

**NATIONAL
INDIAN
GAMING
COMMISSION**

OCT 23 2000

Judy M. Thunder, Commissioner
Red Lake Gaming Commission
P.O. Box 561
Red Lake, Minnesota 56671

Dear Ms. Thunder:

This letter responds to your request to the National Indian Gaming Commission (NIGC) to review and approve the Red Lake Band of Chippewa Indian's (Band) amended Gaming Ordinance adopted by Resolution No. 239-99 on December 14, 1999 and submitted on July 25, 2000. The original Gaming Ordinance was approved by the NIGC on January 25, 1995. Subsequent to the approval of the original Gaming Ordinance, the Chairman of the NIGC approved a Revised Gaming Ordinance on September 16, 1999. This letter constitutes approval of the Band's most recently Revised Gaming Ordinance pursuant to the Indian Gaming Regulatory Act. Such approval extends to gaming conducted on Indian lands held by the Band.

Thank you for submitting the amendment to the tribal gaming ordinance of the Red Lake Band of Chippewa Indians.

Sincerely yours,



Montie R. Deer
Chairman

RED LAKE BAND of CHIPPEWA INDIANS



TRIBAL COUNCIL
Organized April 18, 1918
(Revised Constitution & By-Laws,
January 6, 1959)

Red Lake, MN 56671

Phone 218-679-3341 • Fax 218-679-3378

DIVISION:

JUL 28 2000

RESOLUTION NO. 239-99

OFFICERS:
BOBBY WHITEFEATHER, Chairman
JUDY ROY, Secretary
DAN KING, Treasurer

DISTRICT REPRESENTATIVES:
FABIAN COOK
DELORES LASLEY
LARRY DUDLEY
JULIUS "TOADY" THUNDER
LAWRENCE BEDEAU
HARLAN R. BEAULIEU
CLIFFORD C. HARDY
BRUCE STILLDAY, SR.

ADVISORY COUNCIL:
7 HEREDITARY CHIEFS

CHIEF COUNCIL OF 1889
May-dway-gwa-no-nind
Nah-gaun-e-gwon-abe
Mays-co-co-caw-ay
Ahnah-me-ay-ge-shig
Naw-ay-tah-wowb
Nah-wah-quay-ge-shig

Upon a motion by Representative Fabian Cook and a second by Treasurer Dan King, the following was enacted:

WHEREAS, the Red Lake Tribal Council has established a Gaming Commission to oversee the compliance of Red Lake Gaming Enterprises, Inc., with all applicable laws and regulations; and

WHEREAS, it has been determined that the Commissioner positions require more work than was originally thought; and

WHEREAS, a budget for the Gaming Commission has been approved which reflects a change in the method of compensation for Gaming Commissioners from a daily/meeting rate to salaried positions, which differs from related sections in the original Gaming Ordinance; and

WHEREAS, the Tribal Council has reviewed revisions to the Ordinance necessary to reflect these changes; now

THEREFORE BE IT RESOLVED, that the Red Lake Tribal Council hereby adopts the revisions to the Red Lake Gaming Ordinance as attached.

FOR : 9
AGAINST : 0

We do hereby certify that the foregoing resolution was duly presented and enacted upon at the Regular Meeting of the Tribal Council held on Tuesday, December 14, 1999, with a quorum present, at the Red Lake Nation Headquarters, Red Lake.


BOBBY WHITEFEATHER, CHAIRMAN


JUDY ROY, SECRETARY

JUL 28 2000

RED LAKE BAND OF CHIPPEWA INDIANS

GAMING ORDINANCE
[REVISED]

Draft of January 4, 1994

Amended – May 11, 1999

Amended – December 14, 1999

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Red Lake Band of Chippewa Indians
GAMING ORDINANCE [REVISED]

TITLE I. GENERAL PROVISIONS

JUL 28 2000

SECTION 100. SHORT TITLE.

- (a) This Ordinance shall be known and may be cited as the Red Lake Band of Chippewa Indians Gaming Ordinance [Revised].

SECTION 101. FINDINGS AND INTENT.

- (a) The Red Lake Tribal Council, governing body of the Red Lake Band of Chippewa Indians, finds that:
- (1) The Red Lake Band of Chippewa Indians is a sovereign entity with the Power and authority for self-governance. By virtue of the fact that the United States has recognized the Band as an Indian Tribe through treaties and laws, which recognizes and maintains the doctrine of Indian Sovereignty, the Red Lake Band of Chippewa Indians enjoys a federal guarantee of the perpetual integrity of the Red Lake Band of Chippewa Indians.
 - (2) The Band has the authority and responsibility under the Revised Constitution and Bylaws of the Red Lake Band of Chippewa Indians to "regulate and license where permitted by law all business and professional activities conducted upon the reservation..." and to "manage, lease or otherwise deal with tribal lands and tribal resources in accordance with existing Federal laws."
 - (3) The Red Lake Band of Chippewa Indians desires to continue to exercise its inherent authority over its internal affairs without interference, as described in the Revised constitution and Bylaws of the Red Lake Band of Chippewa Indians.
 - (4) The Red Lake Band of Chippewa Indians requires methods for maintaining a base to generate revenues for self-perpetuation and essential governmental services.
 - (5) Public Gaming operations have been introduced to the Red Lake Band of Chippewa Indians and it is of vital interest to the public health, safety, and welfare of the Red Lake Band of Chippewa Indians that the Band regulate public gaming in a manner commensurate with the best interests of the Red Lake Band of Chippewa Indians.

- (6) The regulation of public Gaming within the Red Lake Indian Reservation is in the best interest of the Red Lake Band of Chippewa Indians.
- (b) Further, the Red Lake Band of Chippewa Tribal Council determines that the intent of this Ordinance is to:
- (1) Foster a spirit of cooperation with the Federal Government through cooperation with the National Indian Gaming Commission regarding the regulation of Class II Gaming;
 - (2) Foster a spirit of cooperation with the State of Minnesota in the regulation of Class III Gaming;
 - (3) Regulate Gaming on trust lands located within the Red Lake Band of Chippewa Indians Reservation and other lands within the jurisdiction of the Red Lake Band of Chippewa Indians, in compliance with compacts and other applicable law;
 - (4) Protect Gaming as a means of promoting Tribal economic development;
 - (5) Ensure that Gaming is conducted fairly and honestly by both the operators and the players as a genuine means of providing both recreation and entertainment, entirely free from organized crime and other corrupting influences;
 - (6) Ensure that the construction and maintenance of all Gaming Enterprises, and the operation of Gaming conducted at those facilities, shall at all times protect the environment, the public health and welfare, and the sovereignty of the Red Lake Band of Chippewa Indians, and that such Gaming shall comply with all applicable Tribal, Federal, and Tribal/State compact laws.
 - (7) Establish an adequate system to ensure financial controls exist which will result in accountability for revenues generated from all Gaming Enterprises conducted within the Red Lake Indian Reservation and other lands within the jurisdiction of the Band; establish and maintain an adequate system to implement the necessary background investigations, licensing, and monitoring of employees of Gaming Enterprises; and establish and maintain an adequate system for the investigation, enforcement, and prosecution of violations of this Ordinance and the rules and regulations promulgated pursuant thereto;
 - (8) Preserve and protect the ability of the managers of Gaming Enterprises to exercise their responsibilities for direct control of Gaming, fiscal planning, reporting and control, and the employment, supervision and discipline of employees; and

- (9) Require all Gaming Enterprises located on trust lands subject to the governmental power of the Red Lake Band of Chippewa Indians to be wholly owned by the Band.

SECTION 102. DEFINITIONS

- (a) The following words and phrases when used in this Ordinance shall have the meanings respectively ascribed to them in this section:
 - (1) "Applicant" shall mean any person who is required to be licensed by this Ordinance, and who submits a request for the grant or renewal of such license.
 - (2) "Blackjack" shall have the meaning given the term in the Tribal-State Compact for Control of Class III Blackjack On the Red Lake Band of Chippewa Indians Reservation, entered into on June 11, 1991, and amended on July 9, 1992.
 - (3) "Chairman of the Board" shall mean that person elected to the position of Chairman of the Gaming Board.
 - (4) "Commission" shall mean the three-member board established pursuant to this Ordinance.
 - (5) "Commissioners" shall mean those persons appointed to the Red Lake Gaming Commission.
 - (6) "Band" shall mean the Red Lake Band of Chippewa Indians, a federally recognized Indian tribe.
 - (7) "Class II gaming" shall mean those activities defined in 25 C.F.R. § 502.3 as they are defined in such federal regulation.
 - (8) "Class III gaming" shall mean those activities defined in 25 C.F.R. § 502.4 as they are defined in such federal regulations.
 - (9) "Compact" shall mean any agreement concerning Class III Gaming between the Band and the State of Minnesota, and any amendments thereto.
 - (10) "Gaming equipment" shall mean bingo cards or sheets, devices for selecting bingo numbers, pull-tabs, jar tickets, paddlewheels, tip boards, electronic video equipment, or equipment employed to conduct the game of blackjack, or any other games of chance.
 - (11) "Gaming" shall mean the act of paying for the opportunity and participation in a game or games of chance for money or something of

value, and to operate, carry on, conduct, maintain, or expose for play, money, property, or any representative of value wherein the outcome of a game is decided by chance or in which chance is a material element, but does not include social games played solely for consumable goods, i.e., foodstuffs, or games played in private homes or residences for prizes, or games operated by charitable and educational organizations which are approved by the Gaming Board.

- (12) "Gaming Board" shall mean the eleven-member Board of Directors established pursuant to this Ordinance which shall consist of the members of the governing body of the Red Lake Band of Chippewa Indians or those appointed by the Red Lake Tribal Council whose number and term shall be determined by official Tribal Council action at a Special or Regularly scheduled Tribal Council Meeting. All references to "Gaming Board" or "Board of Directors" shall mean the Red Lake Band of Chippewa Indians Board of Directors unless otherwise noted.
- (13) "Gaming Enterprise" shall mean any commercial business owned by the Band and operated, in part or in whole, for the conduct of bingo, the sale of pull-tabs, Gaming in general and the conduct of other games of chance, including but not limited to video games of chance, blackjack, and any other lawful games of chance.
- (14) "Gaming Operator" shall mean a person, organization or entity that conducts the management of Gaming at a Band Gaming Enterprise, including the Band itself or any subdivision thereof.
- (15) "Gaming Test Laboratory" shall mean, as contemplated by Section 6.1 of the Tribal-State Compact regarding Video Games of Chance, a laboratory agreed to and designated in writing by the State of Minnesota as competent and qualified to conduct scientific tests and evaluations of video games of chance and related equipment, a laboratory operated by or under contract with the states of Minnesota, or Nevada, or New Jersey, or South Dakota constitutes a designated gaming test laboratory.
- (16) "Indian Gaming Regulatory Act of 1988" or "IGRA" shall mean the Act of the United States Congress adopted on October 17, 1988, as Public Law 100-497, 102 Stat. 2467, codified at 25 U.S.C. § 2701 *et seq.* Including any amendments thereto.
- (17) "Interested Party" shall mean any person who is required to be licensed, or who has a financial interest, whether direct or indirect, in any enterprise, person, facility, or place which is required to be licensed by this Ordinance and the rules and regulations adopted hereunder.

