
NATIONAL INDIAN GAMING COMMISSION

SETTLEMENT AGREEMENT

SA-24-02

Introduction

Pursuant to 25 C.F.R. § 573.5(b) and § 584.10(d), Sharon M. Avery, Acting Chairwoman of the National Indian Gaming Commission (NIGC Chair), and the Ysleta del Sur Pueblo (Tribe), a federally recognized Indian tribe, enter into this Settlement Agreement (Agreement) completely resolving Notice of Violation, NOV-24-02 and administrative appeal, DIR-2025-0002. In developing this Agreement, the parties appreciate the commitment each makes towards ensuring that the Tribe's gaming operations comply with the Indian Gaming Regulatory Act (IGRA). In accordance with the regulatory provisions noted above, this Agreement constitutes final agency action.

Recitals

- 1) Whereas, pursuant to the IGRA and NIGC regulations, the NIGC Chair may issue a Notice of Violation (NOV) to any person for violation(s) of any provision of IGRA, NIGC regulations, or any provision of a tribal gaming ordinance or resolution approved by the Chair.¹
- 2) Whereas, the IGRA, 25 U.S.C. § 2713(a)(1), authorizes the NIGC Chair to issue civil fines for violations of the statute, NIGC regulations, or tribal regulations, ordinances, or resolutions approved by the NIGC Chair under 25 U.S.C. § 2710.
- 3) Whereas, on September 5, 2024, the Acting NIGC Chair issued NOV-24-02 to the Tribe for violating the IGRA, NIGC regulations, and its own Class II gaming ordinance by failing to submit fiscal year 2022 and 2023 audited financial statements (AFS) for its gaming operation.
- 4) Whereas, under NIGC regulations, 25 C.F.R. part 584, the Tribe submitted a notice of an administrative appeal of notice of violation, NOV-24-02. The appeal was assigned to a Presiding Official within the U.S. Department of the Interior, Office of Hearings and Appeals and assigned docket number DIR-2025-0002.
- 5) Whereas, the NIGC Chair and the Tribe desire to resolve notice of violation, NOV-24-02, and administrative appeal, DIR-2025-0002.
- 6) Therefore, the NIGC Chair and the Tribe agree to execute this Agreement and to perform in accordance with the following covenants and conditions:

¹ 25 U.S.C. § 2713; 25 C.F.R. § 573.3.

Terms of Settlement

NIGC jurisdiction

- 7) The NIGC has jurisdiction over the Tribe's gaming activities on its Indian lands. In a March 24, 2023, letter to the Tribe, NIGC Acting General Counsel Cisneros explained the agency's jurisdiction, providing legal analysis. As NIGC Chair, I formally adopt this position and its legal analysis. The letter is attached as **Exhibit A**.
- 8) IGRA and NIGC regulations classify games as Class I, II, and III.² Under IGRA and NIGC regulations, bingo is classified as a Class II game.³
- 9) In the U.S. Supreme Court *Ysleta del Sur v. Texas* decision, it noted as to bingo in Texas that:

The State concedes that its laws do not forbid, prevent, effectively stop, or make bingo impossible. Instead, the State admits that it allows the game subject to fixed rules about the time, place, and manner in which it may be conducted. See Brief for Respondent 5. From this alone, it would seem to follow that Texas's laws fall on the regulatory rather than prohibitory side of the line—and thus may not be applied on tribal lands under the terms of subsection (b).⁴

- 10) In sum, NIGC regulates under IGRA the Tribe's permissive gaming activities. This includes the regulation of bingo as it is defined by the NIGC, and as operated nationwide under NIGC regulations.

