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NATIONAL INDIAN GAMING COMMISSION

TRIBAL ADVISORY COMMITTEE MEETING

NOVEMBER 16, 2011

VOLUME II

DATE: November 15 - 17, 2011

PLACE: Hilton Garden Inn
815 East Mall Drive
Rapid City, South Dakota 57701

I N D E X

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. Tahdooahnippah, 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

1 (November 16, 2011, at 8:11 a.m.)

2 MR. FISHER: Good morning, everybody.
3 Welcome. So in a moment, let's go over the
4 agenda for the day and figure out where we're
5 going to start up this morning. Before I do
6 that, let me just request that for those people
7 who are in the audience, we ask that you sign in.
8 There's a sign-in sheet on the other side of the
9 door, and there's also a separate sign-in sheet
10 for you if you want to give public comment to the
11 tribal advisory committee either this morning or
12 this afternoon. All right.

13 So generally, we can start -- we're going
14 to pick up this morning on the technical
15 standards.

16 MR. WILSON: Robert, I'd like to request
17 that if the TAC can go into executive session for
18 a few minutes, there's some issues we'd like to
19 discuss. And then we can proceed on with the
20 agenda.

21 MR. FISHER: Okay. So you want to go into
22 executive session and you just want the TAC
23 members present. Okay.

24 (Executive session - Discussion held off
25 the record.)

1 MR. WILSON: So the fellow TAC-ians, we
2 have concluded that we'd like to go on the
3 record; that at the beginning of each meeting,
4 we'll have an executive session. It helps us in
5 organizing our day. So that will just become
6 part of the process going forward. And so that
7 can actually be an agenda item, I guess, that we
8 have an executive session first. And then we
9 will have an executive session, request executive
10 session today prior to discussion of the MICS.
11 There's some philosophical things that we believe
12 are important for the group to get their head
13 around first so that we can have a more effective
14 discussion when we get to that.

15 And then the other thing is we just want
16 to make sure that what's on the screen, that the
17 documents on the screen are -- the only documents
18 that we're looking at are the ones from the NIGC
19 website and the submittal documents from Poarch
20 Creek, so that we don't have any confusion about
21 which version or what it is that we're working
22 off of from that standpoint.

23 And then finally, we discussed the
24 realization that the document that NIGC sent out,
25 the summary document that is only pieces of the

1 entire document, and that there could be other
2 changes in the entire document that we're not
3 discussing because we're focusing on that. And a
4 question that the TAC has for the NIGC on that
5 is, is the presumption that we should take that,
6 the only areas that you have concerns about are
7 those that are in the summary document and that
8 we can go on the premise that the rest of the
9 document that may have other changes in it are
10 not an issue with the NIGC?

11 MR. LITTLE: Is that question for me? No,
12 actually there's other areas that we do want to
13 discuss, including, you know, wide area networks,
14 downloadable software, things like that. So
15 there are some areas that we do want to kind of
16 talk about. And then also I think it was very
17 helpful when it was kind of opened up yesterday
18 where TAC members had really gone through the
19 document, had raised, you know, specific issues
20 there. So we're definitely interested in making
21 sure that there's a thorough scrub of that whole
22 regulation and that any areas that folks feel
23 need to be addressed are addressed.

24 MR. WILSON: So I just -- and, Robert, for
25 your benefit as a facilitator, you know, we were

1 sort of going on that only that summary document
2 was the primary focus of what we were to discuss.
3 But in that case, you know, Dan, based on what
4 you're saying, we don't want to lose sight of the
5 bigger document; that everybody is comfortable
6 that they can bring forward anything that's in
7 that document, that we're not just limited to the
8 summary document.

9 MR. LITTLE: I think when Nimish and our
10 former associate general councilman went through
11 it, they just picked the large concepts and made
12 their changes, and that's what they made the
13 comparison for. I'm pretty confident they pretty
14 much touched on every point. Nimish can step in
15 any time he feels like. But I think they did a
16 pretty good job of addressing every change,
17 almost nearly every change, except for maybe
18 there was some cleanup, you know, changes that
19 were made that we didn't address in the
20 comparison. But for the most part, I think they
21 did a good job of going after the major concepts
22 and addressing them.

23 MR. PUROHIT: We looked at all the areas
24 that had the comments. That's why I kind of
25 redid the comparison document and added common

1 areas from the TGWG draft as well. And as the
2 commissioner said, we kind of grouped it into all
3 the major changes that you had in there. We
4 didn't include every single change, and
5 especially there are areas where they're repeated
6 throughout the document. Kathi brought up the
7 constant reference to 542, that was throughout
8 the document. There was some other issues like
9 the Tribal Gaming Regulatory Authority being
10 truncated to the TGRA. Even though they were
11 major and throughout the document, it's kind of
12 implied that that's more of a verbiage change or
13 something along those lines as well. But the
14 major areas the commissioner said that had
15 significant response associated with that as well
16 and the reasoning by the TGWG, those are the ones
17 we grouped in there and those ten areas that we
18 highlighted.

19 MR. WILSON: And I think for us, some of
20 the confusion with that document was that it's
21 honing together different sections of the
22 standards, but losing track that, oh, wait a
23 minute, this is talking about this section, this
24 is talking about that, but it's all grouped
25 together. And the other thing that can be a

1 struggle sometimes is when it just pulls out,
2 let's say section E, but then it begs the
3 question, what's in A, B, C, D prior to that and
4 what's after it. And so we're all understanding
5 better now that there's a bigger piece here that
6 as a TAC we have to reference so that we're
7 seeing it in context of an entire document and
8 not just the piece that's on the display.

9 MR. LITTLE: You know what will be
10 helpful, because we're going to get into the MICS
11 today hopefully, and we've done some comparison.
12 That's a little different than this comparison
13 document. But it would be really interesting,
14 because we've got our attorneys and our audits
15 going through that document trying to prepare a
16 good document. So if there's any suggestions
17 that you have, if there's a formatting thing that
18 you can suggest, please let us know now because
19 we're hopefully going to have that entire
20 document to you over the next few months as we
21 continue along as it goes on the agenda. So if
22 there are some formatting or agenda issues that
23 you want us to talk about, please let us know and
24 we'll get that in there.

25 MR. WILSON: Thanks.

1 MS. HAMEL: I just have one question. The
2 review process that the NIGC is taking for the
3 MICS, is it being reviewed by a group of people
4 collectively or individually, and different
5 people are making different comments based on the
6 section?

7 MR. LITTLE: Primarily it was done by our
8 audits department and Rust West, who is here, one
9 of our senior auditors. He'll be available,
10 certainly like Nimish is here, to help clarify
11 some of the, you know, reasoning or the comments
12 that we made. And, you know, once again, you
13 know, we're looking at it from our perspective.
14 Some of the things in the document, you know, we
15 think probably could be clarified, and these are
16 just our comments and, you know, the way we're
17 looking at it. And, you know, take it any way
18 you want. And, hopefully, it may stimulate some
19 discussion, and if there's some areas where we've
20 got it wrong and where we are not sure or we've
21 misinterpreted the meaning of the TGRA, please
22 let us know. So it's basically just a starting
23 point for discussion, not a position, not
24 anything, just how we perceive this. And the
25 hope is that, you know, it will stimulate some

1 good discussion and then it will help us have a
2 better understanding of what the goal of the
3 overall change is.

4 MR. MCGHEE: So can we suggest maybe like
5 if we're going through these substantive changes,
6 the big changes -- I've only had them a few
7 months -- but if you go through those, and then
8 like we talked about yesterday, then if we get
9 through -- I mean, you guys' comments. And then
10 the other things that weren't addressed, if we
11 save time before we move to a new section to say
12 any other issues within the bingo section that
13 weren't changed, weren't made to that, we
14 actually give the opportunity to address those
15 each time. Like we're going to do with the
16 technical standards today, there were parts that
17 weren't changes made, but people had some
18 questions. So we save that at the end of
19 each --

20 MR. LITTLE: We think the MICS was done a
21 little differently, and that is there were some
22 areas that weren't addressed by the working group
23 that we have addressed in our working group.
24 That's why it will say, No comparable section.

25 MR. MCGHEE: If we deleted the --

1 MR. LITTLE: Right. That could be true,
2 you did do a good job at streamlining the whole
3 thing. That might be an opportunity to say why
4 we did this, this was the logic and reasoning.

5 MR. WILSON: Thanks.

6 MR. FISHER: Sure. I do have a -- I guess
7 I have two questions. One is what is it that you
8 want to project up on the screen? Do you want to
9 project the NIGC document, or do you want to
10 project the TGWG document? Because the full TGWG
11 document that was delivered to NIGC has
12 everything in it, plus the changes, plus your
13 commentary.

14 MR. MCGHEE: I think the summary that has
15 been --

16 MR. FISHER: You want the comparison
17 document?

18 MR. LITTLE: My opinion, and I thought
19 this worked out well, when you did put the
20 working group's document up there and then as
21 topics came up and edits were made, you were able
22 to do it right there. I thought, for me, that
23 was the most beneficial. We all have the summary
24 documents and we can certainly get everybody a
25 hard copy if they don't have it. But for me, I

1 thought that was most helpful when you could
2 actually sit there and make the edits and get the
3 changes, and that way everybody can look at it so
4 when you're back in your room late at night
5 saying, What did they say, we make sure
6 everything is correct.

7 MR. MCGHEE: Did you have up the TGWG,
8 this document?

9 MR. FISHER: I have both things. When we
10 were kind of looking at different sections and
11 how the sections fit together and then when we
12 made a change from what was in the -- what was
13 contained in the comparison document, I made that
14 directly -- I was working in the TGWG document.

15 MR. MCGHEE: I think the way you were able
16 to toggle just the two documents --

17 MR. FISHER: Back and forth.

18 MR. MCGHEE: Is the two you're only going
19 to need. You can pop this one up or pop this one
20 up.

21 MR. FISHER: Okay. That's good. We can
22 check at the end of the day about how you handle
23 the executive sessions in the morning, whether
24 you want everybody to come down or whether you
25 just want to do the executive session and then

1 say we're going to start a half an hour later or
2 an hour later, whatever it is.

3 The second thing is I realized last night
4 when I was going back through the consensus
5 decisions and trying to figure out how to capture
6 those in a way to give them back to you, and I
7 don't have them for you because I haven't figured
8 out how to do this yet, so here I come to tell
9 you that the -- two things, one is the thing that
10 you pointed out, Tom, which is that there are
11 other changes in the TGWG document that are not
12 reflected in the comparison documents. And,
13 secondly, that the -- that it would be, I think,
14 really useful for the TAC to designate kind of an
15 informal or formal, whatever you want to do, just
16 if you want to call it a drafting group or
17 whatever, to really begin the process of thinking
18 about how your -- what your final product is
19 going to look like and then to work with us
20 around how we capture the consensus decisions in
21 a way that will feed into the final product. So
22 I'm assuming that you're going to have -- you're
23 going to reach consensus, you're going to issue a
24 report. And as I was looking at all of the
25 consensus decisions, there are some choices to be

1 made about how to organize it and how to present
2 it. And rather than me make those choices, I
3 thought if you're up for it, you could --
4 somebody could work with me around how we capture
5 that now, or we can just put it out to you and
6 you can deal with it later on.

7 MR. MCGHEE: I mean, just so I'm clear,
8 let's say the technical standards are almost
9 done, except for definitions, which we're
10 supposed to address as we go along, I understand.
11 So you're saying maybe a group could take that,
12 not necessarily to make changes, but decide this
13 section would work better here or that kind of
14 thing, when you're talking about formatting it?
15 Because what would that group do with the
16 technical standards after we're done, with what
17 we just had?

18 MR. FISHER: There's some questions on
19 what's the best way to organize the presentation
20 of your consensus decisions. And because if you
21 did it by the comparison document, the comparison
22 document mixes different sections, and so there
23 are some choices around if you're going to do it
24 section by section or if you're going to combine
25 sections like we did. And so I -- it would be

1 useful for somebody to be thinking about what's
2 the best way to present the recommendations in
3 the final report.

4 MR. MCGHEE: Like the notes versus
5 substantial changes or suggested language versus
6 a note versus --

7 MR. FISHER: Right? So, anyway, that's --
8 as I was trying to do the work last night around
9 that, that's what I discovered. Think about that
10 and we can come back to that later on.

11 Okay. Any other comments or reflections
12 about yesterday's work that anybody wants to
13 share before we go back to the technical
14 standards?

15 MR. MCGHEE: Do you think -- I know in the
16 agenda there's a spot for definitions kind of at
17 the end of each thing. But since today, we're
18 going to be done with these technical standards,
19 wouldn't it be more helpful to go ahead and look
20 at all the definitions of the technical standards
21 and be done with that document? There's really
22 no comparison document, I don't think,
23 summarizing the definitions. We didn't really
24 look at them. So before leaving technical
25 standards, let's maybe look at the definitions.

1 Because I would rather say we're done with
2 technical standards and wipe our hands of it. If
3 everybody is okay with that. Instead of each
4 time, you know.