- (18) "Key Employees" shall mean persons who serve as the General Manager of a Gaming Enterprise, persons who have, alone or with others, the authority to sign checks or create or discharge financial obligations for a Gaming Enterprise, persons who have any contact with a money room of a Gaming Enterprise, and persons whose responsibilities include operation, management, maintenance or other substantial contact of or with video games of chance, blackjack, or other gambling equipment. Also, persons performing the following functions are key employees:
- (A) Bingo Caller;
 - (B) Counting room supervisor;
 - (C) Chief of security;
 - (D) Custodian of gaming supplies or cash;
 - (E) Floor manager;
 - (F) Pit Boss;
 - (G) Dealer;
 - (H) Croupier;
 - (I) Approver of credit;
 - (J) Custodian of gambling devices including persons with access to cash and accounting records within such devices;
 - (K) If not otherwise included, any other person whose total cash compensation is in excess of \$50,000 per year;
 - (L) If not otherwise included, the four most highly compensated persons in any licensed Gaming Enterprise.
- (19) "License" shall mean the permission by authority of the Red Lake Gaming Commission to do an act, which shall be illegal without such license. With respect to real property of the Band, a License is a privilege to go on the premises for a certain purpose, but does not operate to confer on, vest in, or grant any title, interest, or estate in such property.
- (20) "Licensee" shall mean any person, entity or organization granted a License pursuant to the provisions of this Ordinance.

- (21) "Other Employees" shall mean all employees of a Gaming Enterprise not otherwise included in the above definitions of "Key Employee" or "Primary Management Official".
- (22) "Person" shall mean any individual, partnership, corporation, association, or public or private organization.
- (23) "Person Having Management Responsibility" shall mean the person having management responsibility for the Gaming Enterprise or a portion thereof, or any person to whom such authority is delegated.
- (24) "Primary Management Officials" shall mean any persons who have a direct financial interest in, or management responsibility for, a Gaming Enterprise, and in the case of a corporation, shall include those individuals who serve on the board of directors of such corporation. If not otherwise included, "management official" shall also mean:
 - (A) The person having management responsibility for a management contract approved pursuant to federal statutory and regulatory authority;
 - (B) Any person who has authority:
 - (i) To hire and fire employees; or
 - (ii) To set up working policy for the Gaming Enterprise; or
 - (C) The chief financial officer or other person who has financial management responsibility.
- (25) "Other Compacts" shall mean such agreements as may in the future be entered into between the Band and the State of Minnesota, governing Class III gaming, as that term is defined by the Indian Gaming Regulatory Act of 1988.
- (26) "Other games of chance" shall include, but not be limited to, games similar to traditional bingo in which prizes are awarded on the basis of a designated winning number or numbers, color or colors, symbol or symbols determined by chance.
- (27) "Shall" is used in this Ordinance as imposing an obligation to act.
- (28) "Traditional bingo" shall mean that game commonly known as bingo.
- (29) "Tribal Council" shall mean the eleven members of the Red Lake Band of Chippewa Tribal Council, duly elected and serving in accordance with the

provisions of the Revised Constitution and Bylaws of the Red Lake Band of Chippewa Indians.

- (30) "Tribal General Legal Counsel" shall mean the lawyer or legal firm or association with whom the Band has contracted to represent the Band in all legal matters.
- (31) "Video game of chance" shall have the meaning given the term in the Tribal-State Compact for Control of class III Games of Chance On the Red Lake Band of Chippewa Indians Reservation in Minnesota, entered into May 6, 1991, and amended on July 9, 1993, and any further amendments thereto.

SECTION 103. EFFECT OF HEADINGS.

- (a) Article and section headings contained herein shall not be deemed to govern, limit, modify, or in any manner affect the scope, meaning, or intent or the provisions of any article or section of the Ordinance.

SECTION 104. LIBERAL INTERPRETATION.

- (a) The provisions of this Ordinance, being necessary for the welfare of the Band and its members, shall be liberally construed to effect the purpose and objective hereof, but in all cases, consistent with the provisions of IGRA or any other applicable law.

SECTION 105. SEVERABILITY.

- (a) The provisions of this Ordinance are severable; if any part or provision hereof shall be held void by tribal or federal court or federal agency, the decision of the court or agency so holding shall not affect or impair any of the remaining provisions of the Ordinance. Citation to potential court action is the section shall not be deemed a waiver of the Band's sovereign immunity for suit.

SECTION 106. IMPLEMENTATION.

- (a) It being immediately necessary for the preservation of the public peace and safety of the Band and its members, this Ordinance shall take effect and be in full force from and after its approval and passage by the Tribal Council, and shall remain in affect pending approval from the Secretary of the Interior and the National Indian Gaming Commission. If any section, provision, term or requirement of the Ordinance is determined by the National Indian Gaming commission to conflict with the provisions of IGRA or the applicable regulations promulgated thereto, that determination shall not require subsequent re-approval of the Ordinance by the Tribal Council, shall require only that the Ordinance be brought into technical compliance by the Gaming Board with the regulations to which it is subject.

SECTION 107. AMENDMENT.

- (a) This Ordinance may be amended only upon an affirmative vote of an absolute majority of the Tribal Council at a scheduled Tribal Council meeting, and then such amendment shall be valid only if it complies with the terms and provisions of IGRA.

TITLE II. DEVELOPMENT, ADMINISTRATION, AND ENFORCEMENT

SECTION 200. ELECTION AND COMPOSITION OF BAND GAMING BOARD.

- (a) Designation of Members of the Gaming Board. The Tribal Council shall, upon adopting this Ordinance, create the Gaming Board and designate themselves to fill the offices of the Gaming Board. The Seven Hereditary Chiefs shall have the authority to sit as a member of the Gaming Board in an advisory capacity. The Tribal Council shall appoint one person on the Gaming Board to serve as Chairman of the Gaming Board and one person on the Gaming Board to serve as the Secretary of the Gaming Board. The Tribal Council shall have the authority to appoint individuals other than duly elected Tribal Council members or officers, provided such appointment is done by an official act of the Tribal Council at a regular or special meeting of the Tribal Council. The Gaming Board shall have sole authority to regulate any and all gaming activities on the Red Lake Indian Reservation or other lands within the jurisdiction of the Band, subject to the oversight and control of the Tribal Council, which has the final authority in all matters. The authority of the Gaming Board shall include, but is not limited to general operations of gaming and ancillary facilities, subject to any specific limitations imposed elsewhere in this Ordinance, or through any other specific limitation of power necessitated by official action of the Tribal Council.
- (b) Duties of Chairman of the Gaming Board, Secretary, Members of the Gaming Board.
- (1) The Chairman of the Gaming Board shall have responsibility for calling and presiding over meetings of the Gaming Board, presiding over rulemaking procedures, and presiding over any hearings which the Gaming Board might conduct, as well as overseeing administration of the daily affairs of the Gaming Board. It shall have the responsibility to forward to the Gaming Commission any complaints or issues concerning the licensing and other regulatory authorities reserved to the Gaming Commission. The Chairman of the Gaming Board shall be the designated official to receive service of any official determination, order, or notice of violation from the National Indian Gaming Commission pursuant to 25 C.F.R. § 519.1, and shall forward a copy of such service to the Gaming Commission within 24 hours of receipt.
- (2) The Secretary shall have responsibility for acting as Chairman of the Board in the Chairman of the Board's absence or disability.
- (c) Qualifications of the Members of the Gaming Board. The members of the Gaming Board shall in all cases be required to complete an application for licensing which complies with the provisions of the IGRA and this Ordinance, and

a background check shall also be conducted for each individual nominee for a position on the Gaming Board, which background check shall fulfill the requirements of the IGRA and this Ordinance. Any person not possessing the necessary qualifications for licensing under the provisions of the IGRA and this Ordinance may not serve on the Gaming Board in any capacity. Pursuant to Section 326, the Tribal Council acting as the Tribal Council may waive the requirements of this section, provided that the Tribal Council does so by written Tribal Council resolution that defines such waiver.

- (d) Term of Office for Members of the Gaming Board. The term of office for the Members of the Gaming Board shall be determined by official action of the Tribal Council. Unless otherwise designated, the term of office for the Members of the Gaming Board shall coincide with the term set in the Revised Constitution and Bylaws of the Red Lake Band of Chippewa Indians for the Tribal Council.

SECTION 201. REMOVAL FOR CAUSE.

- (a) Removal Procedure. If the requirements of Section 201(c) are implicated by the actions of a member of the Gaming Board, the Tribal Council may suspend and terminate the authority of that Gaming Board/Tribal Council member to act as a Member of the Gaming Board in a proceeding commenced by at least six (6) members of the Tribal Council, which members must sign a certified petition for suspension/termination which states the cause for removal, and which is brought before the Tribal Council as an agenda item presented for a vote at a Tribal Council meeting, and which makes known to the member of the Band the reason which is asserted as the basis for suspension or termination for cause. Upon receipt of the petition for removal, the Tribal Council shall notify the person whose suspension or termination is sought within three days. Within fifteen (15) days the Tribal Council shall schedule a Tribal Council meeting for purposes of hearing the suspension/termination action. An absolute majority vote of the Tribal Council is required to suspend or terminate any member from their position on the Gaming Board.
- (b) Cause for Suspension/Termination. Cause for suspension or termination shall consist of fraudulent or dishonest conduct, or gross abuse of authority or discretion with respect to the duties of the Gaming Board member who is the subject of the removal action, unexcused failure to attend at least three consecutive meetings, or conviction of a felony while serving on the Gaming Board. In no case shall the performance of the duties of a Gaming Board member in compliance with the provisions of this ordinance be considered a basis for removal. In all cases the burden of proof, including the burden of presenting evidence and persuading the court that the action complained of was fraudulent, dishonest, or was a gross abuse of authority or discretion, shall rest with the members of the Tribal Council seeking suspension or termination of the Gaming Board member.

