the
manufacturing side, but also on the testing side. 
How do you test for this? Because there's so 
many different prizes out there. You could have 
anything from 200 to 300 different bingo prizes
in any given math model. So that was the other 
ambiguous part of this as well.

Finally, in my experience with pretty 
much, I would say, 200 tribes a year, as far as 
the tribal regulators that I deal with, everyone 
has -- when I discuss this with them, the one 
deficiency with the regulation as it stands right 
now is -- what my firm belief is that it should 
be empowering tribal regulators to make that 
decision, which this section itself doesn't do 
that by recommending a requirement to give that 
equivalent to what a par sheet would be in the 
Class III world and have that submitted to the 
tribal regulatory body, tribal operator,
whatever.

MR. CALLAGHAN: You hit on a very
interesting thing. How do we, when we're paying 
into a progressive pool that's controlled by a 
manufacturer, i.e., IGT, how do we establish the 
minimum payback? An example, IGT is always
sending out notifications how they're adjusting
how they're holding -- the money is secured
because they're drafting off the top. This is
really not a $20 million prize. It's the present
value of a $20 million prize if you want to take
it as a lump sum over a 20-year period. So there
are some things, I think, that just by saying 1
in 100 million is leaving a lot of the other
things off the table as well. How do you pay it
back, where do you secure the money if you're not
doing an immediate cash prize as well. I don't
believe that the Rockets that we have, that it's
a million -- that's immediate cash value. It's
an annuity.

MR. WHEATLEY: Yes.

MR. PUROHIT: The proposed language here,
it saying -- it doesn't say what the fairness is.
It just says all the documentation first has to
be created by the manufacturer, which there was
no requirement for them to create anything such
as like a par sheet. So it immediately elevates
it to that level over there. Secondly, it has to
be verified independently. And, thirdly, and
most importantly, it makes sure that it requires
either the manufacturer or the verified copy from
an independent test lab, whatever the final outcome of this is, to be handed over to the TGRA so they can make an informed decision to whatever they see is fair.

MR. CALLAGHAN: From your recollection, then, are you saying that then at least from the buyer, the true top prize, there's no minimum payback, there is no par on that? If you were to go get the par sheets, like for slot machine, there is no such animal for the top tier prize; is that correct?

MR. PUROHIT: There is. There's an animal for that, not to use your words.

MR. CALLAGHAN: I got the contracts. I haven't had a chance to read them.

MR. PUROHIT: There is a math model that identifies the expectations of all the different bingo prizes on there.

MR. CALLAGHAN: Expectations. Which translates into what he's saying, if you could translate that in a bingo card, expected value where you have a slot machine that's every stop on a reel. I think then you could probably come up with the same expected value based on a card play.
MR. PUROHIT: Exactly. It's much more complex, but it can be done. That's the whole thing. And the language in here just says that manufacturers should get it done and should get that result certified and not necessarily put in the requirements of which fields they're supposed to design their games to.

MR. CALLAGHAN: Okay. Very good.

MR. FISHER: Robin.

MS. LASH: I just wanted to remind that the statute says exactly what Class II bingo is. And that you're playing for a prize with cards, we covered that. Designated pattern and the first person to cover the designated pattern wins, and I think this is just arbitrary language. And it's -- it limits the game design.

MR. McGHEE: The old language or the new language? TWGW language or other language?

MS. LASH: The current language.

MR. FISHER: Why don't we check to see if -- what people think of the TGWG proposal.

MR. LITTLE: Can I ask a question?


MR. LITTLE: It's an easy one. Explain to me the benefits of removing the probabilities.
What are the benefits of removing the minimum probabilities? More games, more prizes, more what?


MR. MORGAN: Technology and availability of what I have to choose from from either operator or regulator point of view to arbitrarily limit that for some reason. And everybody I know, at least in the Class II world, can't really figure out what that reason is, and if there is a reason, why that standard is picked because it doesn't make sense on a Class II discussion.

MR. LITTLE: I mean, do you think it's something that, you know, I think in my mind recently there was a big Powerball jackpot and I heard on the radio that the chances were 1 in 195 million, which to me is amazingly -- it's crazy, crazy. But people are still going out in droves to buy those tickets, so clearly it wasn't affecting the public with crazy odds. Do you think it's something that should be disclosed?

MR. CULLOO: But those odds kept changing as more people bought tickets, so it was never a
fixed number.

MR. LITTLE: I think above 175 million to
1 is, you know -- I mean, that's bigger than I
think anything that you guys are all proposing.

MR. MORGAN: But market drives payback.

What I need to do to compete at paybacks in my
market is probably different than what Daniel
has, probably different from what Kathi has. As
regulators, you go to all these different
jurisdictions, and you kind of have in your mind
what the general going rate for a payback is
versus a Las Vegas maybe versus Oklahoma or
California. Or if you're going to take one of
those cruises to nowhere, you know, what that
probability is, that's the market that drives you
back, at least from my perspective as a
regulator. As long as you're meeting the
expectations that you said you were going to
meet. You said you were going to meet this
standard, a testing laboratory has verified you
met that standard, we go in and do a signature
verification and make sure that your
configurations also fall within those parameters.

MR. FISHER: I have to interrupt for a
second. By my clock, it is our appointed time to
break for lunch. So how about we take these cards up and see where we are in the discussion and then we can do the lunch break. Are we good? Everybody good with that? So I think the order is Jason, Robin, Daniel.

MR. RAMOS: So I think part of the question that Daniel was asking there -- so part of the question you were asking there, he kind of spoke to our ability to be able to verify, right, verify through software check, Cobitron, whatnot. What you were kind of saying was it's for more public benefit, right?

MR. LITTLE: Right. Does any tribes have any disclosure requirements that you put it out there. I don't think there are. I don't think it's included in any compacts either.

MR. RAMOS: Interesting question.

MS. LASH: I just wanted to remind you again, or remind the group again, that we have two federal courts, the Ninth and Tenth Circuit, that have established in accordance with IGRA the three requirements for bingo. So we have the IGRA statute and then we have the statutes that says there are three requirements of bingo. So this doesn't fit in there.
MR. LITTLE: Robin, I'm just asking a damn question.

MS. HAMEL: That was off the record, right?

(Laughter.)

MR. CALLAGHAN: That's not going to read as well as it sounded.

MR. FISHER: Make sure you put all the laughter in.

MR. McGHEE: Well, the way I read this, it's just saying that whatever their expectation is, whatever the manufacturer has decided they were going to put on that game, they're going to let the TGRA know about it. And TGRA could say I'm not comfortable with that and limit it. They could go and say, no, I want it to be 1 in 100 million, or they could -- you know, it leaves it up to the TGRA. So I think the way it was before, it kind of made it to as long as they reached this -- stayed within this area, they were all good. The way it's worded now, I mean, I'm okay with it, because once I get what they've got or their thought process on, as a TGRA we could decide if we wanted it to be so hard to win, the odds are so high, that that isn't fair
to the people playing. So the way it's written now, I'm good with that. And help me to clarify what the comments you're making is you're saying because this says that there must be a mathematical expectation to the way the game plays, it contradicts what --

MS. LASH: No, the mathematical expectation is fine; there's not a problem with that. It's just this random number.

MR. McGHEE: The 1 in 100 million, which in the TGWG document it struck out. So the blue proposed language --

MS. LASH: We're okay with.

MR. McGHEE: We're supposed to look at what TGWG proposed in blue and decide if there's a problem with that.

MR. FISHER: It's the basis for our discussion which could take us to seeing if people had other ideas or if people wanted to make a recommendation that says adopt what the TGWG says.

MS. LASH: Let's start with that. Clearly, unless someone has a question with the existing, but that's how this started, was a question with the existing, should that even be
in there. And according to IGRA, no. According to federal case law, no. So then what's the alternative? Let's look at if anybody else has a discussion.

MR. FISHER: Michele has her card up. Let's take her comment and then let's see what people think of the TGWG's suggestion.

MS. STACONA: I guess just for history, has NIGC explained where they came up with these numbers, or can they?

MR. LITTLE: I'm sorry, previous commission, and I think the same thing, I don't know the reasoning behind how it was done.

MR. PUROHIT: It was initially 50 million and 25 million. And then if you look at the comment section and the tech standards, they said that it was way too strict and they upped it to 100 million and 50 million for progressive and non-progressive. That was pretty much -- and then they have an explanation in the comment section as well on what their reasoning was for those numbers.

MR. McGHEE: Didn't they contract the testing lab? Is that a question again?

MR. FISHER: We couldn't hear you.
MR. McGHEE: I guess I'm trying to remember, but it seemed like NIGC was fielding out the GLI, BMM, those two, standards that that's where a lot of this came from. It ended up being BMM, I think.

MS. LASH: It's my understanding that the author of these random numbers was Norm DesRosiers.

MR. PUROHIT: I'm going to say one thing. It is just for the consideration of the audience as far as this language, the proposed language. One thing, if you read the language, it doesn't require the manufacturer to submit the document that's been verified by an independent test lab, like a par sheet, to the tribal regulator. It requires just the findings by the independent test lab to be submitted to the tribal regulator. And that kind of goes around the purpose of giving the information in its entirety to the tribal regulator to make that decision. That's not what standard practice as far as how par sheets are submitted to the tribal regulatory body. Just for some -- to consider that tribal language.

MR. FISHER: Let's just check to see what
people are thinking about the TGWG recommendation, which is to eliminate the 1 in 100 million and the 1 in 50 million requirement and regulation. So if you're in favor of that or support that recommendation, raise your hand.

(All hands raised.)

MR. FISHER: Okay. That's everybody. Okay. So good work. So we're picking up speed here.

MR. McGHEE: You related it, and then the next vote would be if this blue language would be -- should we settle that before we break?

MR. FISHER: Well, I think we --

MR. MORGAN: I would like to settle that so we can move on, if we can.

MR. LITTLE: You just want to accept the recommendations in the TGWG?

MR. FISHER: That was my inartful way of saying that. So what's the recommendation you would like them to do, adopt the TGWG --

MR. McGHEE: Proposed language in section, whatever that would be, fairness.

MR. FISHER: 547.5(c). If you're in support of that, raise your hand.

(All hands raised.)
MR. FISHER: It's unanimous again. Okay. So all right. So now we're at our appointed break time. So we had set aside an hour for lunch today, hour and a quarter. I did an hour and a quarter. So an hour and a quarter from my watch takes us to 12:25. And so anybody have anything to say before we break for lunch? We're picking up speed here. Come back at 1:25.

(Recess taken at 12:08 p.m. to 1:32 p.m.)

MR. FISHER: Okay. That's where we left off.

MS. HAMEL: Did you want our lunch assignment?

MR. FISHER: Yeah. Do you have it?

MS. HAMEL: Yes.

MR. FISHER: Okay. So let's do this.

MS. HAMEL: That's 547.4(b)(3).

MR. FISHER: What you got?

MS. HAMEL: The three of us, our suggestion was a recommended bulletin which answers two questions.

MR. FISHER: Okay.

MS. HAMEL: Does 547.4(b)(3) preclude the TGRA from approving a non-grandfathered component to be added to a fully compliant Class II gaming
system? If yes, how does this affect the
classification of a fully compliant Class II
gaming system?

MR. FISHER: Okay. So, Kathi, this was
developed by you and Daniel and Nimish.

MR. LITTLE: Technical advisor.

MR. FISHER: For information purposes
only.

MS. HAMEL: And the way we came up with
this is we went and looked at the bulletin that
was from 2008, Nimish, for the questions and
answers that were asked and answered from 2008
for grandfathering.

MR. FISHER: Okay. Anybody have any
questions about this? What do you think? This
gets out what you were talking about this
morning, right? And this is really intended to
catch at the full suite of everything we were
talking about. All right. So what do people
think? Good, or questions?

MR. PUROHIT: Isn't that supposed to be
certification, not classification, for number 2?

MS. HAMEL: Yes. Certification of a fully
compliant --

MR. PUROHIT: Classification has some
other undertones here.

MR. FISHER: Right there.

MS. HAMEL: Just say how does this affect, and take out "if yes."

MR. MAGEE: My only concern is that by asking the question, you might not get the answer you want. And are you prepared to have that in the event it goes that way? I guess, you know, people who are lawyers always know that. Don't ask the questions if you're not prepared for the answers. Sorry.

MS. HAMEL: Did you just kick him?

MS. STACONA: No, I just told him he's a party pooper.

MS. HAMEL: This is the objective. So anyone have recommendations for --

MR. FISHER: Tom?

MR. WILSON: Well, in my mind this just -- the question, as I understand it, was is if the -- can the TGRA approve something, correct, and I mean, I don't see the question as asking the question -- I don't see a guidance document answering that question. We should be answering that question beforehand. But the guidance document then should speak to how the
interpretation of — so in other words, the
guidance, in my mind, is the impact of a fully
compliant machine and when you add a
grandfathered component to the fully compliant
machine, does it change the status from one thing
to another. Because the thing I see here is the
answer to the question, if the answer is yes.
But if the answer is no, then number 2, we still
have the same question to resolve as to, well,
has the status of that machine changed if you add
something to it. So I thought the guidance was
going to address that portion of it that, you
know, what does that mean in terms of this
machine. Is it no longer a qualified -- or, you
know, does the machine no longer meet the
requirements or does it meet the requirements,
but it has this one little exception component in
it?

MS. HAMEL: So we need to add to the
question as well as asking the question.

MR. WILSON: It seems to me by not
answering the question, we haven't accomplished
anything, other than we're going to submit to
NIGC to answer this question for us when — I
mean, I think you want an answer to the question,
right?

MR. McGHEE: I think partly you're going off an answer, you know, what we were talking about and how it's written, the answer or say interpretation or whatever was okay. But that would need to be --

MS. HAMEL: To clarify 3.

MR. McGHEE: I mean, NIGC's unofficial answer would be that I understand it would be okay.

MS. HAMEL: Right. That the answer to one would be --

MR. McGHEE: This needs to be a bulletin with the correct answer. He's not formulated the answer.

MR. WILSON: Yes, that's correct.

MR. LITTLE: I can't speak on behalf of the whole commission, so any clarity you might provide would probably be best.

MR. MAGEE: So we provide you the answer?

MR. WILSON: We can tell you what we think the answer should be.

MR. McGHEE: Nimish, why don't you give us what you think, that is, based on how it's written now.
MS. HAMEL: And does not affect.

MR. FISHER: That is the way to take those two questions and turn it into the answer, right?

MR. LITTLE: Right.

MR. WILSON: Right. Because the implication is, as I understand it, if it were to affect the certification of that machine, then that could mean that that machine is no longer certified and therefore --

MS. HAMEL: That system.

MR. WILSON: That system and cannot be used if it were interpreted that it changes certification of that system.

MS. HAMEL: It's not a matter of not being used based on what happened in October -- if October's recommendations are accepted, with Sunset going away, but this is clarifying the issue of components that are added to a Class II system.

MR. PUROHIT: This is also clarifying the issue of existing language right now. The language itself isn't going to get changed with -- as of right now, with the TAC recommendations. We haven't even addressed that. Because everyone pointed out that the language is
-- doesn't prohibit that, but there's still ambiguity in there. Like the other question and answer bulletin that was issued in 2008, it's just saying we have gotten this question before, is that the intent. So it would be something along --

MR. WILSON: I understand now the context of the question and answer. I was thinking we were proposing a question and answer, but -- I mean, we still want to say here's what we think the answer should be, and you guys, we'd like you to agree with us.

MR. LITTLE: Right.

MS. HAMEL: Yes. So the -- I think the way Robert has written it in the second example is not a question. It's more direct.

MR. FISHER: You don't need that? Okay. So we would get rid of this?

MS. HAMEL: Yes. Okay.

MR. FISHER: So let's test it. So what do people think?

MR. PUROHIT: Just to clarify, though, the bulletin, I'm just asking we want -- we still want it in a question and answer format? Like the bulletin that was issued in 2008, if you've
ever seen that, it was just like a whole bunch of questions and answers that were posed based on those. The format is still going to be similar, despite how it's up there. Okay.

MR. FISHER: Q and A-D format. That's digital. So it's the bulletin that's in the question and answer, but it provides this answer. That's what this recommendation asks for.

MR. LITTLE: Right.

MR. FISHER: If you're in favor of this recommendation, raise your hand.

(Indicating.)

MS. THOMAS: Is that supposed to be non-grandfathered? Should it be?

MS. HAMEL: It should be grandfathered, you're right.

MS. THOMAS: If you change that, then I'm good.

MR. FISHER: You're good, I think.

MR. LITTLE: I think Robin has got --

MS. LASH: There's a comment to be made here. The answer to question one, if yes, presents the basis for legal action immediately. Why foster a question that is devoid of facts and presents potential of controversy? And the
purpose is to address topics and give guidance, not create additional controversy. So I think that's red, too.

MR. WILSON: Is that comment in relationship to what's up here now?

MS. LASH: Yes.

MS. HAMEL: Is the question to clarify 547.4(b)(3) and not ask the specific question?

MR. WILSON: I'm not understanding the comment.

MS. TAHOODOHAHNIIPPAH: I kind of have a hard time understanding if we're working on a document and we're trying to come up with changes and suggestions, and then -- why can't we just fix it and instead of like putting a Band-Aid on it and then having to clarify it somewhere else? Why can't we fix it in the document so everybody can understand it? Because if we can't understand it, how is anyone else going to understand it and enforce it?

MR. PUROHIT: I think this was like that math question was and I think a couple other TAC members also talked about it earlier, that do we want to address something that's such a specific situation in this particular case where it's a
formerly grandfathered system that has been brought into compliance and then it's adding on parts. And if it's going to be so specific and you're adding a whole section in there, is it going to create more ambiguity and more restrictions for the TGRA to do actions on their own right now. Whereas, the language that's there right now gives them the flexibility to interpret that either way. This is just solidifying that fact that any ambiguity that exists for that particular situation is going to be addressed. And it's in a bulletin format.

MS. TAHDOOAHNIPPAH: If you just added that language, something like that in there, then it takes care of it and then you don't have to put out separate rules.

MS. HAMEL: I don't know if it can be added to regulation because that's not regulation. That's procedural or comment to regulation.

MR. PUROHIT: Specifying the intent in a very particular case, that's what it is.

MR. FISHER: So could we go back, Robin, back to your -- do you want to come back to your comment? Because I heard some people say they
did not understand the context for it.

MR. McGHEE: In layman's 8th grade terms.

MR. MORGAN: If I understood it, basically
the comment was meaning you may be creating a
controversy where the one does not exist and do
you really want to do that. It may be a question
in your jurisdiction, but it's not a question in
my jurisdiction. It's really not a controversy.
By having NIGC clarify something that's not yet
controversial, you have therefore made it like
there's controversy out there. Is there
controversy? Kathi has a question. I don't know
how many other people have the question. And I
fully support trying to clarify if for Kathi.
It's not a question in my place. I think it's
allowable. I'm good with it as written in the
regulation, that situation. But by lending
credence to a bulletin, you're de facto saying
there's controversy that exists out there,
ambiguity, and I am clarifying this. So what if
somebody disagrees with that now? You've invited
somebody to challenge it. I think that was the
point. Now, how real that risk is, that's what I
heard, in non-legalese terms.

MR. LITTLE: I don't know what -- I mean,
bulletins are changed. They can be changed. They're not final agency action. I'm not aware of a commission ever being sued for a bulletin.

MR. MORGAN: It's just the position of the commission. Not legally enforced.


MR. McGHEE: If one tribe has a question about it, I think that's enough to have an answer given to that tribe. If you had a question about your property --

MR. MORGAN: That's the other way that questions, at least to my knowledge, is if Tribe A has a question, they submit the question to the commission. The commission may respond back by writing a specific action and/or a specific letter or verbally and then they move on. Only when there's such a question that exists that affects nationwide that there seems to be a disagreement on what this means do you guys usually step in and say, hey, we want to clarify what we think the intent is on this subject matter.

MR. WILSON: So my concern would be, I know in our regulatory structure, we issue regulatory guidance documents, because the
regulation never can be -- it would be so onerous
to try and address every conceivable outcome that
may happen, so we issue regulatory guidance
documents that pertain to our interpretation of a
particular regulation. And that may even be the
compact; it may be NIGC. I mean, we as a tribal
regulator say here is how we are interpreting
this to mean for us, which may be different than
what your tribal regulatory authority interprets
that. So I think what I'm saying is to Matthew's
point, that if the issue is that your tribe is
interpreting this statement one way and another
tribe is interpreting it another way, I don't
know that that is inappropriate because that's
the nature of regulation. I mean, it becomes an
issue only when somebody takes issue with it.