5 MR. FISHER: Yeah. That's --

6 MR. MCGHEE: I don't think there's a lot
7 of changes, but there are changes people should
8 be aware of.

9 MR. FISHER: I just put that on the bottom
10 of that list. That's the list that I was
11 informally tracking of the things that got raised
12 yesterday that we said we would cycle back to.
13 So I think it's a good idea to finish off the
14 technical standards in its entirety before we
15 move on to the MICS. So if we want to make sure
16 that -- we want to make sure we cover anything
17 that anybody has on the technical standards
18 before we finish with that and move on to the
19 MICS. I may not have gotten this list entirely
20 complete, but that's what I was tracking on the
21 informal list. And there were a couple of other
22 things, that issue around the grandfathered
23 provisions and whether we need to make some
24 statement about what's included or not included,
25 be more explicit about that.

1 Are we ready to pick up there, anybody
2 have anything else before we start? So is that
3 the right place to start? Some of the things on
4 the list, Kathi, were things that you had raised,
5 but maybe it might make sense to start at the
6 beginning of the regulation and just go through
7 it, kind of section by section and see if anybody
8 has anything in Section 1 or Section 2 and just
9 try to do it that way? I don't know where your
10 questions are, Dan.

11 MR. LITTLE: I said downloadable software.
12 I want to talk about remote access. And there
13 has been an issue. It is -- do the TAC folks
14 feel that the technical standards address this
15 issue? I mean, does anybody have any issues with
16 it? From what I've heard, there's been some
17 issues where tribes have not had an ability to
18 remotely access servers, and that has become a
19 problem in the audit.

20 MR. PUROHIT: I'll rephrase it. The
21 servers -- the manufacturers, when they come in
22 and remote access the servers located on tribal
23 land and vice versa, when you're in a wide area
24 network where multiple tribes are participating
25 in -- like I'll use an example that I use

1 sometimes. Let's say Chickasaw Nation is hosting
2 a network of games that has 200 terminals for a
3 manufacturer, and then some of the other smaller
4 tribes in the neighboring areas because they
5 can't really have the propensity to fulfill the
6 two player minimum, they'll go into the wide area
7 network as well. So one of the issues that was
8 constantly bringing up to our attention is the
9 other tribal regulators going into this wide area
10 network while the hosting tribe has the ability
11 to go in and verify the software, the signature
12 and everything else on demand like they need to
13 on the regulatory side, the smaller tribal
14 regulatory authorities may not have that access
15 to go and verify the software because the main
16 software is not located on their land. Has
17 anyone else of the TAC experienced this? What's
18 been your experience in general with scenarios
19 such as these? Is this something that's echoed
20 by the smaller tribal jurisdictions that are
21 hooked up into these wide area networks quite
22 frequently?

23 MR. MORGAN: I have a question, and it's
24 maybe where would this conversation be
25 appropriate. Technical standards are

1 capabilities of the system. Your discussion
2 you're bringing up is does a TGR have the ability
3 to go in and verify software which seems to be an
4 internal control, or is that outside the realm of
5 technical standards question? That's what -- the
6 that's the question that comes to my head.

7 MR. MCGHEE: To verify software signature,
8 stuff like that, which is sometimes a requirement
9 normally in the regulations -- I mean in the
10 MICS. And then if what you're saying is -- and
11 the question I would have if I'm responsible to
12 do that, and which our tribe -- I don't think we
13 go that far out, I'm not sure. The question is
14 do I rely on the host tribe to tell me, hey, have
15 you checked that, therefore I'm in compliance now
16 too because I can't check it, or you're saying
17 each tribe that participates should have the
18 ability to check it?

19 MR. PUROHIT: It is a technical standard
20 because the signature verification, if the
21 software is not there for you to access, what are
22 the requirements of doing that signature
23 verification. That's what it is. Like does that
24 need to be reworded for --

25 MR. MCGHEE: What you're saying is we have

1 to put something in the technical standards that
2 the systems should be capable of allowing remote;
3 not necessarily do it, but it should be made to
4 where it can be done?

5 MR. PUROHIT: How can it be done in those
6 situations for networks.

7 MR. MORGAN: So but these requirements are
8 something that's placed upon a manufacturer. So
9 the manufacturer has to build their system in
10 order to be capable that it has to self-verify,
11 one; and then, two, that it provides some type of
12 signature verification format so a TGRA can come
13 in. And your question revolves around, you know,
14 does Tribe B advocate ability to go in and
15 signature verify something when everything is
16 located on Tribe A's property? Is that not a
17 contractual matter? I mean, before you approve a
18 game to come in and you're looking at can I do
19 this and your questions that you have at a local
20 level, and if he says, you know, you're not going
21 to be able to verify that because actually where
22 this server is located is off your jurisdiction.
23 It comes into question -- because I have
24 jurisdiction over my gaming facility. What if
25 they put that server in the tribal headquarters

1 building that's tribal lands and may be eligible
2 for gaming, but I don't have jurisdiction there?
3 It's still that question. So the question would
4 be to me is would I allow it to be placed there.
5 And if I'm in the position where I don't need to
6 play the game unless I do, well, that's -- I'm in
7 a different position other than maybe I could
8 take it or leave it. And if I need to put it
9 there, then either I'm doing some discussion with
10 the manufacturer, I'm doing a discussion with the
11 operator, and I'm probably doing a discussion
12 with Tribe A's gaming regulatory agent how do I
13 accomplish this. But I still don't see how this
14 becomes a technical standards issue. Maybe this
15 has to be a manufacturer.

16 MR. PUROHIT: I'll give you a common point
17 to that. What about the fact that they're saying
18 that just by putting it somewhere else, they
19 don't necessarily have to abide by the
20 capabilities. Because it's not there for the
21 tribal regulatory to go in, should there be
22 something in there that says we have the ability
23 to have this actually go in and verify the
24 signature on this. Even though it's a minimum
25 requirement, is there something that because now

1 it's in a wide area network setting, does that
2 bypass that requirement from that perspective?
3 Is there any kind of issue for that perspective
4 that you can only go in and verify the software
5 in person? I don't know if that makes sense or
6 not.

7 MR. FISHER: I don't know, Tom or Daniel,
8 whichever one is first.

9 MR. WILSON: In the private industry, we
10 deal with these issues in the public accounting
11 world, anyhow, when we're doing audits of things
12 where we're relying on somebody else, somebody
13 else to certify that the controls are in place
14 that we can't physically go verify. So it's
15 called SAS 70. What that is is that I make a
16 reliance on this other tribe somehow certifying
17 that the system, the signature verification,
18 whatever the issues are that the controls that we
19 normally would test ourselves, that we're relying
20 on a statement, you know, some form or whatever
21 from that host tribe that they, in fact, have
22 complied with and that, you know, the signature
23 has been verified, whatever it is, and that
24 that's how we would address getting assurance
25 that that host tribe is in fact doing what

1 they're supposed to be doing and certifying that
2 they're meeting the control objectives that we
3 would normally test for, the same thing if we had
4 that system sitting right in our shop, so to
5 speak.

6 MR. MORGAN: Is that internal control or
7 was that a technical standards?

8 MR. WILSON: Well, the -- the technical
9 standard aspect -- well, that's an internal
10 control. So the technical standard, the
11 technical standard is that, you know, it has to
12 have the capability to do the signature
13 verification. The control is that, you know, I
14 need a mechanism to rely on you as the host tribe
15 to ensure that you are following the controls
16 that are supposed to be in place to protect the
17 integrity of that game. So in my mind, the
18 component or the SAS 70, whatever you call it,
19 that's a component you get through as a control
20 mechanism. But there wouldn't be anything you
21 would say in the technical standard because the
22 expectation is that it doesn't matter who's
23 hosting that system, it meets the technical
24 standard. And I'm just relying on your
25 certification that that's so. Because I can't

1 physically walk over there and verify that.

2 MR. FISHER: Let's do Leo, Matt, and then
3 Nimish.

4 MR. CULLOO: I think the control standards
5 you're talking about are contractual. I think
6 those would be in the contract itself outline
7 everything that they will adhere to in their
8 compliance. So to me that's more a contractual
9 item than it would be anything else.

10 MR. MORGAN: I kind of agree with Leo.
11 And the example I would bring up is in the Class
12 III world, your WACs, Class II world, Rocket.
13 The server sits on her land, secondary server
14 sits on my land. The old Megamania game where
15 you had one ball draw that came up and people
16 participate in it. At no time did all those
17 tribes in there have a chance to go in and say, I
18 want to verify the balls coming up from the ball
19 blower. You relied on whoever is hosting it to
20 perform that function through a contractual
21 manner when you sign on, because some of it is
22 how bad do you really want this. To impose that
23 additional cost on the manufacturer to say not
24 only do you have to let where you place it be
25 able to signature verify it, now you're going to

1 have to come up with the capability to let remote
2 access tribes who may be participating in the
3 game -- because Class II, that is what it's all
4 about, multiple participation -- you're going to
5 have to come up with that component to allow
6 everybody else to -- it's either got to be you
7 set up some internal controls to address that and
8 you address it through a contract. I'm failing
9 to see where the technical component comes that
10 makes me feel that --

11 MR. PUROHIT: Well, the follow-up is also,
12 you know, we talked about another requirement
13 yesterday with the downloads. What about the
14 issue for -- once again, that also goes to the
15 MICS side as well. What about the issue of the
16 verification of downloads, that's something that
17 still needs to happen. If a manufacturer is
18 going in verifying that, that they do some kind
19 of a download, they push out all these updates,
20 what have you, where is the capability going to
21 lie there? Are they still responsible for making
22 sure that that one server still adheres to all
23 the requirements as far as the technical
24 standards go? And, you know, it sounds like
25 everyone's input so far is that's going to rely

1 from a MICS perspective and a contractual
2 perspective, that only that one tribe and one
3 tribal regulator is going to be responsible for
4 it and that kind of extends to other tribal
5 regulators participating in there, depending on
6 the contract.

7 MR. CALLAGHAN: I do have a Class II wire
8 contract here, and it does have all those terms.
9 It has they have to adhere to tribal rules and
10 regulations and applicable federal law.
11 Agreement to regulation, supervision of game
12 operators, which would be the Four Winds. Tribal
13 gaming authority. So all that language as you
14 mentioned is in here, and we do have the
15 authority to go and verify if necessary, and we
16 also have the option to void it as a regulator as
17 well, void the contract. Similarly -- and
18 there's similar language in the other -- in wide
19 area progressive contracts as well. So I feel
20 like the controls are there for me as a
21 regulator. Being sympathetic and empathetic to a
22 smaller tribe who may not have the ability to go
23 physically and do it, it's still in the contract.
24 And then there's that decision, not a commercial
25 decision but a regulatory decision, that decides

1 whether or not I'm going to allow that game on my
2 floor, irrespective of the environment.

3 MR. MCGHEE: Or the host tribe you provide
4 the information and trust them.

5 MR. CALLAGHAN: And I do believe with
6 downloadable. But we've got some market things
7 where we can verify signatures through our
8 checks. And when they come into our system, I
9 know I've been in touch with WMS, a little to a
10 degree with IGT. And we have the ability to
11 verify signatures similar to what we talked about
12 with parity checks and things like that. So
13 there are internal controls that will be in place
14 for that.

15 MR. WHEATLEY: I could see some value in
16 having a technical standard that allows a tribe
17 to be able to do that, signature check on site,
18 even though software is coming from off of their
19 land. I mean, we're a field trial site for
20 Rocket gaming, so essentially I'm getting new
21 software every week. So for my Tribal Gaming
22 Regulatory Agency to have to call another host
23 tribe saying, hey, can you verify this signature
24 for me, it's going to be a constant type of
25 thing. I don't know, is it that big of a deal

1 for a manufacturer to be able to provide that
2 type of ability for a TGA to be able to verify
3 the signature of the software at a remote site?
4 I don't know.

5 MR. MORGAN: My question is to Nimish.
6 Doesn't Jeff still have the ability, though, to
7 verify a software at the terminal level? The
8 report says here's the signature. You can still
9 go to the terminal and look and say, Does it
10 match. Even though he can't physically go in and
11 signature it at the server level, he can still go
12 through it at the terminal level.

13 MR. WHEATLEY: As long as I can do it at
14 the secondary server level, I think that would be
15 fine. I thought that's what we're saying is not
16 available.

17 MR. PUROHIT: Exactly. The secondary
18 server, that will still have the critical
19 software, for example. But what about like the
20 issues where updates are being pushed out to the
21 software and having those updates be verified as
22 well? It's like a two-step thing. You're not
23 just verifying the critical software at one end,
24 but once the updates are done that the critical
25 software is still untouched and you can go verify

1 any of those updates as well.

2 MR. MORGAN: But when you update software,
3 it changes the signature. The lab or the
4 manufacturer are required by tribal law
5 regulation to send that to every jurisdiction
6 that has it. You get a report that says, hey,
7 your signature went and changed. You can still
8 go out to your terminal and look and say, yes, it
9 did or, no, it didn't. You may have to get on
10 the phone and call whatever tribe has that server
11 and say, did y'all go check the server too and
12 make sure. This almost reminds me of, I don't
13 know, taking a shotgun approach to something that
14 may be able to be fixed with just a phone call.
15 That's a phone call, we're there. Tom's brought
16 up the expectation in internal controls to solve
17 it. I'm still failing to grasp how an additional
18 technical standard remedies a situation that
19 seems to be there's already solutions out there
20 to remedy it. It may not be my sole -- I can't
21 do it solely within my own place, but there are
22 remedies out there.