- (c) Appointment of Gaming Board Member. In the event the Tribal Council suspends or terminates pursuant to this section a Gaming Board member from his/her duties as a Gaming Board member, the Tribal Council acting as the Tribal Council shall have the authority to appoint a member of the Band to act a member of the Gaming Board provided that such person appointed shall satisfy the eligibility requirements. Such appointment shall be for the balance of the term of the Gaming Board member suspended or terminated. Such appointment shall be done by written Tribal Council resolution. Any action taken pursuant to this section shall be submitted to the National Indian Gaming Commission.

SECTION 202. DECISION-MAKING BY THE GAMING BOARD.

- (a) In all cases where a decision is required of the Gaming Board by the provisions of this Ordinance, the Gaming Board shall make said decision after deliberations on the merits of the issue before it, and shall in all cases make a determination of the issue by majority vote of at least a quorum of the Gaming Board, and the position receiving the majority of the votes shall represent the position of the Gaming Board with regard to the matter. All votes by the Gaming Board shall be recorded, and a written record shall be maintained which sets forth the position of the individual members of the Gaming Board.

SECTION 203. GAMING BOARD MEETINGS.

- (a) The Gaming Board shall hold meetings as necessary. A majority of the members of the Gaming Board shall constitute a quorum, which number shall be necessary and sufficient for a meeting to be held and business to be conducted, however, all votes shall be taken in compliance with Section 202. Notice of the meeting shall be provided at least 48 hours in advance, which notice shall include the agenda. Upon payment of a reasonable fee, any Interested Party shall be provided with such notice. The Gaming Board shall in all cases determine the reasonable fee.
- (b) Unless otherwise invited regular meetings shall be closed to all non-members, with the exception of Tribal Council members not serving on the Gaming Board, Gaming Commission, and National Indian Gaming Commission members or their authorized representative, and may be closed to enrolled members of the Band for purposes of protecting the privacy of an individual, but only after passage of a recorded motion for executive session. At regular meetings the Gaming Board members shall deal with the routine business and affairs of the Gaming Board, including but not limited to:
- (1) Consideration of applications, and the accompanying background information required by this Ordinance as part of the application process;
 - (2) Meeting with officials of the National Indian Gaming Commission, State of Minnesota, or any other law enforcement agency or office for purposes of

ensuring compliance with or enforcement of this Ordinance, or for purposes of pursuing possible criminal violations related to gaming, which violations occurred upon or are related to gaming conducted on property under the control of the Band.

- (3) To receive oral reports of alleged criminal violations, which violations occurred upon or are related to Gaming conducted on property under control of the Band.
 - (4) Deliberations of matters related to licensing decisions, and the factual determinations related to those decisions;
 - (5) Examination of financial or other data required to be reviewed by the Gaming Board under the provisions of this Ordinance, and which may be of a confidential nature;
 - (6) Consultation with legal counsel.
- (c) A record shall be made of all proceedings of the Gaming Board, whether in open or executive session, which record shall reflect all factors considered by the Gaming Board; such record shall be available to the affected party.
- (d) The Gaming Board shall hold special meetings, pursuant to the notice requirements defined above, at any time the Gaming Board deems necessary and appropriate, which may be open only to National Indian Gaming Commission members or their authorized representative, and to enrolled members of the Band for the purposes of:
- (1) Holding hearings related to the promulgation of substantive and procedural regulations under the authority granted the Gaming Board by this Ordinance; and
 - (2) Holding hearing related to violations of this Ordinance which may be punishable by civil penalties or other sanctions.
- (e) Following special meeting which are open only to National Indian Gaming Commission members or their authorized representatives and enrolled members of the Band, the Gaming Board may hold closed special meetings for the purposes of deliberations regarding the decision to be made concerning the matters presented at the public meetings. However, the requirement that there be a record established also applies here.

SECTION 204. CONFLICT OF INTEREST

- (a) No member of the Gaming Board, including the Chairman of Gaming Board, employee of the Gaming Board, or any person serving in any capacity as agent of the Gaming Board, or any member of his/her family living with him/her, may have a financial interest, other than that financial interest resulting from Band membership or employment at a Red Lake Gaming facility or administration, in any Gaming business or enterprise, or in any Gaming contractor, vendor, or any person providing services to Gaming, or accept any gift or thing of value from a Gaming contractor. Nothing in this section shall prohibit a member of the Gaming Board, or other person subject to this section from having a financial interest in any Gaming business or enterprise operating pursuant to the provisions of this Ordinance, which interest derives from their status as a Band member, including any distribution payments derived from profits made by such gaming business or enterprise.

SECTION 205. POWERS OF GAMING BOARD.

- (a) The Gaming Board may exercise any proper power and authority necessary to perform the duties and discharge the responsibilities with which the Gaming Board is charged. Those powers include, but are not limited to, the power to:
- (1) Review of all contracts to:
 - (A) Determine whether the transaction documents are a contract;
 - (B) Determine whether the contract is or is not related to Gaming, and if related to Gaming, whether it is subject to the provisions of this Ordinance; and
 - (C) Determine whether the non-Tribal party to the contract must be licensed under the provisions of this Ordinance.

Nothing in this Section shall prevent a Gaming Enterprise from engaging in a transaction which might involve Gaming related contracts under the provisions of this Ordinance, or any regulations promulgated hereunder, but it shall be the duty of the Gaming Enterprise to notify the Gaming Board of transactions which might be Gaming related, and request of the Gaming Board a determination regarding whether the transaction is or is not a gaming related contract.

- (2) Consult with Tribal General Legal Counsel to advise the Gaming Board as needed.

- (3) To promulgate such regulations as are deemed necessary for the purpose to giving effect to the provisions of this Ordinance, including but not limited to:
 - (A) substantive rules concerning: the conduct, operation, and oversight of gaming activities; the maintenance of gaming equipment; and any other matters with which the Gaming Board must deal to fulfill its responsibilities and which are deemed necessary by the Gaming Board to further compliance with this Ordinance; and
 - (B) procedural rules concerning: the conduct of hearings; the administration of the daily affairs of the Gaming Board; investigations and inspections of gaming, or persons involved with or licensed in connection with Gaming; the processing and disposition of complaints which may be received by the Gaming Board from members of the Band or the general public regarding matters within the authority of the Gaming Board; and any other rules deemed necessary by the Gaming Board to further compliance with this Ordinance;
- (4) To consider the resolution any disputes between the public and the Band with regard to any gaming activities licensed pursuant to this Ordinance.

SECTION 206. DUTIES OF GAMING BOARD.

- (a) It shall be the responsibility of the Gaming Board to ensure that all duties of the Gaming Board are discharged in a manner which assures compliance with this Ordinance and all other applicable laws of the Red Lake Band of Chippewa Indians, the United States, and the Tribal/State Compact. The duties of the Gaming Board shall include:
 - (1) Inspection and examination of all premises where Gaming is conducted or gaming devices or equipment are sold or distributed;
 - (2) Review of all contracts to:
 - (A) determine whether the transaction documents are a contract; and
 - (B) determine whether the contract is or is not related to gaming, and, if related to gaming, whether it is subject to the provisions of this Ordinance; and

- (C) determine whether the non-Tribal party to the contract must be Licensed under the provisions of this Ordinance.

Nothing in this Section shall prevent a Gaming Enterprise from engaging in transactions which might involve a Gaming related contract under the provisions of this Ordinance, or the regulations promulgated hereunder, but it shall be the duty of the Gaming Enterprise to notify the Gaming Board of such a transaction and request from the Gaming Board a determination that the transaction is or is not a Gaming related contract.

- (3) Requiring, and causing to be conducted annually, outside independent audits of all Gaming activity as required by IGRA and submitting such audits to the National Indian Gaming Commission pursuant to 25 C.F.R. § 522.4 (b)(3); requiring, and causing to be conducted annually, outside audits of all contracts related to the conduct of Gaming, with the exception of those contracts for legal and accounting services, whether those contracts be for supplies, services, concessions or other subject matter which the Gaming Board determines to be related to Gaming, and which are for a contract amount in excess of \$25,000.
- (4) Promulgation of such substantive and procedural regulations as the Gaming Board deems necessary to administer the provisions of the Ordinance, but only upon thirty (30) days notice of the proposed rulemaking action, which shall be provided to all eligible voting members of the Tribal Council not serving on the Gaming Board, posted at the Band Tribal offices, and provided in written form to the board of directors/or general manager of any Licensed Gaming Establishment.
 - (A) The notice shall specify the purpose of the proposed regulation, the draft language of the proposed regulation, and the factors the Gaming Board has considered in its determination to enact the proposed regulation, and an address at which the Gaming Board shall receive comments pursuant to the provisions of (B), below;
 - (B) During the notice period the Gaming Board shall receive comments regarding the proposed regulation at the Gaming Board offices, or at a designated mailing address.
 - (C) The comments received by the Gaming Board shall be considered by the Gaming Board at a meeting open to the public, and the Gaming Board shall make a final determination regarding the need for the proposed regulation, the language of the proposed regulation, and the effective date of the proposed regulation on the basis of all the information available to the Gaming Board. Any final determination of the Gaming Board shall be recorded in writing.

- (5) Consultation with Tribal General Legal Counsel to advise the Gaming Board as needed;
- (6) Hearing of and considering for resolution any dispute between members of the public and the Band with regarding to gaming activities licensed pursuant to the terms of this Ordinance.
- (7) Defending this Ordinance in any court with proper jurisdiction or before any federal agency, however, any reference herein to legal action shall not be deemed a waiver of the Band's sovereign immunity from suit.
- (8) Proposing an annual budget for Gaming Board operations pursuant to the provisions of this Ordinance; remuneration to or salaries for the Chairman of the Gaming Board and Gaming Board members shall be set by the Tribal Council acting as the Tribal Council and such amount shall be reflected in the proposed budget.
- (9) The performance of any other duties required in the Ordinance or any amendments thereto.

SECTION 207. PLAN OF ORGANIZATION, DELEGATION OF AUTHORITY.

- (a) The Gaming Board may organize any functional committees or divisions from among its members as may be necessary, and may from time to time alter such plan of organization as may be expedient, and may delegate all powers vested in the Gaming Board by this Ordinance, with the exception of the power to vote, to the divisions or committees so formed.

SECTION 208. VIOLATIONS AND SANCTIONS.

