



**San Manuel Band of Mission Indians
Tribal Gaming Commission
OFFICE OF THE COMMISSION**

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March 30, 2012

Ms. Tracie Stevens, Chairwoman
Ms. Stephanie Cochran, Vice Chairwoman
Mr. Daniel Little, Associate Commissioner
National Indian Gaming Commission
1441 L St. N.W., Suite 9100
Washington, D.C. 20005

Dear Commissioners,

Pursuant to your request for comments on changes to 25 CFR Part 547 (Class II Technical Specifications) and 25 CFR 543 (Minimum Internal Control Standards for Class II Gaming) as published on NIGC Website as Preliminary Draft – For Discussion Purposes Only, we offer the following comments.

§ 543.8 (a) (6) (J) (ii) – The existing regulation requires an independent party monthly verify bingo card inventory.

The proposed revision eliminates the requirement for independence. The responsibility for verifying the accuracy of the ending balance and investigation of variances could be performed by the same people who presumably created the variance. This would seem to reduce the reliability on the reporting and control system.

§ 543.10 (a) (1) – The resolution of card room disputes by supervisors from departments independent of the card room department.

The change to the regulation seems to allow for no supervision of the poker room. The supervision of the poker room is an important control for game integrity which in the opinion of this agency should be maintained. Further, we question the practicality of supervisors from departments independent of the card room department being able to fairly resolve disputes.

§ 543.21 (d) (2) – Establishes a one (1) year surveillance retention for suspected crimes, suspicious activities and detentions.

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The proposed regulation set an arbitrary one year retention requirement for three areas that are not defined in the regulation. We think this approach is subjective and could also create an unnecessary burden. We would recommend that the retention periods be set by the Tribal Regulatory Authority to ensure the retention periods are appropriate for each jurisdiction.

§ 547.2 The word “proprietary” was included in the definitions for cashless systems, Class II System Component, and voucher system which seems unnecessary for the purpose of a technical regulation unless the intention is that only proprietary systems can be used.

§ 547.5 (f) (1) (iii) – The existing regulation prohibits a tribally owned test lab from testing gaming equipment used in that Tribe’s own gaming operation.

The proposed revision reverses that premise and allows a Tribe to have its own test lab testing its own equipment and certifying compliance with these technical specs.

It should be obvious to any observer that this creates, if not a real risk, certainly the perceived risk, of a conflict of interest.

We recommend no change.

§ 547.4 (a) “Fairness”: The existing regulation establishes a minimum mathematical probability (odds) for hitting an advertised jackpot.

The proposed revision eliminates any required minimum odds, and simply requires the test lab to calculate what the manufacturer has programmed for “probability” and inform the TGRA.

It is an undisputed fact that the complexity of “bingo math” is so vast that it could/would allow for programming a mathematical probability that an advertised jackpot could never (or virtually never) be won. This would not be “fair” to the public.

Players have the right to expect that an advertised jackpot is winnable. The regulatory community has an obligation to protect that player’s “right of expectation” by establishing some minimum guaranteed threshold. Failure to do so would require a regulator to inform the public, media, or anyone else inquiring, that the “odds” in Class II games are “unregulated.”

§ 547.7 (a) “General Requirements” – The existing regulations require Class II gaming systems to comply with any applicable Federal Communications Commission (FCC) regulations and to be tested by Underwriters Laboratories certifying the safety and reliability of equipment.

While we would have no objection to the proposed elimination of these two requirements, for the protection of the Tribe we believe it would be wise to require the manufacturer to provide some kind of certification or assurance attesting to the safety of the equipment.

§ 547.8 (a) (2) (ii) The existing regulation requires that between plays of any game or until a new game option is selected, the player interface must display “the final results for the last game, including entertaining displays of results, if any”.

The proposed revision eliminates the display of results related to the entertainment display.

From a practical standpoint it would seem counterproductive to have the most exciting and entertaining feature of the game (the entertainment display) be required to go blank in between games. We would recommend no change here.

§ 547.8 (d) (2) The existing regulation sets forth parameters for what should be displayed as part of the “last game recall” capabilities. Specifically, it states that the last game recall function shall “display the results of recalled games as originally displayed or in text representation, including entertaining display results implemented in video, rather than electro-mechanical form, if any”.

The proposed revision eliminates any requirement to be able to recall the “entertaining display results”.

We strongly object to this revision for the following reasons.

First, when a payable on a player interface indicates that certain combinations of symbols will result in certain prizes, a player has a reasonable right to expect that if that combination of symbols appear on the pay line of the “entertainment only” display, that they have won a prize.

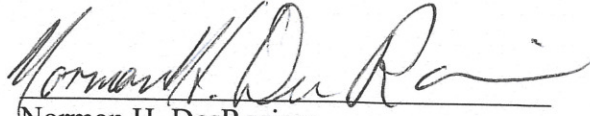
We understand that there are disclaimers on the player interface advising that the reels and symbols are for “entertainment only” and that the outcome of the game is determined by the game of bingo. However if posted prize paying combinations of symbols appear in the “entertainment display” and no prizes are awarded, the integrity of the gaming system and reputation of the Tribe may be called into question by the playing public.

Secondly, in most jurisdictions the regulatory authority is responsible for investigating player disputes and rendering final rulings. Consequently, the regulatory investigator has the right and need to know what the player actually saw, giving rise to the dispute. The regulator’s investigatory abilities are seriously hindered without access to what was publically displayed in the last game.

§ 547.17 Variance Requests: We would recommend that information described in the existing paragraphs (b) (2) (i) and (ii) (which are proposed for deletion) be retained as part of a submission to the Commission. It would seem likely that if this information is initially included, it will reduce the risk of the Commission asking for additional information as allowed in paragraph (a) (2).

We humbly request that you consider including these comments in your public record. We thank you for the opportunity to submit these comments and hope you find some value in them.

Sincerely,

A handwritten signature in cursive script, appearing to read "Norman H. DesRosiers". The signature is written in black ink and is positioned above a horizontal line.

Norman H. DesRosiers

Executive Director Gaming Commission