



The Confederated Tribes of the Grand Ronde Community of Oregon

Tribal Council
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February 10, 2011

Lael Echo-Hawk
National Indian Gaming Commission
1441 L Street N.W., Suite 9100
Washington, DC 20005

*via electronic submission to
reg.review@nigc.gov*

Re: NIGC Regulatory Review Comments

Dear Ms. Echo-Hawk:

The Confederated Tribes of the Grand Ronde Community of Oregon ("Grand Ronde") respectfully submits the following comments in response to NIGC's letter of December 17, 2010, and the Notice of Inquiry and Request for Information; Notice of Consultation published in the Federal Register on November 18, 2010. Grand Ronde appreciates this opportunity to comment and the opportunity to meet with NIGC on January 14, 2011, at the Little Creek Casino Resort in Shelton, Washington.

Self-Regulation of Class II

Grand Ronde is proud to be one of the two tribes that have earned a Certificate of Self-Regulation. We take great pride in our proven ability to regulate our gaming operation at a level far above minimum requirements. The process for obtaining a Certificate of Self-Regulation involves hard work and commitment to regulation. In fact, high standards should be required in order to achieve self-regulation.

That being said, there must be clear benefits associated with a Certificate of Self-Regulation. Grand Ronde has urged NIGC to provide more recognition and benefits to self-regulated tribes on multiple occasions, but to no avail. For example, Grand Ronde has urged NIGC to exempt self-regulated tribes from independent MICS audits and facility license regulations. Grand Ronde has also urged NIGC to consult directly with self-regulated tribes on proposed regulations and guidelines.

Grand Ronde is pleased that the new Commission is reviewing the self-regulation regulations and we encourage NIGC to accord such review the highest priority. NIGC should not weaken the standards for obtaining a Certificate; instead, NIGC should revise the regulations to give full effect to IGRA's self-regulation provisions and the overall intent of IGRA to promote tribal

Umpqua Molalla Rogue River Kalapuya Chasta

economic development, tribal self-sufficiency and strong tribal governments. To do this, NIGC should evaluate every regulation and MICS to determine whether it impacts one of the powers described in 25 U.S.C. § 2706(b)(1)-(4) from which Congress exempted self-regulated tribes. If one of the powers is impacted, NIGC should indicate in the language of the regulation or MICS how the regulation or MICS will not apply to self-regulated tribes. This analysis and inclusion in the regulation or MICS will also be beneficial in demonstrating to other tribes the benefits of self-regulation.

In terms of process, Grand Ronde recommends that NIGC first consult with self-regulated tribes regarding potential revisions to the regulations. Following that consultation, we recommend NIGC utilize standard notice and comment rulemaking.

Class III Minimum Internal Control Standards

Grand Ronde supports striking the Class III MICS and replacing them with a set of recommended guidelines. Tribes then have the choice to adopt the recommended guidelines, or parts of the guidelines, as their own Tribal Class III MICS if tribes find them helpful and appropriate.

Sole Proprietary Interest Regulation

Grand Ronde supports establishing a regulation with clear guidelines for determining whether a tribe has sole ownership interest in the gaming operation. Unfortunately there are circumstances where individuals and organizations control tribal gaming operations to the extent that they truly have an ownership interest in gaming profits. The tribes then receive a small portion of the gaming profits to use for governmental purposes and never really achieve the level of self-sufficiency envisioned by IGRA. We believe providing guidelines and allowing tribes to receive NIGC review of contracts and a determination of whether the sole proprietary interest provision is violated will be a benefit to tribes. In terms of process, Grand Ronde recommends NIGC utilize standard notice and comment rulemaking.

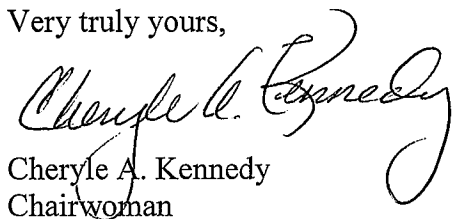
NIGC Communication with Tribes

Grand Ronde understands that NIGC deals regularly with tribal gaming commissions as the primary regulators of tribal gaming. NIGC also has an obligation to respect the government-to-government relationship it has with each tribe which is generally governed by a form of tribal council. We believe there is a need for flexibility in communication to allow effective and efficient regulation. NIGC should determine a general standard for communication absent the need for direct instruction from a tribe by tribal council resolution. The general standard could be that technical regulatory matters are addressed with the tribal gaming commission with copies of communication to the tribal council and broad policy and any compliance related matters are communicated directly to the tribal council. Grand Ronde believes having a standard form of

communication from which tribes can opt out will help clear up any confusion on the appropriate lines of communication.

Thank you again for the opportunity to comment regarding NIGC's regulatory review process. Grand Ronde appreciate your efforts in reviewing all the regulations and determining whether amendments or new regulations are necessary to more effectively implement IGRA. Please contact me at (503) 879-2352 or our Gaming Commission Executive Director, Michael Boyce, at (503) 879-2360 if you have any questions.

Very truly yours,

A handwritten signature in cursive script, reading "Cheryl A. Kennedy". The signature is written in dark ink and is positioned above the printed name and title.

Cheryl A. Kennedy
Chairwoman

cc: Tribal Council
Grand Ronde Gaming Commission
Tribal Attorney's Office