- (a) Any person who engages in Gaming or Gaming related activities on property subject to the provisions of this Ordinance without a gaming license, or in violation of the terms imposed by a Gaming License, or in violation of the terms of a suspension imposed by the Gaming Board on that Gaming License, or in violation of any other provision of this Ordinance and regulations promulgated hereunder, or amendments hereto, shall be in violation of the Ordinance. This provision shall apply to any person who is upon any premises licensed by this Ordinance without the consent of the licensee and/or the Gaming Board.
- (b) Violation of any provision of this Ordinance or any of the Gaming Board's Regulations by a Licensee, his or her agent, or employee:
 - (1) Shall be deemed contrary to the public safety, good order, and general welfare of the Band and its members;

- (2) May be grounds for refusing to grant or renew a License, or for suspension or revocation of a license;
 - (3) May be grounds for filing a complaint with the National Indian Gaming Commission, may be grounds for filing criminal charges and/or a civil action in a court of competent jurisdiction on behalf of the Gaming Board; and
 - (4) In the case of a licensee being convicted of a felony, shall be grounds for immediate revocation of the License.
- (c) Acceptance of a License or renewal thereof or condition imposed thereon by a Licensee constitutes agreement on the part of the Licensee to be bound by all the regulations and/or conditions of the Gaming Board and by the provisions of this Ordinance, and the regulations promulgated hereunder, and as the same may informed of the contents of all such regulations, provisions, and conditions, and ignorance thereof will not excuse the violations.
- (d) Any person in violation of this Ordinance shall be subject to sanctions under this Ordinance. The following provisions shall govern the response of the Gaming Board to violations:
- (1) Each day of violation may constitute a separate count or violation of this Ordinance. Separate violations shall be heard as separate offenses before the Gaming Board and/or prosecuted by a court of appropriate jurisdiction;
 - (2) All property used in each and every separate violations of this Ordinance may become the property of the Band. All property used in each and every separate violation of this Ordinance may be subject to forfeiture following a hearing;
 - (3) Violators may also be required to pay court costs, storage fees, and auction or sales fees;
 - (4) Persons may be excluded or ejected from Gaming Enterprises or prohibited from trespassing on premises licensed under this Ordinance, and may be subjected to civil penalties or sanctions for violating any provision of this Ordinance;
 - (5) Licenses may be suspended, revoked, or limited and/or Gaming Establishments may be forcibly closed;
 - (6) Winnings found to have been received in violation of this ordinance may be confiscated and may, following a hearing, be forfeited and become the property of the Band;

- (7) Civil penalties may be imposed as additional sanctions, in the amounts prescribed and in accordance with the hearing procedures set forth in the Ordinance.
- (e) Any of the above actions may be taken at the discretion of the Gaming Board.

SECTION 209. CIVIL PENALTY PROVISIONS.

- (a) It shall be a civil violation of the laws of the Red Lake Band of Chippewa Indians to disobey the provisions of this Ordinance or any regulations promulgated by the Gaming Board, or any proper order issued under the authority of this Ordinance. Any person or Licensee found to be guilty of such violation may be assessed a civil penalty. Civil penalties may be imposed pursuant to and in compliance with the provisions of this Ordinance, and any regulations promulgated by the Gaming Board under the authority provided in this Ordinance. Civil penalties may be imposed in addition to the imposition of any other sanctions permitted under this Ordinance, including but not limited to suspension or revocation of the Gaming License for a period not to exceed one year. Civil penalties may be imposed up to the amount of \$25,000.00 for each individual violation, exclusive of any restitution.

SECTION 210. EXCLUSION OR EJECTION OF CERTAIN PERSONS FROM GAMING ESTABLISHMENT.

- (a) Exclusion or Ejection of Persons Permitted. The Band hereby declares that the exclusion or ejection of certain persons from licensed gaming establishments, facilities, enterprises or places is necessary to carry out the policies of this Ordinance and to maintain the health, welfare, safety and security of the public, as well as to protect the integrity of gaming conducted on land owned by the Band.
- (b) Notice To Gaming Enterprise. In the furtherance of the policies of this section the Gaming Board may provide for any Gaming Enterprise, facility, or place, a list of persons who are not permitted to enter or be on the premises, and who may be forcibly excluded or ejected therefrom, including any person whose presence poses a threat to the Band or to the integrity of licensed gaming conducted on Band-owned land. Upon a finding that a person should be excluded or ejected for any of the reasons specified in Section 215, the Gaming Board shall provide the Gaming Enterprise with a picture of that person, if available, with a written description of that person, together with written notice that the person shall not be permitted to enter or be on the premises of any Gaming Enterprise, and who, upon identification by the Gaming Enterprise, shall be forcibly ejected or excluded therefrom.
- (c) Exclusion by Gaming Enterprise. The Licensee of any Gaming Establishment, through the manager of such Gaming Establishment, may independently make a finding that any person should be excluded or ejected for any of the reasons

specified in Section 215, and may act to exclude or eject such persons, provided that any person so ejected shall be provided with written notice of the right to a hearing to appeal such action to the Gaming Board.

SECTION 211. FACTORS TO BE CONSIDERED BY THE GAMING BOARD IN MAKING ITS DETERMINATION TO EXCLUDE.

- (a) In making its determination regarding exclusion or ejection from a gaming facility, place, establishment, or enterprise the Gaming Board shall consider:
- (1) That person's prior conviction for a felony, a misdemeanor involving moral turpitude (relating to moral character or integrity), or a violation of the Gaming Laws of any Indian Tribe, State, or of the United States;
 - (2) Any Violation or attempt to violate, or conspiracy to violate the provisions of this Ordinance relating to the disclosure of an interest in a Gaming Enterprise;
 - (3) Failure to disclose information required by the license application, or any effort to evade taxes or fees associated with the conduct of Gaming; and
 - (4) Any reputation for behavior which would adversely affect the public confidence in the Gaming Enterprise and trust that the Gaming industry is free from criminal or corrupting influences.
 - (5) Disorderly conduct, an act which intentionally alarms, angers, or disturbs others, provokes an assault or breach of peace. Or any attempt to manipulate or tamper with any Gaming equipment or alter or distort the normal conduct of any game, or to conspire with any other person for such purposes.

SECTION 212. NOTICE OF EXCLUDED PERSONS.

- (a) When the name and description of a person is placed on the List of excluded persons, the Gaming Board shall, if possible, give notice of the action to that person by at least one of the following means:
- (1) By personal service;
 - (2) By certified mail to the last known address of the person.

SECTION 213. APPEAL.

- (a) Persons against whom action has been taken pursuant to Section 208 through 210 by the Gaming Board and who have been heard before the Gaming Board may appeal the Gaming Board's decision to the Red Lake Band of Chippewa Indian Tribal Court. In all appeals before the Tribal Court, there will be deference given

by the Tribal Court to the determination of the Gaming Board as the agency charged with responsibility for interpreting its own regulations. Findings of fact made by the Gaming Board may be certified for review by the Tribal Court.

- (b) Conclusions of law made by the Gaming Board shall be reviewed *de novo* by the Tribal Court, that is, as though the Tribal Court were hearing the matter for the first time. The Tribal Court will overturn actions of the Gaming Board only where it can be shown that those actions were arbitrary and capricious, or were clearly an abuse of the Gaming Board's discretion. In all cases, the evidentiary standard on review shall be a preponderance of the evidence standard.

SECTION 214. DISPUTES BETWEEN PUBLIC AND BAND.

- (a) The Board may receive and consider any complaints from members of the public with regard to gaming activities licensed pursuant to this Ordinance. The Board may determine in its discretion whether to consider of any such complaints. If the Board determines to follow such procedures, it shall inform any complaining party within five (5) days of making such determination. Nothing in this section places a requirement on the Board to consider complaints or acts a waiver of the Band's sovereign immunity from suit.

SECTION 215. NO LIMITATION ON THE NUMBER OF GAMING ENTERPRISES.

- (a) Nothing in this Ordinance shall limit the number of Gaming Enterprises the Gaming Board can license to conduct Gaming on lands subject to the governmental control of the Band, pursuant to the provisions of this Ordinance and IGRA, but in all cases, each separate facility, place, or location shall require a separate license, issued specifically for that place, facility, or location.

SECTION 220. GAMING COMMISSION.

- (a) Establishment of Red Lake Gaming Commission. There is hereby established by the Red Lake Tribal Council a Commission to be known as the Red Lake Gaming Commission. The Red Lake Gaming Commission shall be composed of three (3) persons, all of whom shall be selected by the Red Lake Tribal Council.
- (b) Qualifications for Office. The following persons may serve as Red Lake Gaming Commissioners:
 - (1) Must be at least thirty (30) years of age;
 - (2) Must not have been convicted, found guilty, or pled guilty to any Felony charge.

(c) Restrictions for Gaming Commissioners.

(1) The Gaming Commissioners and Staff shall not be allowed to participate in any gambling activity at any Red Lake Gaming Facility.

(d) Disqualifications for Office. The following persons may not serve as Red Lake Gaming Commissioners:

- (1) Employees of any Red Lake Gaming Enterprise;
- (2) Persons related to any Gaming contractor (including any principal thereof or closely associated independent contractor);
- (3) Persons having any interest in or responsibility for, either directly or indirectly, any gaming related contract with the Council or any Gaming Enterprise of the Red Lake Band of Chippewa Indians.

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(d) Terms of Office. The Commissioners shall serve for three-year terms, except that upon initial enactment of this Act, one (1) of the Commissioners shall serve for two (2) years, and two (2) of the Commissioners shall serve for three (3) years. The respective term for each Commissioner shall be designated in their appointment. Commissioners may serve for more than one (1) term.

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(e) Removal From Office. Commissioners may be removed from office pursuant to Section 201 of this Ordinance, and shall be consistent with removal provisions applicable to Gaming Board Members.

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(f) Quorum. Two (2) members of the Gaming Commission shall constitute a quorum.

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(g) Officers and Duties. The Gaming commission shall select, by majority vote, a Chairperson, Vice-Chairperson and Secretary. The Chairperson shall preside over meetings of the Gaming commission and the Vice-Chairperson shall preside in absence of the Chairperson. The Secretary shall record in writing the minutes of all Gaming Commission meetings and all official actions taken by the Gaming Commission. Officers shall serve for one-year terms and may not serve in the same position for two consecutive years.

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(h) Voting. All actions of the Gaming commission shall be taken by majority vote. The Commission Chairperson may vote on any issue.

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(i) Meetings. Meetings shall be held at least once per month. Additional meetings shall be held as called by the Chairperson or by at least two (2) Commissioners. Notice of meetings shall be given in writing to each

Commissioner, served by first class mail or personal delivery at least five (5) business days prior to such meeting.

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(j)

Compensation for Serving and Reimbursement of Expenses. Commissioners shall be compensated at a rate approved by the Red Lake Tribal Council per annual budget. Commissioners shall be reimbursed for expenses incurred in connection with the performance of their Commission duties.