23 MR. WILSON: I think, you know, me as a
24 regulator, the risk is that the -- I'll call it
25 the host tribe, whoever is hosting the system,

1 isn't doing what they're supposed to be doing and
2 that they have, you know, verified the signature,
3 they verified the download. And so it's more
4 important to me to want to have a mechanism to
5 hold them accountable for doing that, which I
6 think is through the MICS, probably, that defines
7 -- probably there's not a formalization of this
8 concept of a host and the host having a document
9 prepared that they provide to hostees that says
10 we are doing these things. And so for me, the
11 risk would be I would want the MICS to reflect
12 that that's a requirement if you're hosting the
13 system, that you have to do A, B or C. Then the
14 technical standard -- because the technical
15 standard -- the mechanism to ensure that is not
16 through the manufacturer. It's from tribe to
17 tribe through an internal control issue.

18 MR. MCGHEE: Similar to along what you
19 were saying, if it were me and I knew that the
20 host tribe was them and my concern was whether or
21 not they were verifying the signatures when the
22 downloads happen and they're capable of doing it
23 because it's on their property and I'm not,
24 probably prior to a contract coming up, I'd want
25 to contact that investigatory agency and say at

1 least let me see your procedures; do you have
2 procedures in place about how you test your
3 signatures and updates happen, make sure I'm
4 comfortable with them before I would enter or
5 approve the operations entering into a contract
6 with them. And then at any point, like I was
7 saying with this contract, I was making sure that
8 I could go in if I needed to do that site because
9 I think there's an issue that, you know, this
10 regulatory agency is not comfortable with the way
11 you're doing things, people at my place --
12 whatever the issue, that I could go in and do it
13 myself. Which would fix the problem of what
14 you're saying. It doesn't make it easier, but --
15 am I right? If I did it that way, that would fix
16 the problem and what we're trying to accomplish.
17 Maybe not the way in which you're suggesting it
18 being accomplished, to make it easy.

19 MR. PUROHIT: I'm trying to put feelers
20 out there what's happening with this issue,
21 because we keep getting it all the time from the
22 smaller tribes.

23 MS. HAMEL: My question is, and maybe it's
24 because I don't understand because it's way
25 techier than I am, but if there's Tribe A is

1 hosting the server, there's an intermediate
2 server that has the signature. I'm not aware of
3 any system where there isn't a signature on the
4 property that's offering the prize. So the
5 verification -- and if I'm wrong, please correct
6 me -- always takes place on the property that's
7 offering the prize or the WAP or whatever. I
8 don't think there's just a remote connection
9 without any intermediate verification. Is that
10 true?

11 MR. MCGHEE: There is no remote section.
12 That's what he's suggesting be in place.

13 MR. PUROHIT: The question was revolving
14 around -- so the intermediate servers -- let me
15 ask a follow-up question to that. I'm trying not
16 to get techy either. Does it just host -- does
17 it just have a signature available when the
18 tribal regulator for the local jurisdiction wants
19 to pull up that signature, or is it capable for
20 them to have that intermediate server talk to the
21 main game server and then run the signatures to
22 whatever the local tribal regulator wants to run
23 the signature in, as the technical standards lie
24 right now, using whatever methodology that they
25 want? Is it something that's saying that, oh,

1 yeah, the signature is done; is that what the
2 local server is saying, or is it giving them the
3 access and saying, here's access to the main game
4 server content, you can do the signature however
5 you want to do it, as one of the requirements of
6 the tech standards?

7 MS. HAMEL: It's my impression if those
8 two signatures don't match, they won't work.

9 MR. FISHER: Okay. I think we have --

10 MS. HAMEL: And it can be verified.

11 MR. FISHER: -- Jeff and then -- it might
12 be easier to go around that way. Let's start
13 with Jason.

14 MR. RAMOS: I guess my question, Nimish,
15 is in the Class III world with either the IGT
16 server-based games or wide area progressives, I
17 don't have any server-based games, but I know
18 with the wide area progressives, we test the
19 machines on the floor. But IGT to my knowledge
20 doesn't give us access to go back to their main
21 server to test that, so I think there's a
22 comparable world in Class III where we're testing
23 it on the floor.

24 MR. PUROHIT: The wide area progressive
25 one is not a comparable example in this case,

1 understand what the issue is because my
2 impression is when we get new software, it comes
3 with the lab certificate that says, you know,
4 this is the signature of the software that's been
5 tested by the lab. And even though we're not the
6 host tribe, we have the secondary server on site.
7 And I'm thinking that we have the ability to
8 verify that signature that the software that they
9 say that they're installing at the host tribe is
10 the software that's being pushed down to our
11 site. So I don't know if that's not the case,
12 but it seems like it's the case to me.

13 MR. MORGAN: I'll agree. If you keep in
14 mind, there are several servers running at any
15 one time that control certain aspects, whether
16 it's the ball draw, whether, you know, your back
17 office system. So it's multiple servers working
18 together. And I'm going to try to help you out.
19 Mr. Acting Technical Training Director, is it not
20 an educational effort that needs to happen here
21 because people don't quite understand the setup
22 and makeup, especially in Class II, of how these
23 ball draws work? There is a main ball draw that
24 comes down to a local level to a subserver before
25 it comes out on the floor, and this is how you

1 would handle that. It seems like there's a
2 misunderstanding of how the system works, and
3 it's opposed to -- there's a problem out there
4 that manufacturers need to go fix.

5 MR. PUROHIT: We'll try, Matt. It's been
6 part of the Class II training effort.

7 MS. LASH: I just wanted to say I think
8 it's valuable to have this conversation, at least
9 for the Miami. We're a small tribe and we were
10 just approached by a manufacturer do the wide
11 area ball call, and the host is in Montana. So
12 we're facing these same issues as far as what is
13 that tribe's security parameters for that server
14 that we probably won't ever see, and, you know,
15 the testing and all those issues. We're looking
16 at that. Because conceptually, it would be a
17 good idea for our small hall to not have to sit
18 there and wait for two people or have one person
19 play two games so they can play that system. And
20 there's 16 tribes right now that are linked to
21 that host out of Montana, but we have other
22 issues as well, you know. And I've asked, and
23 this is just what are the complaints from
24 management as far as the signals; do you have
25 signal lapses and how frequently and those kind

1 of things. Because it will swap back over to our
2 server when they say they'll be a temporary, so
3 we just have a lot of questions right now.

4 MR. CALLAGHAN: That's ironic that you
5 mentioned it because I'm looking at -- I'm asking
6 the casino to have the contracts looked at as to
7 see when we lose communications, we're in a wide
8 area progressive, there's still going to show the
9 last WAP on there. If that jackpot were to be
10 hit, who's going to be responsible for it. It's
11 a risk. So adjunct to that is how much cradle to
12 grave do you think needs to be on technical
13 standards. I would suggest you take a look at
14 Nevada, numbers in Nevada as a parallel, which
15 you're probably going to be doing. Because with
16 Nevada numbers, it's a keno system. But the
17 server is resonated in a business in Las Vegas.
18 And quite frankly, if you looked at where they
19 keep the server and who's watching over it, other
20 than the camera, you'd be a little surprised.
21 This is the Class III world in Nevada which you
22 think would be pristine, not meaning to cast any
23 spurs, but it's kind of interesting to see. So
24 you got to take a look at it, how far do you want
25 to drill this thing down. On the downloadable on

1 Class III, as I understand it, they download the
2 game, it's got to be through a separate server.
3 It can't download directly to the games. So you
4 download it to the server, then you verify the
5 signature. I think it would be helpful, and
6 maybe it's too late for this now, but I'm a
7 visual guy. I wish we had a schematic up there
8 and literally a schematic between Class II and
9 III because there's so many things as we
10 discussed before, the ball drop, where the server
11 is, where does the card draw come from, and take
12 a look from there.

13 MR. FISHER: So is that possible?

14 MR. LITTLE: He's probably already trained
15 on it.

16 MR. PUROHIT: I have a schematic, just not
17 on me right now.

18 MR. FISHER: If we could figure out how to
19 get it. Tom.

20 MR. WILSON: Nimish, I just want to be
21 clear that I understand the risk that you're
22 trying to describe. Is it that on the host
23 system, there's a download, updated software or
24 whatever, on the intermediate system which is
25 communicating with the host system; is the

1 concern that there's only a one-time signature
2 verification that goes out to the intermediate
3 system and now that's sitting static, but there
4 could be a new signature verification on the host
5 system? So in other words, if the two systems
6 are in communication and if the host system any
7 time there's a download changes signature, that
8 automatically updates the intermediate system so
9 that from that terminal you can verify the
10 signature if you so choose; is that what the
11 concern is?

12 MR. PUROHIT: The concern is that -- I'll
13 put it like, you know, give you an example using
14 Class III terminology and any other
15 terminologies. You're asking the system, only
16 the primary host, for example, has the ability to
17 do signature verifications on demand. And the
18 secondary, the smaller tribes that have the
19 intermediate server are relying on the system to
20 keep itself honest and pulling it that way.
21 While they can't go in and use -- generate the
22 signature that they want using any other tools
23 that they might want to do as well. I don't know
24 if that makes sense or not. It's like saying you
25 go up to a gaming machine, you go up on it and

1 you go up to the menus and the gaming machine and
2 tell it, give me all the signatures that you have
3 there. So that classic idea is you're asking the
4 machine, are you still good. Generate your own
5 signature, show me what you got. That's the
6 idea. As opposed to pulling up the media and
7 then running the signature by yourself with
8 whatever tools and methodology that you want.
9 It's that -- the concern that I was trying to get
10 some input on in that particular area. I don't
11 know if that makes sense.

12 MR. WILSON: But cannot -- if -- I mean,
13 it seems to me the key issue is, is the host
14 system providing the signature information to the
15 intermediate system in realtime. And if that's
16 the case, how a tribe gets to that information is
17 a different issue. The technical standard in my
18 mind is that that communication protocol, you
19 know, that that realtime updating or that that is
20 happening, that's the technical standard that
21 that has to occur. But how a tribe actually then
22 verifies or chooses to come to how are we going
23 to verify whether we're relying on a
24 certification document or whether we can at the
25 terminal do something, that's a different issue

1 than the technical standard issue. I mean, my
2 concern from a technical standard would be that
3 that communication protocol, or that the inverse,
4 that that intermediate machine wouldn't be
5 updated with the current signature when there's a
6 download on the primary host machine. To me,
7 that's the technical standard that if the risk is
8 that, that you would want to make sure is it
9 current, but not how one goes about verifying.

10 MS. HAMEL: Well, my question is, Nimish,
11 is there not a signature on this intermediate
12 server? Because to the best of my knowledge,
13 there is. That can be verified.

14 MR. PUROHIT: Right. There is a signature
15 on it. But the issues that have come up as the
16 tech standards are right now, it says that the
17 TGRA has means to check the signature with
18 whatever methodology they choose. And that gives
19 some examples of the methodology. And that's
20 what I'm trying to get a feel for, is does that
21 choice exist for the participating smaller
22 tribes, for example, or are they just relying on
23 the fact that this is a signature that's being
24 pulled up at that secondary server, and here it's
25 a pass? Once it's actually built in after they

1 approve the software and everything else. And it
2 definitely sounds like this is moving into more
3 and more of an internal control arena here as
4 well, as far as that choice -- it might just be
5 whatever that they agreed to, that they can go in
6 and verify it later on, as opposed to presenting
7 a choice of using whatever methodology.

8 MR. FISHER: Sounds like that's the
9 message you're getting. We'll keep going around.
10 Leo.

11 MR. CULLOO: Again, I think there's a risk
12 in everything, but you mitigate it by taking
13 steps through your internal controls. So you
14 have a contract that specifies what they have to
15 do to be compliant. You also, in our case, our
16 TGRA sent a letter out to all the manufacturers
17 which we have area wide network, you will give us
18 written notice prior to doing a download or an
19 upgrade; you will give us 24 or whatever,
20 48 hours with the information on what it is and
21 what it's going to accomplish and their
22 signature, and then they get they go to the
23 machine and they do their signature. So I feel
24 we've mitigated our risk as best we can by taking
25 those three steps.

1 MR. MORGAN: I guess to conclude, what I
2 keep hearing is there is some misunderstandings
3 of how Class II systems work that exist in Indian
4 Country, so that probably could be addressed.
5 Two, you always have the ability through a
6 contractor, if you don't like the terms of the
7 contract, don't enter into the contract. Because
8 when you say do you have a choice, I don't get to
9 go in and say, you know, this is going to be
10 verified through a CD versus a flash. I mean,
11 it's a choice of do I want that game software and
12 is there an independent third party verifier
13 system in place that I can go in and check that.
14 I don't actually get to go in or -- I don't think
15 anybody gets to. I mean, I'm sure they take
16 people's opinion. But it kind of goes back to
17 how big are you. The bigger you are in the
18 industry, the more requirements that
19 manufacturers will bend to you, and that's just a
20 numbers game. When you're very small, you don't
21 have that leverage. When you're very big, you
22 have more leverage to get things done that fit
23 the way you want it to get done. But at the end
24 of the day, it's always a decision of do you want
25 that. Because if you don't want it, it just

1 doesn't come in your facility. And whether
2 there's a tribal government decision or an
3 operator decision or a regulator decision, if
4 everybody is not happy with it, it doesn't
5 happen. And, you know, as far as I know, I mean,
6 Class II servers have been running well since
7 '96, '97. And that's the reason I think a lot of
8 it is an educational effort that may need to take
9 place for people that don't quite understand the
10 setup of how this works.