MS. HAMEL: But the manufacturers have
different interpretations, too.

MR. WILSON: But the manufacturer, the
interpretation -- I mean, this is what I'm trying
to understand, is that we're not really
regulating -- or the individual tribal gaming
authorities are setting the standards for the
manufacturers. So if in my jurisdiction, I'm
saying that here is what this means, boom, boom,
boom. Well, that manufacturer, if they want to
do business with me, then they have to conclude
whether they can meet whatever that standard is
that we have agreed for our particular
jurisdiction that you need to meet. But it may
be that down the road, at another site they have
a different interpretation. And I guess
fundamentally in my mind, this issue becomes if
you want the tribal regulating authorities to
have the flexibility, then they have to be able
to interpret regulations to their particular
operation, or you have to be very specific in the
regulation and state, Here is exactly what it
means and nothing else. And I think that's the
challenge that we're faced with.

MR. FISHER: Leo, and then Robin.

MR. CULLOO: To Tom's point, I think the
problem is we're an operational side, not a
regulation side. Ambiguity may be good at times,
but it's not good when large costs are
potentially involved. In your jurisdiction, you
may interpret it on Kathi's behalf, but say
you're replaced when someone else comes in, and
they say, In my opinion, you've been wrong all
along and you got to change it. So I think in
certain areas, you do need to be specific to
protect the investment of the operation and the
tribe. And this might be one of those areas,
particularly in Kathi's case. I'm hearing it's
important to them.

MR. WILSON: Just a -- is there a
disagreement in your jurisdiction between a
regulating authority and the operations about the
interpretation of this?

MS. HAMEL: I can't say there's a
disagreement, but we both interpret it
differently, and the manufacturer interprets it a
different way. And so often the manufacturers
say, well, that's not what happens in other
casinos. And we would never change our approvals
by our TGRA because of what goes on in other
jurisdictions, but it is vague. It isn't
specific and it does not give clear guidance to
the TGRA on what happens with grandfathered and
fully compliant systems. And I don't know how we
get -- I don't know how to recommend we get to
clarifying that if it's not in the regulation;
how do we communicate it in such a fashion that,
yes, indeed, you can add a grandfathered
component to a fully compliant system that does
not change the status of the system because it's the system that plays the game of bingo, not that component? And we keep getting hooked up into thinking that component plays bingo, and it doesn't. And nothing -- it's not specific. That's my point.

MR. FISHER: Robin, then Nimish.

MS. LASH: I think it goes back to the sovereignty of the tribe and the TGRA to make these determinations, and then they are presumed correct and upheld by the courts, unless shown otherwise. And I think the determination needs to be made by the Tribal Gaming Regulatory Authority as primary regulator versus NIGC answering the question.

MR. FISHER: Nimish.

MR. PUROHIT: I just wanted -- the manufacturer in this particular case, someone said it's not necessarily a nationwide issue. It could be because this manufacturer is nationwide, just so everyone is aware as well. So from that perspective, this is also a design standard document as well. It could have impact in other jurisdictions. And from one manufacturer's perspective, they're interpreting it in a
different way as well. To back up Kathi's point that we're talking about. If that makes sense.

MR. WILSON: Just so I understand -- and I'm hearing two different things here. Adding a component to an already-certified machine is something that happens --

MS. HAMEL: System.

MR. WILSON: System. Is something that happens at the local level, or does that happen at the manufacturer level? Do you request the manufacturer to add a component to the system? Or do you do it on the floor, so to speak? I mean, you do it at your facility?

MS. HAMEL: Well, operationally, you look for player interface offerings that are competitive, and there can be those components that are grandfathered, yet our system is fully compliant. So you want to be competitive. And if the manufacturer, again, does not see the benefit of making those changes to that component, then potentially you cannot offer that product, that component.

MR. PUROHIT: The certification letter from the independent test lab is generally issued to the manufacturer, and then any of their
stricter regulations on top of 547 that the
tribal jurisdictions have adopted, it will say it
was also tested to that and then it will list it
to that tribal regulatory jurisdiction as well.
That's one of the tenants. Like there's no
stricter standards for 547 adopted anywhere than
those certifications are transferrable from one
jurisdiction to the other. At least that's the
way the independent test tabs that write the
certifications. And you might want to -- it
could be an nationwide issue from the
manufacturers' design standpoint.

MR. MORGAN: My question is, is it a local
issue or is it a nationwide issue? Because
depending on that answer, kind of predisposes
what the appropriate response is. So, I mean, is
this a conjecture, it could be a national
problem, or, yes, this is a national problem that
we need to fix. That's maybe where I'm getting
stuck.

MR. PUROHIT: The manufacturer has reached
out to me for clarification on this because of
the issue. The manufacturer reached out. So
from that perspective, it is a nationwide issue
because they are nationwide. However, the
jurisdiction that they are inquiring about is a singular jurisdiction, but that perspective is not. That's why I'm saying it could turn into it, and that's the reason I'm focusing on the "could" part. When the manufacturer first reached out to me, they said they have "a jurisdiction," and this certification is for their whole system which is being used in all these places as well. And they want to make sure they don't run into it at other places because one jurisdiction is bringing it up. Does that answer?

MR. MORGAN: Sort of. But they still could potentially run into a problem. Just because one jurisdiction says it's okay, you still have to deal with each individual jurisdiction. So just because you say it's okay and Kathi's regulator says it's okay, doesn't mean Mia says it's okay. You still have that risk somewhere. To me, is it a local issue or is it a broad, this is a disagreement, and it's affecting multiple jurisdictions because everybody is confused on this question? Because while I heard the question in theory, and I agree there's some ambiguity in theory, I don't know of
the practical aspect on why -- a wider issue, you
know, among several tribes, and that's where, I
guess, I'm looking for. Is anybody else having
this issue or is this such a niche problem that
we haven't heard about it yet?

MS. HAMEL: Well, I just know that we go
through audits. We're under scrutiny that maybe
other jurisdictions aren't, and these questions
come up. So I'm bringing it to the table because
it's out there. And maybe the other
jurisdictions aren't under the same amount of
scrutiny that we are.

MR. CALLAGHAN: Kathi, by whom?

MS. HAMEL: By NIGC, by --

MR. CALLAGHAN: It's your fault.

MR. MORGAN: So you're getting questions
from your field staff on whether the legality of
running a particular theme on a particular --

MS. HAMEL: Of managing the 547.

MR. MORGAN: Back to the response,
couldn't they clear that up with a phone call to
their field staff?

MR. LITTLE: Could you repeat that? I'm
sorry.

MR. MORGAN: If the issue is her field
staff of how to interpret that, couldn't you guys come to an agency opinion that says, This is our stance on this and direct it to your field staff and say, This is our determination?

MR. LITTLE: That is our standard practice, yes, we can.

MS. HAMEL: But I'll go back to what Leo just said, if that changes --

MR. FISHER: You mean, if the commission changes?

MS. HAMEL: If the commission changes and now it's a different group --

MR. MORGAN: But the new commission has the ability to withdraw that bulletin, too. Reliance on a guidance document is tenuous at best. I mean, it does give you comfort. I'm trying to figure out what is the proper response to your issue. Because I agree with you, if you have that issue, I want to help you try to clarify it in a way that you want it to be clarified. Because, again, I think you have the right to do that.

MS. HAMEL: I guess if it's not affecting everyone, then I will withdraw my comments. But it's not clear.
MR. WILSON: Well, I mean, to Mia's point, if this statement were added to the regulation, that would provide the clarity on this issue. I guess my concern would be that -- well, we'll just have to wait and see how many other issues there are where this level of clarity has to be defined. Do you see what I'm saying? In other words, to do that -- I mean, I personally, I see nothing wrong with this wording up here, and I would have no problem with it being in the regulation because I think everybody has discussed that the TGRA should be able to approve that, and that that approval shouldn't affect certification of that system to the extent that you're using a previously-approved grandfathered component in that system that still has to meet the four criteria. I mean, I don't know that anybody has any objection to that, that that's what --

MR. MORGAN: I agree with that.

MS. HAMEL: Well, and I think this morning, that's where we started. And the recommendation was to come up with a bulletin. So that's --

MR. LITTLE: You could write an opinion
letter to the commission on this particular subject. You can clarify. I'm not going to guarantee you what their response is going to be, but that might be an avenue that might work for your tribe.

MS. HAMEL: Okay. I'm just recommending we move on then.

MR. FISHER: So do you want to test whether there's -- I mean, people around the table have said they're willing to help try to solve the problem. It's just really a question of what's the right vehicle. We've had a number of suggestions about different ways to do it, bulletins, opinion letters, phone calls, or whether there should be something in the -- proposed in the regulation. So do you want to, as a part of kind of concluding this, do you have a preference, would you like to ask the TAC to support something, a regulation or in the bulletin, or what would you like to do?

MS. HAMEL: I'll just go back to what I said this morning, in 547.4(b)(3), it's written -- if you read it the way it's written literally, you can only modify, repair or replace individual components of the gaming system that
are grandfathered. No new components can be added. And, for example, the gaming system software is fully compliant, but if you want to add a new theme or a new interface to the existing four that are grandfathered, there isn't -- there's no language to support that. This talks about repair and replace to ensure functional and secure.

MR. WILSON: What changes specifically in that wording would meet with clear ambiguity for you guys?

MS. HAMEL: I believe if there's clarification between adding new, not just repairing or replacing, but there's -- and that it doesn't change the classification of the system. If it meets the four components of or if it's fully compliant. If it doesn't change the overall intent of the system and the compliance of the system. Because it just talks about repair and replacing. It doesn't talk about adding new.

MR. FISHER: So, Tom, were you asking to try to figure out if there was a recommendation around the regulation itself or --

MR. WILSON: Yes, in other words, if --
for purposes of this particular issue, is there a recommendation of wording to change the proposed regulation so that it resolves that, or are we going to go with the guidance document approach on this particular issue?

MR. McGHEE: I think when you were filling out the group, does the group think this should be a direct letter for this specifically? Does the group think it should be a regulation? Does the group think it should be a bulletin? Can we decide where that is? At least the majority, we could at least focus our attention on that.

MR. FISHER: Okay. So what I was doing, because Kathi said she was willing to drop it, I just wanted to check to see if people had a suggestion. So usually it's a -- if you think we need to do something about this, raise your hand, I mean, address this issue. And if so, we'll figure out what people think about the vehicle. Or we could just say if you think we should do this in a bulletin or in the regulation, raise your hand.

MR. CALLAGHAN: Kathi, wouldn't this be more appropriate, particularly based on what I'm seeing, for you to make this response for NIGC so
you can present that to the manufacturer? Again, keeping with the spirit of what Matthew had mentioned, if you open it up globally, then it may end up being -- this appears to be local politics that you're dealing with here, and maybe going around that local -- that regional office and going through NIGC may be beneficial to you.

MS. HAMEL: We'll take it off.

MR. FISHER: So if it remains an issue and you want to bring it back, let us know.

MS. HAMEL: Okay.

MR. FISHER: Okay. Back to the TGWG document. And I got that. I got the real thing up there. Okay. We're done with this one, right, because the recommendation is to do what the TGWG recommended. So then were we done with what was on Page 2 of the comparison document?

MR. LITTLE: Minimum probability.

MR. McGHEE: You did 547.5 and then the next section is 547.4. And did we talk about that yet?

MR. PUROHIT: It's just referring --

MR. McGHEE: Minimum probability standards.

MR. PUROHIT: Like it's just making sure
that the reference to 547, the fairness
requirements are still there. The only reason we
put that in there is just so you know that
also -- it also --

MR. McGHEE: All we did is recommend
language for fairness. We didn't say -- by
accepting that, in turn, that has to be fixed.

MR. PUROHIT: Exactly.

MR. FISHER: We were talking about the
thing at the bottom. Everybody ready to move on?

So now we're on Page 3 on the TGWG
comparison document. And I'm just going to
scroll down here to 547.7. How do you want to do
it, do you want to do it the way we were doing it
before, somebody from the TGWG says, Here's what
we were trying to accomplish and why? You want
to do it some other way?

MR. McGHEE: I have a comment here. I
could read the comment here of why they changed
it. With this deletion of the general
requirement section, the remark was, Other
federal agencies are responsible for establishing
and enforcing electrical product safety
standards. Accordingly, promulgation of such
standards is beyond the scope of NIGC
jurisdiction. However, subpart 547.4(a)(3)(i) is proposed above to reflect that this is an industry standard for the laboratories to make note or include other laboratory certifications as provided by the manufacturer in their report. And that's the remark as to why that was struck.

MR. FISHER: Anybody got any comments?

MS. LASH: Just another comment from the Tribal Gaming Working Group is that this requirement, the UL requirements is not required in any other kind of gaming except for ours. And this UL is a nonprofit business. You know, they create testing requirements and everyone has to spend lots of money to do that. And, you know, they create a -- by having this language as a regulation, it is giving a monopoly to a nonprofit business that other gaming forums don't have to -- they don't have to do this. So it's -- we just would like to take it out. Your Tribal Gaming Regulatory Authority can always put in some sort of requirement. But these -- the other federal regulations cover these safety requirements. So those are just additional comments.

MR. FISHER: Okay. Tom?
MR. WILSON: So somebody help me understand the proposed language, Operate in compliance with applicable regulations with the Federal Communication Commission. I would guess that there's a zillion regulations the FCC has. That seems awfully broad. And then in my mind, it brings out all kinds of questions about, well, who interprets the applicable -- what applicable regulations are. I don't know, this just seems odd to me what this is all about. I mean, what is the risk that is trying to be mitigated in terms of meeting some standard? And is there not a better standard than the FCC?

MS. LASH: One thing is, if you notice this first part, is that it mirrors the language over here. It's in red here, but it reads the exact same, the FCC comment. Then we struck out the rest of it, just saying that this -- the UL testing is unfair on our gaming business; that we shouldn't have to have that requirement.

MR. WILSON: I understand that, but this first part is confusing me in terms of compliance with applicable FCC -- I mean, in my mind, that's in there because somebody has thought that there's something applicable in the FCC
regulations that apply to Class II systems. So my question is, is that true or not because I don't even know that referencing the FCC is the right reference or if anything needs to be referenced. I mean, is the risk they don't want somebody to get zapped when they touch the machine? I don't think that's an FCC issue.

MR. RAMOS: I guess, my statement or comment would be with or without this regulation, do tribes still have to -- are they still obligated to follow the Federal Communications Commission's requirements? I mean, it seems to me that they probably do. And I don't think we need it necessarily outlined in a regulation if it's already out there.

MR. MORGAN: Tribe response. I'll preface it that way. A lot of our discussion back from what I recall when this was originally proposed in 2007, and also the Tribal Gaming Work group is we akin this to almost like tribal 31. It's regulations you do have to follow. And instead of the NIGC trying to set forth some jurisdiction over a law they have no authority to enforce, we just pointed to, hey, the FCC has some regulations here on this subject, you should go
refer to that, whatever that may be. Because we
don't want to tie you down in this document to
some specific language or this version as they up
it. Just like we would as the Bank Secrecy Act
or Johnson Act. So it was pointing to a note to
go look somewhere else. But I do understand your
question, what is applicable. Probably a sea of
regulation the FCC has. I agree with Jason's
comment, there's no way to get around it, if it's
a requirement, you have to meet it. But I think
the point of it was just a point to, you know,
hey, you got to go look somewhere else because,
tribe, you have to follow it. NIGC, you may not
have the authority to enforce it, but tribe, you
still have to follow it.

MR. PUROHIT: I've spoken to a few
manufacturers about the TGWG issue. It's about
six manufacturers I spoke to, and they all pretty
much said that when you put in the words
"Underwriters Laboratory," even though it says
Underwriters Laboratory or Equivalent, it does
seem like a lot of jurisdictions only take a look
at that first part. And it's like saying
independent testing lab -- instead of saying
independent testing lab, you're not saying GLI or
equivalent or BMM or equivalent. That's the first part of it.

The second part of it, in nearly every jurisdiction you go to, I understand it's still the box. But every single jurisdiction you go to, there's a common requirement that I think this was trying to capture. And this is based on my regulatory experience and testing experience. And those are things that are not required necessarily by federal law, which is liquid spills testing, electrostatic discharge, magnetic interference. These are three, like, the most common hazards requirements that are not necessarily minimum federal requirements, but they're put in a gaming environment to replicate casino environment for that. And the UL or its equivalent, as it points out, they go well above and beyond, and that's why it's very expensive to make it compliant like that. These manufacturers said instead of having just a specific reference to that, outline the three or four tests that nearly every jurisdiction that's a universal requirement and put those in there, instead of just saying UL, which encompasses a wide array and a lot of them might not be applicable so
what's the point of incurring these costs as well. That's the manufacturers' side of this thing.

MS. HAMEL: Doesn't our facilities' license cover safety and electrical shock and live safety and water, and do we need to spell it out again just for us, too? And just player interfaces and not all of the equipment associated with the facility.

MR. PUROHIT: Kathi, from the tests that I was just naming out, they're not necessarily for -- and this is going to be hit right at the box issue. They're not necessarily for player safety only. The minute you plug something into an electrical outlet, it has to pass a whole slough of laws. This is geared toward the integrity of the overall gaming system environment. But if you do expose it to any kind of an outside-of-normal operation things, hazards, it shouldn't malfunction and give a $42 billion jackpot or anything along those lines. That's what this is referring to. Colorado is a specific example. Sorry. That's what this is referring to, as far as equipment malfunctions or anything that compromises the integrity of the
environment. It's the issue of the box as well, from that particular perspective. That's why comparing it, we are comparing it like as far as the box is concerned from both issues, so on safety and a malfunction point of view, but the malfunction won't apply here because if everything doesn't reside on there and malfunction voids all plays anyway. In this particular instance, what are they going to test for? That's what the manufacturers, they're saying that given specific tests, but at the end of the day, how do those tests apply to a Class II gaming environment.

MR. WILSON: And I think that's where I'm getting at is that -- I mean, I will tell you as a regulator, I don't have a clue what all the FCC things may or may not be, but I'm guessing that one of them doesn't have anything to do with spills on the machine, but that's really relevant in the casino environment. So it does make more sense to me to outline what is it that this machine needs to meet to protect the integrity of the game, assuming that personal safety issues are already addressed in the manufacturing process that they know that they can't make the
machine that somebody is going to get
electrocuted when they touch it. It seems to me
that the technical standard here should be
addressing the integrity of the game issues that
that system needs to meet as opposed to these
general UL, you know, type of things, that it
would be doubtful that anybody is making a
machine that I wouldn't say isn't UL compliant,
but the fact of the matter is that basically
people manufacture to a standard anyhow,
otherwise they can't be competitive. So if their
machine plugs in and people are getting
electrocuted, my guess is that's going to be
addressed and corrected after you, you know, deal
with that. So it seems to me the integrity of
the gaming issue is what the technical standards
should be addressing, not the entire
manufacturing process of every component of this
machine.

MR. FISHER: Where does that leave us?

MR. McGHEE: We took it out because it
wasn't applicable to the integrity of the game.

MR. PUROHIT: It's not -- I want to say
something else. The game integrity as far as the
software is concerned, yes. As far as the math
models, that's going to be on the game server. But you can't forget about the bill accepter software, that's still critical to the integrity as far as paying out and generating the payments. That's still happening, if it does exist, inside of a Class II cabinet as well. The software on the bill accepters that is actually being validated at the terminal, that's still happening at the terminal level, too, in some cases. So in that perspective, that needs to be protected as well. That does compromise the integrity somewhat. Not in the sense as far as the ball draw, the random number generator, but that also is still a factor in the integrity environment as well. I'll give you an example of a very common scam that has been going on for a couple of years now, and the reason for the radiofrequency requirements, is there is a cartel, if I may, out there that goes in and has a radiofrequency transmitter that when you aim it at the bill accepter, it registers a hundred times the credit of the bill you're putting in. I'm sure a lot of you, if not all, have heard of that scam. That does compromise the integrity of the environment even though it's not directly hitting at the
source in the software on the server itself. That's why the manufacturer is saying that when you do something, we want to make sure that it's still some testing being done at the terminal level, because it's a primary interaction point at the end of the day.