Admissions and Obligations of the Parties

- 11) Pursuant to NIGC regulations, 25 C.F.R. §§ 573.5(b) and 584.10(d), this Agreement is entered into by the NIGC Chair and by the Tribe through a duly authorized tribal official. This Agreement shall be effective upon the date that it is signed by the last party to sign this Agreement (Effective Date).
- 12) The Tribe admits that the NIGC possesses jurisdiction over this action and its permissive gaming activities, and the NIGC Chair has authority to levy and collect civil fines for statutory, regulatory, and ordinance violations.⁵
- 13) The Tribe admits that IGRA and NIGC regulations mandate the undertaking and submission of annual audited financial statements,⁶ and that it did not timely submit

² 25 U.S.C. §§ 2703(6), (7) and (8); 25 C.F.R. §§ 502.2, 502.3 and 502.4.

³ 25 U.S.C. § 2703(7)(A)(i); 25 C.F.R. § 502.3(a).

⁴ *Ysleta Del Sur Pueblo v. Texas*, 596 U.S. 685, 697 (2022).

⁵ 25 U.S.C. § 2713(a)(1).

⁶ 25 U.S.C. § 2710(b)(2)(C); 25 C.F.R. §§ 571.12(b) and 571.13(a).

such statements for its gaming operation for fiscal years 2022 and 2023.

- 14) The NIGC Chair acknowledges that prior to the execution of this Agreement the Tribe took proactive steps to respond to NOV-24-02 by submitting its fiscal years 2022 and 2023 annual audited financial statements and has continued to voluntarily submit such statements.
- 15) The Tribe and the NIGC agree that the following additional actions detailed in paragraphs 16 through 25 are required of the Tribe and its gaming commission in order to ensure ongoing compliance with IGRA gaming regulations.
- 16) The Tribe agrees that over the course of one (1) year beginning on the Effective Date, one or more representatives of the Tribe's gaming operation's management and gaming commission staff will attend (in-person or virtually) the following NIGC training sessions:⁷
 - a) Regulating to Prevent IGRA Violations;
 - b) Value of Internal Control Systems;
 - c) Misuses of Gaming Revenue;
 - d) Key Employee and Primary Management Official Classification Guide (25 C.F.R. §§ 502.10, 502.14, 502.19);
 - e) Tribal Background Investigations and Licensing;
 - f) Criminal History Record Information (CHRI) and Compliance with 25 C.F.R. § 558.3(e);
 - g) CJIS Fundamentals: Electronic Fingerprinting Submission;
 - h) LASO Handbook;
 - i) Tribal Gaming Ordinance (25 C.F.R. part 552); and
 - j) Small and Charitable Gaming (25 C.F.R. § 543.4).

Additionally, one or more members of the Tribal Council tasked with overseeing gaming operations will attend (in-person or virtually) over the next three (3) months beginning on the Effective Date, two NIGC training sessions, which are essential to the integrity and maintaining the Tribe's sole proprietary interest in its gaming operation:

- (a) Regulating to Prevent IGRA Violations, and
- (b) Misuses of Gaming Revenue.

At the end of the one-year period, the Tribe agrees to submit a report to the NIGC Region Office for this training activity. This report will detail the subject matter of each training; the names of the officers or employees in attendance and their job titles; and the date that they completed the training.

- 17) The Tribe shall establish and maintain an independent, adequately staffed tribal gaming commission or tribal gaming regulatory authority (TGRA) with a stable and

⁷ See NIGC Training Course Catalog, <https://www.nigc.gov/images/uploads/2024CourseCatalog.pdf>.

adequately funded annual budget. The TGRA shall have independent authority and sole discretion to utilize and spend its annual budget for its day-to-day operations in discharge of its vested regulatory powers and duties.

18) One or more members of the Tribal Council tasked with overseeing gaming operations will review NIGC Bulletin 2022-5, Independence of Tribal Gaming Commissions and their Functions. The Tribe will ensure that its TGRA has sufficient authority and ability to act independently of the Tribe and any other tribal entity in regulating tribal gaming.

- a) Within sixty (60) days of the Effective Date of this agreement, the Tribe will:
 - i. Establish a budget for the TGRA sufficient to carry out its responsibilities; and
 - ii. Explain in writing how the amount budgeted to the TGRA allows it to carry out its responsibilities, submitting such to the NIGC Region Office.
- b) The Tribe agrees to adequately address any concerns articulated by the NIGC Oklahoma Region Director within thirty (30) days of receipt.