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(k)

Powers and Duties. The Red Lake Gaming Commission shall have the power and duty to:

- * (1) Inspect, examine and monitor gaming activities, including the power to demand access to and inspect, examine, photocopy and audit all papers, books and records respecting such gaming activity;
- (2) Investigate any suspicion of wrongdoing in connection with any gaming activity;
- (3) Conduct or cause to be conducted such investigations as may be necessary to determine in connection with any gaming activity, compliance with law or this Act or any contracts, agreements, goods, services, events, incidents, or other matters related to gaming activities;
- (4) Establish and collect license, investigation, and regulatory fees to cover the costs connected therewith;
- * (5) Conduct background investigations regarding any person or entity in any way connected with any gaming activity and issue licenses to, at minimum, all qualified gaming enterprise key employees and primary management officials under requirements at least as stringent as those established in 25 CFR Parts 556 and 558; and grant, suspend, revoke, and renew licenses and hear and decide matters affecting such granting, suspension, revocation, or renewal of license;
- (6) Hold such hearings, sit and act at such times and places, summon persons on the reservation to attend and testify at such hearings, take such testimony, and receive such evidence as the Gaming Commission deems relevant in fulfilling its duties;
- (7) Administer oaths or affirmations to witnesses appearing before the Gaming Commission;
- (8) Implement and administer a system, including the promulgation of regulations, for investigating, licensing and monitoring management, employees, vendors and others connected with gaming activities,

including the issuance of license to gaming facilities, individuals and entities and the verification of internal controls, as required under this Act, IGRA, and any Tribal-State compact.

- (9) Promulgate rules for any Class II and Class III gaming activities on the Red Lake Reservation, except that rules shall not be in conflict with rules, if any, adopted under any Tribal-State compact.
- (10) Issue such other regulations as it deems appropriate in order to implement the provisions of this Act; and
- (11) Carry out such other regulatory duties with respect to gaming activities as the Red Lake Tribal Council shall direct.
- (12) Authority to employ and/or discharge Red Lake Gaming Commission Staff as necessary.

(j) Annual Report. On or before the last day of the third month after the close of the Tribe's fiscal year of each year, the Gaming Commission shall provide to the Red Lake Tribal Council an Annual Report summarizing its activities during the prior fiscal year, and accounting for all receipts and disbursements.

(k) Funding. All funding of the Red Lake Gaming commission shall be pursuant to an Annual Budget to be proposed to the Red Lake Tribal Council ninety (90) days prior to the close of the Tribe's fiscal year and modified, if necessary, and approved and funded in accordance with the Tribe's procedures for approving and funding budgets for other departments and agencies of the Red Lake Tribal Council. In preparing the Annual Budget, all actual and anticipated surplus funds of the Gaming Commission shall be taken into account. Expenditures by the Gaming Commission shall be in accordance with the approved Annual Budget. Changes in the approved Annual Budget and requests for additional funds shall be by petition to the Red Lake Tribal Council.

(l) Gaming Commission's Relationship to Red Lake Tribal Council.

- (1) Agency of Tribal Council. The Red Lake Gaming Commission shall be deemed to be an agency of the Tribal Council and as such shall be subject to personnel and other Tribal Council administrative policies. The administration of all such policies shall be under the supervision of the Red Lake Tribal Council.
- (2) Independent Decision-Making Authority. Notwithstanding the fact that the Red Lake Gaming Commission is an agency of the Red Lake Tribal Council, the decisions of the Commission regarding licensing, suitability, compliance with applicable law and other regulatory matters

shall be within the exclusive province of the Commission, provided, that any person or entity adversely affected by a ruling of the Commission, including but not limited to the gaming enterprise or any employee thereof, may petition the Tribal Council for review of such decision, which shall only be reversed by majority vote at a duly held Regular or Special Council meeting at which such matter has been placed on the agenda.

TITLE III. LICENSING

SECTION 300. LICENSE REQUIRED FOR GAMING ENTERPRISES AND DISTRIBUTION OF GAMING EQUIPMENT.

- (a) Any person, organization, or entity (including Primary Management Officials and Key Employees) conducting a public Gaming Enterprise on behalf of the Band in which are conducted Class II and Class III gaming activities, or acting as the agent or employee of such person, organization or entity, on property which is subject to the jurisdiction of the Band, or any person organization, or entity selling, leasing, ore otherwise distributing gambling equipment or video games of chance to the Band, shall be required to have and display prominently, or display upon request, an appropriate, valid, and current Band public Gaming License issued pursuant to the provisions of this Ordinance. Such License shall also be required for each facility, place, establishment, or enterprise where Gaming is conducted. Any other form of public Gaming operations being conducted within the jurisdiction of the Band without the lawful written approval of the Gaming Commission is prohibited.

SECTION 301. APPLICATION NECESSARY FOR PUBLIC GAMING ACTIVITIES.

- (a) Except as provided in Section 317, all persons or organizations who may seek to engage in public gaming activities within the jurisdiction of the Band, whether Class II or Class III gaming activities, must apply to the Gaming Commission for the appropriate license in accordance with the provisions of Section 302 and/or 303, at least thirty (30) days prior to commencing the scheduled activities, and the Gaming Commission must conduct or cause to be conducted a background investigation in accordance with the provisions of Section 304, but the Applicant shall not begin the scheduled activity until the Gaming Board has forwarded to the National Indian Gaming Commission a completed application, and until such activity is Licensed, or is approved in writing by the Gaming Commission, pending final License approval.

SECTION 302. APPLICATION FOR GAMING ENTERPRISE.

- (a) The License application for any Gaming Enterprise made by the proposed gaming operator for that Gaming Enterprise shall contain for following information:

- (1) The name and location of the Gaming Enterprise for which the Gaming operator License is being sought, the number and types of games to be played, a detailed plan of any proposed construction, the number of planned employees;
- (2) The full name, other names used (oral or written), social security number(s), birth date, place of birth, citizenship, gender, all languages (spoken or written) and address of the Gaming operator(s), or if the Gaming Enterprise is a tribally operated facility, the foregoing information concerning each member of the board of directors;
- (3) The full name(s), other names used (oral or written), social security number(s), birth date(s), place(s) of birth, citizenship, gender, all languages (spoken or written), and addresses of all Interested Parties (including those with direct or indirect financial interests) and their interest and connection with the Applicant;
- (4) For the current year and previous five years for all operators and Interested Parties: business and employment positions held, ownership interests in those businesses, business and residence addresses, and drivers license numbers;
- (5) Current business and residence telephone numbers for all operators and Interested Parties;
- (6) A description of any previous business relationships with Indian tribes, including ownership interests in those businesses, provided by all operators and Interested Parties;
- (7) A description of any previous business relationship with the Gaming industry generally, including ownership interests in those businesses provided by all operators and Interested Parties;
- (8) All operators and Interested Parties must provide the name and address of any licensing or regulatory agency with which the person has filed an application for a License or permit related to Gaming, whether or not such License or permit was granted, and if granted, whether it was ever suspended or revoked;
- (9) For each felony for which there is an ongoing prosecution or conviction, if any, the charge, the name and address of the court involved, and the date and disposition, together with detailed and explicit information of any criminal record of the Gaming operator and any Interested Party whose name appears on the application to determine whether that person:
 - (A) Has committed a felony or Gaming offense in any jurisdiction;

- (C) Has engaged in prior activities or maintains habits or associations affecting his or her present conduct which would:
 - (i) Pose a threat to the public and Band interests;
 - (ii) Threaten the effective regulation and control of Band Gaming;
 - (iii) Enhance the dangers of unsuitable, unfair, or illegal methods, or activities in the conduct of Gaming.
 - (10) For each misdemeanor conviction or ongoing misdemeanor prosecution (excluding minor traffic violations), if any, within 10 years of the date of the application, the name and address of the court involved and the date and disposition;
 - (11) A photo of the operator, the operator's fingerprints, and a photo of each Interested Party;
 - (12) The name and address of all proposed or actual ancillary contractors who provide supplies, services, concessions or property to the proposed Gaming operator;
 - (13) A financial statement of the Applicant, and financial statements of all Interested Parties; and
 - (14) Any additional information as may be deemed necessary by the Gaming Board, or as may be required by the National Indian Gaming Commission
- (b) Any of the requirements to provide the foregoing information may be waived by the Gaming Commission for good cause shown. Any action by the Gaming Commission to waive any of the requirements provided for in this section shall be recorded in writing by resolution or inclusion in the minutes of any Gaming Commission meeting.

SECTION 303. APPLICATION AND INVESTIGATION REPORT FOR PRIMARY MANAGEMENT OFFICIALS AND KEY EMPLOYEES.

- (a) The License Application for Primary Management Officials and Key Employees of any Gaming Enterprise or Operator of the Band shall contain the following statement:

In compliance with the Privacy Act of 1974, the following information is provided. Solicitation of the information on this form is authorized by 25 U.S.C 2701 et seq. The purpose of the requested information is to determine the eligibility of individuals to be employed in a gaming

operation. The information will be used by National Indian Gaming Commission members and staff who have a need for the information in the performance of their official duties. The information may be disclosed to appropriate Federal, Tribal, State, local, or foreign law enforcement and regulatory agencies when relevant to civil, criminal or regulatory investigations or prosecution or when pursuant to a requirement by the Red Lake Band of Chippewa Indians Gaming Commission or the National Indian Gaming Commission in connection with the hiring or firing of an employee, the issuance or revocation of a gaming license, or investigations of activities while associated with the Red Lake Band of Chippewa Indians Gaming Commission or a gaming operation. Failure to consent to the disclosures indicated in this notice will result in the Red Lake Band of Chippewa Indians being unable to hire you in a primary management official or key employee position. The disclosure of your Social Security Number (SSN) is voluntary. However, failure to supply a SSN may result in errors in processing your application.

- (b) The licensing application shall contain the following notice:

A false statement on any part of your application may be grounds for not hiring you, or for firing you after you begin work. Also, you may be punished by fine or imprisonment (U.S. Code, Title 18, section 1001).