MR. WILSON: Is that testing that you're referring to -- again, you're identifying some specific risks, which I think makes perfect sense to me. My whole issue with this is that there's more than just the FCC. I'm just hung up on this that they've referenced the FCC as the compliant piece you have to be compliant with. I certainly as a regulator am not going to be able to go to that machine and determine whether it is fully compliant with all of the applicable FCC requirements, but I certainly can determine if certain standards -- if the machine meets certain standards that we've defined in the technical standards, it has to be A, B, C and D resistant or whatever it happens to be. So I don't know if we're saying the same thing --

MR. PUROHIT: We are.

MR. WILSON: -- or not.

MR. PUROHIT: We are saying the same
thing.

MR. WILSON: But when we talk about striking this whole piece, that doesn't make sense to me either because it seems to me that there does need to be certain standards dealing with -- I don't want somebody to walk in with their radio device. I don't want somebody walking in with a big magnet and be able to do something. I don't know where those standards currently sit. If they sit somewhere in the federal world of -- whether it's the FCC or whatnot. But that's what I would be most interested as a regulator knowing that that machine met those high risk items and not that it's fully compliant with the FCC because I don't know what that means.

MR. PUROHIT: I thinks we're talking the same thing. It has to be a specific test, not just a blanket or umbrella that could be a whole bunch of things that definitely don't apply to the Class II terminal either.

MR. McGHEE: So can you tell us which tests? Because if we took it out, the whole FCC reference, and said prior to approval by the TGRA pursuant to whatever, the Class III gaming system
shall have attained relevant certification for
blank, blank, blank test.

MR. PUROHIT: Right. I'll give you an
example. This is from ADOG, as I like to call
them, Arizona Department of Gaming, compacted
jurisdiction, Appendix A. I always refer to
Appendix H in a couple other jurisdictions. Here
is something that they specifically identify, no
federal requirements or anything else. These are
pretty much common to every state regulated
tribal compact regulated jurisdiction that you go
to for cabinet security, because they're also
built on the GLI 11 series as well as far as
cabinet security. Few examples: electromagnetic
interference gaming devices shall not create
electronic noise that affects the integrity or
fairness or neighboring gaming devices. Very
specific. You can't really go in and expose it.
The other one is the electrostatic interference,
you know, don't tase a terminal in order to make
it go haywire. Even though the software might
not be there, some other components inside of it
may malfunction as well. Radiofrequency
interference testing, magnetic interference, and
finally liquid spills. These are some examples,
specific tests. They're very common in multiple jurisdictions out there.

  MR. FISHER: What was the fourth --
  MR. PUROHIT: Magnetic interference, radiofrequency interference.

  MR. MORGAN: Is that what you were getting at, is you want to say, give me four tests and say this is what you have to meet so I can verify?

  MR. WILSON: Right, because I can't verify the FCC regulations.

  MR. MORGAN: The other thing is, Nimish, you want to put something in, or any other additional requirements as required by the TGRA, and then that captures it? Is that -- because and then the Tribal Gaming Work Group, this is the one that I struggled with the most as well, and I kept asking people what tests are the most common out there. Everybody keeps saying industry standard. What's the industry standard? That's the four or five. I'm fine with that proposal if that meets your --

  MR. PUROHIT: There's one more in here that wouldn't apply to Class II environment. It's the security of a random number generator.
That doesn't apply here. It has to be shielded and all that stuff. I'm only bringing up ones that are applicable here.

MR. MORGAN: Don't put a lock on an empty box.

MR. LITTLE: We're just providing technical assistance. We're not making recommendations for the group. You guys take it any way you like.

MR. FISHER: Jeff?

MR. WHEATLEY: I like where we're going, but my concern is these tests are probably going to change over time, so are we going to have to go back and change these as new cheats come out and, you know, con artists have new ways of coming in and manipulating a machine or device to try to and gain some type of advantage? How are we going to address that in the future? Is there a way that we can write in the language that, like Matthew said, the industry standard tests, but those industry standards change over the course of two, three, four years. I don't know how to address that, or is this the direction we want to go to?

MR. McGHEE: Could it be any other TGRA
requirement were to cover that? Because if something would be to develop, we can add it.

MR. PUROHIT: Might be jurisdiction specific as well, like in Oklahoma and Kansas City Tribes, but it hasn't perpetuated beyond. And the independent test labs, too, once they discover something, I know all three labs, they incorporate that into their test description as well. Especially because the bulletins go out from the manufacturers.

MR. FISHER: So what's the right lead-in language to this? I've been playing with this, but this might not be right.

MR. McGHEE: Take the "from" away. Obtained relevant certifications.

MR. FISHER: Okay. Got it. Does that do it?

MR. MORGAN: Now my only question is -- okay. They have to obtain relevant certification because -- just because they obtain it, do they have to give it to someone, and if so, who are they giving it to, to the lab or TGRA? How do we ensure?

MR. PUROHIT: I liken it to Arizona, for example. It says the laboratory shall determine
whether or not outside influences affect game fairness to the patron or create cheating opportunities. The gaming device shall be able to withstand the following tests, and then it leads into it.

MR. MORGAN: That is my only concern. Because as technical standards, checklists for the labs, and if this is where we're putting it, then I want to put responsibility on the labs and say you check it. If you see certification, this is all good.

MR. FISHER: So the recommendation could be --

MS. HAMEL: Is it the wrong place, because right now it's in hardware, not testing.

MR. FISHER: Yes, that's correct.

MR. MORGAN: I was just speaking to 547.

MR. FISHER: Let's skip the lead-in language first and then we can figure out where does it need to go.

MR. CULLOO: In order to address Jeff's concern about new technology or new ways, wouldn't you say that as a minimum relevant certification? So it gives an ability for the TGRAs to build upon that if something else comes
out in the future.

MR. WHEATLEY: Is "certifications" necessarily the right word? Is the independent testing lab going to have to come out with a separate certification? Wouldn't it be things -- there's things they're going to test for inclusive of their overall certification?

MR. PUROHIT: It will be in their certificate of testing that they release to you, and these will be comprehensive of all the tests. Kind of like what Matthew said, that they check it off, and they'll just give you a final report that you act upon. It won't be a separate series or anything along those lines.

MR. WHEATLEY: To me that kind of sounds like it would be a separate certification. That's why I brought it up.

MR. FISHER: Okay. So you want to read that? What was the Arizona language?

MR. PUROHIT: Here's the lead-in. It says, A laboratory shall determine whether or not outside influences affect game fairness, and that can be reworded here as well. I don't know if you're caught up?

MR. FISHER: No. Now I am.
MR. PUROHIT: Game fairness to the patron or create --

MR. McGHEE: When you were reading it earlier, you even expounded a little bit upon what electromagnetic interference was. Can you paste that to him, and it will pop up so everybody can see it?

MR. PUROHIT: Yeah. Each one of them has their own testing requirements as well.

MR. FISHER: Maybe we should take a quick break because we have a little technical thing to do. So there's brownies and drinks at the back.

(Recess taken at 2:33 p.m. to 2:49 p.m.)

MR. FISHER: The Arizona language is up on the screen. It doesn't fit the whole thing because it's -- but that's the lead-in language and then all the information about the specific tests. But then, Nimish, do you want to say --

MR. PUROHIT: I also gave him an example, like talking with Jeff and Jason just had a brainstorm, if you want to call it, and I was like, wait, we have Washington State and I remember their technical standards. They actually specifically referred to everything as a player terminal as far as their terminal
requirements, and that's just their testing requirements for the terminal itself. And they don't go into detail.

MS. LASH: That's perfect.

MR. FISHER: It basically collapsed all that other Arizona stuff into one sentence.

MR. CALLAGHAN: That in a nutshell is Nevada as well. You would similarly say spills and human electronic dischargers rather than someone coming in with a taser.

MR. WILSON: Just to be clear, we're discussing here about the standard for the box, not the server?

MR. PUROHIT: Correct.

MR. CALLAGHAN: Good job, Leo.

MR. CULLOO: That's the definition of a player terminal there.

MR. CALLAGHAN: Basically it's a bingo system, Class II. Not much inside.

MR. FISHER: So what do people think of this?

MR. CULLOO: Use Washington.

MR. FISHER: Is that the right term? Is that the same term?

MR. WHEATLEY: Player interface.
MS. LASH: You want interface, terminal, what?

MR. PUROHIT: For consistency it would have to be electronic player interface.

MR. FISHER: So this would now be this. And this is in place -- so where does this go? So is it the part that's in --

MS. LASH: 547.7(a)(1), right?

MR. FISHER: So the TGWG language was to eliminate 547.7(a) and make a change to 547.4(a)(3). So what's our recommendation? Matt?

MR. MORGAN: I got a lawyer thing. Just want to make sure. What's defined is player interface, not electronic player interface.

MR. PUROHIT: I was just making sure of that. The electronic player interface, I think that's what -- the definition is just player interface. Thank you for that, Matt. Yeah, we have a definition for player interface in here.

MR. FISHER: Okay. So back to my question about what's the recommendation, given the TGWG recommendation was to delete certain parts and make changes to other parts. Matt?

MR. MORGAN: My recommendation would be if
you look at the tribal gaming board group suggestion is that that language replace what was 2. So you still have Class II gaming systems operate in compliance with applicable regulations and the Federal Communication Commission. Then 2, the operation of each player interface must not be adversely comprised or affected by static discharge, liquid spills, or electromagnetic interference, period.

MR. WILSON: So I'm still hung up on the FCC thing.

MR. MORGAN: I thought we struck it. I was just reading what was there.

MR. LITTLE: I don't know if there was a wrong or right in there. There's not really a wrong or right. You state it or take it out. My only point I'd raise is does it help a tribe that may not necessarily know how to comply with it, or just a reminder, or I mean, is it helpful to leave it in there? I mean, it's not wrong to have it in there. It's not right to have it in there. But does it help the folks remain in compliance with not necessarily just our recommendations but other regulations? I'm just asking the question that way.
MR. WILSON: Well, I don't know. I just get back to the thing that I'm just trying to think in Class III, and maybe independent say it says somewhere about the FCC or whatnot. This FCC thing is throwing me, and I don't know why. But it appears that you're all comfortable that there's something in the FCC requirements that pertain to Class II interface devices.

MR. MORGAN: I think it's general product.


MR. MORGAN: My point is I kind of fall where Dan does, in that it doesn't really hurt and it may be helpful for some. And that language is for the independent testing lab, to send me their certificate of -- what do you call it, whatever their certificate is, and say, yes, we verified that it does meet that.

MR. WILSON: The testing lab is going to verify that the component meets the applicable requirements of the FCC, is that what -- is that what that's saying?

MR. MORGAN: Something for that $25,000
charge they do. I want them to stand behind something that says, yes, that's --

MR. PUROHIT: Can I clarify something, too? In Part C of the same hardware standard as well, by the way, there is an electrostatic discharge requirement which specifies the voltage ranges and all that other stuff. If you want to remove that part from here and keep that so that there's not other changes involved in there.

This is the Underwriters Laboratory reference, is (a)(2), and if you look underneath printer circuit boards, and then go to (c), there's a specific reference to electrostatic discharge there as well.

MR. McGHEE: And we add that language to this language?

MR. PUROHIT: Exactly. You can do that as well. That does define what the parameters of electrostatic discharge are.

MS. LASH: I would like to ask that we leave in the FCC language because specifically with Rocket games, they're broadcast between locations, and so we are comfortable with that language being in there just as a -- for that FCC language to remain in there. Some manufacturers
have local signals, but ours are broadcast, so I think it should stay in there.


MR. McGHEE: Okay. The only difference that I see leaving in or taking it out means that I have to be sure that the gaming lab tests checklist now has this -- I guess in compliance with FCC. If it stays in there, that's why I have to make sure it's on the certification. If it's out, then I don't have to. So I think it's not a big issue either way. I mean, if it's an issue to one or the other, then that's fine that it stays. I'm more interested in where -- if we put that over here with this other static discharge stuff, can we then see where we are voting-wise and move on?

MR. FISHER: Yes. So do you want to try what's -- first of all, with number one with the FCC, do you want to check that first? So the proposal is basically is to leave it as in the current regulation, right, so not to adopt the TGWG recommendation, to delete it, to leave it as in the current recommendation. So if you're in agreement with that, raise your hand.

MR. WILSON: Say it again.
MR. FISHER: Leave it as it is in the current regulation. Number 1. Leave it as it is. So if you're in agreement with that, raise your hand.

MR. McGHEE: It reads, the Class II gaming system shall operate in compliance with applicable regulations of the Federal Communications Commission.

MR. FISHER: Communications Commission, period.

MS. LASH: Applicable.

MR. McGHEE: It was originally just struck from the whole document.

MR. FISHER: I have to try this again because we're still -- okay. So the suggestion is to leave it as in the current regulations just the way that Daniel read it. So if you are in agreement with that --

MS. LASH: I'm leaving it. All right.

MR. FISHER: If you're in agreement with leaving it in, raise your hand.

(Indicating.)

MR. FISHER: I need you to do it again because I can't see everybody. I know there are some people that don't have their hands raised.
So if you are not in agreement with doing it, which I count at least three or four people, what's the -- what's the -- what's the reason or what needs to change in order for you to be in agreement with that? So anybody that didn't raise your hand yes?

MR. RAMOS: I'm not so sure that I understand what the applicable Federal Communications regulations are. And I think I'm already -- that those are already subject to my facility anyway. I'm not so sure why we need it as a technical standard.

MR. WHEATLEY: I would say that listed as it has to be tested at the independent testing laboratory to meet those standards. Otherwise I think you're going to, like Thomas made reference to, I think you're going to confuse the tribal gaming regulators, they're not going to know how to ensure compliance with that. If they have a certification from the lab that says it is compliant with that, then I think that's usually good enough for the tribal gaming regulators. But how is a regulator -- are they going to go and say, okay, are we meeting this provision. They're not going to know what applicable
regulations to test for or even if they have the
ability to test for them.

MR. FISHER: Tom?

MR. WILSON: Yes. I agree with Jeff. I mean, for me, you know, honestly, it's not
whether that the term is in there or not. I just
-- it strikes me as odd that of all the
particular things that we could talk about that
the federal government has regulations over, that
we pick out the FCC. But why not any number of
other -- I mean, that's what bothers me, is I
keep trying to get at what is the concern with
the FCC pertaining to Class II devices versus any
other number of things that are out there that
people in the manufacturing world comply to. So
I guess that's where I'm struggling, is nobody
has convinced me yet why the FCC was singled out
as a point of reference for this as opposed to
any other number of things. Because the question
it raises to me is that, well, if it's applicable
to the FCC commission, well, what about other
things then? And it seems to me it's like a
rabbit hole; you start going down and saying
that. So nobody has yet articulated for me what
it is about the FCC component being in there that
is so important, which is why I'm leaning towards taking it out, because I haven't seen the risk of why it's in there.

MR. FISHER: I don't know which one is first.

MR. MORGAN: I'm looking at him. My, I guess, point would be the FCC is going back to Rocket, Megamania games, some of those older games that relied on low level satellite communications that have to be in conformance with the FCC requirements. Now we're using wide area, using the internet. The FCC may have some authority over that, but back to the mid '90s when you had low level satellite games broadcasting the signal around reservation to reservation, you needed to be in compliance with FCC regulations. That's my recollection of why FCC is there.

MR. PUROHIT: As I studied regulations in my spare time, one of the things that I've collected as one of the best practices go as well is kind of like put the onus on the manufacturer and require attestation from them saying we're attesting to the fact that we are complying with all applicable federal laws including federal
compliance. It might be something that can't
even be tested by an independent test lab because
they're not going to know how when it goes into
effect and like if it goes into a wide area
network, if it goes into a single property. But
as long as the device is built by conforming to
those standards -- there's other ones like OSHA
is a requirement as well. But as long as it's a
requirement saying that they built it to these
standards, they're good to go. I'm just giving
an example. They're attesting to that fact. And
it might not be necessarily something that's
certified or whatever else it might be.

MR. WILSON: I would rather be able to
come back to the manufacturer, the onus on them;
it meets, you know, 22,000 standards out there.
Okay. Well, I'm not going to be able to test
that it does, but when something goes wrong, then
I want to be able to have the hook back to the
manufacturer that you said that it met all these
things. Because, again, you know, FCC -- but I
see all kinds of things. And if it's more of a
statement that it meets all applicable things,
you know, whatever those are, would make sense to
me. I just -- I'm just not understanding the
particular thing about the FCC being the only thing that we would be concerned about for purposes of this because then it implies in my mind that maybe there's a bunch of other things that they don't have to meet.

MR. FISHER: Okay. So there are two cards out, and then let's decide whether this is something that we want to put aside to come back to or whether this is something that we're going to declare we're not able to reach consensus on right now and want to just explain what the reasons are. Because that's the procedure when we've gotten into a thing like that. So Mia and then Robin, and then we'll check where we are.

MS. TAHDOOAHNIIPPAH: I agree, I don't want to get into writing a document that refers to the federal government on any level. If it starts here, where might it end in referring to different agencies of the federal government? You know, we talked about that earlier, referring to Title 31 and then other parts that could change. And I just think we can write our own safety controls if needed.

MS. LASH: I think that the FCC emphasis is important with the Class II games. It's an
important part of the history, and it's also an
important part of their internet potential to
have a reference to the FCC and with Class II.
So I propose leaving it in.

MR. FISHER: Okay. So here would be one
way to do this, is to check to see if we have
agreement on leaving it in. If we don't have
agreement, then figure out what to do. All
right. Because we've heard people who weren't in
agreement the first time explain why they weren't
in agreement. So let's check to see if we have
anybody who's not in agreement, and then if so,
we'll figure out what to do.

MR. MORGAN: Can I make one suggestion?
Because Jeff had language and basically clarified
whose responsibility it was to test. Can we
check that language? Because I was in the group
that said, yeah, I want to leave it in, but I
don't have a problem leaving it in with that
suggested change. And if that has more binding
from the group -- because that was a little
different. If that's a sticking point on leaving
it in, is that we're explicitly stating the lab
must check for -- Jeff, I'm sorry if I'm
butchering language. I could get on board with
that suggestion.

MR. WHEATLEY: Either way, and I don't feel that strongly about it. I'm just -- my thought process was that a tribal -- a local tribal gaming regulatory authority is not going to have the ability to test for that, so they're going to feel like their hands are tied. They're not going to know how are we complying with this regulation. I thought it better to leave it at the hands of the independent test lab.

MR. FISHER: So the recommendation would be?

MS. HAMEL: Not be in the hardware section, but be in the testing section?

MR. WHEATLEY: I would just say the independent test labs shall test that the Class II gaming system is operating in compliance with applicable regulations of the Federal Communications Commission.

MR. CALLAGHAN: Building for the future, handhelds? There's interruption for -- that's why I think to a degree that concept of -- and I don't know, it's got to be the FCC controlling internet or broadband, telephone, and all that. So when you start looking at handhelds and with
ability for interference in the gaming environment, it may be worth tabling this and doing research of the FCC and controls they have so we could come up with a language. I could see from a tribal standpoint not wanting to put a federal agency in there as having some control over what we have. There's that visceral aspect. But maybe we could come up with some other parallel just as we did with Leo's suggestion on adopting language that doesn't identify particular jurisdictions, but we're using it because it benefits us.

MR. FISHER: So your suggestion is to put it on hold?

MR. PUROHIT: Do research on the frequencies and all that.

MR. FISHER: And basically research the impact on future technology?

MR. CALLAGHAN: It is there right now. I think, Nimish, you've seemed like you've dealt some -- with some of the manufacturers. There's a few of them that have the handhelds and they're testing it right now. We may want to see what standards they're testing those to. Somebody must have the standards.
MR. PUROHIT: There's wi-fi requirements. There's wireless, in general, requirements, and they can only broadcast on certain frequencies. So there are requirements. And that's why you'd say leave it a general requirement on the manufacturer to make sure that they're building to that. That's why I was just talking about it from a session legal point. I'm not talking about internet. I'm not talking about that at all.

MR. LITTLE: There's a hearing on Thursday, by the way.

MR. WILSON: Just to --

MR. McGHEE: I mean, I hate to put something on hold and research it. Who's going to do the research and handle it? But, I mean, couldn't we just generalize it enough to say that the standards are the -- you know, that these systems will operate in compliance with all other federal and applicable federal regulations and laws that are out there?