19) The Tribe agrees that over the course of one (1) year beginning on the Effective Date, one or more representatives of the Tribe's gaming operation's management and gaming commission staff will virtually attend each NIGC NTTM – national training of the month.

At the end of the one year period, the Tribe agrees to submit a report to the NIGC Region Office for this training activity. This report will detail the specific gaming commission staff in attendance at each NTTM and their job titles.

20) For IGRA gaming, the Tribe must conduct and regulate its gaming under a gaming ordinance adopted by its governing body and approved by the NIGC Chair.⁸ The Tribe has completed a new ordinance and will submit it to the Chair for approval within five (5) calendar days of the Effective Date. The Tribe agrees to adequately address any concerns articulated by the NIGC concerning the Tribe's gaming ordinance within ninety (90) calendar days of the Tribe's ordinance submission.

21) No later than August 31, 2025, the Tribe and/or its gaming commission agree to submit to the NIGC Oklahoma Region Office the items for its gaming operation in subparagraphs a – c, below. Similarly, no later than December 31, 2025, the Tribe and/or its gaming commission agree to submit the items in subparagraphs d, e, and f for its gaming operation to the same office.

- a) an executed Criminal History Report Information Memorandum of

⁸ 25 U.S.C. §§ 2710(b)(1)(B) and (d)(1)(A).

- Understanding (CHRI MOU);⁹
- b) 2020 and 2021 annual audited financial statements;
- c) a list of the positions designated by the Tribe or tribal gaming regulatory authority (TGRA) as Key Employees and Primary Management Officials;¹⁰
- d) Tribal internal controls (TICS) and System of internal control standards (SICS);¹¹
- e) a list of the games and their vendors currently available for play, including NIGC regulation, 25 C.F.R. part 547 reports from an independent test lab and copies of the TGRA approvals for placement in the operation;¹²
- f) current NIGC fee submissions and worksheets.¹³

Additionally, the Tribe will submit timely agreed upon procedures (AUP) reports, beginning with fiscal year 2025 and will obtain and submit to NIGC all outstanding facility licenses and attestations.¹⁴

- 22) If the gaming commission staff lacks an individual well-versed in Criminal Justice Information Services (CJIS) compliance,¹⁵ it will retain a subject matter expert within six (6) months of the Effective Date to ensure the Tribe's timely compliance with the NIGC CHRI MOU and CJIS.
- 23) Within thirty (30) days of the Effective Date, the Tribe and the NIGC Oklahoma Region Office will establish dates and times for two in-person site visits to be conducted at the Tribe's gaming operations within ninety (90) days of the Effective Date. Such site visits must take place within the period provided to constitute the Tribe's compliance with this provision and agreement.

The Tribe agrees to adequately address any concerns articulated by the NIGC Oklahoma Region Director within thirty (30) days of receipt.

- 24) Within nine (9) months of the Effective Date, the Tribe and/or its gaming commission agree to completely resolve any backlog¹⁶ of Notices of Results (NORs) and Issuance of Licenses (IOLs),¹⁷ submitting such documents to the NIGC Region Office and providing a written and signed attestation that it is up to date with such submissions. All NORs submitted under this term must include a check of criminal history records information (CHRI) maintained by the Federal Bureau of Investigation.¹⁸

⁹ NIGC CHRI MOU, <https://www.nigc.gov/images/uploads/2021CHRIMOUWithTribesfinal081021.pdf>

¹⁰ 25 C.F.R. §§ 502.14 and 502.19.

¹¹ 25 C.F.R. § 543.2.

¹² 25 C.F.R. § 547.5(a)(2)(i).

¹³ 25 C.F.R. §§ 514.3–514.6, 514.8, and 514.13(c).

¹⁴ 25 C.F.R. §§ 559.3 and 559.4.