11 Back to Brian's point, maybe schematics
12 would help make sure that people understand
13 exactly how that information gets from the
14 manufacturer to your game floor.

15 MR. FISHER: Okay. Nimish.

16 MR. PUROHIT: Just a follow-up general
17 question, then. It's relevant to this
18 conversation. Simply put then, you know, are the
19 current standards for signature verification that
20 we have, technical standards, are they sufficient
21 enough to address wide area networks? That's
22 pretty much what we're trying to get at here as
23 well in general. Okay.

24 MR. WILSON: We could vote on that.

25 MR. FISHER: You could make a

1 recommendation that says don't change it, it's
2 fine.

3 MR. MORGAN: Nimish, the one thing that
4 may help the Class II MICS, that's one area of
5 MICS that has gone forward from the Class III
6 MICS, but because they've never been made
7 effective, maybe once you get to that, maybe that
8 will address some people's concerns. There are a
9 lot of things that empower the regulator on the
10 Class II MICS than on the previous Class III
11 version.

12 MR. MCGHEE: Is that one of those
13 questions on your sheet that you wanted to ask?

14 MR. FISHER: Did you have other questions?

15 MR. MCGHEE: I'm saying maybe if that's a
16 specific answer they wanted, maybe it should be
17 some kind of a formal answer.

18 MR. LITTLE: We're not asking for a
19 specific answer.

20 MR. MCGHEE: You're asking for a specific
21 something. Whether we like it or not. Do you
22 want it on the record that we said we didn't like
23 it?

24 MR. LITTLE: No, that's not necessary.
25 This is a good -- it's a learning process for us,

1 and, you know, it's important we're making our
2 decisions and, you know. We go through that we
3 can, you know, Nimish will be very helpful to the
4 commission and these are complex issues. And
5 everybody doesn't know everything, but that's why
6 this group is so important.

7 MR. PUROHIT: These are questions that
8 come up both in training and consultation.
9 That's why we wanted to ask the TAC as well,
10 what's been your experience with that. That's
11 the main reason for asking these questions.

12 MR. LITTLE: Like I said, we're trying to
13 create a regulation that encompasses the entire
14 industry. And you guys are diverse. And it's a
15 tough task, a tough task that you all have and we
16 all have.

17 MR. FISHER: Did you have other questions
18 you wanted to raise now?

19 MR. LITTLE: I think the only other ones
20 are basically are there other areas that need to
21 be addressed that weren't raised.

22 MR. FISHER: So maybe we should just -- I
23 know there are some things up there that we said
24 we would cycle back to, but what if we started at
25 547.1 and see if anybody has anything that they

1 want to raise or question and go through it. Or
2 you want to start with those?

3 MR. MCGHEE: I would say based on my
4 experience with going that way, you start putting
5 out things that you never would have -- I mean,
6 it's giving the chance we shouldn't. To me, it's
7 your job on this committee to study that and know
8 that you have issues prior to coming. So I would
9 just say are there issues, like Kathi has done,
10 she has already named her issues throughout the
11 document that she had. Going line by line is
12 going to stretch it, and we'll be here all day.

13 MR. FISHER: I wasn't suggesting that.

14 MR. MCGHEE: Section by section, either
15 way. Just my suggestion.

16 MR. FISHER: This is an opportunity for
17 people to raise anything that they have in the
18 technical standards that hasn't been covered yet.
19 So whatever the best way to do that is, that's
20 how we should proceed.

21 MR. MCGHEE: Does anyone disagree with
22 what I'm saying?

23 MR. WILSON: No, I think it puts the
24 ownership on individuals that they should have
25 reviewed the document, and if they have an issue

1 with something, they need to bring it forward.

2 MR. FISHER: Where should we start?

3 MS. HAMEL: I have 547.7(c). We talked
4 about (c) as number one.

5 MR. FISHER: I have the published one on
6 here. Do you want me to pull that up?

7 MS. HAMEL: That's okay. Isn't it still
8 (c)? Submission, testing and approval. 547.7.

9 MR. PUROHIT: That's hardware.

10 MS. HAMEL: 547.4(c)(1).

11 MR. MCGHEE: Submission, testing, which is
12 still (c). So Page 10 of that document.

13 MS. HAMEL: It says the Class II gaming
14 system.

15 MR. FISHER: There's page -- there it is.
16 Right. Got it.

17 MS. HAMEL: (c)(1).

18 MR. FISHER: Right there.

19 MS. HAMEL: The Class II gaming system
20 cashless system, voucher payment system or
21 modification has been submitted to a testing lab.
22 It's my understanding that this goes all the way
23 back to systems, Class II gaming systems that add
24 their own ticketing, their own voucher system,
25 their own -- that maybe was not compatible. And

1 does this apply today to all cashless vouchers?

2 MR. MORGAN: My first is just a question
3 to you, Kathi. Are you referring to when Class
4 II systems first kind of came into the industry,
5 they were self-contained systems, kind of that
6 you could do everything in there; you didn't have
7 to have these different components and that kind
8 of came on later with Class III, is that what you
9 mean?

10 MS. HAMEL: Right. This is where it just
11 pops up in the document. All of a sudden, we've
12 lumped cashless system and now voucher system
13 into submission, testing and approval. And I --
14 I'm thinking it's something leftover from the old
15 days, but I don't think we submit these as part
16 of a Class II gaming system.

17 MR. WHEATLEY: You're talking about if
18 there's a third party ticketing system or
19 cashless system used, does that have to be
20 submitted?

21 MR. PUROHIT: I think it's an excellent
22 question, because I've been asked that a few
23 times by various, like, common, as they call it,
24 back-of-the-house system manufacturers. For
25 example, Bally, like, you know, if we have a

1 common back-of-the-house, do we require that to
2 be tested? Because it's not necessarily having
3 any interface with the Class II gaming system,
4 per se, only interfaces for ticketing, player
5 tracking, et cetera. And this, as I understand
6 it, was put in here for exactly what Kathi
7 pointed out, for those legacy systems that were
8 self-contained, as Matthew pointed out as well,
9 that had their own proprietary ticketing systems
10 where you could get a ticket like on Cadillac
11 Jack, print it out, you couldn't go and put it
12 into another gaming system's manufacturer and,
13 furthermore, you have to go to the cashier's lane
14 that had the Cadillac Jack window on there as
15 well. That's what this is geared towards. As
16 far as the standards right now and the intent, I
17 agree with you like the language is not
18 necessarily that clear, but the intent is that if
19 you do have that proprietary system which does
20 interface with all these other system components,
21 then that has to be tested as well. Anything
22 that's a common back-of-the-house beyond whatever
23 is outside of the self-contained system, that's
24 left up to the Tribal Regulatory Authority and
25 their systems' testing requirement which are

1 commonly known as interoperability testing. So,
2 for example, like, you know, Daniel, in your
3 jurisdiction, if you have like Bally 1, let's
4 say, and you have seven different system
5 manufacturers for Class II gaming systems,
6 whatever your requirement to be for that common
7 Bally 1 system manufacturer, they should submit
8 that to an independent test lab, and that should
9 be tested for specifically your seven systems and
10 diverse whatever you have and whatever your TGRA
11 requirements are. Kathi, go ahead. Oh, sorry,
12 Tom.

13 MR. WILSON: I was just going to say when
14 I pop back to the definition of Class II gaming
15 systems, and we talk about the definition, that
16 sounds like the definition takes into account all
17 of these components that what you're saying is
18 not intended in that statement. So it seems to
19 me that I have -- these are not very clear what
20 it doesn't include. Otherwise based on the
21 definition of Class II gaming systems, I think
22 what it's going to include that it includes all
23 of those things that Kathi is speaking to.

24 MR. PUROHIT: Kathi.

25 MS. HAMEL: My recommendation would be to

1 take out cashless system voucher payment system.

2 MR. MORGAN: Because you think that's
3 included already within a Class II gaming system?

4 MS. HAMEL: Right.

5 MR. MCGHEE: You're not really testing it
6 anymore. You don't think it needs to be written.

7 MS. HAMEL: Because it's part of the
8 definition.

9 MR. PUROHIT: Does the definition of Class
10 II gaming system need to be scrubbed a little bit
11 to make that clear that it's referring to the
12 proprietary accounting?

13 MR. WILSON: The definition says all
14 components, whether or not technologic aids in
15 electronic, computer, mechanical, or other
16 technologic form, that function together to aid
17 the play of one or more Class II games including
18 accounting functions mandated by these
19 regulations.

20 MR. PUROHIT: Is that straightforward
21 enough then?

22 MS. HAMEL: I think it is.

23 MR. FISHER: There's also a definition of
24 Class II game, which is used in the Class II
25 gaming system definition.

1 MR. WILSON: Above it is Class II game,
2 but it refers to --

3 MR. CULLOO: Class II gaming system.

4 MR. MCGHEE: Do we need to do anything
5 about it?

6 MR. WILSON: We're going to recommend
7 removing that. I think we should test it.

8 MR. FISHER: The proposal is -- are you
9 removing it from one or are you removing it --
10 because it's also right there.

11 MS. HAMEL: It I think it should be
12 removed from all references.

13 MR. FISHER: Okay. Do you want to state
14 what the proposal is?

15 MS. HAMEL: Sure. I'm recommending that
16 any reference to cashless or voucher systems
17 associated with Class II gaming system be removed
18 from the regulations. Because the definition
19 encompasses those functions, those components.

20 MR. PUROHIT: And are you also
21 recommending removing definitions for that,
22 because there is definition for cashless system,
23 there's a definition for elite voucher or voucher
24 system as well, for both of them.

25 MS. HAMEL: Those are components. Maybe

1 used -- we'll have to see where it's used.

2 MR. MCGHEE: If it's not used anywhere
3 else in the document, then, yeah, but we don't
4 know.

5 MS. HAMEL: If it's not used, I would
6 recommend removing the definitions. And I know
7 they reside in the MICS.

8 MR. WILSON: We're ready to apply it.

9 MR. MORGAN: While he's writing one point,
10 if you take that out probably from y'all's
11 perspective, I refer to that every now and then,
12 that the inoperability testing part of that will
13 have to become bigger in your training and
14 technical assistance programs. Because that is
15 that secondary component. It's important that
16 takes place that not actually required as a
17 technical, you know, that you want to be
18 certified and it runs correctly based on what you
19 submitted. Now whether it runs correctly in your
20 facility or not, it's not what the technical
21 standards are.

22 MR. MCGHEE: Put part of the system as
23 defined, so you still have to test the whole
24 gaming system.

25 MR. MORGAN: I do inoperability testing at

1 my place because I want to make sure it runs
2 best. I don't use an independent testing lab for
3 inoperability. We do that ourselves. I just
4 want them to stress that it's still important
5 that that's probably the easier, best standard
6 that you do that, no matter where you get that
7 done, but I don't need that as a requirement in
8 the technical standards that inoperability is
9 done. You have to say does ACSC work. Yes.
10 Does Cadillac Jack's version of this game work
11 the way you get the signature. That doesn't say
12 does Bally 1 work with Cadillac Jack on Poarch
13 Creek's floor in the correct manner. That's not
14 what the lab will certify to. Unless you bring
15 the lab to the floor and you send them
16 configuration, and that's additional costs and
17 tests as opposed to what you're testing. I think
18 that will add confusion, especially for newer
19 people if they think I can send it to a lab and
20 I'm good to go on my floor. That's not actually
21 the case.

22 MR. MCGHEE: Maybe you want to make
23 reference to somewhere, you know, which would
24 include?

25 MR. MORGAN: I think that's something for

1 them on training that they need to pick up on
2 training, not anything else.

3 MR. CULLOO: You left the word "gaming"
4 out of the Class II.

5 MR. PUROHIT: Does the Class II MICS have
6 any reference to a ten point test?

7 MS. HAMEL: It's not specific, but there's
8 reference and there's some guidance documents
9 that talks about testing.

10 MR. FISHER: Did I get that right? Did I
11 get that as you intended? Kathi?

12 MS. HAMEL: Yes.

13 MR. FISHER: Shall we test it? So if
14 everybody is -- if you support and agree with
15 this recommendation and yellow up on the screen,
16 raise your hand.

17 (All hands raised.)

18 MR. FISHER: Okay. All right. Great.

19 MS. HAMEL: Same section, 4(1)(b), we're
20 talking about submission, testing and approval.

21 MR. FISHER: 547.4(c).

22 MS. HAMEL: 4.

23 MR. MORGAN: (a)(1).

24 MS. HAMEL: Right there.

25 MR. FISHER: Yep. I got there.

1 MS. HAMEL: (b).

2 MR. FISHER: Page 11.

3 MS. HAMEL: Okay. We've struck 542.

4 We've agreed to strike 542, and then there's
5 reference on (b) -- let me see. The following
6 will receive the testing report. Any applicable
7 provisions of 543 of this chapter that are
8 testable by the testing laboratory.