MS. TAHDOOAHNIPPAH: But isn't that what the proposed language says?

MR. McGHEE: No, it says the Federal Communications Commission.
MS. TAHDOOAHNIPPAH: No, on the proposed
document on the summary, TGWG, it says that they
struck from that and then they added in 547.4 to
require that the testing lab provide TGRA with a
formal report, and the testing laboratory written
report shall note the submission of any other
compliance with applicable federal laws or
regulations.

MR. McGHEE: So basically we struck 547.7
and moved it to 547.4 -- so that fixes it. They
took it from somewhere, put it somewhere else to
correct it. Is that okay? Do you see that
language?

MR. FISHER: So that might fix the
problem. So let's just check if it does.
Because we might be trying to solve multiple
problems that are giving us contradictory
results. Tom.

MR. WILSON: Is what we're looking at the
proposed change not correct?

MS. LASH: No, I think it is correct.

MR. FISHER: Okay.

MR. WILSON: You struck the whole thing?

MR. McGHEE: We struck the whole thing.

MR. WILSON: Because the problem is with
the document, it only shows in the proposed changes; it doesn't show that you struck the whole thing unless you read down, I guess.

MR. WHEATLEY: It looks like there's two different versions.

MR. FISHER: Two different versions?

MR. McGHEE: It's in red on his document, but then it's struck out.

MR. WHEATLEY: Jason has a version where the FCC portion is not struck, and it sounds like other people have that, too.

MR. McGHEE: It's red, but it's not a strike-through.

MR. FISHER: Do you not have that?

MR. WHEATLEY: That's what I have.

MR. FISHER: So he has -- so Jason has a version that -- where did you get that version, off the web?

MR. RAMOS: No, that was distributed from the Tribal Gaming Work Group.

MS. TAHDOOAHNIPPAH: Some of those have mistakes, if you notice on ones that we already covered. Like there's misspelled words and it doesn't match the summary that the other one has, so --
MR. WILSON: This is an issue we've got to respond to in terms of what version.

MR. FISHER: So we all have to be working from the same version. So, first, is it easiest to work from the comparison document that the NIGC prepared?

MR. LITTLE: You're saying there's errors on that one?

MR. FISHER: Where's the error, is it in the NIGC document or is it in the --

MS. TAHDOOAHNIPPAH: I think it's in the working group.

MR. WHEATLEY: I believe what happened, I didn't read them, but I saw that the Tribal Gaming Working Group submitted documents with comments regarding NIGC's comments, and I believe that's the version that doesn't have the FCC portion struck through. The stuff that we got solely from the NIGC, it is struck through. So it looks like it was -- there's a difference there somehow.

MR. McGHEE: The one that was submitted to the NIGC officially by Horse Creek is this document. It's just a copy of it. And it's struck.
MR. WHEATLEY: And I think the Tribal Gaming Working Group just recently added comments to the NIGC's portion, the summarization and the comparison document. They added comments explaining why they did some of that. And it sounds like that version is a little different.

MR. PUROHIT: Exactly. We're going back to what was submitted to us, back in May of -- whenever Stephanie submitted it to us.

MR. FISHER: May 12th.

MR. PUROHIT: There's a different version that was submitted to them by TGWG that's wrong.

MR. FISHER: So what are we working from?

MR. WILSON: So the version that I am looking at is the one that's 11/9/11.


MR. WILSON: Okay. The version that I'm looking at is dated 11/9/11 which is the one that came out I think in the last e-mail from you, was the proposed -- the summary of proposed changes to Part 547 Travel Gaming Working Group Review dated 11/9/11.

(Discussion held off the record.)

MR. FISHER: So we definitely need to make
sure we're working from the same document.

However, what we do know about this particular provision is there was a recommendation to delete it and there was a recommendation to keep it, or a proposal, I should say. So we just need to figure out what we're doing with it.

MR. McGHEE: I like how it was deleted and then Mia, which I'm glad she did, pointed out that it was actually addressed somewhere else.

MR. WHEATLEY: Without the FCC language, but just all applicable federal.

MR. McGHEE: I like that. If we can maybe see how we feel about that.

MR. FISHER: For those of you that said you wanted to keep it the way it was, or in other words, not delete it, does the way that the working group prepared moving it -- moving that provision into 547.4, does that take care of what you were trying to accomplish? So, Robin, the question would be to you because you said you wanted to leave it in.

MS. LASH: Well, you know, we have the reference in 547.4 about meeting federal regulations, so -- and maybe we can just add the specific FCC language just to make sure because
of the nature of Class II and the broadcast
that's going on that we could say, you know,
federal regulations including the FCC maybe to
specify it?

MR. FISHER: Okay. So -- let me find this
in here so people can see this.

MR. PUROHIT: Do you have the comparison
document that we circulated?

MR. LITTLE: That's on our website?

MR. FISHER: Yes.

MR. LITTLE: Could you pull that up?

MR. FISHER: For what purpose?

MR. CULLOO: So we're all looking at the
same.

MR. PUROHIT: To make sure that everyone
is looking at the one that has the struck-out
language. If you have it available.

MR. LITTLE: Can you get on the internet?

MR. FISHER: No.

MR. WILSON: Robert, you know, for the
group, this is one of my concerns about getting
information from multiple people from the TAC.
So I know that we've got Oklahoma, you know, the
group that sends out versions of changed
documents. But it seems to me for purposes of
the committee, we need to have one definitive
repository where we can go to get this because
I'm, frankly, bothered that I'm working off of
apparently a version that isn't the same version.
And now that I hear discussion about, you know,
is the version that everybody thinks is the
version, was that really the version or whatnot.
And it seems to me that NIGC has to say here is
the version for purposes of discussion here that
we're talking about. Because, you know, I've
identified now what looks like five versions of
this document floating around, and I'm not sure
which one now I'm supposed to be using.

MR. FISHER: That's a really good
question.

MR. CULLOO: Can I ask why copies were
sent on the TGWG on the 9th, why this was set up?
Why did we get this sent to us?

MS. LASH: You're asking why?

MR. CULLOO: Why we got another copy?

Where the confusion is is this copy that was sent
out 11/9 is the wrong copy.

MS. LASH: My understanding of what
occurred was that the comparison document was
looked at by the Tribal Gaming Working Group.
There were several telephone conversations last week about the comparison document looking at the NIGC's comments, interpreting the work that the Tribal Gaming Working Group did. And the Tribal Gaming Working Group wanted to provide to the TAC their explanation of why the Tribal Gaming Working Group made the changes that they did because that's one of the columns that you're looking at. I can't explain why this is un-struck, this 547.7(1). I don't know. Because the only thing that the working group did was add comments below so that it would be more informational. And it was sent around just in case you were curious as to why the Tribal Gaming Working Group made the changes.

MR. CULLOO: But we don't know if there's any more things that might not have been changed in here.

MS. LASH: It makes no sense to me why that was different because they worked off of the comparison document, as far as I understood, you know. That's weird. I can't answer that.

MR. WHEATLEY: But, I mean, there may be different versions. There may be a bunch of different language. I think that's all
irrelevant. Our job here is to present and recommend to the NIGC what we feel as a group is the best language and the best set of regulations. So, I mean, the two versions from Tribal Gaming Working Group, those are both options. What we've discussed here, those are options. It's upon all of us to come up with what's the best solution, not is option one from Tribal Gaming Working Group the best solution or option two from Tribal Gaming Working Group. It's what we believe is the best option. So I think it's irrelevant what version we're working off of. What's the best language.

MR. FISHER: To Tom's thing, we want to make sure we know which documents we're working from and where the repository for those documents is.

MR. WILSON: You know, we were instructed that there was a document submitted that was going to be used as the basis for discussion. I just don't want to be spending time discussing something that's in a version that I have that isn't in a version you have.

MS. LASH: It helps now that it's up here. Now we all are looking at the same thing.
MR. WILSON: Yeah. And that's all I'm saying, is as a point of reference, I'd like to make sure that we're at least all at the same starting point.

MR. McGHEE: I think if we can just, like you say, focus on whatever NIGC sends you because that's what's going to be looked at. What I'm looking at over here and what there was some concern about was making sure -- because NIGC's documents does not provide TGWG's comment as to why they made a change, but the submission to NIGC did have them. Okay. This document is on the NIGC website as the official document with the TGWG's comments, not any new comments, just the comments at the time of submission. And then you have the thing that -- those are two official NIGC documents now. And those should be the only two which we look at, which are all on the website.

MR. WHEATLEY: If there are additional comments, I think those members should bring those with us and not distribute copies. That will cut down on the confusion.

MR. McGHEE: Or send them to NIGC and say I would like to provide them to the TAC and then
NIGC --

MR. LITTLE: Send them to Robert.

MR. McGHEE: At least we know where they're coming from.

MR. FISHER: Send them to us, and we'll take care of distributing them if you wish.

MR. LITTLE: Is everybody clear on where these documents are located on the website? There's a tribal advisory tab on the website and then at the bottom we'll be adding all the documents on there.

MR. FISHER: What's on the screen now is the comparison document that NIGC prepared that was distributed by Rita Homa in advance of the October meeting. This is the document that was sent to everybody.

MR. PUROHIT: Show everyone where everything is real quick.

MR. FISHER: I was asked to pull up the one that Rita sent. Rita didn't send me a color version, which we did manage to get posted on the NIGC website.

MR. LITTLE: Also point out where the proposal submitted by Poarch Creek is on there.

MR. PUROHIT: There's like a special tab
as I clicked on it. I know our website is not the best in the world. On the bottom part of it there's comments received from the tribe. That's where the Poarch Band of Creek Indians, that's the Tribal Gaming Working Group as part of the official submission, and that's the copy that we were going off of as far as these comments go. In the color comment as well, there's a resource materials section where we have all the comparison documents and everything. That will be the most updated, and that's what's going to be circulated. So if I click on that, you'll see changes to 547. And these are the color PDF. I think that's what the request was in the last one as well. You didn't get this one?

MR. WHEATLEY: I didn't pull the color ones. I have the same document, just not in color.

MR. PUROHIT: This one also, because of comments received last time, there was no reference to comments as well. We just copied and pasted the tribal -- from that working group document, the comments as of 5/13/2011 and what their justification was for recommending the changes.
MR. FISHER: Pause for a second. What I just heard you say is that the color version that's on the website is different than the black and white version that was sent in the October meeting?

MR. PUROHIT: I don't know when that was circulated.

MR. CULLOO: What's the date of the most current one?

MR. FISHER: There's no remark on any of these.

MR. GARVIN: The color version is different than the black and white version?

MR. FISHER: It is. There are two differences. Two differences. One is the color. And two is what?

MR. PUROHIT: Two is right on the bottom, where it says what their comments were. So it's all been put in here as opposed to having two different sections that you have to keep referring back and forth. As far as the substance goes --

MR. FISHER: Wait. I can tell you right now by looking at it, the black and white version has 12 pages, and the color version has 16 pages.
MR. PUROHIT: Correct. I'll go print them off. But none of this -- just so that you're aware, whatever is in here, the language proposed, nothing has changed from there. That's verbatim from what was submitted in the TGWG submission.

MS. TAHDOOAHNIPPAH: You're saying the green in the Poarch Creek version has been taken out and put on a bottom page?

MR. PUROHIT: Exactly. So TAC can refer to that, what their reasoning is for the change.

MS. LASH: Can you scroll down to 547.7, let's see what the box is on that. I can't understand why it's not crossed out on this one. It is. It is all crossed out on that one.

MS. TAHDOOAHNIPPAH: Robin, look on the end of -- there was a misspelled word on there, too. On the very bottom of 547.4, federal, like the word "federal" is misspelled, and it's not misspelled in here. It's not just there that it got messed up.

MR. McGHEE: Maybe she was working on a little earlier version than was submitted.

MR. FISHER: Can I make a suggestion that whatever you need to do figure out what happened,
that you do that off line; that we take the two suggestions that the official documents are the ones that are posted on the NIGC website, those are what we'll be using. And that if people have documents that they want to circulate to the TAC, that they send them to us and then we'll send them out. And then they can get posted up on the website under, you know, TAC member documents distributed to the TAC. And so we can just keep track of all the stuff that's floating around and make sure we're all working from the same set of documents.

That said, we still have -- if we go back to that provision, we have some people who said take it out, some people who said leave it in, some people who said take it out with the change, the other change that in here. So let's go back to 547.7(a)(1) and see if we're striking that and adopting that other suggestion, and then we can move on to (2). So Daniel.

MR. McGHEE: I would like to, if you don't mind, just propose if anyone has an issue with what's listed right up there on that right-hand column as it's written, both sections, just like it's written, and see what people say. I think
with that, it may be all fixed.

MR. FISHER: Okay.

MS. LASH: And I was in agreement, except I had asked that FCC be specifically referenced.

MR. McGHEE: Such as FCC.

MS. LASH: Yeah, and then it's covered.

MR. FISHER: Okay. So I can't do that on here, because this is a PDF.

MS. LASH: Like I said, FCC.

MR. FISHER: Including regulations in the Federal Communications Commission.

MR. WHEATLEY: I thought we also had good comments with the static discharge, liquid spills and stuff. So would it be applicable to make that number (2) of 547.4?

MR. FISHER: You mean (ii)?

MR. WHEATLEY: Yeah, (ii). There might already be that somewhere. But, yeah, the language that we came up with, that we modified from the Washington language.

MR. FISHER: It's no longer Washington.

MR. WHEATLEY: But I think there's value in having that in there as well.

MR. McGHEE: Are we going to put that in the static discharge section?
MR. WHEATLEY: This one is specifically talking about testing, right?

MR. FISHER: Can I ask you to hold that question? Because what happens is, generally speaking, you can only kind of hold two options -- you can only choose between two options at one time. You can have multiple options, but it's a lot easier to say A or B and B or C or A or C.

MS. HAMEL: Eye doctor test. This one or this one.

MR. FISHER: Exactly. That's why they do it that way. People can hold a lot of options at one time. So can we stick with what we're going to do to (a)(1), so (a) first and then move on.

MR. MORGAN: I have a problem with that in that if we agree on something and then we move on, because for me, I'm fine with moving that with (a) if you add it down here in little (i). But if you're not going to add it to (i), then I'm not okay with leaving it.

MR. FISHER: But that's the suggestion. I just want to test -- I want to see if we can come to agreement around that and then move on to the spill provision. And maybe it's all connected and we have to do it all at once. So the
suggestion is to -- no, that's not the right one. Sorry, I got too many documents open now. Okay. So the suggestion is to do what the TGWG proposed, which is in red and blue, with the addition of the provision in (1)(i) there of specific reference to the Federal Communications Commissions. So if you support doing that, raise your hand.

(Indicating.)

MR. WHEATLEY: Which one is this?

MR. McGHEE: What you referred to as a separate issue.

MR. WHEATLEY: I know.

MR. FISHER: So what's your question?

MR. WHEATLEY: This is the language we're talking about?

MR. FISHER: This is the language, with in addition right here because I can't type it in here, right here, that references the Federal Communications Commission regulations.

MS. TAHDOOAHTIPPAH: Would it be in addition?

MR. FISHER: It would say including the regulations of the Federal Communications Commission, such as.
MR. CULLOO: Why would you just put the one? It puts more weight on one than the others. People would interpret that the FCC is the --

MR. FISHER: Right. So the reason that got suggested is because Robin has said she wants a specific reference to the Federal Communications Commission.

MS. LASH: Because of the nature of Class II gaming and broadcast issues. That way definitely one of the situations covered one of the statutes looked at.

MR. WILSON: Before I can vote, I need one point of clarification. Nimish, the issues of, you know, those four or five criteria that we looked at about spills and static discharge and whatnot, are those in fact addressed somewhere else in -- because I keep hearing that there's a static discharge section.

MR. McGHEE: That's another issue.

MR. FISHER: That's the next thing we were going to take up.

MR. WILSON: Okay. My question is that -- we haven't forgotten that piece. I don't want to vote yes for this if that precludes us from discussing those other components.
MR. FISHER: No, I was trying to put that on hold to do next. Maybe we can't. Maybe we have to see the whole thing. I don't know. So who else said -- anybody else say no to this change?

MR. WHEATLEY: Well, if we are going to add the FCC at the end of that, I don't know why we don't keep the original language.

MR. FISHER: There might be -- well, this is in -- they're in different sections trying to get at different things. Wait a second. We really need one conversation going at a time. So there are people that have questions up. So Daniel, who raised his hand, and then Michele and then Jason.

MR. McGHEE: My card is up. So just because -- the two concerns I heard was FCC be added and then other people say why get that one person. So in this one, which this is Arizona said FCC and OSHA, so could you say such as FCC and OSHA standards?

MR. RAMOS: Why not bring the EPA in it, too? Honestly for the construction of the circuit boards, you don't want to be using mercury switches and hazardous material. How
many federal agencies you want involved in this?

MR. McGHEE: I don't think the way it's going that we're going to convince the one to take FCC out.

MR. RAMOS: My question is, what is it about the FCC specifically that you think needs to be added; why?

MS. LASH: Because of the nature --

MR. RAMOS: Because of the nature of Class II. That doesn't tell me it, though.

MS. LASH: Well, specifically Rocket broadcast.

MR. RAMOS: If you say, Shall abide by federal regulations, that's not enough? It has to specifically name the FCC?

MS. LASH: We're more comfortable with specifically naming the regulatory body that relates the broadcast signals.

MR. FISHER: This is a really funny thing to get hung up on. I mean, I know it's really important, but it's -- for some reason, we're cycling back around the same questions. Every single time somebody says take it out, somebody says leave it in. And over time somebody says leave it in, somebody else says I don't
understand where you want to leave it in.

MR. WILSON: Only one is advocating.

MR. FISHER: Let's go, so it's Michele, then Mia, then Kathi.

MS. STACONA: We went from just having the FCC in there to now opening up to God knows what federal laws and regulations out there. That's what bothers me right now, is what the heck are all the applicable laws that are out there then? I wouldn't have a clue. We just made it worse with that language.

MS. TAHDOOAHNIPPAH: Yeah, I agree with Michele. But I also feel like the language as it is includes the FCC.

MR. FISHER: Okay. Kathi?

MS. HAMEL: Does everybody have the issue or just Rocket?

MR. FISHER: And so, Tom, you're next then.

MR. WILSON: I just want to say in answer to -- I don't think that it's a question that it opens up or doesn't open up by saying all federal. For me, I want the manufacturer to be on the hook. I don't want to be on the hook as a regulator. I want to be able to hold the
manufacturer accountable that you're ensuring that this system is in compliance with whatever. And if it's not, then I hold you responsible. I know, though, as a regulator I do not have to go out and figure out what all these things, potential requirements are. I'm putting that ownership by this wording on the manufacturer where I think that's the appropriate place it should be. And that's what you're paying them for, to figure that out. And then if you have questions about a specific thing that may be of a concern in your jurisdiction, you can ask did that -- have you in fact ensured that it complies with the FCC. And if they tell you yes, then there we go. Again, it just seems to me that, you know, your concern is FCC. I got it. My concern might be the FAA. Your concern might be the DEA or whatever, so I just -- I would rather have the language that says, you know, I can leave it at that and then make it my concern locally as to what specific agency I want to have a concern about.

MR. McGHEE: And I guess by leaving it out, you still win because it includes the FCC. So I don't understand the need for it to be
there. With it not being there, you're still covered.

MR. WILSON: I move that we should vote on this language right here.

MR. McGHEE: Does this have to be unanimous?

MR. FISHER: It has to be unanimous for it to be a recommendation. So people can step aside as a part of doing that, or we can conclude that we can't reach consensus and what do we do.

MS. LASH: I changed my mind.

MS. FISHER: You changed your mind?

MS. HAMEL: Women's prerogative.

MR. McGHEE: You owe me 45 minutes of my life back.

MR. FISHER: How about if we do this. We got to check. We just got to check, recognizing that we're going to move after this to the status language and the liquid spills and that kind of stuff. All right. So if you're in agreement with the change as proposed by the TGWG projected on the screen, raise your hand.

(All hands raised.)

MR. FISHER: Yahoo! All right.

MR. RAMOS: It's not always easy, Robert.
MR. FISHER: But we got through it. Who would have guessed that the FCC --

MR. WHEATLEY: I didn't think anybody liked the FCC.