- (c) The Licensing application shall require the following information to be furnished by the applicant before consideration shall be given to the application by the Gaming Commission:
- (1) The full name, other names used (oral or written), social security number(s), birth date, place of birth, citizenship, gender, all languages (spoken or written);
 - (2) Currently and for the previous 5 years: Business and employment positions held, ownership interest in those businesses, business and residence addresses, and drivers license numbers;
 - (3) The names and current addresses of at least three personal references, including one personal reference who was acquainted with the applicant during each period of residence listed under paragraph (4) of this section;
 - (4) Current business and residence telephone numbers;

- (5) A description of any existing and previous business relationships with Indian tribes, including ownership interests in those businesses;
- (6) A description of any existing and previous business relationships with the gaming industry generally, including ownership interests in those businesses;
- (7) The name and address of any licensing or regulatory agency with which the person has filed an application for a License or permit related to gaming, whether or not such license or permit was granted;
- (8) For each felony for which there is an ongoing prosecution or a conviction, if any, the charge, the name and address of the court involved, and the date of disposition;
- (9) For each misdemeanor conviction or ongoing misdemeanor prosecution (excluding minor traffic violations), if any within 10 years of the date of the application, the name and address of the court involved and the date and disposition;
- (10) For each criminal charge (excluding minor traffic charges) whether or not there is a conviction, if such criminal charge is within 10 years of the date of the application and is not otherwise listed pursuant to other provisions of this section, the criminal charge, the name and address of the court involved and the date and disposition.
- (11) The name and address of any license or regulatory agency with which the person has filed an application for an occupational license or permit, whether or not such license or permit was granted;
- (12) A photograph;
- (13) The fingerprints of the applicant; and
- (14) Any additional information as may be determined by the Gaming Board.

SECTION 304. BACKGROUND INVESTIGATION.

- (a) The Gaming Commission shall conduct or cause to be conducted an investigation sufficient to make a determination that a relationship with any license applicant under investigation does/does not pose a threat to the public interest or to the effective regulation of gaming, or creates or enhances the dangers of unsuitable, unfair, or illegal practices and methods and activities in the conduct of Gaming. In conducting a background investigation, the Gaming Commission or its licensed agents shall promise to keep confidential the identity of each person interviewed in the course of the investigation.

- (b) The Gaming Commission shall conduct such background investigations with the assistance of the Red Lake Band of Chippewa Indians Police Department. All fingerprints required to be submitted to the Gaming Commission pursuant to the terms of this Ordinance shall be taken by or under the supervision of the Red Lake Band of Chippewa Indians Police Department.
- (c) All background investigations done hereunder shall include a check of Federal Bureau of Investigation criminal history records.
- (d) If the National Indian Gaming Commission and/or the Gaming Commission passes an investigative report for an employee, the Gaming Commission may update that report instead of performing an entirely new investigation.
- (e) The provisions of this Section shall apply to all members of the Gaming Commission, and to any employee, agents or members of committees of the Gaming Commission.

SECTION 305. REPORT FOR NATIONAL INDIAN GAMING COMMISSION, STATE OF MINNESOTA FOR CLASS II AND CLASS III GAMING APPLICATIONS AND INVESTIGATION REPORTS FOR KEY EMPLOYEES AND PRIMARY MANAGEMENT OFFICIALS.

- (a) Before issuing a Gaming License to any person, organization or entity, including Management Officials and Key Employees, the Gaming Commission shall forward to the National Indian Gaming Commission a completed application containing the information listed under Section 302 or 303 of this Ordinance, as applicable, together with an investigative report pursuant to Section 304 which shall include all the following:
 - (1) Steps taken in conducting a background investigation;
 - (2) Results obtained;
 - (3) Conclusions reached; and
 - (4) The bases for those conclusions.
- (b) When the Gaming Commission forwards a report to the National Indian Gaming Commission, it shall include a copy of the determination that the potential employee did not pose any threat defined in Section 304.
- (c) Copies of the Background Investigation conducted by or at the direction of the Gaming Commission shall be forwarded to the State of Minnesota, in accordance with the terms of the Compacts between the Band and the State.

SECTION 306. TEMPORARY EMPLOYMENT AUTHORIZATION.

- (a) On the basis of the completed License application and any other available information, the Gaming Commission shall make a preliminary finding concerning the eligibility of a Key Employee or a Primary Management Official for employment in a Gaming operation. If the Gaming Commission, in applying the standards adopted in this Ordinance, determines that employment of a person under investigation poses a threat to the public interest or to the effective regulation of Gaming, or creates or enhances the dangers of unsuitable, unfair, or illegal practices and methods and activities in the conduct of gaming, the Gaming Commission shall not issue a temporary employment authorization to the individual, and a management contractor or a Tribal Gaming operation shall not employ that person in a Key Employee or Primary Management Official position.
- (b) If the Gaming Commission, after consideration of the appropriate information, judged by the relevant standards as defined in this Ordinance and IGRA, and the rules and regulations promulgated pursuant thereto, determines that the Applicant is sufficiently qualified to be employed, the Gaming Commission shall issue a temporary employment authorization. Such authorization shall be good for a period not to exceed ninety (90) days, shall be granted only to identify and monitor the individual Applicant pending a determination by the National Indian Gaming Commission of the Applicant's suitability for a permanent license, and is revocable upon completion of the background investigation of the individual applicant if the Gaming Commission determines that the results of the background investigation warrant such revocation. Such temporary employment authorization, and the privilege of employment which it permits, is in all cases revocable if the National Indian Gaming Commission determines the applicant is unsuitable for licensing. The individual may begin employment upon receipt of the temporary employment authorization.
- (c) Those individuals employed in a Gaming Enterprise as of the effective date of this Ordinance shall be issued a temporary employment authorization under this Section, and shall comply with the requirements of this Ordinance pertaining to them. The necessary background checks of such individuals shall be conducted or examined, as appropriate, and License applications, together with the necessary background checks, shall be forwarded by the Gaming Commission to the National Indian Gaming Commission as required under the provisions of IGRA and the regulations adopted pursuant thereto.

SECTION 307. LICENSING REQUIREMENTS AND PROCEDURES FOR PRIMARY MANAGEMENT OFFICIALS AND KEY EMPLOYEES.

- (a) In anticipation of issuing Licenses required under Section 300 of this Ordinance, the following procedures must be performed before a Primary Management Official or a Key Employee may be licensed.

- (b) When a Primary Management Official or Key Employee begins work at a gaming operation, the Gaming Commission shall:
- (1) Forward to the National Indian Gaming Commission a completed application for employment that contains the information listed in Section 303 of this Ordinance; and
 - (2) Conduct a background investigation under Section 304 of this Ordinance to determine the eligibility of the employee for continued employment in a Gaming operation.
 - (3) Upon completion of a background investigation and a determination of eligibility for employment in a Gaming operation under paragraph (b)(2) of this Section, the Gaming Commission shall, pursuant to the provisions of Section 305 of this Ordinance, forward a report to the National Indian Gaming Commission within 60 days after the employee begins work. A Gaming operation shall not employ a person as a Key Employee or Primary Management Official who does not have a license after 90 days, but in all cases the Gaming Commission shall act to grant or deny the License within the ninety (90) day period.
 - (4) During a 30-day period beginning when the National Indian Gaming Commission receives a report submitted under paragraph (b)(3) of this Section, the Chairman of the National Indian Gaming Commission may request additional information from the Gaming Commission concerning an employee who is the subject of such report. Such a request shall suspend the 30-day period until the Chairman receives the additional information.
 - (5) If, at the conclusion of the 30-day period described under paragraph (b)(4) of this Section, the National Indian Gaming Commission has not notified the Gaming Commission that it has any objections, the Gaming Commission may issue the license, pursuant to Section 308 of this Ordinance.
 - (6) The information required to be presented to the National Indian Gaming Commission by (b)(1), (b)(2), and (b)(3) of this section shall also be forwarded to the Commissioner of Public Safety for the State of Minnesota, pursuant to the terms of the Tribal-State Compact on Video Games, and pursuant to the terms of the Tribal-State Compact on Blackjack.

SECTION 308. GRANTING LICENSES TO KEY EMPLOYEES AND PRIMARY MANAGEMENT OFFICIALS.

- (a) At the end of the 30-day period described under paragraph (b) of Section 307 of this Ordinance, or upon receipt of the National Indian Gaming Commission's report described under paragraph (b)(5) of Section 307, the Gaming Commission may:
 - (1) Grant a Gaming License to a Primary Management Official or a Key Employee who is eligible for continued employment in a Gaming operation; or
 - (2) Terminate the employment of an employee as a Key Employee or a Primary Management Official;
- (b) In all cases, the Gaming Commission shall be required to act on the license application within thirty (30) days of the receipt of the information from the National Indian Gaming Commission, or, if no information has been provided within the thirty (30) day period set forth in Section 307 (b)(4), then the Gaming Commission must act within thirty (30) days of the expiration of the thirty (30) day period referred to in Section 307 (b)(4).

SECTION 309. LICENSE SUSPENSION FOR PRIMARY MANAGEMENT OFFICIALS AND KEY EMPLOYEES.

- (a) If, after the issuance of a Gaming License by the Gaming Commission, the National Indian Gaming Commission receives reliable information indicating that an employee is not eligible for employment under Section 304 of this Ordinance, the National Indian Gaming Commission shall notify the Gaming Commission. Upon receipt of such notification, the Gaming Commission shall:
 - (1) Suspend such License and shall notify the Licensee in writing of suspension and the proposed revocation;
 - (2) The Gaming Commission shall notify the Licensee of a time and a place for a hearing on the proposed revocation of her/his License;
 - (3) After a revocation hearing, the Gaming Commission shall decide to revoke or to reinstate a Gaming License. The Gaming Commission shall notify the National Indian Gaming Board of its decision.

SECTION 310. NOTICE TO EXISTING KEY EMPLOYEES AND MANAGEMENT OFFICIALS.

- (a) The Gaming Commission shall notify existing Key Employees and Primary Management Officials in writing that they shall either:

- (1) Complete a new application form that contains the Privacy Act notice at Section 303 of this Ordinance; or
 - (2) Sign a statement that contains the Privacy Act notice (at Section 303 of this Ordinance) and consent to the routine uses described in that notice.
- (b) The Gaming Commission shall also notify existing Key Employees that they shall either:
- (1) Complete a new application form that contains the notice regarding false statements contained in Section 303 of this Ordinance; or
 - (2) Sign a statement that contains the notice regarding false statements (at Section 303 of this Ordinance).

SECTION 311. RETENTION OF APPLICATIONS FOR EMPLOYEES OF A GAMING OPERATION OTHER THAN KEY EMPLOYEES AND PRIMARY MANAGEMENT OFFICIALS.

- (a) The Gaming Commission shall retain applications for employment and reports (if any) of background investigations for inspection by the Chairman of the National Indian Gaming Commission or her or his designee for at least the term of employment but in no event less than three (3) years from the date of hire.

SECTION 312. APPLICATION FOR DISTRIBUTORS OF VIDEO GAMES OF CHANCE AND GAMING EQUIPMENT.