9 MR. FISHER: So that provision right
10 there.

11 MS. HAMEL: Is that specific enough of the
12 types of functions that need to be tested? Or
13 does that leave an operation with TGRA left to
14 say, okay, well, they should have tested player
15 tracking?

16 MR. MORGAN: It's definitely a catch-all
17 provision. I'll agree that is the intent. It's
18 kind of like we don't know what's out there, so
19 we're going to give you this broad language so
20 you can interpret it as a catch-all.

21 MS. HAMEL: That's why I bring that up,
22 because it's very, very broad and it could be
23 left up to interpretation and there could be
24 interpretations that important functions are not
25 tested. So does the TGRA determine what's

1 testable, or does the laboratory determine what's
2 testable, or the manufacturer?

3 MR. PUROHIT: I think the lead-in just
4 says TGRA therefore shall require the hardware,
5 software, manufacturer. Number 2, itself, the
6 regular number 2, not the Roman numeral, is that
7 -- I mean, is there confusion in there saying
8 that the TGRA is going to require that whatever
9 the following the Roman numeral 2, any hardware,
10 software that they are putting in. And the way I
11 would read that is if the TGRA wants any of the
12 further tests on there, they can require the
13 manufacturer submits something to an independent
14 test lab.

15 MS. HAMEL: Okay.

16 MR. PUROHIT: That's the intent. Is that
17 not clear in there?

18 MS. HAMEL: Well, it's vague. So I'll
19 just throw that out there, that it's not clear.
20 And what specifically -- even though there may be
21 changes in technology, there are some -- some
22 minimum requirements.

23 MR. MORGAN: I kind of have a thought, and
24 I'm not for sure what the recollection was.
25 Brian, your contract that you brought up --

1 because at one time when you started doing all
2 these contracts and the MICS started requiring
3 you to put a statement in there saying you're
4 going to follow all the tribal rules and
5 regulations, that that was a requirement when you
6 signed contracts with them. They wanted to see
7 that, whether this is development contracts or
8 participation contracts, they wanted to see
9 those. That's what that reminds me of, is that
10 TGRA, now you have to say, yeah, it was tested to
11 everything and you're telling us that it's still
12 good. I'm not for sure where the origin comes
13 from of that statement, but that's what that
14 reminds me of, is that type of statement from the
15 commission coming down that we want to make sure
16 that you agree that it was tested to everything.
17 Kind of who's on the hook for doing it, you know.
18 Kind of get -- they want to look to TGRA, we want
19 to look to operation, operation wants to look to
20 the manufacturer, manufacturer wants to look to
21 the lab. And that's that big catch-all provision
22 to say, hey, you did everything you were supposed
23 to do.

24 MR. WILSON: So the risk seems like -- the
25 concern is that the TGRA would not -- I mean,

1 you're comfortable that there are certain things
2 that no matter what, all things considered, need
3 to be tested. And that the TGRA, if they don't
4 -- if they don't know that, then just by not
5 spelling out some minimum, I guess, that the risk
6 is that certain things don't get tested that in
7 fact always should be tested. And this is
8 inherent risk, I suppose, in any language where
9 we talk about, you know, the catch-all, the
10 applicables. Because then it begs the question,
11 well, what's applicable, and are there some
12 things that are absolutely applicable no matter
13 what versus things that jurisdictionally may or
14 may not be applicable.

15 MR. MORGAN: You worry when you start
16 being specific that you're going to miss
17 something. So the way you guard against that is
18 you make a catch-all provision to make sure that
19 whatever is applicable or whatever you deem
20 appropriate is caught. Because if we start going
21 down and listing A, B, C, D, E, and somebody made
22 a mistake and we missed F, G, H, now we didn't
23 say it. Well, this is the way that we say it.
24 And some of these things may be, from a lab's
25 perspective, when you test what does BMM test

1 versus what GLI tests versus Eclipse versus
2 whatever lab you may use, because they all have
3 their scripts that they use to run through. But
4 I don't know what each script says for 547.

5 MR. WILSON: But maybe the issue is that
6 -- I mean, what I hear Kathi is saying is that
7 there needs to be guidance so that the
8 interpretation of this is understood that, you
9 know, by gosh, there are certain things that me
10 as a regulator, that I need to make sure are
11 tested for. And so that if there's some
12 guidance, for example, or something along that
13 line, I mean, that's the concern, yes?

14 MS. HAMEL: Absolutely.

15 MR. MORGAN: I would agree from the point
16 it's -- if your concern is something that's
17 absolutely necessary -- because, again, when we
18 talk about technical standards from a federal
19 level, you're really talking always about
20 minimum. And so if it's absolutely necessary
21 industry standards across the board, yes, we
22 should include it. But if it's something that
23 may be more specific localized, it may be
24 localized in a region, it may be localized at a
25 local level, it may not be appropriate that you

1 expand upon that here. Because we're talking
2 about federal minimum testing requirements for
3 manufacturers, and that's where I always go back
4 to the question of who's not understanding. If
5 that's from a regulator's view, I like to have
6 some leeway sometimes that I don't want to have
7 everything so black and white that this is all
8 you have to do because then you'll get in
9 arguments with other components, whether it's
10 operations or manufacturers. I don't have to
11 test to that because this is what NIGC says I
12 have to. You can always take the additional test
13 and add to them, but sometimes there are some
14 political structures getting that done. So
15 sometimes you want that ability to make an
16 interpretation at a local level. So my question
17 would be if we're missing something, what is it
18 here that we're missing that is a minimum federal
19 testing requirement? Because I don't know what
20 it is. And you're probably seeing something I'm
21 not seeing.

22 MS. HAMEL: I don't have specifics, but I
23 would just say that it is very general and it's
24 very broad. So if the determination then resides
25 with the TGRA, and our TGRA contacts the

1 manufacturer and say we want it tested and then
2 the manufacturer says, well, nobody else wants
3 that tested, that will be the push-back. You
4 can't ignore that that doesn't happen.

5 MR. MORGAN: Which we hear a lot.

6 MR. CALLAGHAN: The challenge we have here
7 by getting into specifics is how many years in
8 the making has this been. Matt, you discussed
9 the Nevada model. The industry can get together
10 and say we've got something new out here, a new
11 widget, we want a regulation written towards
12 this. Unfortunately, they don't have that
13 option. So we may be better served having it
14 broad, deferring to TGRA. And I've heard of that
15 before, nobody else asked for that. Well, guess
16 what? We do. If you don't, I have the ability
17 to say if it goes on the floor or doesn't.
18 Sometimes you can be surprised what can be
19 tested. So I think we may be better served
20 instead of drilling this thing down in today's
21 environment to be a little more broad to
22 encompass computerized aided changes that the
23 NIGC in the beginning, they thought computer was
24 old. Now it's super computers.

25 MR. MCGHEE: I think it's important that

1 we clear it up, because I know there's like six
2 references to that same line throughout this
3 chapter. But I like how it's done because, for
4 one, it says applicable provisions, and then it
5 says and that they're testable. The only thing
6 that I would consider adding, which is something
7 you mentioned, because you had said that they can
8 claim I only have to test to this. And you as
9 TGRA may say, yeah, but I also want to test to
10 this. Nowhere does it say. When it says part
11 543 of this chapter that are testable by the
12 testing laboratories, so it only refers to what's
13 in here. If anything, it should say, And any
14 other requirements by the TGRA to compound upon
15 that.

16 MR. PUROHIT: That's part 3 underneath it.

17 MR. MCGHEE: It doesn't do part 3 -- over
18 here it says that you test for something
19 different than it says over here. So it doesn't
20 say in every reference. In all six references,
21 it isn't stated that I saw. But in here, it
22 doesn't mention the TGRA part that I know of.
23 Where she's talking about, it's just the first
24 one of six. Same references.

25 MR. WILSON: You're saying that that

1 reference (c) is missing from the other places
2 where that same reference is used?

3 MR. MCGHEE: Well, I mean, he just pointed
4 it out that it's there. But I don't see that (c)
5 somewhere else. If I'm looking at it, it may be
6 further down into somewhere, but --

7 MR. MORGAN: Daniel, remember, we had this
8 conversation in the Tribal Gaming Work Group, and
9 the way we addressed it in the MICS section is we
10 had that boiler plate language which started
11 every section which ultimately gave decision
12 making to the TGRA, whatever the TGRA says.
13 That's the way we addressed it in the MICS. But
14 we did not do that in the technical standards.
15 Because we were worried at least at that
16 discussion if we try to say it everywhere you
17 want to, we're going to miss a place. So we're
18 going to bring it up and make it a catch-all
19 statement. But we only did it in the MICS. I
20 don't know if we just didn't think about it in
21 the techs or not, but that is what happened
22 there.

23 MR. MCGHEE: Maybe we need a preamble to
24 the technical standards.

25 MR. LITTLE: Is there, like, a broader

1 concept that could be a recommendation that as we
2 go through this, the commission does ensure that
3 throughout the document --

4 MR. MORGAN: For Class II purposes, I
5 think that the tribe as the primary regulator
6 concept needs to be up front somewhere up there
7 because that's different from your Class III and
8 you're dealing with the compact with the state
9 and that's what governs you. In the Class II
10 world, you get to monitor oversight, very
11 specific powers set forth in IGRA, the primary
12 regulator in the hands-on day-to-day stuff is
13 left to at a local level, the TGRAs. If you want
14 to put a statement in somewhere, that would be my
15 suggestion that you put that up there because
16 that does empower the TGRAs to make sure that
17 they understand that you do have that authority
18 and that kind of gives notice to everybody else
19 that is where that authority lies, at least in my
20 opinion, properly lies.

21 MR. PUROHIT: It's in the current preamble
22 like in the Federal Register, it starts off with
23 that, and throughout leading into the technical
24 standards there as well, when you take a look at
25 the thing. Are you saying maybe put it in 547.1

1 or 2?

2 MR. MORGAN: You have to remember, the
3 preamble, once you publish it, it goes away. So
4 you have to go back to the day of publishing the
5 Federal Register to read that language again.

6 MR. CULLOO: Maybe it goes in the
7 definitions section, that statement?

8 MR. MCGHEE: Where we put it in the MICS
9 is at the beginning of each major section as a
10 statement that says, for instance, subject to the
11 approval and oversight of the TGRA, each gaming
12 operation shall establish, implement and adhere
13 to internal control policies, and then when you
14 get into computer applications, the same blanket
15 statement of the TGRA has that approval, and we
16 put it at the beginning of each section as a
17 catch-all. And maybe if we did something similar
18 that's in the technical standards, we fix it.

19 MR. PUROHIT: Do you mind pulling up
20 547.2? It only reads right now that nothing
21 shall be construed to extend the state
22 jurisdiction over Class II gaming, or something
23 along those lines. Matt, is that what you're
24 thinking or --

25 MR. FISHER: You mean right here?

1 MR. PUROHIT: Yeah. That's not a
2 preamble. That is actually the section itself in
3 the beginning of the --

4 MR. MORGAN: I'm thinking if I can get the
5 NIGC to say that in a federal regulation, I'm
6 very happy if they actually make that statement
7 in writing somewhere that recognizes that.
8 Because it's bantered about. You do hear that a
9 lot in the Senate report. You know, just like
10 we're talking here, when you start talking about
11 being specific versus why that maximum
12 technological flexibility. But I didn't actually
13 look at a part to see where that goes. That
14 statement currently in 2 is very important
15 because you want to make sure that, you know, the
16 Class II is different from Class III, and the
17 negotiated compact you have with your state don't
18 interfere with your right to do Class II, unless
19 you negotiate that away somehow in the contract.
20 So I don't really know where you want to put it,
21 but if you're willing to put a statement in
22 there, I am willing to look to where the proper
23 place is.

24 MR. MCGHEE: Okay. I vote him go do that.

25 MR. LITTLE: I would I think it would be

1 appropriate for them to put this into a
2 recommendation.

3 MR. FISHER: Okay. I started to craft it
4 the way I heard it. It's now sitting in the --
5 as a part of 547.2. So how do you want to frame
6 this and do you want to recommend where to place
7 it or how do you want to do this?

8 MR. MCGHEE: Could we do like we did where
9 we ask Nimish, we three came up with here's what
10 we want you to say and maybe ask --

11 MR. FISHER: Come back to the group after
12 lunch.

13 MR. MCGHEE: Yeah, maybe Matthew and
14 whoever wants to come up with some language.

15 MR. FISHER: Okay. So actually -- so
16 who's volunteering to do that?

17 MR. MCGHEE: I think I volunteered.

18 MR. FISHER: So who wants to work with
19 Matt on it?

20 MS. HAMEL: I will.

21 MR. MCGHEE: Only because you brought up
22 that concern.

23 MS. HAMEL: I'll do it.

24 MR. FISHER: By my clock, it's 10:15. We
25 are scheduled to have a break around 10. Do you

1 want to take a break? And if we take a 15-minute
2 break and start up again at little like after
3 10:30.