MR. FISHER: All right. So, moving right along, the next suggestion had to do with this language, right, and so we have this language and -- okay. What do you think?

MR. MORGAN: You got two questions. One is whether you agree with the language, and two would be where does the language go.

MR. FISHER: Correct. And then there was a suggestion about the language that is -- just hold on a second -- that is down here in the printed circuit board section. Also it has -- wait a second. It's right -- do you mind if I just take this out for one second? It's an electrostatic discharge. All right. So, Jeff, you have your card up.

MR. WHEATLEY: Yes. So I think if we make (ii) with that, the language that we spelled out right there, that you could actually strike the electrostatic discharge portion that's a little bit farther down. Because the electrostatic discharge portion down there is very specific on
to what degree variance, plus if the independent
test lab tests the fact that the components are
not affected by static discharge, that covers it.

MR. FISHER: Okay. So your suggestion is
take this language and strike this?

MR. WHEATLEY: Yes.

MR. FISHER: And it would become (ii)
right there?

MR. WHEATLEY: Uh-huh.

MR. FISHER: Okay. Everybody follow that?
Everybody follow that? So I'm not sure everybody followed it.

MS. LASH: Yeah.

MR. FISHER: Everybody did. Okay. So, Kathi and Dan, you have your cards up. So --

MS. HAMEL: I just have a question for the whole group, and they may not -- my questions may not be by the TGWG document, but testing seems to show up in the document in more than one section and in more than one form. And right now, what we're talking about is 547.4, limited immediate compliance. And we seem to be talking about what needs to be tested. But if we go on, under (a) -- if we go on to (c), there's a section called submission, testing and approval that
seems to talk more about what's tested. And I think it's confusing.

MR. WHEATLEY: Which part is that, Kathi?

MS. HAMEL: (c) is called submission, testing and approval under 547.4.

MR. McGHEE: That's submission, testing and approval for grandfathered, isn't it? I don't know, but --

MS. HAMEL: (b) is grandfathering provision, and (c) is testing; submission, testing and approval. But we've taken some of the testing requirements and embedded them in limited immediate compliance, and I wonder why all testing requirements aren't listed under submission, testing and approval, including the report?

MR. PUROHIT: Initially it was under the hardware section, testing specifically for the hardware.

MS. HAMEL: Right. And now we're in the media and not in with all the testing requirements. Again, going back to Matthew and the checklist, it's going to be in different sections of what's required to be tested.

MR. MORGAN: My response would be if you
look at the grandfathering provision where it says that you have to be certified pursuant to paragraph (a), and this was one of those big things that we talked about everything needs to have done immediately is safety testing, and that's why it points back to (a), not (c). Because (c) is not something that has to be done in a grandfathering situation. So only --

MS. HAMEL: So does this have to be done before grandfathering?

MR. MORGAN: Under (a), yes. Am I reading that wrong?

MS. HAMEL: This has been added.

MR. MORGAN: I'm reading under grandfathering provisions where it says, All Class II gaming systems manufactured, and I know we've changed some of that language since, but basically it says, And certified pursuant to paragraph A of this section are grandfathered Class II gaming systems to which the following provisions apply. You need that electromechanical and spill testing done on both grandfathering and non-grandfathering machines, so I think it is important that it goes there. I don't have an issue if you want to put it
somewhere else, but --

   MS. HAMEL: So if you're testing a fully compliant system, you don't have to do this?
   MR. MORGAN: No, you should have to. But grandfathering only points back to certain subsections that you have to meet. And (a) is one of those subsections it points back to.
   MS. HAMEL: Okay.
   MR. WHEATLEY: And I think the reason that we developed this language was to counter the UL stuff, and that just happened to be in that section that was about technical hardware requirements. So this addresses those technical hardware requirements, but I guess it doesn't address it for the grandfathering stuff, if I understand it correct.
   MS. HAMEL: Okay.
   MR. FISHER: That answer your question?
   MR. WHEATLEY: So how do we address that then?
   MS. HAMEL: It still confuses me.
   MR. WHEATLEY: I think it needs to be addressed for both grandfathered and fully compliant systems.
   MS. HAMEL: Because it's not an immediate
-- it's not a limited -- it's any system in any player interface.

MR. PUROHIT: I think you put it in the hardware section and then refer it, like Matthew pointed out, and that will address your issue, that it's going to be tested for fully compliant systems, and oh, by the way, there's also a requirement here. However, it's grouped under general hardware testing requirements.

MR. FISHER: Isn't that where it is right now, the electrostatic?

MR. PUROHIT: Correct.

MR. FISHER: It is in the hardware section?

MR. PUROHIT: Correct. Everything else, like what Kathi is saying, is being moved under just the specific grandfathering, which is referring to the hardware section before.

MS. HAMEL: Wasn't that the recommendation to now bring it down part of testing, before grandfathering?

MR. McGHEE: No. I mean, all he did was add it to the hardware section at the top, right?

MR. WHEATLEY: Uh-huh.

MR. FISHER: Daniel, you had your card up.
MR. McGHEE: Well, we're not anywhere on there. We're on the next -- that's done. That's been approved and voted on, right?

MR. FISHER: Yes, but Jeff suggested we add this language in here. Yes. Right here. As right here. That's why that was up there.

MR. WILSON: Jeff's issue is that if it's only referenced elsewhere pertaining to grandfathered machines, it needs to also pertain to compliant machines.

MR. McGHEE: I was thinking it was in the place where we deleted the static discharge and just the extent of that, this was the new language.

MR. FISHER: That's what Nimish suggested, that it be in the hardware section. So it could substitute for that language in the hardware section.

MR. WHEATLEY: I'm fine with that. Rather than making it the two, we could change that to now the same line item, the electrostatic discharge.

MR. FISHER: Right. So it would in essence take the place of that highlighted language. In the old one it was (2)(c) but now
it's (b), because we eliminated (a).

MR. McGHEE: They can't see that because there were no changes made to that.

MR. FISHER: Right. It's a little hard to follow sometimes. All right. So the suggestion is to replace -- take this language, minus this, to take this language, and substitute it for this language -- let's make the whole thing because the title would change, too. In 547.7, which is the hardware section -- everybody with me? Okay. So I know that doesn't address the question that Kathi raised directly, but let's -- should we check it?

MR. CULLOO: Earlier Nimish said there were five areas of concern. This is only three. Was there something else you need to add to that?

MR. WHEATLEY: One of them was the RNG.

MR. PUROHIT: There's a few others from -- like the Arizona specific ones.

MR. McGHEE: You checked the title.

MR. RAMOS: Electromagnetic covers both of those.

MR. FISHER: Then we have electrostatic.

So it's this --

MR. PUROHIT: It's not necessarily both of
them. It's slightly different testing for both of them. Electromagnetic discharge is taking a look at the shielding. The other one is taking a look at quote, unquote, "magnetic interference" of the different components as well. So one is grounding, the other one is shielding. It's an engineering thing.

MR. RAMOS: Electromagnetic radiation. There's no difference between magnetic and electro.

MR. PUROHIT: I agree. But from a testing perspective, they have two different series of tests for both of them, though. One is they look at the actual grounding part and see if it does have any as a vulnerability in the grounding or the cabinet itself. And the other one is taking a look at the individual components and see how vulnerable they are to magnetic --

MR. RAMOS: If you define them both as electromagnetic, you're telling me it's a different -- it's different the way that the manufacturer will interpret it?

MR. PUROHIT: Not manufacturer. The test labs, when they do the tests; they might not test for one of the other requirements.
MR. RAMOS: They'll just say okay --

MR. PUROHIT: You can put it in there, it's fine. I can't really speak for the independent test labs, per se, but when I was there, there are specific tests that we would do which were correlated with the specific conditions in here. Because the definitions of the conditions themselves, they're put in there as well. That's what we would actually test at. But like I think you had --

MR. RAMOS: There's no difference between electricity and magnetism. Electromagnetism is the same thing.

MR. McGHEE: Electromagnetic interference is the same as magnetic interference, is that what you're saying?

MR. RAMOS: I'm saying that electromagnetic energy is the same, right, so if you say electromagnetic, it covers both of them. But he's saying in a testing laboratory, they separate those.

MR. PUROHIT: Exactly. It's just from the definition perspective. Because this script is taken pretty much verbatim from existing standards elsewhere. That's the only reason I
recommended breaking them apart, because they have two different scripts for them. But I agree, it in essence covers both of them. I don't think from a testing part it will necessarily --

MR. FISHER: Does that mean you have to go down here and check this language here? Do we have to add in here?

MR. WHEATLEY: RFI maybe, do we need to add in here?

MR. PUROHIT: Yes. Was this included in the Washington State one?

MR. CULLOO: No, it wasn't.

MS. HAMEL: Not in Washington, but --

MR. WHEATLEY: Radiofrequency?

MR. FISHER: Is that the only thing that's missing? Those are the five right there.

MR. WHEATLEY: I don't know the difference between electromagnetic and magnetic.

MR. McGHEE: That's the thing we were discussing right now.

MR. PUROHIT: I will be comfortable with Jason's recommendation because at the end of the day, the test will test for both. I'll be comfortable with that. I think from a Class II
terminal perspective, I think it covers what you're talking about as well as far as the radiation.

MS. HAMEL: Earlier we talked about the final requirement, and I don't remember who brought it up, and I apologize, for future technology and other tests or other requirements of the TGRA. That was the ending, if technology changed and now it became --

MR. FISHER: Right. It's right there.

MS. HAMEL: Yes.

MR. FISHER: Are you saying to add it right here?

MS. HAMEL: Uh-huh.

MR. FISHER: Okay. It took me a while, but I got there. Okay. So everybody ready to test this one? And, again, the recommendation would be that that -- the language in yellow would substitute for this language in the hardware section. Should we test it? Yes.

MS. HAMEL: But I'm going to -- I have to go back and ask the question that Matthew brought up. If the sequence of events is that it's part of testing even grandfathering, how does the lab know that or the operator? What gets tested for
grandfathering or what gets tested for
everything?

MR. MORGAN: My comment goes back to
Connecticut, and I thought Jason and Jeff both
brought it up in Connecticut, that this type of
safety testing needed to be testing for even
grandfathered. Hardware -- it's irrelevant
whether software is grandfathered. The safety
needs to be tested every time, and that was my
point of bringing it.

MR. CULLOO: What is different? The four
requirements, what's different?

MR. PUROHIT: As far as like the terminal
itself?

MR. CULLOO: Yeah.

MR. PUROHIT: The terminal itself was not
necessarily a part of the grandfathered
requirement. And I think, from what I'm hearing,
is that's what's changing over here in this
recommendation, that they're making it part of it
especially from a safety and hazard perspective
or from a -- the safety of the actual terminal
perspective as well so it doesn't make it a
requirement as opposed to just saying a generic
underwriter. The four things of a random number
generator has to be random. The software has to be able to be checked as far as the authenticity of it, the foundation of it. It can't have any reflexive software. And I always forget the fourth one.

MR. McGHEE: Where are those at?

MR. PUROHIT: 547.4.

MS. TAHDOOAHNIPPAH: Probability.

MR. PUROHIT: Probability, thank you.

It's 547(b)(2).


MR. PUROHIT: It's (a)(2). Sorry about that. It says it requires a testing laboratory to test the submission to the standards established by 547.8(b), 547.8(f), 547.714, 547.5(c).

MR. McGHEE: Why can't you just say 547(b) -- whatever that, add that to that list of things? I'm just saying that would -- if that's the concern, to be tested to these specific -- that just add that reference to that one sentence, which would be --

MR. WHEATLEY: My only concern is that if that wasn't tested in the initial grandfathering aspect, what type of impact is that going to be
on manufacturers and current operations? Would they then have to go send those boxes to an independent test lab to be certified to those standards? That might be problematic.

MR. McGHEE: Yeah. But, I mean, it was either suggested that we do test to it or we don't. I thought we were leaning towards trying to figure out how to test them. That's what we need to get a poll on. I'm confused. Do we want to test the grandfathered stuff to this or --

MR. FISHER: That's a good question. What were people trying to accomplish, to require the grandfathered machines to test to those requirements, or test to the static discharge requirements, or not?

MR. McGHEE: And like you said, being the cost of sitting on all the old boxes you've already grandfathered to be tested, it's almost too late for that.

MR. WHEATLEY: Exactly.

MS. LASH: Exactly.

MR. McGHEE: So I move that you don't require it now if it wasn't required before.

MR. FISHER: But the way, this --

MR. McGHEE: This would apply to new
stuff.

MR. FISHER: So maybe get rid of this if they want to make it compliant.

MS. LASH: Right.

MR. FISHER: So let's see, should we test this? Because we were about to test it and then we had the request about what applied to the grandfathered provisions, right? So we've now determined that this should not apply to the grandfathered provisions, and it would be located in the hardware section. And so the suggestion is to replace this language right here with the language in yellow. So if you're in agreement with that, raise your hand.

(Indicating.)

MR. FISHER: Okay. So we have two people who didn't raise their hand. And so Michele?

MS. STACONA: I'm still thinking.

MR. FISHER: Still thinking.

MS. STACONA: Yeah.

MR. FISHER: You could just pass, which is to say you could abstain from this.

MS. STACONA: I'll pass. Abstain.

MR. FISHER: Okay. So Jason has a question, and then I'm going to turn to Brian.
MR. RAMOS: One question for Nimish. Did we cover all those areas in your experience that required testing? I mean, how about lasers or photons? I mean, do you find that at other places? If we're going to tackle this thing and hit it here, we might as well consider those. I mean, in your experience, is there any others?

MR. PUROHIT: No, those are pretty much it. The idea is they want to replicate the casino environment and the clumsiness or aggressiveness of patrons, and then any other known vulnerabilities that are exposed that they have around the chassis of the cabinet. It's just to be sure that the cabinet is so robustly built so nothing from the outside can influence anything on the inside. That's the general principle. And that's how they take a look at the shielding and the radio interference and everything else. And that's what they will test it. It's like a brand new concept, for example, for, like, wireless handheld in a session bingo or CardMinder environment, they'll make sure that nothing that is transmitting can be intercepted either. So that's the security part of the handheld itself, that it can't be compromised
just because it's not physically enclosed
somewhere behind the scenes.

MR. RAMOS: I say that because I remember
in the Class III world, people try to cheat the
hoppers with light devices. But that's not
really comparable in the Class II arena.

MR. PUROHIT: Exactly. Yeah, there's not
-- I'm not aware of many hopper installations
right now. But if it does have -- the only
electrical mechanical components that I've seen,
even for the benefit of the TAC here as well, are
the spinning reels, the stepper Class II games.
And those are already irrelevant anyway as far as
the payout mechanism goes. So from that
perspective -- and the only other moving parts
inside are the power supplies and all that other
stuff.

MR. FISHER: Brian, are you okay with
this?

MR. CALLAGHAN: Yes.

MR. FISHER: Okay. So then that one is
done. We're kind of knocking them right off now.

MS. HAMEL: Can I ask a question? Since
we circled around our concern of adding this
electrostatic discharge and how it could affect
grandfathering, doesn't the (i) that we've added to (a)(3) affect grandfathering? Testing to applicable federal laws and regulations, that wasn't there before.

MR. McGHEE: No, because we would have had to test to those regardless. We didn't require that. That was just another authority would have had to say you haven't been tested.

MS. HAMEL: But this is coming -- this is now being required to be grandfathered compliant.

MR. McGHEE: Any other federal laws that existed out there, they would have had to be compliant with them anyway. Not just because -- we told them what we wanted.

MS. HAMEL: Are there grandfathered systems out there that maybe don't comply with that regulation? Because it wasn't there when they were set --

MR. McGHEE: The FCC was there and the other UL. All those were there when those machines were created.

MS. HAMEL: This is far more general. The FCC was hardware, not A before B of grandfathering. These are out of order. 547.7 is talking about hardware. 544 -- 547.4 is
talking about A, immediate compliance, and B, grandfathering has to meet A, and we've added that to A. It wasn't there before.

MR. WHEATLEY: So by changing it from 547.7, we have introduced it into the grandfathering portion?

MS. HAMEL: Yes.

MR. WHEATLEY: It should have maybe stayed under 547.7 where the FCC portion was originally?

MS. HAMEL: Or it needs to be down in testing and submissions and not in A for grandfathering because grandfathering says refer back to A and make sure it's done. And that's already passed and gone when we could have grandfathered systems and grandfathered components that are not compliant with that. Yes?

MR. McGHEE: Suggest moving it back?

MS. HAMEL: Or to testing maybe.

MR. FISHER: So this is a question that you've brought up in the various different ways.

MS. HAMEL: I just brought it up because I heard everybody saying that we couldn't stick anything in here because there's already grandfathering device systems out there, and
therefore they're not grandfathered because that
didn't take place. But then I went back and
said, well, we -- which was the static and the
all that. Now, we've put -- embedded this
statement and we have all these grandfathered
systems and components that may not -- that most
likely did not have a report that tested to those
other --

MR. McGHEE: Where would you recommend
putting it?

MR. FISHER: Is this a question that the
working group addressed? This is a working group
suggestion to put --

MR. MORGAN: Not that I know of, because
my recollection of this is basically whether you
were in compliance with applicable federal laws
and regulations is not really the question there.
What the point was -- you want to put it on the
report, going back to Daniel's point of whether
you were compliant or not, is not that
requirement. The requirement is the testing lab,
you have to put it on the report. Now, old
grandfathering reports won't have it on the
report. But that still doesn't say do you have
meet something; it just says it's on the report.
So the difference is what does your report looks like. New reports coming out on grandfathering, the rule has this listing. Old grandfathering reports won't have this listing. Is that significant or not?

MS. HAMEL: Doesn't make them not grandfathered.

MR. WHEATLEY: Well, it could. All applicable federal laws can relate to hardware, so if that -- if all applicable laws relates to hardware, that means the box has to go back and be grandfathered. So that's what we're trying to avoid.

MS. HAMEL: Just needs to be in testing.

MR. FISHER: Maybe we need a random number generator to pick the spot.

MS. HAMEL: Maybe at the end of testing, because it's all-encompassing.

MR. FISHER: So what's the suggestion? You want to do a suggestion on this right now?

MR. WHEATLEY: Again, I think that it was designed to replace the FCC portion under 547.7. Why not just put it back there? Unless there's a better spot in the testing.

MR. McGHEE: Because I think someone said
that only addressed hardware if you put it where
it was. And they want it to address software and
hardware, so put it in the testing. Is what the
argument is?

MR. WILSON: In 547.7, if that is specific
to grandfathered machines --

MR. WHEATLEY: It's not.

MR. PUROHIT: Hardware only.

MR. WILSON: Hardware only. But then it's
547.4 that is specific to grandfathered machines,
no?

MS. HAMEL: 4(b), but 4(b) says you have
to comply with 4(a).

MR. WHEATLEY: So yes.

MR. WILSON: I don't know what I'm yes'ing
or no'ing to. But in my mind, it seems to me
that the grandfathered component should be very
clear. There should be no ambiguity about what
applies to it and what doesn't. So if the
hardware testing section, 5(c), only applies to
non-grandfathered machines -- correct? Then it
seems like that's where this federal requirement
should be. But not where it's confusing that
does this or does this not apply to a
grandfathered machine. Because I agree, they may
or -- whatever laws applied at the time when those machines were manufactured could be different than laws that exist now, which would defeat the whole purpose of the grandfathered machine. So from my simplistic standpoint, it's just I want to know that a grandfathered machine doesn't have to meet X, Y and Z, but all other machines do have to meet whatever.

MR. McGHEE: Okay. The grandfather provision only addresses the four software issues. But the new fully compliant section address hardware and additional software issues. So applying -- the comment about applying, making sure you comply with applicable laws needs to apply to software and hardware components of a new system, just not the old system. So you don't want to put it in the hardware section or the software section. You want to put it in a section that applies to all the new machines but not the old machines. She's suggesting putting in the testing section which actually addresses testing of new machines and old machines, right, the testing section does?

MR. WILSON: Right. I guess wherever it goes, it needs to say that this applies to X
machines and not grandfathered machines. Now, maybe I'm just confused in my mind and it all makes sense.

MR. McGHEE: What you're saying is right where it goes. I think it's under the testing section as it's separated.

MR. WHEATLEY: I don't, per se, see a testing section.