¹⁵ NIGC CHRI MOU, *supra* note 9; NIGC CJIS Resource materials, <https://www.nigc.gov/technology/cjis-resource-materials>

¹⁶ For the purpose of this provision, backlog shall mean those NORs and IOLs that have not been previously submitted to NIGC and are currently past due under NIGC regulations, 25 C.F.R. parts 556 and 558.

¹⁷ 25 C.F.R. §§ 556.6(b)(2), 556.7, 558.3(b), (d), and (e), and 558.5.

¹⁸ 25 C.F.R. § 522.2(g).

25) The Tribe will pay a civil fine of five-hundred thousand dollars (\$500,000), all of which will be suspended pending compliance with this Agreement and completion of its mandates within the Effective Period (as defined below). If all promises are abided and agreed-to actions taken and maintained within the Effective Period, the entire fine amount will be forgiven. It is explicitly provided herein that the Tribe shall not be penalized for any failure to abide by the provisions of this Agreement should there be a failure or delay of compliance based in whole or in part by the NIGC, NIGC Oklahoma Region Office, or any other agent or official associated with the NIGC. If the Tribe breaches any provision of this Agreement, the NIGC shall issue a written notice to the Tribe (the "Notice of Breach"), detailing each breach and providing 30 calendar days from receipt of the Notice to cure all detailed breaches. During the 30-day period following receipt of the Notice of Breach, the NIGC shall provide the Tribe an opportunity to submit written material supporting a request for NIGC to reconsider its determination that a breach of this Agreement occurred. If the Tribe fails to cure the breaches, and absent agreement from the NIGC for an extension or reconsideration, following 30-days' notice and opportunity to cure from the NIGC, it agrees and consents that the breach will result in the entire fine amount of five-hundred thousand dollars (\$500,000) becoming fully due and payable. In such circumstance, the NIGC shall issue a written due-and-payable notice to the Tribe, detailing each uncured breach and the total sum due. Upon receipt of the written due-and-payable notice, the Tribe agrees that it waives any rights to an oral hearing under 25 C.F.R. § 513.6 concerning the breaches detailed in the Notice of Breach. Within seven (7) calendar days of the NIGC's issuance of the due-and-payable notice, the Tribe will provide a check to the NIGC for the sum made payable to the U.S. Treasury. In no instance will the fine sum exceed five hundred thousand dollars (\$500,000). Any subsequent breaches, if any, will be handled through customary means which may include additional Notices of Violation.

Tribe's waivers of statutory and regulatory rights

26) The Tribe is aware of its rights to:

- (a) Submit written information about the violation to the Chair prior to issuance of a civil fine assessment by the Chair and to have at least fifteen (15) days after the issuance of a notice of violation to do so under 25 C.F.R. § 575.5(a);
- (b) Appeal NOV-24-02 to the full Commission under 25 C.F.R. parts 584 or 585 and proceed with such appeal(s);
- (c) Obtain a hearing to contest the matter under 25 C.F.R. part 584 and proceed with such hearing;
- (d) Request a reduction or waiver of a civil fine under 25 C.F.R. § 575.6(a); and
- (e) Seek judicial review of any final agency action by the full Commission pursuant to 25 U.S.C. § 2714.

27) In consideration for this Agreement, and to resolve this dispute, the Tribe waives its right to appeal NOV-24-02 and this Agreement administratively and judicially, as well as all rights set forth in paragraph 26. The Tribe waives any other right to seek

judicial review or otherwise challenge or contest this Agreement. The only exception to the Tribe's waiver is the reconsideration procedure set forth in paragraph 25. The Tribe agrees to withdraw in full its appeal of NOV-24-02 before the Presiding Official. To that end, the parties agree to notify the Commission and the Presiding Official that the NIGC Chair and the Tribe have reached a full settlement of NOV-24-02 and DIR-2025-0002. In accordance with 25 C.F.R. § 584.10, the parties agree: paragraphs 1 through 5, 7 through 10, and 12 through 14 of this Agreement constitute the consent findings; paragraph 31 of this Agreement is a final order; and this Agreement comprises a full settlement of the appeal, DIR-2025-0002. For purposes of 25 C.F.R. § 584.10(b)(3), the parties will submit this Agreement and the consent findings and order herein to the Presiding Official for certification.