4 (Recess taken at 10:16 a.m. to 10:37 a.m.)

5 MR. FISHER: Okay. What's next on the
6 list? If I go back to this list, you want to
7 pick up right there? Or were there other things?

8 MS. HAMEL: No, I think 12 is good.

9 MR. FISHER: Let me find that in here.

10 MS. HAMEL: I think generally in 547.12,
11 without being real specific, that there's many of
12 the regulations for technical standards are
13 really procedures, and that either it needs to be
14 a technical standard that says the system must be
15 able to do this or the procedure needs to be
16 moved over or reinforced in the MICS.

17 MR. FISHER: 547.12.

18 MR. PUROHIT: Is that like generally the
19 section as a whole seems to have more of a --
20 should be kind of like transported away some of
21 the non-technical standards into the MICS?

22 MS. HAMEL: Right. And I think yesterday
23 we just touched on one point that was in the TGWG
24 document, and changed it to make that comment, to
25 change that, but there's many references that

1 need either to be moved to the MICS or turned
2 into a technical --

3 MR. PUROHIT: You're not saying in its
4 entirety, only the non-technical standards
5 aspect? For example, what we covered yesterday
6 in the summary was 547.12(b), the verifying
7 downloads part. And the consensus, the
8 recommendation that was adopted is that just
9 removing -- using any method it seems
10 appropriate, the TGRA shall confirm the
11 verification. Does that part remain in the MICS,
12 but the remaining part stay in there, downloaded
13 software on a Class II gaming system shall be
14 verified by the Class II gaming system using a
15 software signature verification, meeting the
16 requirements of 547.8?

17 MS. HAMEL: Shall be verified by, right.
18 That's what we changed to.

19 MR. PUROHIT: Right. So language like
20 that is okay because it's requiring the technical
21 standards and the design aspects of it.

22 MS. HAMEL: Yes, and anything that's
23 procedure, we need to make sure it's addressed in
24 the MICS. And I believe that's in the server --
25 the new section used to be called ID and server.

1 MR. MCGHEE: So should we -- Kathi, do you
2 have the specifics pointed out, or should we make
3 a general statement recommendation that that
4 section be looked at to be made less procedural,
5 is that what we should do?

6 MS. HAMEL: That's what I think we should
7 do.

8 MR. FISHER: How do you want to phrase
9 that?

10 MR. MCGHEE: That the Section 547.12 be
11 reviewed by -- to be made less procedural and
12 more technical, I guess, or made more regulatory
13 -- or statute. I need a legal guy. I'm looking
14 at Matthew over there, and he's like --

15 MR. MORGAN: I agree with your general
16 thought. Because I think at least what I hear
17 you say, to put it very simply, technical
18 standards should be technical, and procedural
19 should be internal controls. So review it to be
20 sure that you've pared down the procedurals as
21 minimal as possible and see if you can make those
22 procedures transfer over to the MICS.

23 MR. MCGHEE: Or either reword them to be
24 technical. Because if you put them over into the
25 MICS, it will affect us later when we try to do

1 the MICS and it will be there. I think most of
2 it could probably be reworded to be -- like we
3 did yesterday.

4 MR. PUROHIT: Can I ask Kathi and Mia and
5 anyone else that had this recommendation, just
6 like a real quick example, in addition to the one
7 that we covered, so we kind of get a --

8 MS. TAHDOOAHNIPPAH: I mentioned yesterday
9 (a)(6), the Class II gaming system or TGRA shall
10 log each download of any --

11 MR. PUROHIT: Like strip the TGRA part
12 from it? The Class II gaming system is still
13 going to have that log, right, and that's going
14 to be something that will be tested at the lab
15 and designed into the standard. So from like
16 any -- what would you -- like --

17 MR. MCGHEE: We made a change, did we not?

18 MR. PUROHIT: To (6)?

19 MR. MCGHEE: We said shall be capable of.
20 You could probably do the same thing there. Kind
21 of create a new procedure would be that the TGRA
22 would --

23 MS. HAMEL: Number 2 is a procedure.
24 Downloads of software games, price schedules or
25 other download packages shall be conducted only

1 as authorized by the Tribal Gaming Regulatory
2 Authority.

3 MR. MORGAN: Daniel, the wording I have
4 there, you say "capable." What happens if a
5 system is not capable? Because I think the
6 thought process there in the group discussion was
7 we think it needs to be done, and if this is one
8 area, if you can't do it automated, then you
9 manually need to do it in this one instance.
10 Because it's important that that information get
11 logged. If you say has to be capable of, you've
12 taken away that option to manually do that.
13 You're saying that system has to be able to do
14 that, and that's a design requirement. That may
15 be where you want to go. I'm just pointing out
16 the differences in that.

17 MS. HAMEL: Maybe that whole section
18 should be in the MICS, because we've talked about
19 in the MICS that there are computer applications.

20 MR. MCGHEE: But what you're going to find
21 in the MICS is a general statement probably that
22 will say regulations need to be in place that
23 would allow conducting of -- where's that one
24 about the -- that would allow the conducting of
25 logs to be downloaded, whatever. It's going to

1 say something like that. It's not going to tell
2 you the TGRA should do it or who should do it.
3 That's going to be up to you. So what you want
4 here just in the technical standards is just that
5 somehow or another, you should be able to get --

6 MR. MORGAN: That may be the issue with --
7 Leo just brought up the system may give you that
8 information, but it doesn't contain the
9 functionality to maintain that information, and
10 that's the manual part that as the information
11 comes across, you may have to log it. It does do
12 that, but it doesn't retain that ability stored
13 somewhere that this is what happens.

14 MR. FISHER: So I if go back up here,
15 that's the way I heard the general
16 recommendation. Let's just see if that captures
17 it.

18 MS. HAMEL: So did you want to make a note
19 in each one that what we think is procedure
20 versus technical?

21 MR. FISHER: If that would be useful, yes.

22 MS. HAMEL: So I would say right there,
23 (a)(1), downloads, is technical. Do you want to
24 put it at the end of (1)?

25 MR. FISHER: Yep. We can do it that way.

1 MS. HAMEL: Number 2, I believe is -- is
2 it procedural and it needs to be --

3 MR. MCGHEE: 3 is technical.

4 MS. HAMEL: 3 is technical. 4 is
5 procedural.

6 MR. PUROHIT: 4 is something that can be
7 tested in a lab environment. It has to stay
8 behind the scenes. It can't go directly to the
9 terminal. So from that perspective, I see that
10 as a technical test as well.

11 MR. MCGHEE: Because it's something you
12 need the manufacturer to know, not the regulator
13 to --

14 MS. HAMEL: For 4?

15 MR. PUROHIT: Right.

16 MR. CULLOO: Why would they do a download
17 without contacting operations. That's up to TGRA
18 to define how that occurs, that download, when
19 and where.

20 MR. MORGAN: But the technical aspect of
21 it is it cannot download something onto a
22 terminal. But it's resides there until I say
23 make it operational. Does it have that
24 capability to do that. Because they push the
25 data out there, but it may not change until

1 internal control-wise you give proper
2 authorization that, yes, that now can be played
3 by the public. And that's a design feature that
4 they need to have that capability to be able to
5 push it, but not affect the game play as
6 currently.

7 MR. MCGHEE: In other words, not be
8 capable of being --

9 MR. PUROHIT: The operational period part
10 makes it procedural, right?

11 MS. HAMEL: Yeah.

12 MR. PUROHIT: What I was saying is that
13 the manner that we want to check the game play,
14 that's something -- I think this is one of those
15 gray areas that needs to be cleaned out.

16 MS. HAMEL: Okay. I think 5 is technical.
17 6 is procedural, that whole 6.

18 MR. FISHER: I think I'll put it right
19 here. That's it.

20 MS. HAMEL: And then on (b) --

21 MR. WHEATLEY: Isn't that what we fixed?

22 MS. HAMEL: We changed it to be capable
23 of.

24 MR. FISHER: Yes. And then that's it for
25 12. All right. So let's go back up here to

1 this. Matt and then Daniel and then Leo.

2 MR. MORGAN: I just had a question on 6.
3 Procedural, what is your idea to change it?
4 Because while I do agree that the aspects of it
5 is procedural, some of those are designed -- at
6 least I see them as design requirements that
7 manufacturers need to go -- and hopefully I'm
8 trying to get to the point, I guess, you're
9 changing the language there, you're not actually
10 removing that language; is my understanding
11 correct?

12 MR. MCGHEE: I think the part of the
13 sentence is technical. I think where you start
14 with each log record shall contain, and then all
15 those things it has to contain is the technical
16 portion. Because you're saying your system has
17 to be able to do this. It's just the first
18 sentence that might be procedural. Is that
19 your -- do you agree?

20 MS. HAMEL: Well, what if the system
21 cannot -- is it a required regulation?

22 MR. MCGHEE: He's saying it's required
23 that they make sure they do that.

24 MS. HAMEL: We're saying it's a log, but
25 if your system doesn't create this log --

1 MR. CULLOO: Is this a manual log, is this
2 an electronic log?

3 MR. PUROHIT: It's something that's kept
4 behind the scenes that can be monitored by your
5 IT staff.

6 MS. HAMEL: Matt, what you brought up is
7 real, that it may not stay in the system forever,
8 that it probably is --

9 MR. MORGAN: It could get purged at some
10 point.

11 MR. FISHER: Do you want to note this one
12 has both technical and procedural elements to it?

13 MS. HAMEL: Sure.

14 MR. FISHER: Let's go back up and look at
15 the recommendation and see if that captures it in
16 a way that -- get rid of this. So that's the --
17 does that capture it for -- I guess let me take
18 the cards that are up and come back and check
19 that.

20 MR. CULLOO: A lot of the questions we're
21 asking NIGC to do something, so how can we expect
22 the response to come? Are we going to get to see
23 something sent to us and look at it and review it
24 one last time or --

25 MR. LITTLE: These are recommendations.

1 Probably not.

2 MR. CULLOO: What you advise us with the
3 recommendations that we completed it and it's
4 available for review?

5 MR. FISHER: You could make the
6 recommendation -- instead of recommending that
7 they review it, you could recommend that they do
8 it, right? So instead of saying review by NIGC
9 to be more technical, it's that you would
10 recommend that this provision be changed to be
11 technical rather than procedural, and that you
12 move the procedural things so you've -- it's what
13 you have up there, but it's a direction rather
14 than a request for a review, is what I'm trying
15 to say.

16 MR. MCGHEE: Maybe it would be more
17 beneficial, if your concern is what will it end
18 up looking like, is to actually either we fix it
19 now or a subgroup get together and makes a
20 suggestion and brings it back to the table for us
21 to agree on.

22 MR. LITTLE: That's probably a better
23 method.

24 MR. FISHER: Okay.

25 MS. HAMEL: I'll help however I can.

1 MR. FISHER: So wait. Now we got multiple
2 things going, so now I got to track it. Who's
3 going to -- so I can track who's going to bring
4 back what to the group, so who's going to work on
5 this? Mia and Kathi.

6 MS. HAMEL: Matt, do you want to help?

7 MR. MORGAN: I'll help, yeah.

8 MR. FISHER: Then you can do 547.2 at the
9 same time.

10 MS. HAMEL: Leo, too.

11 MR. FISHER: I'm going take this one out
12 because I'm tracking this by what ends up with
13 the recommendation in yellow so I can come back
14 to that if that's the way you decide to proceed.
15 Okay. Anything else on 547.12 before we move to
16 the next one?

17 MR. MCGHEE: How are they going to bring
18 it back? Because he's already working at lunch
19 on something else.

20 MR. FISHER: I thought maybe they could
21 work on both of them.

22 MR. MCGHEE: Okay. I could be added to
23 the group and then --

24 MR. MORGAN: You got drafted.

25 MR. FISHER: So in response to Daniel's

1 question, when will you bring this back to the
2 group?

3 MR. MORGAN: When we are finished.

4 (Laughter.)

5 MR. MCGHEE: We hope to be done after
6 lunch.

7 MR. FISHER: When should the group check
8 with you on how you're doing?

9 MR. MORGAN: We should probably have
10 something after lunch to report back. I would
11 guess after lunch. We thought we got a good shot
12 at it. Or if not, it may take a little longer,
13 and we may need tonight.

14 MR. FISHER: That's good, because we are
15 working on the goal of completing the technical
16 standards today.

17 MR. MORGAN: We will work hard to finish
18 this at lunch.

19 MR. FISHER: Thanks.

20 MR. LITTLE: I think Nimish has some free
21 time over lunch.

22 MR. FISHER: You're volunteering technical
23 assistance?

24 MR. LITTLE: On the second group, not the
25 first one.

1 MR. MCGHEE: You can sit at a table next
2 to us.

3 MR. PUROHIT: I'll go in a corner in the
4 time-out mode when you discuss the first one.

5 MR. FISHER: All right. So if I flip back
6 here, 547.14(f). And let's see, trying to go
7 there, to (f).

8 MR. WHEATLEY: I thought we finished that
9 yesterday.

10 MS. TAHDOOAHNIPPAH: Did we finish the
11 summary document, is that what we're on?

12 MR. FISHER: It was something on my list
13 as to whether --

14 MR. WHEATLEY: It was the algorithm.

15 MS. HAMEL: I thought we finished that.

16 MR. FISHER: So much for my list. We
17 actually did. So here's what I have on my list.
18 We did (f)(4), but what I have on my list was
19 (f)(1), this part. Is there anything we need to
20 do with that, or is that okay?