MR. FISHER: 547.4(c), submission, testing and approval generally. It could go in there.

MR. WHEATLEY: That's only for grandfathered systems, right?

MR. FISHER: No, that's everything.

MR. PUROHIT: Bulletin 2008-3, there's a section called Questions about grandfathering testing. Question: How should hardware components be tested for grandfathering? Answer: Unless the TGRA adds specific hardware testing requirements, there are no hardware tests that must be performed for a Class II gaming system to be grandfathered. And it goes on, the minimum requirements of 547.4(a)(2) are only software requirements. So there's existing language here and existing guidance here that makes it absolutely clear there's nothing unless the TGRA
goes above and requires that.

MR. WILSON: It tells me there's no issue. Is that --

MR. McGHEE: All it did is clarify what we already knew, which was there was no hardware testing in the grandfathering provisions. We knew that. There was only software testing, minimal software testing. So new provisions have hardware testing and more complex software testing, and they want that (i) to only apply to the new stuff.

MR. FISHER: Michele and then Christinia.

MS. STACONA: I'm confused. Where are we at?

MR. FISHER: Where we are is trying to figure out where this -- where to give this provision a home. Because it's currently in 547.4(a), which means it applies to the grandfathering provisions. And so the suggestion is to try to find a different home in testing for this provision, notwithstanding the clarification.

MS. STACONA: We're going to go back on the consensus we made an hour or two ago?

MR. FISHER: Yep.
MS. HAMEL: That's my fault, because I listened to what (b) says you have to comply with (a).

MS. STACONA: I'm just reading our rules, operating procedures. I believe we had in here where once we reached consensus, we can't go back. So are we going to --

MR. WHEATLEY: I think we realized we made a mistake.

MS. STACONA: Even though in our rules we said we can't go back?

MR. FISHER: I guess the question is if you recognize -- some people believe that you made a mistake. And so now we're trying to reach consensus on how to fix the mistake. It could be just leave it the way it is because that's what you decided.

MR. WILSON: Well, that doesn't make -- I mean, could we do a --

MR. FISHER: What?

MR. WHEATLEY: Closed session?

MR. FISHER: What do you want to do, Tom?

MS. TAHDOOAHNIPPAH: I think that's one of the problems with using the summary document, is that it's kind of choppy, so you don't get the
full picture of things that were before.

MR. WILSON: I get a sense, putting the protocol aside because I agree that is exactly what the rules say, that moving that section to the hardware -- no, to the testing section, I don't think anybody is going to have an objection to that. I mean, that's just the sense I get. So I'd be willing to throw it out to a vote and then agree that we didn't follow protocol for this one time and we'll be more careful in the future.

MR. FISHER: Let's check that. So based on everything that's been said, if you agree with moving this provision right here, the one little (i) provision to the testing section out of section (a) into the testing section, raise your hand.

(Indicating.)

MR. FISHER: Two people.

MS. THOMAS: I'm wondering if doing that now is still going to make the grandfathered and the new stuff have to comply with it putting it in the testing section.

MR. WILSON: I was told the testing section, my understanding is the testing section
as it exists now only applies to new machines, compliant machines, not grandfathered machines. And that that's a generally accepted understanding.

MR. PUROHIT: I'm lost right now, too.

MS. LASH: Does the testing section only apply to the newer stuff, not the grandfathered stuff?

MR. PUROHIT: Are you talking about existing regulations or the TGWG document? Because that's what I'm lost at right now.

MR. FISHER: The existing regulation.

MR. PUROHIT: Okay. In that particular case -- do you have a citation for the testing section?

MR. FISHER: I believe it's 547.4(c).

MR. PUROHIT: Thank you. Right. It's testing generally with any additional requirements for grandfathering. So anything that applies for fully compliant systems.

MS. LASH: That's where we move it.

MR. PUROHIT: Yeah.

MR. FISHER: If you really wanted to be, as they say, adults in suspenders, you could just make sure you have a note that says this is not
intended to apply to grandfathering provisions, right? If you really want that clarification.

MS. LASH: Test it again now that we clarified.

MR. WILSON: Can we vote again?

MR. FISHER: So the recommendation is to move this to the testing provision, testing provision, right? So raise your hand if you're in agreement with that.

(All hands raised.)

MR. FISHER: Voila! Was that a question or a late vote?

MS. STACONA: That was a late vote.

MS. TAHDOOAHNIPPAH: For clarification, that is not applicable to the grandfathering provisions.

MR. LITTLE: Yes.

MR. PUROHIT: I'll make sure they work on that, too.

MR. FISHER: How about we take a short break?

(Recess taken at 4:27 p.m. to 4:45 p.m.)

MR. FISHER: Okay. There are seven technical standards proposals left to talk about. That means ten minutes per proposal, if you want
to do it that way.

MR. LITTLE: Or we can go late.

MR. FISHER: Assuming that we don't get through all the technical standards tonight before we adjourn, we can pick up where we left off.

So what is on the screen is what is next on the TGWG list, which is Page 6, I believe.

MR. McGHEE: The TGWG comment as to why they made those are at the bottom.

MR. FISHER: I can project that because it's on this document there. All right.

MS. HAMEL: Can we go to (f) and then -- did we ever talk about (c)?

MR. McGHEE: Were there changes?

MS. HAMEL: I just have comments, I guess, as always.

MR. FISHER: So, Kathi, did you have something on (c) so we can make sure we cycle back to it. Don't give it to us right now. Do you have something on section (c)?

MS. HAMEL: Yes. But I don't see that the TGWG talked about (c).

MR. FISHER: It did not, so we'll talk about (c). All right. Daniel, you had your hand
up.

MR. McGHEE: Yeah, I did. You may have just fixed it, because I was going to suggest if we could just stick to the script of it, and then anything that wasn't addressed by the TGWG at the end, if we get done, we can go back.

MR. FISHER: All right.

MR. McGHEE: Secondly, can we work on the premise of show us up there and ask anybody if they object so we can get to the heart of it.

MR. FISHER: We could try it that way, yeah, if everybody is willing. All right. So that would mean that the next thing I would say is if you support this change, raise your hand. We have a couple of waits, so put your hands down, because some people aren't quite ready yet and some people have some questions. So maybe we should start there and say if you have any questions, let's take the questions and then we can check it.

MR. McGHEE: Start with do we have any objection and then let them raise their hands.

MR. FISHER: That's given. We did that and we didn't get everybody's hands up. All right. So any questions? Do you have a
question, Jason?

MR. RAMOS: I got a question about (f)(iii) or letter number 3. Are we saying there that a tribe -- if a tribe is a testing laboratory, can they or can they not test their own devices?

MR. McGHEE: They cannot test their own devices, but if they own -- if their tribe owns the, whatever you call it, the software or whatever, they can't test their own.

MR. WHEATLEY: Because they're considered the manufacturer at that point?

MS. HAMEL: That it's not independent.

MR. McGHEE: They still would be independent from what they're testing.

MS. LASH: So if Miami had a testing company, we can't test Rocket.

MR. WHEATLEY: So if my tribe had their own testing laboratory, they could test my operation's machines as the independent testing laboratory?

MR. McGHEE: As long as if they weren't -- if they didn't have ownership.

MR. WHEATLEY: But they're still a member and entity of the tribe?
MR. McGHEE: Yes.

MR. WHEATLEY: Is there any concern that that could be construed as not having a separation of duties or powers?

MR. McGHEE: It would be construed that if your testing lab -- your testing laboratory was crooked. But there's no benefit to really -- to the tribe. I would say if your gaming commission is your testing lab, I would assume part of your testing lab, then they would be no more apt to allow this than to allow any other technical standard to slide.

MR. WHEATLEY: Can you really say at that point it's an independent test lab?

MR. McGHEE: It's an independent test lab -- I say it's an independent test lab if you're not testing something that you have a financial gain in or financial interest in.

The way it was written before, so you know, was that you could not test to any type of -- my understanding, to anything you were going to have in your casino, all right. So in essence by putting that on the people that did have testing laboratories would now be out of business.
MR. WHEATLEY: They couldn't test other tribes?

MR. McGHEE: They were primarily testing their own.

MR. WHEATLEY: Right.

MR. McGHEE: Stuff that was not their own tribes'. Stuff that was coming into their casino had to come to them first as a commission to be tested before it would be allowed on the floor. So I guess it's the same thing about procedure has to go to the commission before it's allowed to be implemented. So you're giving them the same credibility as you've always given them throughout the document, except all of a sudden why would this be any different just because they're a testing laboratory; that they would not test to the standard that should be tested. Now it's a question throughout the document.

MR. PUROHIT: I just want to answer Jeff's question. As the standards stand right now, there's nothing that really prohibits a tribally-owned lab to test for any other jurisdiction. The only thing it prohibits them testing is in their own jurisdiction regardless of where that laboratory lies. That's the only
clarification I wanted to make to your question.

MR. WHEATLEY: It doesn't necessarily
prohibit them from testing it. They wouldn't be
the independent test. They would still have to
have an independent, GLI, BMM, Eclipse, whoever,
and then they could do their own testing.

MR. PUROHIT: Correct.

MR. MORGAN: In Class II, the tribe is the
primarily regulator, and they are deemed as
independent from your operation in every other
regulatory function. I don't see how that bleeds
over into restricting a tribe from testing its
products from the independent point because I
think I agree with Daniel, it does go back to
credibility of that testing. And, you know, this
perception of Indians can't regulate Indians is
wrong. It's just wrong in my opinion. I don't
know why a prohibition is there. Not to say that
you're going to do it, but at the same time you
shouldn't prohibit unnecessarily for some reason
to do that. I guess that's my issue with
currently written.

MR. FISHER: Right.

MR. CALLAGHAN: The way I read this is
they met -- as Matthew had mentioned, is our
access where we're independent of tribal council. And we got a gaming authority and there's --
there have been some questions by some vendors even who came in and said the tribal council is
going to see if my personal file and things like that were independent of that. They don't see
that. The way I interpret this is it's owned or operated by the tribe. The testing laboratory
must be independent from the manufacturer and gaming operator. I'm independent of the gaming enterprise; therefore, if I had a testing lab
that was adjunct to the gaming commission, we would be independent of the gaming operation
and/or the gaming manufacturer. So the way I interpret this is they may be one in the same, in essence, of under the tribal umbrella as long as
they could demonstrate their independence.

MR. McGHEE: Independent from the operations?

MR. CALLAGHAN: Correct. So that's the way I interpret it.

MR. FISHER: Shall we test it to see if everybody is ready? Kathi, you have a question?

MS. HAMEL: I have a question on the language in (f)(1). It says that the testing lab
may provide. But shouldn't the regulations say that the TGRA must require the testing lab to provide?

MR. McGHEE: Say again.

MS. HAMEL: Right now it starts out that a testing laboratory may provide the examination, testing, and this is all about the TGRA. Shouldn't it say the TGRA must require the testing lab to -- but it's the TGRA that must request the testing lab to demonstrate its integrity.

MR. McGHEE: I don't know if anywhere that it has to be a testing lab that performs the tests, is it? Does it ever say that anywhere? I don't think it does. And I think what they were trying to do is saying a testing laboratory, if there's some other kind of way of testing, as long as you can still do it, you can use that way. It's just generally accepted that there's a testing lab, and there's only three or four out there. But I don't think it was ever required that it had to be someone that considered themselves a testing laboratory.

MS. HAMEL: But it's still the TGRA is requesting that of who's ever doing the testing,
not -- this isn't a regulation for a lab. It's a regulation for the operations and TGRA to implement.

MR. FISHER: It you look at the whole regulation, the TGRA part is in little (iv), starts in little (iv).

MS. HAMEL: But is it the lab's responsibility to provide the examination -- but is it the lab's responsibility to demonstrate its integrity, or is it the TGRA that requires the lab to do such?

MR. FISHER: Depends on how you read the requirements of (iv).

MR. MORGAN: The way I understand it is to qualify the testing agency -- or, you know, you may provide these if you do these things. And a big shift in concept is that -- I'm going to pick on Dan and Nimish. This is the first time the NIGC has come in from a vendor and said, I'm going to make you do something, Tribal Gaming Regulatory, to your vendor. That's a big shift. That's never happened before that says you now have to license the labs. Now, they give you an out that says, well, you can rely upon another jurisdiction's license of it if you want to. And
I know a lot of regulatory bodies did that and say, I'm not going to go in and perform this; I'm going to rely upon your Nevada lab certification. So they kind of give them an out. That's a big shift in paradigm of, hey, NIGC, we talked to the tribal regulators, tribal regulators you talk to your labs and your manufacturers. This now tells you that you have to do something to one of your labs. So it does speak to the TGRA having to do something, but it's basically saying, lab, you can qualify to do this testing if you demonstrate these things to the TGRA, and this is how you demonstrate them. You can do it directly to your jurisdiction, or your jurisdiction can rely upon some other licensing of this lab, and that's how you say you're okay to provide testing to my jurisdiction.

MS. HAMEL: Okay.

MR. FISHER: Okay. Are there any other questions or suggestions before we test this proposed change? Okay. So if you are in agreement with what's up on the screen as proposed by the TGWG, raise your hand.

(All hands raised.)

MR. FISHER: Okey-dokey. Done. Okay.
Next on the list here, is -- that was 13 minutes. Tracking the time. Okay. So the next on the list here is the -- this is Page 7 in your document, and it is 547.7(g). This just takes you down. So do you want me to display the TGWG -- yep. That is -- that's it.

MR. PUROHIT: It was the same remark three times over, so I put it up there once.

MR. FISHER: Okay. Right. Get it up here. There we go. Okay. Anybody from TGWG want to say anything more than about this one other than what was in the remark? Anybody have questions?

MS. HAMEL: Just semantics, isn't it?

MR. McGHEE: It said -- the comment down there stated to not get into the operation of what a financial component does so much as the design, the financial component. So that's why they changed that.

MR. MORGAN: The technical standard has to do with the document. And that's more of an internal component, not a technical component.

MR. FISHER: Okay. So if you are in favor of this change up on the screen, raise your hand.

(All hands raised.)
MR. FISHER: Another one. That one only took 90 seconds.

Okay. So next on the list would be this section on Page 8. Entertaining displays. I don't think I can get the whole thing on there.

MR. McGHEE: Do you want me to read what the TGWG said?

MR. FISHER: Yeah.

MR. McGHEE: In video gaming systems game outcome is displayed on the bingo card located on the player interface which is independent of and separate from any entertaining display. Because an entertaining display cannot in any way affect the player outcome of the game, it is irrelevant for regulatory purposes. Furthermore, in conclusion of regulatory language concerning the entertaining display creates false appearance of legal relevancy that enhances the potential for patron disputes. We therefore have proposed the removal of that language.

MR. FISHER: That's what this accomplishes?

MR. McGHEE: Yes.

MR. FISHER: Okay. So people are still reading. Just give them a second. Anybody have
any questions about this?

MR. CALLAGHAN: So what you're saying is what this says is you're strictly relying on the bingo replay, the card draw rather than the entertainment display? So if that is wrong, you're not misleading the public. If it doesn't correlate, if the graphics don't match the ball draw results, you're saying that won't be a player dispute?

MS. HAMEL: They create a dispute.

MR. McGHEE: It could create a dispute, but they have no basis. Legally we can't even rely on that entertaining display to do anything. We have to show the bingo card and the bingo card equals you should have won this much regardless of the display.

MR. CALLAGHAN: That falls in line of being electronic, I understand that. But I would be inclined, and I like what Tom says, is holding the manufacturers' feet to the fire. If that entertainment display is misleading, as a regulator I would have a concern with the outcome. Manufacturer puts the wrong button panel in, player has got a dispute over whether he was hitting as opposed to what was being
played, I would hold the manufacturer's feet to
the fire. But conceptually --

MR. McGHEE: By law, you only refer to the
bingo. That's what this is.

MR. RAMOS: The tough part about that,
though, is the player never disputes the bingo
card. It's the little thing on the side.
They're going to try to dispute the reel. If
somehow those don't match, you know, I've got
corns as a regulator that it -- that you'd be
tough to field those disputes.

MR. MORGAN: It's not tough, to be quite
honest with you. And, again, we do preserve it
to the individual jurisdictions. What we're
saying as a federal basis -- and you can't start
anywhere without bingo; this is the common game
of bingo. It's the basis how legal was started
to make entertaining displays. As soon as you
give those reels legal significance, you've
changed the fundamental meaning of bingo, and
that completely borders that line between Class
II and Class III. Now, for your jurisdiction, if
you come in and you think the manufacturer did
something wrong there and you feel like holding
their feet to the fire at a local level, that's
within your prerogative to do. And you do see
that sometimes where players actually don't win
and then the dispute, the regulator, or whoever
the administrative body is, still may find for
the patron in that dispute. But that's up to an
individual regulator at a local level. On a
federal level to provide any legal significance
to entertain the display, you've almost wiped out
the total distinction between a Class II and
Class III game.

MR. McGHEE: We've -- as a gaming
commission, we'll say if there was a win, you did
not win, you did not win. And based on the bingo
pattern, what was awarded was what you should
have gotten. And then we may make a
recommendation to the operation of that for
customer services for this kind of thing, you may
want to offer them something. Legally from the
gaming commission standpoint, there was no win,
done.

MR. MORGAN: You have to do some
education.

MS. TAHDOOAHNIPPAH: We have come across
where patrons do win their bingo patterns.
Believe me, they know what a winning pattern is
and they won on that bingo pattern but their reels didn't say that it was a jackpot, and so you have the opposite true. And so if they win on that bingo pattern, they win. They win the jackpot.

MR. CALLAGHAN: You're never going to get the money back on something like that. And I'm a big fan of predetermined outcome, and that does happen with bonusing. You can actually cash out on some of these lottery things without going to the bonus round. And I may be getting ahead. When we get back into game recall, are you guys looking to cut back on that as well? I thought I saw something in here.

MR. McGHEE: Game recall for the bingo patterns. It doesn't require the entertainment display be recalled because it should have no significance. So to make it be required is almost saying why do you need to see that if it has no bearing on if they win or not. Yeah, you might want to as TGRA say it, but you don't want it to be in this law.

MR. CALLAGHAN: So if I'm hearing you correctly -- well, because these manufacturers are going to test to a standard. And I don't
know -- well, I don't know, but I probably should, what they're currently doing as far as game recall. But I've only got Rocket right now. I don't know what the other manufacturers are. I'm a real advocate of game recall because in the Class III world, even though it was a predetermined outcome of the bonus, I've still ruled in favor of the patron and against the manufacturer because the rules weren't adequately displayed and some other things.

MR. McGHEE: It's a good idea as a TGRA, you might want that just to demonstrate, you know, that, yeah, there was a problem that the reel did not match the bingo pattern. You do want to at least be able to show that. And you as a TGRA should require the manufacturer to add it to your procedures, but don't put it in this law because then you start giving credit to the entertaining display.

MR. FISHER: So Robin and then Dan, Nimish, Matt. You're done. Robin.

MS. LASH: And the entertaining display can be dealt with in the fairness section, but as Matt said and as Daniel said, it cannot be in this section because this -- it changes this from
a Class II game. It is the legal -- the outcome of the game is the bingo pattern, end of story. That's what decides the game, and it cannot be -- you can't give legal relevancy to an entertaining display, or it's not going to be Class II.

MR. PUROHIT: I just have a question. This is something that I've come across in the past as well. And it's somewhat of a complex issue, and I think it's relevant in this matter, but just for the TAC to think about and consider, there's some manufacturers out there that allow the patron to turn off the bingo card display altogether and go completely into an entertaining display part of it. And the key word there is the option is up to the player to turn off the bingo card display.

MS. HAMEL: It's just the opposite. Turn off the entertainment display.

MR. MORGAN: They don't turn it off. What they do is they allow you to hide it. It's still there.

MR. PUROHIT: Wrong choice of words. You can hide it. You can hide the actual bingo card. It just goes up. But the point of the word is when tribal regulators have asked me the question
in the past, I just want to put it for your consideration out there, what's the remedy there when the patron has that option, does the disclaimer that says the actual prize is determined by bingo or equivalent signage like that, does that take care of that issue in your experience, or how does that work out when they have the option to hide the display?

MR. MORGAN: I'll actually address that.

MR. FISHER: You're next.