- 28) The NIGC Chair agrees that, upon execution of this Agreement, the NIGC shall not institute further proceedings or actions or assess any additional sanctions against the Tribe, except the agreed to civil fine as outlined in paragraph 25, for actions or omissions arising out of, or related to, the subject matter of NOV-24-02 or this Agreement provided that, if the Tribe or any tribal entity fails to comply with any term or condition of this agreement, the Tribe agrees that the suspended portion of the civil fine imposed in paragraph 25 of this Agreement shall become fully due and payable as set forth in said paragraph.

Additional Covenants

- 29) This Agreement shall terminate upon fulfillment of all terms listed under the Terms of Settlement, which date shall be two (2) years after the Effective Date (the "Effective Period"). The obligations and conditions set forth in this Agreement, except for paragraphs 7 and 12, shall be of no force or effect following the expiration of the Effective Period.
- 30) This Agreement constitutes the entire agreement between the NIGC Chair and the Tribe relating to the enforcement matter described herein, and it supersedes all prior verbal or written agreements and understandings between the parties related to the subject matter hereof. Any amendments to this Agreement must be in writing and signed by both parties.
- 31) The Tribe agrees that this Agreement constitutes a full, agreed dismissal of its appeal, DIR-2025-0002. Further, the Tribe agrees that this Agreement and its agreed-to civil fine are a final order and final agency action of the NIGC Commission pursuant to 25 C.F.R. §§ 584.10(d) and 584.14(a). The Tribe waives any right to challenge or contest the validity of the dismissal, final order, and the final agency action stipulated in this Paragraph. The only exception to the Tribe's waiver is the reconsideration procedure set forth in paragraph 25.
- 32) The parties agree that after the Effective Date, this Agreement shall be published and/or disclosed by either party.
- 33) This Agreement may be executed on one or more counterparts, and each shall

constitute an original. A signature produced by facsimile shall be deemed to be an original signature and shall be effective and binding for purposes of this Agreement.

Dated this day of June, 2025

For the Ysleta del Sur Pueblo

By: _____

E. Michael Silva, Governor

Date: _____

6-27-2025

For the National Indian Gaming Commission

By: _____

Sharon M. Avery
Sharon M. Avery, Acting Chairwoman

Date: _____

7-1-25

PRESIDING OFFICIAL CERTIFICATION & ORDER

With the authority vested in me by NIGC regulation, 25 C.F.R. § 584.10(d), I hereby accept and certify this Settlement Agreement. This Settlement Agreement constitutes dismissal of the Respondent's administrative appeal and final agency action.

By: _____

Presiding Official

Date: _____



March 24, 2023

VIA EMAIL AND FIRST CLASS MAIL

Terrence A. Padilla
General Counsel
Speaking Rock Entertainment Center
P.O. Box 66977
Albuquerque, NM 87193

Re: Response to February 8, 2023 Letter

Dear Mr. Padilla:

Thank you for your February 8, 2023 letter, seeking clarification concerning two issues on behalf of the Ysleta Del Sur Pueblo of Texas.

First, the Pueblo asks the National Indian Gaming Commission (NIGC) to confirm that “in light of the Supreme Court ruling and subsequent remand” in *Ysleta Del Sur Pueblo v. Texas*, 142 S. Ct. 1929 (2022), the Pueblo “may offer all Class II Gaming as defined by the Indian Gaming Regulatory Act[, . . .] which is subject to the regulation of the [NIGC].” The Pueblo’s understanding is correct with the exception of the specific gaming activities banned by Texas state law. To be clear, in *Ysleta*, the Supreme Court held that the provisions of the Restoration Act¹ that apply to the Pueblo only ban those gaming activities that are banned in Texas and do not provide for Texas gaming laws to act as surrogate federal law on Indian lands. The Court explicitly stated, “[o]ther gaming activities [those not prohibited]... must conform with the terms and conditions set forth in federal law, including IGRA to the extent it is applicable.” IGRA applies to all gaming activities conducted on Indian lands. Here, the Pueblo’s gaming activity occurs on Indian lands. Therefore, IGRA applies to the Pueblo’s gaming activity and, pursuant to the *Ysleta* decision, the gaming must conform to the terms and conditions set forth in IGRA.²