- (a) The License application for any person, organization or entity wishing to sell, lease or otherwise distribute Gaming equipment and/or video games of chance to the Band shall contain the following information:
- (1) The name(s) and mailing address(es) of the person or entity making the application;
 - (2) The name and addresses of all Interested Parties (including those with direct or indirect financial interests) and their interest and connection to the applicant;
 - (3) The nature of the License applied for; the type of activity to be engaged in under the License;
 - (4) Explicit and detailed disclosure of any criminal record, including any delinquent taxes owed to the State of Minnesota, of the applicant, any person involved in the organization, and any Interested Party whose name appears on the application;

- (5) Whether the Applicant has been properly Licensed by the State of Minnesota pursuant to Minnesota Statute section 349.161; or proof of being the holder of a current and valid distributor or manufacturer License from the State of Minnesota, or the State of New Jersey, or the State of Nevada, or the State of South Dakota;
- (6) Whether the Applicant has ever had a distributor or manufacturer License revoked or suspended by the state that issued the license and, if so, the circumstances surrounding the state's action;
- (7) A statement of waiver allowing the Band and the State of Minnesota to conduct a background investigation of the Applicant and any person whose name is required to appear on the application;
- (8) Whether the Applicant or any person whose name is required to appear on the application maintains any involvement in the business of wholesale distribution of alcoholic beverages, and
- (9) Any additional information necessary to allow the Gaming Commission or the State of Minnesota to investigate the applicant or any person included on the application.

SECTION 313. MACHINE LICENSE.

- (a) Any person, organization, or entity applying for a Gaming Enterprise license pursuant to the terms of this Ordinance must obtain from the Gaming Commission an annual non-transferable license for each video game of chance to be placed in a Gaming Enterprise operating under the provisions of this Ordinance.
- (b) An application for a License for a video game of chance shall contain the following information:
 - (1) The name and address of the Applicant with proof of a current and valid distributor or manufacturer License issued by a state and the Band;
 - (2) Identification numbers or codes for each video game of chance placed in a Band Gaming Enterprise, including the manufacturer, the serial number and the model number;
 - (3) Proof of approval and certification of the machine by an approved gaming test laboratory or proof that the video game of chance conforms precisely to the exact specifications of the video game of chance prototype tested and approved by the Gaming Test Laboratory;
 - (4) All other information as required by the Tribal-State Compact on Video Games of Chance;

- (5) Upon issuance, the Gaming Commission shall have attached to each video game of chance licensed under the provisions of this Ordinance, an unremovable identification plate on the exterior cabinet which contains the information as required by the Tribal-State Compact on Video Games of Chance.

SECTION 314. CLASSES OF LICENSES.

- (a) Upon proper application and approval, the following classes of licenses may be issued at the discretion of the Band Gaming Commission (1) - (5) herein. Any Business License issued by the Band, pursuant to Tribal Laws, shall prevail.
 - (1) Class A License for a Gaming Enterprise in which a Gaming operator wishes to conduct Traditional Bingo and other games of chance, including, but not limited to, Video games of chance, Blackjack, or other Gaming subject to other Compacts at a Band Gaming Enterprise; the License shall be site specific, valid for a period of one year and shall have an application fee of \$0.00 which may be waived by the Gaming Commission;
 - (2) Class B License to any Management Official or Key Employee of either a Gaming operator or the Band; the License shall be valid for a period of one year and shall have an application fee of \$0.00, which may be waived by the Gaming Commission;
 - (3) Class B-1 License to any other employee, not licensed as a management Official or Key Employee, of a Gaming operator or the Band, employed in a Gaming Enterprise licensed under the provisions of this Ordinance; the License shall be valid for a period of one year and shall have an application fee of \$0.00, which may be waived by the Gaming Commission;
 - (4) Class C License to any Distributor or Manufacturer of Gaming equipment and/or Video games of chance to be used in a Band Gaming Enterprise; the License shall be valid for a period of one year and shall have an application fee of \$50.00, payable to the Red Lake Band, pursuant to Tribal Resolution 231-88;
 - (5) Class D license of each Video Game of Chance to used in a Band Gaming Enterprise; the License shall be valid for a period of one year and shall have the fee of \$0.00, which may be waived by the Gaming Commission.
 - (6) The Gaming Commission may revise the fees for each class of license subsequent to an annual review and public hearing. Fees shall not be reviewed more frequently than on an annual basis. The determination of the Gaming Commission on license fees shall be final.

- (b) In all cases where an individual is required to be Licensed pursuant to the provisions of this Ordinance, the License fee for that individual shall be paid by that individual.

SECTION 315. REIMBURSEMENT FOR COSTS OF INVESTIGATION.

- (a) Any Applicant for a License under this Ordinance shall pay the Gaming Commission a reasonable License fee at the time of application, if required. If additional extraordinary investigation is necessary to determine whether the Applicant is properly qualified for a License, the Gaming Commission may require an additional fee, not to exceed the cost of the original fee.

SECTION 316. FRAUD ON APPLICATION.

- (a) It shall be unlawful for any Applicant to lie or willfully deceive in the submission of a License application. The penalty for fraud on application is revocation of the License. The penalty also includes relevant sanctions pursuant to Section 208 of this Ordinance.

SECTION 317. EXEMPTIONS.

- (a) The following activities are not public Gaming operations under the terms of this Ordinance and, therefore, do not require a License under this title:
 - (1) Gaming in which no cash or valuable prizes are won, other than "points" for cumulative competitive ratings or "places" for immediate competitive rankings, is not subject to the provisions of this Ordinance. However, gaming for gain which is conducted by a non-profit organization is subject to the requirements of this Ordinance if cash or valuable prizes are awarded. "Valuable prizes" means an object or service worth One Hundred Dollars (\$100.00) or more in fair market value.
 - (2) Traditional Indian Gaming activity, in the nature of hand games, are not subject to the provisions of this Ordinance. The Gaming Commission is hereby authorized to determine on a case-by-case basis, upon request, whether a particular traditional gaming activity qualifies for the exemption.

SECTION 318. LICENSE RENEWAL.

- (a) Every Licensee intending to continue engaging in public Gaming activities within the land subject to the jurisdiction of the Band during the next calendar year shall apply to the Gaming Commission for renewal of the license at least sixty (60) days prior to the end of the previous License period.

SECTION 319. LICENSE DISPLAY.

- (a) Every Licensed Gaming Operator shall display in a prominent place a current and valid Red Lake Band of Chippewa Indian License for that location.

SECTION 320. REQUIREMENTS TO MAINTAIN LICENSE.

- (a) The following requirements must be met to maintain a valid Gaming License granted pursuant to this Ordinance:
- (1) When a Licensee changes a location of public Gaming activities within the Red Lake Indian Reservation or land within the Band's jurisdiction, the Gaming Commission shall, after notification by the Licensee of such change, issue a corrected License for the balance of the current period reflecting the new address upon reasonable proof of change of address and without imposition of an additional License fee.
 - (2) It shall be unlawful for any Licensee to fail to notify the Gaming Commission of any new prospective Key Employee, new ancillary contractor, or new operator. The Gaming Board shall investigate and provide approval or disapproval of the new Key Employee, contractor, or operator within thirty (30) days. Any information received by the Gaming Commission shall be confidential, and shall be disclosed only in accordance with the provisions of this Ordinance, and the Privacy Act of 1974 and 25 U.S.C. 2701 *et seq.*
 - (3) It shall be unlawful for any Licensee to begin the employment of a new Key Employee, begin the performance of any new contract, or continue to conduct Gaming under the control of any new operator without the approval of the Gaming Commission.
 - (4) It shall be unlawful for any person to possess a firearm or dangerous weapon on a premises where licensed gaming is allowed, with the exception of firearms possessed by duly authorized peace officers.
 - (5) It shall be unlawful for a Gaming Establishment to engage in pawnbroking or to take goods or materials in hock or to lend money or engage in similar activity with persons for the purposes of enabling that person to gamble.
 - (6) A Licensee is required to, during normal business hours, maintain his or her premises open for inspection by the Gaming Commission or its agents, or any other authorized governmental agency, and to keep its books and financial records open for similar inspection.
 - (7) Licensed Gaming Operators and Tribal Gaming Operators must produce, if possible, at a player's request, losing tickets, copies of canceled checks or

other evidence of loss acceptable to the Internal Revenue Service if requested by the player or contestant at the time the player or contestant buys a ticket or chance or otherwise enters the game.

- (8) Each licensed Gaming Enterprise shall submit or make available to the Gaming Commission each month a financial report for the previous month's operations. Members of the Tribal Council who wish to examine the reports may do so during normal business hours at the offices of the Tribal Council or the Gaming Commission. Such reports shall be signed, under oath, by a certified public accountant, selected and retained by the Gaming Board. The report shall contain all information determined by the Gaming Board and the certified public accountant as necessary to determine and ensure compliance by the Gaming Enterprise with the provisions of this Ordinance or any other applicable law. The contents of the report shall include, but not be limited to the following:
 - (A) Daily and weekly attendance at bingo;
 - (B) Gross receipts for each day and week for each Gaming Enterprise;
 - (C) Names of each employee and the salary or other compensation paid to each;
 - (D) The names and addresses of each vendor or contractor receiving payments in excess of \$100.00, and all expenses specifying all payments to vendors and contractors;
 - (F) As to each person who wins \$1,200 (one thousand two-hundred dollars) or more, the names, addresses, and social security numbers of each prize winner and the amount of each winner's prize;
 - (G) All bank deposits made from proceeds of gaming enterprises, including any interest received on such deposits;
 - (H) All bank withdrawals, and the purpose of each, and all expenditures including the amount, person or organization paid, date, and purpose of such expenditures;
- (9) The licensed premises shall be open to inspection by the Gaming Commission or its agents at all times during the regular business hours.
- (10) There shall in all cases be a first hiring preference for Band members, and a second hiring preference for Native Americans, third preference, other as required in the Tribal Employment Rights Ordinance.
- (11) There shall be no discrimination in operations conducted under the Gaming License by reason of race, color, creed, or gender preference.

SECTION 321. FEES.

- (a) Each application for an initial or renewal License shall be accompanied by payment of the License fee, if imposed, pursuant to Section 314 herein. The Gaming Commission's imposition of the License fee properly owed under this Ordinance shall be final. This fee, if imposed, is for the revocable privilege of being licensed to engage in public Gaming activities within the jurisdiction of the Band.

SECTION 322. PAYMENT OF LICENSE FEES.