MR. MORGAN: One is you do have the game recall that shows your patterns. Most of them are common, at least the last ten. You can go back in there and pull up your last ten plays that show you how much you bet, what the pattern was, what you should have won, and you can go back and it's line by line and you can show them what they actually won. Whether they're seeing or not doesn't matter. The system still logs all that information, so it's there. And as a regulator, you have access to that information. So you can recreate what happened play by play for at least the last ten plays on those systems. But going back to some of those entertaining displays, because -- and I'll agree, Brian, a lot
of regulators like the comfort of looking at it. Especially if you come from a Class III background and that's what you're used to because that is the sole significance. So some part of it is educating your players, educating your staff, educating people on the floor. But those early cases that allowed you to plug in machines and said this is Class II were solely based on the fact of what does this machine do. It simply reads the predetermined outcome and displays what it is. That's all it does. And in some of those early cases, you couldn't even have it in your machine. You had to have a separate box for it just so the judge understood that, and this was a big key difference. What is the purpose of this. Just to give your players some entertaining -- entertainment value of it so they're not looking at a bingo card. Because that's what players look to when they want to play. And from Oklahoma's perspective, like Mia was saying earlier, they will watch the bingo card and they will know what the payout is before the display even stops. In other jurisdictions, predominantly Class III, it does require some education to your players to make sure they
understand that difference.

MR. CALLAGHAN: We do that with the Class III. As you very clearly articulated, Class III world malfunctions void all play. And I'm not recalling in the help screen or anything like that, does it state in there bingo device controls?

MR. MORGAN: Put that sticker on there.

MR. CALLAGHAN: There's a lot of our rules that you have to be able to go on the help screen and find the rules. Nonetheless, but it does say it does control.

MR. PUROHIT: There's two requirements for disclaimers. There's one that says malfunction voids all pays. And the second one is actual prize determined by the bingo or its equivalent signage.

MR. CALLAGHAN: I'm satisfied.

MR. PUROHIT: That's only for a fully compliant gaming system and terminals. It's not for grandfathered terminals.

MR. CALLAGHAN: I'm fully compliant.

MR. FISHER: I don't see any other cards up with questions. So do you want to test this one? Are we ready? Yes? Okay. So if you
support and agree with the change on the screen proposed by the TGWG, raise your hand.

(All hands raised.)

MR. FISHER: All righty, then. That was about 12 minutes, and we had a full discussion; 12 minutes. We're picking up speed. All right.

Next on the list on Page 10 is Section 547.3. This is in the definitions section. Anybody have any questions about this one?

MR. McGHEE: Are you talking about .3 or all of it?

MR. FISHER: All of it. What's up on the screen. Might as well do all of it.

MS. HAMEL: Can we do each one of them separately?

MR. FISHER: Okay. Let's do that one. Okay. So should we test it? Ready? So if you support the change in the definition to reflexive software, raise your hand.

(Indicating.)

MS. TAHDOOAHNIPPAH: I'm still looking.

MR. FISHER: Put your hands down for a second. Mia, did you have a question?

MS. TAHDOOAHNIPPAH: Oh, no, still
reading.

MR. FISHER: Okay.

MR. WILSON: While Mia is reading that, can somebody give me an example of, you know, the change that was put in there, deprives a player of a prize to which the player is otherwise entitled to based on the random outcome of the game. What's an example of software that would cause that to happen and isn't already taken into account as far as any software that manipulates -- I'm just trying to understand the rationale for that additional piece in there.

MR. MORGAN: It actually strengthens where it comes from, and the rationale was that and this is -- I heard this third party. It's an explanation from Mr. Mater. That when you're playing a bingo game and you bought in at a particular level and you're playing for a particular prize, what the technology says is just because you're getting close to the win, I can't take you and knock you down to a lower probability somewhere. I would be depriving you of some prize that you are otherwise entitled. However, if you're playing at that level and you haven't played for a while, nothing says that I
can't give you better odds. Because that's the way the game was intended to play. So if you've put $10 in and you went down to 5 and you're about to hit something big, it can't say I'm going to change out the odds all of a sudden and change the game you're playing. That's wrong because now we're depriving you. But if you play down to that $5 and you haven't won for a while, say I'm going to move you up into a higher probability and I'm going to make you win and otherwise you may not because of what you were playing, that's okay because in session bingo that was allowed. Somebody had to hit a jackpot and you're trying for a blackout, and you've gone for two hours, they may say in the next five numbers, if somebody hits it, we're going to add $500 to the pot. Great. That gives me a better chance of winning. That's okay. From a player's perspective, they like that. And instead of saying in the next five calls, if somebody doesn't win, then we're going to take you out or I don't want to end that game, so you might have won, but I'm going change that somehow. So the Tribal Gaming Working Group actually thought they strengthened this provision that some
manufacturer said we can live with. But
Mr. Mater's point to us was you can always better
the odds for a player. You just can't deprive
them of a prize they'd otherwise be entitled to.

MS. TAHDOOAHNIPPAH: In here, in the
working group, it says deprives or endows a
player of a prize, but it doesn't say that up
here.

MR. WILSON: What page are you on in the
tribal group?

MS. TAHDOOAHNIPPAH: 5. It's in the
definitions actually.

MR. McGHEE: I don't see where it says
endows.

MR. PUROHIT: Which version are you
looking at? Do you have the date stamp on the
top?


MR. McGHEE: The 5/13 is the one.

MR. FISHER: That's the one that's up on
the screen.

MR. McGHEE: Are you reading the green
language, is that where that is? Because I don't
see it. Help me find it.

MR. PUROHIT: You know the page number, is
it Page 4?

MS. TAHDOOAHNIPPAH: I have comments, but it's in the definition.

MR. FISHER: It says Page 5 on the screen.

MR. McGHEE: Any software that has the ability to manipulate and/or replace a randomly generated outcome for the purpose of changing the results of a Class II game or deprives a player of a prize --

MS. LASH: So just going off this screen, that's what we're talking about. So how does everyone --

MR. RAMOS: I had one question for Matthew, just so I get a better kind of grasp for it. You said that you couldn't deprive a player, right, you couldn't change the odds to deprive a player, but you could change it in their favor. Is it somehow later on reflected in overall machine hold, I mean, how do you get that back? Why would a manufacturer ever do that? Why would you make it -- just the increased play on the machine or what's the --

MR. MORGAN: Practically if I put in 20 bucks, I want a certain amount of play going back and forth before you may take my 20 bucks. So I
want to win every third or fourth spin. I don't want you to go down, down, down. And you may be in that cycle of that, that you're going down, down, down, down and you didn't win. Because if I put in $20 and I didn't win anything, I'm probably not coming back to that machine. So it may be in their interests to say if you've lost 20 bucks in I row, then I can raise you up because I've actually increased your odds. Maybe. That's just --

MR. McGHEE: I think what we're talking about here, that's just the kind of software that can be both. It can raise it or it can decrease it. And when it was in there before, it wasn't real clear that it could totally deprive you of winning to that kind of software. Whether later on when we start talking about what reflexive software isn't able to do is where we get into what you're allowed to do as far as making it go up and down. That's what that software can do. It can deprive you or give you or take away.

MR. FISHER: Mia, have you figured out your --

MS. TAHDOOAHNIPPAH: I'm fine.

MR. FISHER: Are you good with the change?
MS. TAHDOOAHNIPPAH: Uh-huh.

MR. FISHER: So that means everybody was good with it. And so then the next part of this is okay.

So 547.8(b).

MS. LASH: All that was struck was just redundant language.

MR. FISHER: Say what?

MS. LASH: That was the comment we had. This was taking out just the redundant language, and redundant and confusing language was the working group's comment. Taking out for bingo, games and games similar to bingo being, you know, we just say the Class II gaming system shall not.

MR. FISHER: Right.

MS. LASH: And then our perpetuations -- or commutations for game rules used for. We took out "for game rules."

MR. PUROHIT: I have a question on behalf of the commissioner as well. What's the main reason that -- I think there's always been confusion for that. But the main reason to take out the rules being changed in the middle of game play. Is there a reason that that was taken out, or is it just the fact that a reflexive decision
is already going to take care of it, that once
the game play starts, what you see is what you
get; is that the reason it was taken out?

MR. McGHEE: They thought it said the same
thing.

MS. LASH: I don't remember the
conversation on that because I'm not -- Daniel,
do you remember?

MR. McGHEE: The reason it was taken out
is because in our opinion, it said you had to not
deviate from a constant set of rules provided for
each game. Which means any changes in rules
constitutes a different game. You can't make
changes in rules. Before you said you couldn't
deviate, so why say what happens if you do.
Because it says you can't in the first sentence.

MR. PUROHIT: It deprives the word itself.
I'm thinking of a scenario, back to the games
that might be played over international waters,
cruise ships. If you have a game that when you
read the game rules that says if you get an X
pattern in the first seven balls drawn, whatever
it might be, you get the jackpot. You get that.
You go back to the game rules, and it was
actually eight balls, and it changed out the game
rules. Does that meet the --

MR. McGHEE: You deviated from a constant set of rules.

MR. PUROHIT: That's the reasoning you strengthened the definition in the first part to capture for scenarios like that, right?

MR. McGHEE: We didn't strengthen it. All we did was delete.

MR. PUROHIT: I'm talking about the reflexive software definition itself.

MR. McGHEE: Yeah, yeah. I'm confused now. I thought you were talking about this.

MR. PUROHIT: I am talking about that. It seems like one part has been strengthened. That's what you put in the comments as far as the effect of the current provision. It does prevent that first scheme, as it says over there, which was the initiation in play, but it doesn't necessarily prevent that other example I just gave. Going back and retroactively changing the game rules, not necessarily the outcome of the game itself. Not necessarily the ball draw that happened, but changing out the game rules, it does prevent that from happening, too.

MR. McGHEE: All it does is define
reflexive software.

MR. PUROHIT: I just want to make sure -- the reason for the amendment. Cool.

MR. FISHER: Okay. So any other questions or comments on this before we check to see whether people support this change? Okay. So if you are in agreement with the change proposed by the TGWG projected on the screen, raise your hand.

(All hands raised.)

MR. FISHER: Okey-dokey. That takes care of that one.

All right. So by my clock, it is one minute before 5:30, or in other words, 5:29. And at 5:30, we're scheduled to have a public comment section. So I don't -- I don't think anybody has signed up for the public comment section since this morning, so why don't we check to see if there's anybody in the audience that wants to give public comment.

MR. GREEN: I didn't sign up.

MR. FISHER: I'm just checking. There isn't anybody that wants to. Because if you don't, we can use the next half hour to keep going.
MR. GREEN: As long as you don't need me interfering, I'm going to sit here quietly.

MR. FISHER: It's on the record. So let's keep moving through this. And the next one on the list is on Page 11, and it is on the downloadable software. 547.12. Page 11.

Page 32.

MR. McGHEE: The big document. Okay. Kathi, you got your card up?

MS. HAMEL: Yes. Isn't this an internal control?

MR. McGHEE: Well, I think it used to be an internal control. And to try to address the reason they put it in there to begin with, and it took any connotation to an actual control and moved it to the MICS. So with the strike-out version, do you still think it's a control? Because it used to be very obviously a control because it said the gaming commission had to verify something and do this. Now it says the system has to more or less be capable of verifying, but nobody has to do anything.

MS. HAMEL: It doesn't say the system has to be capable. It just said it must verify.

MR. McGHEE: Downloaded software on a
Class II gaming system shall be verified by the Class II gaming system.

MS. HAMEL: It says it's got to be capable. But it's written in an internal control. If it's a technical standard, it has to have --

MR. McGHEE: Downloaded software on a Class II system shall be capable of verifying by using -- download by using software signature verification methods, something like that?

MS. HAMEL: Only if it's downloadable.

MR. MORGAN: Downloaded software on a Class II gaming system shall be capable of being verified by the Class II system using a software signature verification method that meets the requirements of Section 547.8(f); is that your concern?

MS. HAMEL: Yes.

MR. McGHEE: I'm cool with that.

MR. FISHER: Let me just go in here and do this.

MS. TAHDOOAHNIPPAH: The whole section is procedural. You know, like all of (a) where it talks about the Class II -- on (6), the Class II gaming system or the TGRA shall log each
download. So there that's giving -- saying that
the TGRA has to log a download of any downloaded
package. I mean, that's giving me procedure that
I have to do physically.

MR. McGHEE: Where are you saying?

MS. TAHDOOAHNIPPAH: On (a)(6).

MS. HAMEL: 547.12.

MR. PUROHIT: You're referring to the
scratched-out portion?

MS. TAHDOOAHNIPPAH: No, I'm referring to
the actual --

MR. MORGAN: Mia is in 547.12, not (b).
She's just up above. She's just making a comment
that it's procedural in nature.

MS. TAHDOOAHNIPPAH: All of 543.12 is
procedural.

MR. McGHEE: So basically where you said
the Class II gaming system or TGRA should log,
really it should be the Class II gaming system
shall be capable of logging each download.

MR. MORGAN: It is two issues. I was
thinking can we take care of one before we go to
the next? Because I agree with Mia, it is. But
I want to finish one before --

MR. PUROHIT: Can I ask the TAC a general
question about downloads in general, keeping in mind I read the preamble and everything else and have experience in the field. Downloads, like when you regulate the downloads, are you referring to downloads that exist as far as even from the definition of the approved content that you put into the system, install into the system at some point and now once you introduce it in the system, it can go anywhere? Or you're referring to downloads for that scenario plus anything that's introduced from remote access as well? Because that's been the interpretation that I've always seen. I just wanted to see what everyone sees the interpretation of downloads in general. Is it something within the system or also extend to something that's coming into the system from an external connection such as remote access?

MR. McGHEE: The last part.

MS. HAMEL: And I would say both.

MR. McGHEE: It's both, it's the internal and external. There's probably a definition in here.

MR. MORGAN: I agree. My situation has been both because I read the first sentence of
547.12, and it says for downloading on a Class II gaming system, and a Class II gaming system is more than what's taken from the server and downloaded onto that terminal. It's what's downloaded onto the system. So if it's remotely downloaded, you download onto the system. It means to self verify and a person has to come in and verify the signature as well.

MR. PUROHIT: Going to Mia's observation about 547.12 in general, do you think that even putting it into a procedural context in terms of putting it into the MICS altogether, or just the fact that it is procedural in nature, do you think it adequately addresses the areas where you had the tools to verify the downloads both that are coming in externally and internally based on the current standards? Because I've heard arguments to the contrary as well that going back to the original conversation about grandfathered systems, this may not necessarily be something that's required by grandfathered systems.

MS. HAMEL: That's correct.

MR. PUROHIT: That goes to what I brought up, I think, when Tom, you had asked the question at the last meeting as well about what's the risk
MR. WILSON: Well, this is -- I guess coming back to the concern that I have of not being as familiar with this document in totality as the tribal working group, but are we really clear throughout that grandfathered is grandfathered and here's what applies to it, and this -- the rest doesn't? Because now what I hear you saying is that potentially this ability to -- for the machine to self-validate after the download, but there could be grandfathered machines that don't even have that capability to do that. But that this procedure -- you know, we're dealing with now yet another section of that is it -- is the implication that this applies to both grandfathered and not machines?

MR. PUROHIT: That's what I wanted to bring to your attention, this does not apply. If you're looking at the downloads in their entirety, something coming from outside of the system, this would only apply to fully compliant systems. The capability to offer that to the tribal operator and regulator to test for anything that's coming in as far as approved content, that's only for fully compliant systems;
that doesn't apply to grandfathered systems. But
the one requirement that does apply to anything
is the ability to verify software in general.
But that doesn't include downloaded software. So
I wanted to bring that to your attention here.

MR. WILSON: So I was good up until the
last sentence. So we're saying that the
criterion here doesn't apply to grandfathered
machines, but it could apply to grandfathered
machines if software is downloaded onto them?
No. Okay.

MR. PUROHIT: No. Okay. Let me --

MR. WILSON: How could a grandfathered
machine -- is there a scenario where this could
apply to a grandfathered machine?

MR. PUROHIT: 547.12 is not reference to
as far as any requirements for grandfathered
gaming systems and their components. So from
that perspective, none of this applies unless the
TGRA says it applies to it. What I was trying to
say is if the software that is downloaded is
critical to the integrity of the environment of
the gaming system, then there has to be -- that
triggers the other clause from the grandfathered
requirement that says there has to be a way that
the TGRA can go in and verify the software, the signature. That's the only thing that would be triggered in this particular case. But there's somewhat -- I guess the concerns I've heard is there's somewhat of a disconnect between those two. Because even though there's critical software that might be downloaded, the only requirement is there has to be an ability to verify that. But there's nothing that says it has to be approved software that's downloaded onto the system. Like all the requirements in the download section here, they don't apply to grandfathered systems. I think I still lost you from your smile over there.

MS. TAHDOOAHNIIPPAH: Can you explain how a Class II gaming system verifies -- or how does -- because it just makes it sound like the way it reads, that it will be verified by the Class II gaming system. Like, how does the downloaded software -- explain how that would happen.

MR. PUROHIT: All right. I'll give you the really simple scenario from my experience with manufacturing and the testing side as well. What would happen is like let's say you're pushing out some artwork, for example, to the
Class II terminal as well. Once that's pushed out, it would keep a log of the software that had checked on its own. The assumption is when that software was installed in the system itself, it was approved. That's in the definition as well. It's approved content that's been put in there. And then once it transfers somewhere into the system, it will make sure that it keeps a log of everything as far as all the changes that are made to the software.

MS. TAHDÖÖAHNÍPPAH: Checking itself?

MR. PUROHIT: Exactly, self-verification, right. And then the log -- the requirement at the end of it, and it says that, you know, when the TGRA sees appropriate, you have to go and audit that log to make sure that all these changes that happened to the download and whatnot were within your requirements.

MR. CALLAGHAN: It's matches one another signatures and that's how it checks itself.

MR. MORGAN: It's in the check -- did you download what you said and it sends it back.

MR. PUROHIT: It's a handshake.

MS. HAMEL: If it's looking for A and it receives B, it should shut down.
MR. CALLAGHAN: Exactly.

MR. McGHEE: Then as far as on the procedural side, there are things in the MICS about downloads and stuff that do apply to grandfathered, whatever. This is just saying if you're going to put the machine on, we want to be able to do this so we can better do our job of tracking your downloads. We understand the older ones are not. But there are still things we're going to have the ability to go in and do to make sure they were done fairly. They're not capable for automatically because they were grandfathered. The MICS is going to take care of us still having to do that. It's just we want the new ones to be more automatic and more tracking of itself, more self-sufficient in the sense of keeping track of all this so we can pull up paper.

MR. WILSON: I get all that. I'm still back to what you brought up and why. I'm not understanding what you brought up as to --

MR. PUROHIT: The scenario is -- the concern is, like this section, for example. Let's say there is approved content. And when someone comes in and physically installs it at
your property, you can go in and verify on the
game server, the software that was installed on
it. The downloaded part of it -- that's why I
added the generic definition of it from a concern
perspective, is it can be downloaded by the
manufacturer, in their case uploaded, from their
facility because they can't physically come in,
which is understandable. I'm a big proponent of
that. But once it comes in there, are there any
requirements for logs, especially for
grandfathered systems, that say there has to
exist a log out there that keeps track of all of
this stuff that the TGRA can go in and verify
that. And from what Dan is saying that that's a
requirement.

MR. McGHEE: In the remote access log
MICS.

MR. MORGAN: Server systems, it requires.

MR. WILSON: And that makes sense. My
concern was that you were saying for
grandfathered machines, you can just download
whatever the hell you want and nobody verifies it
and --

MS. HAMEL: Only on Fridays.

(Laughter.)
MR. WILSON: Because my concern was right now you've got to be able to verify anything that is being downloaded off a machine.

MR. PUROHIT: There is that catch-all that says you can go in and there has to be ability to verify the critical software. My concern was from a download perspective, also, like, you know, there's one requirement in there -- let me just find it. I think there's -- and I might be butchering the exact verbiage of it. But it requires for a secure connection for downloads, for example. That's not an inherent requirement, and that goes to the risk question. Like going back to the grandfathered system, if there's no requirement for remote access and download to do that, then it doesn't have to meet the security requirements either. You can still go and verify that, but anything else that was introduced into the system -- this could kind of propose that risk in there. But it sounds like they're addressing it in the MICS section of it anyway. That's the reason I pointed this out. Like you want to be wary that this 547.12 in general does not apply to grandfathered systems in general.