Second, the Pueblo asks the NIGC for its interpretation of the Pueblo’s Class II Gaming Ordinance (Ordinance), specifically Section 6, titled “Exclusive Ownership by the Pueblo.” Typically, the NIGC defers to a tribe’s interpretation of its own gaming ordinance, unless that interpretation contravenes IGRA or NIGC regulations. However, we note that section 6 of the Ordinance relates to NIGC regulation 25 C.F.R. § 522.5(b)(1), which provides “[t]he tribe shall have the sole proprietary interest in and responsibility for the conduct of any gaming operation

¹ Ysleta Del Sur Pueblo and Alabama and Coushatta Indian Tribes of Texas Restoration Act.

Letter to Terrence A. Padilla

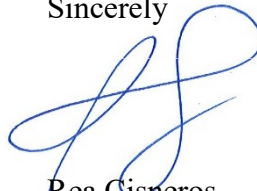
Re: Response to February 8, 2023 Letter

March 24, 2023

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unless it elects to allow individually owned gaming under either § 522.11 or § 522.12.” If the Pueblo seeks compliance with the sole proprietary interest requirement for its gaming operation while also permitting individually owned gaming, please refer to the NIGC Bulletin 2018-1 that includes a model gaming ordinance with suggested language a tribe may wish to adopt into their own gaming ordinance.

Sincerely

A handwritten signature in blue ink, consisting of stylized, overlapping loops and curves, positioned above the printed name.

Rea Cisneros,
Acting General Counsel



United States Department of the Interior

OFFICE OF HEARINGS AND APPEALS

Office of the Director

801 N. Quincy Street, Suite 300

Arlington, Virginia 22203

Telephone (703) 235-3810 E-mail: dir@oha.doi.gov

July 1, 2025

IN THE MATTER OF)	Docket No. DIR-2025-0002
YSLETA DEL SUR PUEBLO)	
)	NOV-24-02
)	
)	Indian Gaming Regulatory Act,
)	25 U.S.C. §§ 2701-2721
)	
)	Order Certifying Settlement
)	Agreement and Dismissing Appeal

ORDER

This matter involves an appeal from the above-captioned Notice of Violation issued by the National Indian Gaming Commission (NIGC) under the Indian Gaming Regulatory Act.¹ On July 1, 2025, the parties filed a Notice of Settlement. Attached to the Notice is a signed, executed, and effective Settlement Agreement between the NIGC Acting Chairwoman and the Governor of the Ysleta del Sur Pueblo (Tribe).

The parties state in the Notice that they have resolved their dispute and agree to dismissal of the Tribe's appeal.² The parties therefore request that the Presiding Official certify the Settlement Agreement and its consent findings.³ Given that request, I have reviewed the Settlement Agreement. Based on my review, I hereby determine that the Settlement Agreement contains consent findings and the other provisions required by applicable regulation.⁴ As a result and as required by regulation, I hereby certify the Settlement Agreement.⁵ This certification constitutes dismissal of the Tribe's appeal in this matter and also constitutes final agency action.⁶

AMY SOSIN
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Date: 2025.07.01
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Amy B. Sosin
Acting Director

¹ 25 U.S.C. §§ 2701-2721; 25 C.F.R. § 584.3 (2024).

² Notice of Settlement at unpaginated 1 (July 1, 2025).

³ *Id.*; see 25 C.F.R. § 584.10.

⁴ 25 C.F.R. § 584.10(b).

⁵ *Id.* § 584.10(d).

⁶ *Id.* § 584.10(b), (d).