21 MR. MCGHEE: I don't know where that came
22 from.

23 MR. FISHER: Okay. All right. So --

24 MR. PUROHIT: I think that was the fact
25 that there was an example in there. That was

1 Kathi's question, that that's the first time that
2 there was an example.

3 MR. CULLOO: But there's not an example.

4 MR. WHEATLEY: There's not an example.

5 MR. MCGHEE: It was be independent and
6 uniform over the range.

7 MR. PUROHIT: That's the only thing I
8 remember from yesterday that I don't know if we
9 resolved or not.

10 MR. FISHER: Okay. So then that was
11 everything, Kathi, that you raised yesterday and
12 that Mia raised. So, Tom, you said you had
13 something else you wanted to raise?

14 MR. WILSON: Yeah, I just -- it's not a
15 concern. I want to understand the definitions,
16 the term "agent" is used. And, you know, that
17 has a lot of different meanings, different
18 places, so I'm just -- I'd like to understand
19 first before I decide if I've got an issue or not
20 as to the rationale for using that particular
21 term as generic to anybody who's an employee.
22 Basically it sounds like anybody who is assigned
23 some functionality dealing with this is
24 considered an agent for purposes of doing
25 something.

1 MR. MCGHEE: I think we used it anywhere
2 an employee was.

3 MR. MORGAN: Not necessarily. It was --
4 it was meant as a catch-all phrase, one. And try
5 not to unnecessarily force you to do something
6 that is within your operation you wouldn't
7 normally do. So we tried to not say a particular
8 employee. We tried not to say a particular
9 department. Our point was that somebody has to
10 be authorized to do that. They can't do it if
11 they're not authorized. Whoever that authorizing
12 entity may be depending on what your subject is.
13 You have to be authorized, one, and at least when
14 we get into -- especially on behalf of the MICS
15 side of it. Two, it was very important that
16 whoever is performing the action is not the same
17 group that's verifying that that took place; that
18 that independence is established. But we got
19 into large discussion because, you know, for
20 example -- and it really bleeds over to the MICS,
21 and I apologize -- is that when you get into
22 bingo, when you say this department shall check
23 this, what if you don't have that department? Or
24 what if within function, what if your internal
25 auditors are actually contracted out and they're

1 not internal; you can't say the internal audit.
2 It would just be whoever is that agent. So it is
3 meant to use as a catch-all, and it can be
4 various meanings depending on what section --

5 MR. MCGHEE: It can also be computer
6 applications, according to -- the definitions
7 said this definition permits the use of computer
8 applications to perform a function of an agent.

9 MR. MORGAN: If that function was
10 automated and that has become, in fact, your
11 agent, because we had several groups that
12 participated that said basically we've automated
13 all this function, and the only reason that we
14 actually produced this paperwork and have that is
15 because your requirements tell us we have to. So
16 it's an audit function. From an efficiency
17 standpoint, we don't need it anymore. We have an
18 automated person or functionality that does that.
19 But for what you tell me I have to do, I have to
20 pay something to follow up on that now. And,
21 again, trying to be flexible.

22 MR. MCGHEE: We didn't want to use a
23 person because of the computer program. It could
24 be something else. So that's why.

25 MR. MORGAN: For me, at least, in those

1 conversations an important part was an agent has
2 to be authorized. If you're not authorized, you
3 know, you cannot do that. And that is that
4 lynchpin that really gets you there. Somebody
5 has to authorize you. And of course the people
6 that authorize you have to be in that position in
7 order to do that. But it is a catch-all phrase
8 that was meant to broaden the fatal options to
9 your -- at a local level and say how do you get
10 this done. And, again, it may have more
11 applicability on MICS than on the technical
12 standards, but there are places in both documents
13 where that -- and we tried to make that, I think,
14 be consistent since we used that term in both
15 documents. We tried to make it as consistent as
16 possible. It may be a very poor job explaining.

17 MR. WILSON: No, it makes sense now. I
18 just had never seen that term used in the way
19 that you're using it, so I wanted to understand.

20 MR. LITTLE: We had a lot of questions
21 regarding -- not a lot of questions. We did have
22 some -- we did wonder what was meant by that.
23 Could an agent include a non-employee, which
24 may --

25 MR. CULLOO: Contractor.

1 MR. LITTLE: Yeah.

2 MS. TAHDOOAHNIPPAH: Throughout the
3 document there is the word "employee" used, so it
4 isn't consistent. And then so it never defines
5 an employee, but it does refer them in several
6 parts of 547 --

7 MR. PUROHIT: 547.7(g). That's the one
8 that we talked about.

9 MS. TAHDOOAHNIPPAH: (g). There it just
10 uses the word "agent," but then on (f), it says a
11 gaming operation employee or agent. And then --

12 MR. MORGAN: To be quite honest with you,
13 that was probably a discussion that, as Dan said,
14 his concern is who can it be. It could be an
15 employee, but we probably had somebody making an
16 argument that I want employee to stay, and you
17 had another part of the group saying that, yeah,
18 but we could task that out somewhere else. So
19 the compromise of the group was, fine, we'll use
20 employee or agent there.

21 MR. WILSON: Is the presumption, though,
22 that an authorized person -- where it says that,
23 you know, as approved by the TGRA. Approval in
24 my mind means that that's somebody that needs to
25 be licensed.

1 MR. MCGHEE: Not necessarily. A list
2 provided, which means people that can do this
3 function and you agree as a TGRA that, yes, that
4 his position or title of those people are --
5 should be authorized instead of putting every
6 employee on the list.

7 MR. MORGAN: It may depend on what you
8 deem to be licensable at your place. If you deem
9 this group to be licensable, they may need to be
10 licensed. But if you deem another group who
11 maybe performs a function that is non-licensable,
12 that doesn't necessarily trigger it has to be
13 licensed. That is your choice on almost whether
14 that trigger is a licensing and the issuance of
15 that.

16 MR. FISHER: Mia and then Nimish.

17 MS. TAHDOOAHNIPPAH: I would just suggest
18 that the definition somewhere include an
19 employee, and if not, then take out the word
20 "employee" throughout the document and just use
21 "agent."

22 MS. HAMEL: Can you search for employee?

23 MR. FISHER: Yes.

24 MR. PUROHIT: Go to 547.7(f). That has
25 employee and agent listed there.

1 MR. MCGHEE: I'm curious how many places
2 it's used. It might give us an idea as to why it
3 was --

4 MR. WILSON: Looks like the original
5 definition of agent included that it meant an
6 employee or somebody else, and then that was
7 struck out.

8 MR. FISHER: You want to go, Nimish, to
9 547 --

10 MR. PUROHIT: 7(f).

11 MR. FISHER: Take me a second to get down
12 there. There you go.

13 MR. PUROHIT: That's got an employee or
14 agent as Mia was saying. My concern is when you
15 include computer applications in general or
16 software in general, does that kind of like
17 conflict with this definition? I mean, the
18 storage component requirements and the financial
19 instrument. Because in essence you're saying
20 it's not designed to be operated under the direct
21 control of a software, but then there's all these
22 other requirements over there as well, if you
23 really liberally include that software as well.

24 MR. FISHER: In the definition of agent,
25 you mean?

1 MR. PUROHIT: Correct. Food for thought
2 for the TAC, again, if you do include that. So
3 in essence, like a financial instrument device is
4 now under the control of an agent, software, that
5 doesn't have to be locked up, according to this,
6 if you read it loosely.

7 MS. HAMEL: I read it as not --

8 MR. PUROHIT: To include software, I think
9 there might be unintended consequences in here as
10 well, and I would recommend that that part might
11 need to be cleaned up a little bit.

12 MR. MCGHEE: You're saying that you -- any
13 Class II gaming system components that store
14 financial instruments that are not designed to be
15 operated under the direct control of a gaming
16 computer application shall be located within a
17 secure area, you're saying that's a problem?

18 MR. PUROHIT: I'm looking at the converse
19 of that.

20 MR. MCGHEE: You're saying if agent were
21 to be transposed with computer application, which
22 it could be.

23 MR. PUROHIT: Right. The way I read it is
24 if something is under the control of an agent, it
25 doesn't meet the requirements of an agent. If

1 the agent is a software, then there's kind of a
2 little bit of conflict over there. To say on the
3 one hand if it is not under the control of a
4 person, then it can't be; it's not been designed
5 that way. So then it's immune from all the
6 testing requirements. But in this particular
7 case, that it's saying it's not only a person,
8 but it's also an agent, which includes software.
9 I'm seeing it from a testing and design issue
10 over here. Because it says the definition
11 permits -- agent definition it says, permits the
12 use of computer applications. So, you know, just
13 a real loose interpretation can say, well, the
14 firmware that controls the bill acceptor or the
15 financial instrument acceptor in this case is an
16 agent. Something I'm throwing out there.

17 MR. MORGAN: I understand what you're
18 saying there. And, again, sometimes it comes
19 from trying to make this fit into an electronic
20 game and a session bingo, some of those
21 difficulties that arise there. Because one of
22 the reasons we put that in there is if you're
23 playing session bingo and you have a cash drawer,
24 you don't necessarily need a lock on there if
25 that cash drawer is going to be manned because

1 why are you going to put a lock on there if
2 you're at bingo and you're paying out cash after
3 each game; that doesn't make sense. That's an
4 internal control, is how you're going to mitigate
5 the risk there. But I grasp what you're saying
6 there. Because we tried to make agent as broad
7 as we could to make sure it fit every situation.
8 We made it overly broad in this one context.

9 MR. FISHER: So, Tom, you still have your
10 card up.

11 MR. WILSON: Well, I was just reading the
12 definition of financial instrument. And so if
13 you're reading the definition of financial
14 instrument, it's really talking about a tangible
15 thing that is being stored somewhere. So I don't
16 know if a -- in your interpretation, the agent
17 could be a POS system that is storing -- an
18 automated cash drawer, let's say, or, I mean, I'm
19 trying to get to where you're coming from. The
20 implication is that a piece of software or a
21 piece of hardware that is not manned by a human
22 being based on that could be -- not have to be
23 otherwise secured.

24 MR. PUROHIT: Actually this fits the POS
25 system in session bingo. What this doesn't now

1 fit into, in my opinion, is a gaming terminal
2 that has a locked compartment, an automated
3 financial instrument acceptor, such as the bill
4 acceptor that they're saying in there as well,
5 which is controlled by the software, the firmware
6 that's inside the gaming terminal that acts as
7 accepting valid currency, financial instruments,
8 et cetera. So now that software, the definition
9 of agent says, it's also software applications
10 that act as that. Does that mean that now
11 because it's being controlled by a software
12 acting as an agent, it's exempt from the
13 requirements of a financial instrument except for
14 testing?

15 MR. WILSON: Okay.

16 MR. PUROHIT: See what I mean? If you
17 take a really liberal, loose interpretation of
18 it.

19 MR. MCGHEE: Well, it's not saying you
20 have to test. It's just saying that it has to be
21 located within a secure, locked area, right?
22 That's not talking about testing, is it?

23 MR. PUROHIT: I think it's F, G and H.
24 There's other requirements in there, too.

25 MS. TAHDOOAHNIPPAH: I just -- why

1 interpret it that way? I think that I interpret
2 it the way you do, Daniel, that if it has a lock
3 on it, then, you know, that's designed to be.
4 But if it doesn't have a lock on it, like, you
5 know, a money pouch, that it's under direct
6 control of an agent.

7 MR. PUROHIT: (g)(ii), for example, has
8 that same language; any Class II gaming system
9 component that handles financial instrument and
10 that are not designed to be operated under the
11 direct control of an agent shall, and then it
12 says (ii), be able to detect the entry of valid
13 or invalid financial instruments and provide a
14 method to enable the Class II gaming system to
15 interpret and act on valid and invalid input or
16 error condition. That right there is a testable
17 technical standard, and that's the conflict I
18 see. Someone could say if it's not under direct
19 control of an agent, then it has to meet the
20 requirements in this particular case. So is it
21 or is it not under the controlled software, which
22 also acts as an agent? Something to consider.
23 Maybe it needs to tighten up the definition of
24 the application and the software, whatever else
25 it is.

1 MR. MORGAN: I would worry about
2 tightening up the definition. I would suggest if
3 there's specific areas within the technical
4 standards where that confusion exists, you may
5 want to take care of it there. Because to make a
6 global change in the definition, you have
7 unintended consequences when that term is used
8 that we may not be recognizing at this point.
9 And I do agree with you, there may be some
10 instances in here where it doesn't quite make
11 sense. And like that language right there, I see
12 that word "direct" pop out at me. So clearly
13 that has some significance. But interpretation,
14 what does that significance hold to you, I'm not
15 for sure. But clearly use that under the direct
16 control of an agent as a -- somehow to
17 differentiate between indirect control, so does a
18 computer application have direct control or is
19 that term indirect control or something less than
20 direct? I'm a lawyer, and words take on
21 significance. The engineering part of it, I'm
22 not for sure. But that clearly jumps out at me
23 from a legal standing of direct control. And
24 Mia's example when you look back at a -- it says
25 employee or an agent --

1 MR. MCGHEE: I think that was a mistake
2 because everywhere else it doesn't say employee,
3 but it uses the same language. I think it was a
4 miss.