- (a) All License fees collected under authority of the Gaming Ordinance shall be paid to the Treasurer of the Band and the Treasurer shall place them in a separate account to be applied to expenses incurred by the Gaming Commission from the enforcement of this Ordinance.

SECTION 323. NON-TRANSFERABILITY.

- (a) The License issued pursuant to the provisions of this Ordinance is valid only for the person(s) or organizations(s) at the place of business shown on the face thereof. It is not assignable or otherwise transferable to any other person or organization or for any other location without the written approval of the Gaming Commission.

SECTION 324. LICENSE AS A REVOCABLE PRIVILEGE.

- (a) The public Gaming Operations License is a revocable privilege, and no holder thereof shall be deemed to have a part in any vested rights therein or thereunder. The burden of proving qualifications to hold any License rests at all times on the Licensee. The Gaming Commission is charged by law with the duty of continually observing the conduct all Licensees to the end that Licenses shall not be held by unqualified or disqualified persons or unsuitable person or persons whose operations are conducted in an unsuitable manner.

SECTION 325. ANNUAL LICENSE REVIEW.

- (a) The Gaming Commission shall undertake a review of all Licenses, whether that License be of a facility, place, operation, person, Primary Management Official, or Key Employee, which review shall be comparable to that required for initial employment, and which shall take place annually commencing with the anniversary date of employment. This review shall be undertaken in a manner which ensures compliance with the provisions of the Tribal-State Compacts on Gaming, and shall be subject to the same requirements, restrictions, and limitations governing use as is the initial license application and background investigation conducted in conjunction with the initial licensure.

SECTION 326. WAIVER OF CERTAIN REQUIREMENTS.

- (a) The Tribal Council shall have the authority to waive any requirement for persons to sit as members of the Gaming Commission.
- (b) The Gaming Commission shall have the authority to waive the requirement that Applicants for licensing under the provisions of this Ordinance have no felony convictions. The Gaming Commission may waive the requirements where the Gaming Commission makes a determination that the Applicant has fulfilled the requirements of the sentence imposed by the Court which exercised jurisdiction over the case, and where the felony is not gaming related, the Applicant does not pose a threat to the integrity of gaming, the welfare or safety of the Band or its guests, and where a period of time has elapsed with no further violations of the law, which period would lead to the reasonable inference that the person intends to abide by the law and be a responsible member of society.
- (c) The Gaming Commission shall not be permitted to waive the no felony requirement in those cases where the individual applicant was found guilty of a felony which was committed against an Indian Tribe, a Tribal government, or a Tribal entity.
- (d) The Gaming Commission may consider as a basis for License denial only those misdemeanors relating to theft, and may not consider as a basis for License denial those misdemeanors relating to writing checks drawn on an account which contained insufficient funds, unless the frequency and amount of such activity indicates to the Gaming Commission that the individual engaging in the activity has a flagrant disregard for financial accountability which might render them unsuited for Licensure. The Gaming Commission shall in no case consider misdemeanors relating to minor traffic violations as a basis for License denial.

TITLE IV. RULES OF GENERAL APPLICABILITY

SECTION 400. RULES OF GAMING OPERATION.

- (a) Each Licensee operating a Gaming Enterprise under a License issued pursuant he provisions of this Ordinance shall prominently display in writing all rules pertaining to Gaming activity, including but not limited to Traditional Bingo, other games of chance, Video Games of Chance, and Blackjack, neat the specific location where such Gaming activity is conducted; or shall make available a written list of all such rules to any person making a request for such.
- (b) Each Gaming Operator Licensed under the provisions of this Ordinance shall utilize Gaming rules that are in compliance with the laws of the Band, Tribal/State Compact, and the United States of America, any Compact and

specifically the Indian Gaming Regulatory Act of 1988 and any applicable regulations promulgated by the National Indian Gaming Commission.

SECTION 401. VIDEO GAMES OF CHANCE.

- (a) The following requirements shall apply to management and conduct of all Video Games of Chance within any Gaming Enterprise licensed pursuant to the provisions of this Ordinance:
- (1) No gaming enterprise may own, lease, or operate Video Games of Chance that have been manufactured by a manufacturer who has not received a License from the Gaming Commission pursuant to the provisions of Title III of this Ordinance. The Gaming Commission shall issue Licenses to manufacturers of Video Games of Chance holding a valid License from the State of Minnesota, or the State of New Jersey, or the State of Nevada, or the State of South Dakota.
 - (2) No gaming enterprise may own, lease, or operate Video Games of Chance that have been distributed by a distributor that has not received a License from the Gaming Commission pursuant to the provisions in Title III of this Ordinance. The Gaming Commission shall issue Licenses to distributors of Video Games of Chance holding a valid License from the State of Minnesota, or the State of New Jersey, or the State of Nevada, or the State of South Dakota.
 - (3) In the event that the State of Minnesota, or the State of New Jersey, or the State of Nevada, or the State of South Dakota, suspends, revokes, or refuses to renew a License of a manufacturer or distributor of Video Games of Chance similarly licensed by the Gaming Commission, such action may be ground for similar action by the Gaming Commission, which shall suspend, revoke, or refuse to renew the License issued by the Gaming Commission to such manufacturer or distributor.
 - (4) No Video Game of Chance may be purchased, leased or otherwise acquired by a Gaming Enterprise unless:
 - (A) The Video Game of Chance is purchased, leased, or acquired from a manufacturer or distributor licensed to sell, lease, or distribute Video Games of Chance by the Gaming Commission pursuant to the provisions of this Ordinance; and
 - (B) The Video Game of Chance, or a prototype thereof, has been tested, approved or certified by a Gaming Test Laboratory as meeting all requirements and standards of the Tribal-State Compact on Video Games of Chance or other Compacts and applicable Federal laws or regulations.

- (5) Any Gaming activity involving Video Games of Chance shall be conducted in strict compliance with the Tribal-State Compact on Video Games of Chance.

SECTION 402. RESTRICTIONS FOR GAMING ENTERPRISES.

- (a) Each Licensee Operating a Gaming Enterprise under a License issued pursuant to the provisions of this Ordinance must at all times observe the following restrictions on Gaming activities:
 - (1) Except as herein provided, no person shall be extended credit for Gaming by any Gaming Enterprise. This restriction shall not apply to credits won by players who activate play on video games of chance after inserting coins or currency into the game, and shall not restrict the right of a Gaming Enterprise to offer check cashing or to install or accept bank card or credit card transactions in the same manner as would be normally permitted at any retail business within the State of Minnesota.
 - (2) No person below the age of eighteen (18) years on the date of Gaming shall knowingly be permitted to participate in the Gaming in any Gaming Enterprise licensed under the provisions of this Ordinance. If any person below the age of eighteen (18) years plays and otherwise qualifies to win any prize, the prize shall not be paid, and in all cases, upon demand, the estimated amount wagered during the course of any game played by such person shall be returned to the player.
 - (3) No firearms or air guns which are capable of discharging dangerous projectiles or gases including, but not limited to, "bb's" or CO2 guns, rifles, shotguns, pistols, or revolvers, shall be allowed on the premises except as permitted for security by an employed security force or other city, state, or federal law enforcement officers in the course of their official duties.
 - (4) The construction, maintenance and operation of any gaming enterprise shall be in compliance with all applicable environmental and public health laws in order to adequately protect the environment and the public health and safety.

TITLE V. INDIAN GAMING REGULATORY ACT

SECTION 500. POLICY.

- (a) It shall be the policy of the Band to fully comply with all applicable U.S. federal law, to include the provisions of the Indian Gaming Regulatory Act (25 U.S.C. section 2701 *et seq.*), and to comply with all applicable State law as defined in the Tribal-State Compact on Video Games of Chance, the Tribal-State Compact

on Blackjack, and other Compacts, if any, in the conduct of all gaming activity within the jurisdiction of the Band.

SECTION 501. PROPRIETARY INTEREST.

- (a) The Red Lake Band of Chippewa Indians shall have the sole proprietary interest and responsibility for the conduct of any gaming activity, whether Class II or Class III, as those terms are defined by the Indian Gaming Regulatory Act of 1988, 25 U.S.C. 2703(7), (8), within the jurisdiction of the Band.

SECTION 502. NET REVENUES.

- (a) Net revenue derived from Gaming activity shall be utilized for the following purposes:
- (1) To fund Band government operations or programs,
 - (2) To provide for the general welfare of the Band and its members;
 - (3) To promote Band economic development;
 - (4) To donate to charitable organizations; or
 - (5) To help fund operations of local government agencies.

SECTION 503. PER CAPITA PAYMENTS.

- (a) New revenues from any Band licensed Gaming activity may be used to make per capita payments to Band members pursuant to the requirements of Tribal law, the Indian Gaming Regulatory Act, and any other applicable law.

SECTION 504. CONTRACTS.

- (a) All contracts for supplies, services, or concessions for a contract amount in excess of Twenty-five Thousand Dollars (\$25,000.00) annually (except for contracts for professional legal or accounting services) relating to Class II and Class III gaming (as defined by the Indian Gaming Regulatory Act, 25 U.S.C. section 2703) shall be subject to the outside independent audits provided for in Title II, Section 206(a)(9) of this Ordinance.

SECTION 505. INDIVIDUALLY OWNED GAMING.

- (a) No Licenses will be issued to allow the operation of individually owned Gaming Establishment.

SECTION 506. TRIBAL SELF-REGULATION.

- (a) It is the intent of the Band to request a hearing before the National Indian Gaming Commission for the issuance of a certificate of self-regulation. In anticipation of being self-regulating, the Band ensures that it will:
 - (1) conduct its Gaming activity in a manner which:
 - (A) Has resulted, and will continue to result in, an effective and honest accounting of all revenues;
 - (B) Has resulted, and will continue to result in, a reputation for safe, fair, and honest operation of the activity; and
 - (C) Has been, and will continue to be, generally free of evidence of criminal or dishonest activity;
 - (2) Adopt and implement adequate systems for:
 - (A) Accounting for all revenues from licensed Gaming activity;
 - (B) Investigation, licensing, and monitoring of all employees of the Gaming activity; and
 - (C) Investigation, enforcement and prosecution of violations of this Ordinance and regulations; and
 - (3) Conduct all gaming operations on a fiscally and economically sound basis.

SECTION 507. MANAGEMENT AGREEMENTS.

- (a) All management agreements entered into by the Band, if any, shall comply with the applicable provisions of the Indian Gaming Regulatory Act, 25 U.S.C. § 2711.

SECTION 508. INTERNAL REVENUE CODE.

- (a) All applicable Internal Revenue Code provisions concerning reporting and withholding of taxes with respect to the winnings from gaming shall be adhered to.