MS. HAMEL: And much of it is procedural,
not a technical standard.

MR. WILSON: Well, and procedure makes
sense to me especially with the grandfathered
machines that don't have the ability to automate.

MS. HAMEL: Then it would be a MIC not --

MR. WILSON: I'm understanding that. My
concern is on the technical standards that saying
that this device has to comply with certain
things, and it sounds like many of the new
devices do or would, are capable of complying
with this. And it's clear that the grandfathered
machines -- this does not apply to the
grandfathered, but the MICS component certainly
does because that's the only way you can get to
verifying what's happening on the verified
machine.

MS. HAMEL: In the TGWG there is no
reference to fully compliant and grandfathered in
the MICS, right? We don't care how we control
and how we -- what procedures we have to follow
to have internal controls.

MR. WHEATLEY: They're the same.

MS. HAMEL: There's no reference to
grandfathered or fully compliant.

MR. WILSON: As long as the procedure
doesn't rely on certain automated functionality that doesn't exist in a grandfathered machine.

MS. HAMEL: Well, if it doesn't exist, then it would be non-applicable.

MR. McGHEE: If it doesn't exist, assuming --

MR. WILSON: I think I'm okay. I'll sleep on it.

MS. HAMEL: This is a big -- this is a big section.

MR. FISHER: Sleep on that question also that you raised about what applies to being clear or specific about what applied to grandfathered machines and what doesn't. Because that's been raised a couple of times, and maybe there's something we need to do around that. I don't know. Think about it. All right. So why don't we check the -- it's not working anymore because the guy snuck in the back while nobody was watching and took the mixer. Apparently there was something more important than us at 5:30 and he needed it. All right.

So let's see if we can finish off 547.12. So there's two things about 547.12. One was verifying the downloads, which it was part of the
TGWG proposal; and then the other is back to Mia's question about Section 12(a), so we'll come back to that in a moment. So we had two suggestions on the verifying downloads provision. The first one up on the screen in the red and the blue is what the TGWG proposed, and the second one in the yellow is the -- reflects the discussion that we had about a design standard capable of doing the verification. So why don't -- you want to test them? Where do you want to start, yellow or red and blue?

MR. WHEATLEY: Yellow.

MR. FISHER: Let's test yellow. Everybody follow where we are with this? Okay. So if you're in agreement with the recommendation that's in yellow up on the screen, raise your hand.

(All hands raised.)

MR. FISHER: All right. There we are. Okay.

So now back to the question that Mia raised.

MR. McGHEE: Could we go back to that at the end like we told Kathi?

MR. FISHER: We're on the subject, so you
want to stick with it, or you want to -- Daniel is saying that what we had said we're going to do was work through all the TGWG comments first, and then go back to anything that was additional. So we could put Section 547.12 aside, 12(a) aside and move on to the TGWG. That's okay with you, Mia? Okay. So I'll put it on the list to come back to. Thanks for the reminder, Daniel.

Okay. Next on the list on the TGWG proposals is on Page 12 of the comparison document, and it's on the random number generation, Section 547.14. See if we can get this one done by 6 o'clock. This is too long to put up in one single page.

MR. WILSON: I think this one is too -- to try to cram it into eight minutes is maybe not going to be enough time.

MR. FISHER: Okay. So what would you propose, that we pick up tomorrow with this one?

MR. WILSON: Uh-huh.

MR. FISHER: Yes?

MR. WHEATLEY: Seems to be strengthening everything.

MR. McGHEE: It looks probably more complicated than it is.
MR. WHEATLEY: Right.

MR. FISHER: Do you want to start the discussion, or you want to break?

MR. McGHEE: There's only two more changes and then we're done.

MR. FISHER: Done with what's in the document.

MR. McGHEE: What's here.

MS. LASH: Let's tackle it and see how far we get.

MR. WILSON: I recall my previous comment, so I'm --

MR. FISHER: So all right. So let's see, so people are taking a look at it. And anybody -- we can go to the remarks about it, or if people have questions about it, we can start there.

MR. PUROHIT: I'm going to echo Jeff's statements as far as what my experience with this is. If anything, it actually strengthens the minimum requirements here. And if NIGC is fine with it, I think that's what the language here is capturing, anyway. If you just notice, Tom, in the first section, it goes from "which may include," and it gives you, like, 11 tests.
That's a typical language from other existing technical standards out there which says that too. And the proposed language, what's that doing, it's saying at a minimum, it has to do X, Y and Z, and then in addition to that, you can do whatever else that the TGRA and what the other requirements are.

MR. FISHER: Which you like?

MR. PUROHIT: If I'm allowed to say that, yeah.

MR. LITTLE: I think our initial reading of the proposal is it does strengthen the regulations.

MR. WHEATLEY: The only question I have is the unbiased algorithm, why was that taken out? I don't even know what is that is.

MR. PUROHIT: It was a bulletin. There was flawed language in there. The bulletin 2008-4, I want to say, it's a bulletin right after the grandfathered requirements. Let me make sure I have the right. 2008-4. It pretty much said that having that bias of 1 in 100 million, it was flawed mathematics as far as the game of bingo is concerned and the way the ball draws happened. And I was actually on the
independent test lab site when he reached out to
the NIGC and were talking to them about it.

MR. WHEATLEY: So it's basically
previously removed.

MR. PUROHIT: Exactly. It was unbiased,
the part of itself. I don't necessarily think it
should be removed altogether. It's just, you
know, the language of having the explicit number
need to be removed. I think that's what the
actual bulletin was talking about as well.

MR. FISHER: Are you in that section
that's right there on the screen?

MR. PUROHIT: Yes, the bottom part, number
4, that's the one that's struck out.

MR. FISHER: So the -- what you commented
on was the number, not the use of an unbiased
algorithm.

MR. PUROHIT: Correct. The bulletin just
advised that it can have better bias than 1 in
100 million. But it didn't say it should be
removed all together.

MR. FISHER: All right.

MR. WHEATLEY: Anyone else have algorithm
comments? I don't know enough about it to know
anything.
MR. MORGAN: What they removed was 547.14(f). There's still language there that says that. What it reads is scaling algorithms and scaled numbers. An RNG that provides output scaled to given ranges shall (1) be independent and uniform over the range; (2) provide numbers scaled to the ranges required by game rules, and notwithstanding the requirements of paragraph (e)(3) of this section. So what it's saying is you say it does this, does it really do that?

MR. CALLAGHAN: That's fine.

MR. MORGAN: And (3) be capable of producing every possible outcome of a game according to its rules.

MR. FISHER: I put that up on the screen here. Just a second. I'm going to show you the other (1) through (3). So there it is. Yeah, it's (1), (2), and (3) and then removes (4). That's the -- that's from the TGWG document. Okay. All right. So are we ready to test this one?

MS. HAMEL: I just have one comment. I know in this section, we skipped over number (1) of this section. And it has the same issue as the TGWG suggestion in number (2). It says
numbers or other designations. Well, we didn't make that change in number (1) that says numbers produced by RNG. So I think throughout the document if we're referring to numbers, it should all be the same language. And I don't know if it exists in other places and it just wasn't caught. If you go to (b)(1), it has the same issue. It just says numbers produced by the RNG.

MR. McGHEE: Under (b)?

MS. HAMEL: That's not in this document. It's only in number (2).

MR. McGHEE: I see it right here in number (1), though. I don't know, which one are you looking at?

MS. HAMEL: The one he just handed us.

MR. FISHER: Maybe it didn't make the comparison.

MR. McGHEE: (b)(1) isn't even listed.

MR. FISHER: It's up on the screen.

MS. HAMEL: Wherever numbers are.

MR. PUROHIT: Exactly.

MR. FISHER: She's right. It's there, but it's not on here. It's on the comparison.

MR. WHEATLEY: It's on the submitted.

MR. McGHEE: I think if you agreed with it
here, then you would agree with it there.

MS. HAMEL: Since we have number (1) up, can I bring up one other comment? Is the example really necessary, since it's the first time we have an example in the standards?

MR. FISHER: In other words, are you asking to get rid of it?

MS. HAMEL: Uh-huh. Get rid of the example. Because it really doesn't --

MR. WILSON: It seems like an example of something you'd expect to see in a guidance document.

MR. LITTLE: Not necessarily. The bulletin is going to be changed. Regulations are pretty -- they're there. You know, it's more difficult.

MR. WILSON: What's the significance of asking for this particular -- I mean, an example implies to me that people just don't quite get it in that first sentence, so we have to give an example. So I'm trying to understand.

MR. PUROHIT: Here's another example, 547.5(b), only applicable standards apply. Gaming equipment and software used with Class II gaming systems shall meet all applicable
requirements of this part. For example, if a Class II gaming system lacks the ability to print or accept vouchers, then any standards that govern vouchers do not apply. So they're kind of littered throughout.

MS. HAMEL: I haven't got there yet.

MR. McGHEE: I think it's just a matter of where it seems complicated.

MR. PUROHIT: It's for public perception. I think that's the reasoning for it.

MR. WHEATLEY: The algorithm thing, I'm still struggling over. Nimish, you said that you wouldn't have stricken the entire thing. Can you tell me what the risks would be of striking the whole thing?

MR. PUROHIT: Sure. The unbiased algorithm part, what the bulletin recommended is saying that we're not going to go with the measure being better than 1 in 100 million. It says that because of that technical data in there -- there's something called off-the-shelf random number generators, and there's something that manufacturers develop. Usually they use the so-called off-the-shelf because they met all these tests, and if ain't broke, don't fix it.
So one of the issues that came with the bias measure that they had there is that it doesn't meet a majority of these off-the-shelf requirements, which are known as 32-bit random number generators. So what they said is that that was not the intent for it to fail that and create a measure of bias that might seem okay for these other types of random number generators, but it doesn't meet random number generators used for bingo ball draw and shuffling. So the language says the NIGC will shortly publish and change the technical standards, which the number was. Amending 547.14(4)(f) to read, Use an unbiased algorithm. A scaling algorithm is considered to be unbiased if the measured bias is no greater than 1 in 50 million. So that's what was introduced. In this case, the 1 in 50 million is much better than 1 in 100 million. That's all I'll say. It's not like the probability requirements where the higher number means that it's looser. Here it's giving more forgiveness when the random numbers are being produced. That 1 in 100 million was not giving enough of a flexibility for numbers to come out, and it would have unnecessarily failed these
off-the-shelf random number generators.

MR. MORGAN: Who defines unbiasedness? Is there a standard, I mean, could you say use an unbiased algorithm? I mean, is that enough? Or do you have to put in, say, unbiased means this? Who determines that?

MR. WHEATLEY: Obviously it meant two different things to two different people. Somebody it means 1 in 100 million, and you said the change was going to be 1 to 50 million, so --

MR. PUROHIT: The bias itself is referring to the fact that when you have these raw numbers that are spit out by a random number generator, it's just random numbers, without getting into too many technical details. But then they need to be converted for use in a 75-ball draw game, for example. When it's converted in there, there might be a case where one number or one type of number shows up more frequently than others. That's the bias that it's talking about. So what I was suggesting is not necessarily putting a number in there, but saying that, you know, the unbiased shouldn't be stricken altogether. I think it should just be when the RNG is created, there should be able to show there is no bias. I
don't think, in my humble opinion from the
testing side of it, getting rid of it altogether
might not serve a purpose.

MS. TAHDOOAHNIPPAH: Changing the numbers,
does that -- I mean, if you change -- we're
assuming that it's on 75 numbers in a 32-bit. If
you have 20 numbers or 5 numbers --

MR. PUROHIT: I think the language can be
corrected to capture what the intent here is to
make that robust random number generator. I
think it can be something along the lines of it
can't be biased for an application of the random
number generator in a particular game of bingo.
I think that would strengthen the RNG thing as
well.

MR. McGHEE: And that would be in lieu of
putting a number?

MR. PUROHIT: Exactly. Putting a specific
range that, you know, just identifies a ball draw
of 75 numbers, 72 numbers.

MR. McGHEE: Will you type that language
he said?

MR. FISHER: I'm trying.

MR. PUROHIT: If you do put an unbias, the
onus is going to fall on the TGRA to determine
what your bias ranges are going to be. It's just that the ITLs should report to you that, hey, they did find a bias, here's what it is. And then you can make that decision. But they have enough to reveal on the certification letter and explain to you that there is something there. It's making sure it's capturing the propensity for this to be completely random, however little that might be.

MR. MORGAN: Is there not a third party you can point to to say this is biased or unbiased? Algorithms, that's above me, but I don't want to put a number here that's predisposed on a 75-number bingo just in case that ever changes. But at the same time, if you come back and say this is biased, where's your range. I'm looking for somebody else to tell me what is the industry-acceptable range. I don't know if I'm qualified.

MR. WHEATLEY: By taking it out, does that remove the testing requirements at the lab?

MR. PUROHIT: Yes.

MR. WHEATLEY: But by saying that they must use an unbiased algorithm, they're going to test it. And if there is a bias, they'll report
that to you, so like you said, the TGR, it can make the determination if it's too much of a bias or not.

MR. PUROHIT: Exactly. The independent test lab should tell you what that is and how it plays into it. I mean, there's plenty of technical language in there that you might not understand in addition to the RNGs. It's ITL's job to tell you at the end of the day if you don't understand something.

MR. WHEATLEY: So essentially they'll tell you the risk involved.

MR. PUROHIT: Exactly. I think if you leave it as an unbiased algorithm and any bias should be reported to the TGRAs, something along those lines.

MR. FISHER: It's getting late. All right. So are we checking the whole TGWG proposal with this change in yellow? Let's check that. If you support the TGWG proposal with the change in yellow, raise your hand.

(All hands raised.)

MR. FISHER: Okey-dokey. There's sections we have to cite back to. We're not on the verge of being done with the technical standards, but
we're close. We're close. All right. Are we ready to -- you want to keep going, or are we ready to pause?

MR. MORGAN: Next up is the variance language. It's the same variance language you will see later in the MICS. And the general question is, do you buy into how you do licensing right now? Because if you buy into the concept on background licensing, that the tribal regulatory body gets to make a decision, you send it up to the NIGC, they have the ability to disagree, you may have to justify that the final decision resides at the TGR level. That's the change in variances that you see, technical standards and you'll see it come up on the MICS. If that needs more discussion, then we may not be able to finish. That's kind of it in a nutshell. The TGWG tried to say we're going to treat it just like you do your licensing investigators. Where NIGC may object, but the final decision rests with you, whether you decide to grant that variance or not.

MR. CALLAGHAN: I like that, absolutely.

MR. RAMOS: I have one question there. On one of changes that didn't make it over is number
8, where the commission's decision shall constitute a final agency action. So in the proposed version, where is the final agency action -- for example, you go through this NIGC about the vendor and who's going to be licensed and who's not. At some point, if it goes to federal court, they have to have a final decision, a final agency action. And I don't see that making it over into the change.

MR. MORGAN: Under the scenario, it falls to individuals. If individual A comes and applies and wants to be your employee, they have something, you send it up and say I recommend that you're going to grant you a license. NIGC objects. While you do have to set forth the reasoning for that objection, they may agree or disagree with you, but at the end of the day the TGR gets to make the final decision. NIGC gets to provide you comments. They get to say I may disagree with that. So there wouldn't be a final agency action on that. The final action is at the TGRA level. It takes it away from it. The other thing it does is another big change in there is currently is variance sections. You can request the TGRA to grant a variance and then
send it up, or the tribe may send it up by itself. Under this the way this language is written, you have to go to your TGRA and get that approved and then it goes to NIGC. If your TGRA doesn't approve your variance, it never goes up and the tribe or the operator can't go around you.

MR. FISHER: Tom?

MR. WILSON: I'm with you on everything, except we get to the end and unless there's other documentation, you know, it talks about the NIGC after their 14 days that they issue a -- you know, their disapproval and they have to say a reason why they're disapproving it and how it's an imminent threat to the integrity of tribal gaming, but then it ends there. So I was under the impression that their disapproval is a binding disapproval. But if that's not the case, then --

MR. MORGAN: What they're saying is we disagree with you and because we're not -- if they do that, what you risk is an enforcement action. And they always have that authority to come and do an enforcement action. But if it doesn't rise to the criteria of the enforcement
action --

MR. WILSON: An enforcement action based on their concern or an enforcement action based on a violation of the standard? I mean, I guess that's where I'm trying to come from is if we're saying for purposes of this document that we can at the end of the day still say, well, we hear everything that you've said, NIGC, but we're going to move ahead and do this, and NIGC then comes and says we're going to now take an enforcement action against you, which my feeling would be that if you've reached that impasse -- but if they take an enforcement action, then the enforcement action is against what, that you didn't take their advice?

MR. MORGAN: They feel like it's an imminent --

MR. WHEATLEY: That you're violating the standards because you did not get the variance.

MR. MORGAN: Imminent threat to the integrity of gaming. I think in IGRA regulations, they can only take enforcement actions for certain specific acts, and they have to tell you what you violated here. And one of those is that imminent threat to the integrity of
gaming. If it doesn't rise to that level, they should not be doing an enforcement action. You may disagree with the policy decision, but it's the TGRA's policy decision to make unless it rises to that.

MR. WILSON: So just so I'm clear, though, I mean, is this saying that if they -- I'm just trying to look at it from a practical aspect. We submit something, run it up the ladder, it comes back, and let's say that NIGC does outline what they believe is an integrity of gaming issue, is the presumption here that then the Tribal Gaming Regulatory Authority would in fact heed, then, at that point and say, Oh, I see what you're saying, or not?

MR. MORGAN: Depends on your local TGRA. I would say the vast majority of people, if you get that letter back, the vast majority would say, You know what, I will change my variance request so I meet your concerns and we're in agreement. Because at the end of the day, you want to be in agreement. But there may be an individual jurisdiction out there, and I think back about Chris, that says, hey, we fundamentally disagree you have a right with
that, and we're going to take you to the mat over this because we disagree we have that. There may be a tribe out there that does that. A tribe does have that ability if it so chooses.

MR. WILSON: I get it. And I just wanted clarification of -- it just kind of ends at this thing that the --

MR. MORGAN: Like a disclaimer, like if you decide to proceed, proceed at your own risk.

MR. WILSON: I just wanted it to be clear in my mind that there was no other effect beyond that you get this notification back from NIGC, but that doesn't mean anything from this standard thing. I could still proceed on, no matter how reckless it may or may not be.

MR. MORGAN: You could. I would think almost anybody, if you read, in effect, NIGC can't disagree, but you can only disagree if it's an imminent threat to the integrity of tribal gaming. And they will disagree with you and that's what they have to stand on. If you decide to take it to an appeals or take it to court or just say, you know what, I ain't listening to you, I'm moving forward. I would think most tribes would say we're going to reconsider our
variance request and let me have the discussion
with you and figure out how I change this
variance request to fit your concerns and still
get to the goal where I think is lawful and
permissible.

MR. McGHEE: You could as simple as refer
to any step after as this would be referred to
the section that deals with this as a violation
and how they're able to do this.

MR. WILSON: And maybe that's it, because
from a compact world, if we had the same
situation with the state, our compact says that,
okay, if we agree to disagree -- or it's not that
we agreed -- we can either agree to disagree or
we can go to some form of arbitration to work
through that. And I'm okay that that's not
there.

MR. WILSON: It's kind of like this
dangling thing.

MR. MORGAN: What they're trying to get to
was if the NIGC is going to agree to disagree,
this is your place to stand on it, imminent
threat. You can't disagree just because you
think it's a bad idea. It's the tribe's right to
do it, and you have your place in the federal
regulations to disagree. I disagree because imminent danger to the integrity of gaming, if it rises to that level. You can't just disagree because you're not doing it the way we think you should do it.

MR. FISHER: Okay. So do you want to test this one? Okay. So it's too big to project the whole thing on the screen, but if you support the TGWG proposal on Section 547.17 on the variances, raise your hand.

(All hands raised.)

MR. FISHER: Success. We worked through the whole document. So now we know when we come back in the morning, we have a couple of the additional provisions on the technical standards that were not in the document that we said we would come back to, and it sounds like there are a couple of other questions that we need to discuss. So it sounds like we can plan to finish off the technical standards tomorrow morning, and then we will adjust our schedule to move into the bingo section. Let's close out the day.

(The National Indian Gaming Commission Tribal Advisory Committee was adjourned at 6:18 p.m., November 15, 2011.)