5 MR. MORGAN: I think that was miss there.
6 If a person is performing that function, you
7 shouldn't have a lock on it. But if a computer
8 application is doing it, you probably do need it
9 monitored somehow.

10 MR. FISHER: Jeff has his card up. Let's
11 take him and figure out what we want to do with
12 this.

13 MR. WHEATLEY: I was going to agree with
14 Nimish, it does sound if it is under the
15 operation of an agent, and the agent is software
16 or bill validator or firmware, then the drop box
17 doesn't have to be locked, which is what that
18 implies. I think somebody could make that
19 reference if it's not cleaned up somehow.

20 MR. FISHER: We started this with what's
21 the definition of agent. Then we went to use of
22 the word "employee" and "agent," and then focused
23 on a couple of specific provisions that used the
24 word "agent" and how the revised definition might
25 affect those provisions. So what do you want to

1 do now? Do you want to go back to the definition
2 of agent, or do you want to take a look at this
3 off line and come back to the group?

4 MR. MCGHEE: Could you, just for this
5 technical section, actually do the search and
6 find to see where "agent" is used? Maybe it's
7 only used in a couple places and it can be fixed.
8 I don't know how often that it's used.

9 MR. MORGAN: Did you find agent or
10 employee?

11 MR. FISHER: Do you want me to search
12 agent or --

13 MR. MCGHEE: Agent. Because employee is
14 really not supposed to be in there.

15 MR. MORGAN: I think employee should be in
16 there on some parts. It's a difference between
17 whether it's a computer application is doing it
18 or whether it's completely manual. Because the
19 inverse is happening and one of the reasons that
20 we tried to make agent broad is people were
21 trying to meet something. I did it all manually,
22 but you're telling me, you know, it has to have a
23 lock on it; now I'm locking my cash drawer or
24 something.

25 MR. MCGHEE: Do you think wherever you

1 find agent, you're going to see employee or
2 agent? Let's do one at a time. Let's go to
3 agent and see what we can.

4 MR. FISHER: So it says there's only two,
5 but that's actually not correct.

6 MR. MORGAN: If you remember, we had lots
7 of this conversation in the MICS. This
8 conversation probably didn't flow over into the
9 technical standards as that significant at the
10 time. It may be something we just overlooked in
11 the technical standards and we didn't think
12 about.

13 MR. WILSON: It seems that even -- I mean,
14 in my mind, based on what everybody is saying,
15 the issue isn't where the term "agent" appears or
16 the term "employee." It's the definition of
17 agent including computer applications, that it's
18 including computer applications. And therefore
19 wherever a computer application is used, it is
20 treated the same as a human being standing there
21 and not having to meet the same control standard
22 because a person really isn't standing there or
23 in control of it. It's a piece of hardware or
24 software that is existing. It's almost like
25 we're giving human characteristics to an

1 application, when we're really talking about
2 physical security. And to the extent that an
3 application addresses physical security, then
4 that's appropriate. But if the application is
5 supposed to think about something, then, you
6 know, I mean, that's where I see the thing coming
7 in to what Nimish is saying. So I don't see it
8 as an issue using the term "agent" or using the
9 term "employee." I see it as that piece in the
10 definition of agent that says a computer
11 application can perform the role of a person,
12 essentially, and therefore this standard doesn't
13 apply when you have that person standing there in
14 physical control of this box, let's say, this
15 cash box or whatever it happens to be.

16 MR. FISHER: Did you want to respond to
17 Tom?

18 MR. MCGHEE: Yeah. Because there's
19 instances where it could -- you know, like say
20 over in drop account, where once upon a time
21 people had to think that three people had to
22 count it individually, and then when you got this
23 big counter, it counted it three times for you
24 and that was able to be substituted because it
25 was a computer application instead of agent,

1 meaning a human. So maybe it should really be
2 either something along the lines of where the
3 computer application is applicable or whereas a
4 TGRA, you decide that agent could be a computer
5 application. You make that assumption. But it
6 could be one spot. Because if we take it out,
7 then we're going to have to look through the
8 whole document to see wherever agent is used
9 throughout the whole thing. Because there might
10 have been times when it was being done when we
11 allowed agent to be both, and it could be both.

12 MR. WILSON: I guess in my mind, when you
13 talk about controls, there are automated controls
14 and there are manual controls. So the use of a
15 computer or an application or software, whatever,
16 is typically an automated control. And that's
17 perfectly recognized that it's okay to have an
18 automated control that takes the place of what a
19 human used to do. And that's really what the
20 intent here is what you're saying is that you
21 want to allow for automated controls to exist
22 that do not have to -- or that it's already
23 accepted that they perform the same function as a
24 person did. So, you know, in my mind, this is
25 more of a MICS issue than a technical standard.

1 MR. MORGAN: That's kind of where I was
2 going, because the Tribal Gaming Work Group kind
3 of made a policy decision to do it. If we
4 defined this term in one document, we used the
5 same definition in both documents. That was a
6 policy decision to keep them consistent. Because
7 some of these ideas do overflow into different
8 documents. That may be a decision that this
9 group wants to reevaluate and say the definition
10 for agent in the technical standards may need to
11 be different from what it is in the MICS. I
12 agree with you on that. My other point is,
13 Nimish, because you're very intelligent in this
14 area, is this a practical real world issue or is
15 this a law school theory-based
16 this-could-possibly-happen?

17 MR. PUROHIT: Both. Because if you were a
18 manufacturer --

19 MR. MORGAN: Not if. How many times have
20 we heard about this coming up that this is an
21 issue?

22 MR. PUROHIT: Not until now because there
23 was no definition of agent to include this. But,
24 you know, from a testing perspective, the
25 manufacturer could come into an independent test

1 lab and -- I'll give you an example of other
2 ambiguous regulations. If something uses the
3 word advertised top award -- I'm giving you
4 something unrelated here -- but this is an
5 example of something that's so ambiguous, that
6 the manufacturer says we meet this requirement.
7 But, you know, at the end of the day, it's still
8 their responsibility to go to the TGRA and figure
9 out what that is. But what I'm trying to
10 highlight here is why make it ambiguous if it is
11 only causing that ambiguity and we know about it,
12 as opposed to leaving it in there that can be
13 resolved by just sharpening up the definition a
14 little bit more that needs to.

15 MR. MORGAN: I don't disagree with that.
16 I was just trying to get a sense of risk/benefit
17 analysis. Are we talking about a subject that
18 has some real applications that we need to spend
19 -- what amount of time and effort does this need,
20 or is this a theoretical argument that somebody
21 could read it that way, but we don't see it this
22 way, but this ambiguity does exist and as long as
23 everybody knows it out there. It's a policy
24 question, what the group wants to do. But I do
25 agree with Tom's point that the -- how we use the

1 term "agent" in the technical standards is
2 probably different than how we use the term
3 "agent" in the internal controls document, which
4 may necessitate a change to the definitions in
5 that term.

6 But going back to Daniel's point, when you
7 start changing that definition, it does have
8 global implications and changes, and we really
9 need to go back and see how it changes each
10 instance it was used within the document.
11 Otherwise you may be making another unintended
12 consequence and create ambiguity someplace where
13 ambiguity was not before.

14 MR. FISHER: According to the thing up on
15 the screen, the word "agent" is used eight times
16 in the technical standards.

17 MR. MCGHEE: I think we could just look at
18 them.

19 MR. FISHER: Do you want to look at them
20 or do you want to --

21 MR. WILSON: I think if it's eight, we
22 could look at them and see if contextually it's
23 confusing or it's misleading or can be construed
24 as --

25 MR. FISHER: There's two of the eight

1 right there.

2 MR. CULLOO: You have to search
3 "employee," too, in there.

4 MR. PUROHIT: Also, Matt, the reason
5 why -- the theoretical part of it here. Any time
6 there's software introduced in the technical
7 standards, you got to realize from your
8 experience, too, the minute that's introduced,
9 the independent test labs have to comb through
10 and figure out which other tests that they need
11 to put in there. From that perspective, the
12 technical need to be updated for all the other
13 sections that might not have had the consequences
14 before from a testing perspective or software.

15 MR. MORGAN: My question on policy level
16 is more -- we've had this discussion several
17 times -- at what level do you hit on the
18 regulation, because the more specific you get and
19 less ambiguity you have, while in some instances
20 is a positive for you, you know, on the flip side
21 of that, there's also some negative things that
22 come along that you have to accept when you make
23 that choice when some of your interpretation goes
24 away. Sometimes it's good, sometimes it's bad.
25 And if you do it at a global level, you're just

1 accepting if we don't go back and look. I'm glad
2 there's only eight.

3 MR. FISHER: Really there's only six
4 because two of them are in the definitions. The
5 first one is where Nimish pointed us to. The
6 next one is in the same -- it's in the next
7 section. So it's in -- just following it, same
8 section we talked about.

9 MS. HAMEL: Can we just say in those
10 instances where we don't want an application to
11 meet the requirement of an agent, can we say with
12 the exception of -- just in those two sections,
13 right?

14 MR. MORGAN: My thought, too, is kind of
15 the same way, maybe a different way to get to it.
16 You just take out the word "or agent" in those
17 areas because it would be clear that a person is
18 not subject to that requirement. But from a
19 physical standpoint, a computer application may
20 still have to meet that. Because I agree with
21 you, read it the way Nimish has read it. But
22 there's confusion maybe if you're a computer
23 application, suddenly you're exempt from that
24 standard. Maybe a very small inconsequential
25 concern, direct control of a gaming operation

1 employee. One of the reasons we used agent is we
2 wanted to be broader than saying it has to be an
3 employee. And why we included a computer
4 application with a person or individual, I mean,
5 do you want to make it so narrow that it says
6 gaming operation, or do you want to make it -- is
7 this defined as a human being, person,
8 individual. Is that --

9 MR. WILSON: Well, I guess from my
10 perspective, that's the issue is that it's not
11 that either piece is right or wrong. It's that
12 what we're trying to apply characteristics to a
13 computer application when our intent is talking
14 about really -- I mean, I can envision the
15 discussion is about I don't have to have my pouch
16 secured, you know, it's on me. I'm performing
17 that role, versus a box that is sitting here that
18 I need to make sure is locked and secured. So,
19 you know, in trying to envision a computer
20 application so the bill acceptor or something has
21 to have certain control components within his
22 that need to be there from a manufacturing
23 standpoint. So, to me, it's more almost like
24 we're trying to imply physical security
25 attributes to the whole computer thing. And I

1 think I know where you're all going with the
2 computer thing. I'm just not sure if the way it
3 was approached in that definition, it gets --
4 makes it more confusing.

5 MR. MCGHEE: Can we just say, like you
6 mentioned earlier, it says gaming operation
7 agent. I think you say other than computer
8 application agents. You know, it kind of takes
9 that portion of it out. Meaning all of the parts
10 of the definition of an agent other than a
11 computer application.

12 MS. HAMEL: Well, maybe we're
13 over-thinking it. Would we ever test a pouch,
14 and why are we putting that disclaimer out? We
15 want to test, but if we take it out, if we take
16 out "that affect" -- if we stop at "affect the
17 game outcome," and take out "and then are not
18 designed," because that would never get submitted
19 to the lab anyway to know that it needed to be
20 tested, right? I mean, it's a physical --

21 MR. PUROHIT: The "not designed" part was
22 put in for session bingo.

23 MS. HAMEL: But that isn't --

24 MR. PUROHIT: That's what my understanding
25 is. The words --

1 MS. HAMEL: I understand that, but maybe
2 because this is something that's physically
3 tested, it's a technical standard, maybe it's not
4 necessary at all. We probably need somebody
5 technical to talk about it.

6 MR. FISHER: I just have to point out that
7 we're at 11:30. According to our agenda, 11:30
8 is the time for public comment. So we need to
9 pause here a moment and check whether we have
10 anybody for public comment. I don't believe
11 anybody is signed up on the sign-in sheet for
12 public comment. So if there's anybody in the
13 audience that wants to give public comment at
14 this time, now would be appropriate to let us
15 know. So there is nobody who wants to make
16 public comment so we're able to keep moving on on
17 the discussion of technical standards.

18 So on this question about the definition
19 of agent and the use of the term agent and the
20 use of the term employee, do you want to keep at
21 it here, or do you want to ask some kind of
22 smaller group to look into this and come back to
23 the group with a suggestion for how to handle
24 this? What's your preference?

25 MS. TAHDOOAHNIPPAH: I suggest we go into

1 a closed session and discuss it.

2 MR. FISHER: Is that what you want to do?

3 Yes. Okay. We will do that and then we will

4 just go to lunch.

5 (Executive session - discussion held off

6 the record.)

7 (Recess taken at 11:32 a.m. to 1:44 p.m.)

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