

NATIONAL  
INDIAN  
GAMING  
COMMISSION

MAR 13 1995

Stanley Jones, Chairman  
Tulalip Tribes of Washington  
6700 Totem Beach Road  
Marysville, Washington 98271

Dear Chairman Jones:

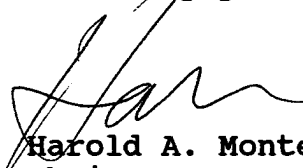
This letter responds to your request to review and approve the tribal gaming ordinance submitted on September 20, 1994, for the Tulalip Tribes of Washington (the Tribes). This letter constitutes such approval under the Indian Gaming Regulatory Act (IGRA).

Under the IGRA and the regulations of the National Indian Gaming Commission (NIGC), the Chairman is directed to review ordinances with respect to the requirements of the IGRA and the implementing regulations. Thus, the scope of the Chairman's review and approval is limited to the requirements of the IGRA and the NIGC regulations. Provisions other than those required under the IGRA or the NIGC regulations that may be included in a tribal ordinance are not subject to review and approval. Also, this letter does not constitute approval of specific games. It is important to note that the gaming ordinance is approved for gaming only on Indian lands as defined in the IGRA.

With the Chairman's approval of the Tribes' gaming ordinance, the Tribes are now required to conduct background investigations on their key employees and primary management officials. The NIGC expects to receive a completed application for each key employee and primary management official pursuant to 25 C.F.R. § 556.5(a) and an investigative report on each background investigation before issuing a license to a key employee or primary management official pursuant to 25 C.F.R. § 556.5(b).

Thank you for submitting the ordinance of the Tulalip Tribes of Washington for review and approval. The NIGC staff and I look forward to working with you and the Tribes in implementing the IGRA.

Sincerely yours,

  
Harold A. Monteau  
Chairman

cc: Douglas L. Bell, Esq.

Tulalip Gaming Ordinance No. 55, as  
amended, received in NIGC September 20,  
1994 (dated April 27, 1990)

RECEIVED

APR 27 1990

DEPT. OF REVENUE

TULALIP GAMING ORDINANCE  
ORDINANCE NO. 55, AS AMENDED

BE AND IT IS HEREBY ENACTED by the Board of Directors of the Tulalip Tribes ("Tribes") who do here promulgate and enact the following gambling ordinance pursuant to the powers vested in it by Article VI, Section 1(k) and (l) of the Constitution and Bylaws of the Tulalip Tribes of Washington, and the Indian Gaming Regulatory Act, 25 USC Section 2701, et seq., as follows:

Section 1: Purpose and Policy.

IT IS HEREBY DECLARED to be the policy of the Tulalip Tribes of Washington recognizing the close relationship between professional gambling and organized crime, to restrain all persons or entities from seeking profit from professional gambling activities within the exterior boundaries of the Tulalip Indian Reservation as defined herein; to restrain all persons from patronizing such professional gambling activities; to safeguard the Indian and non-Indian public of the Tulalip Indian Reservation against the evils induced by common gamblers and common gambling houses engaged in professional gambling; and at the same time, to avoid restricting participation by individuals in activities and social pastimes, which activities and social pastimes are more for amusement rather than for profit, may have cultural value, do not maliciously affect the Indian and non-Indian public of the Tulalip Indian Reservation, and do not breach the peace.

The Tulalip Tribes of Washington further declares that the raising of funds for the promotion of bona fide charitable or nonprofit organizations and/or Tribal governmental and social programs is in the Tribal and public interest as is participation in such activities as are hereinafter authorized.

The Tulalip Tribes of Washington further declares that the exercise of Tribal power through this Ordinance is necessary to protect the right of Tribal self-government and to regulate its internal relations so as to protect its political and economic security.

By this Ordinance, the Tulalip Tribes of Washington does not intend to preempt the authority of the State of Washington to license businesses within the Reservation as state lottery retailers, according to state laws, and as further provided in Section 13.4, infra. (as added January 9, 1988, Resolution #88-0009).

Any ambiguity in this Ordinance or any rules or regulations shall be resolved so as to be consistent with the Indian Gaming Regulatory Act, 25 U.S.C. §2701, et. seq. and other applicable federal law.

Section 2: Title.

This Ordinance shall be known as the "Tulalip Gaming Ordinance."

Section 3: Revocation of Prior Ordinances.

All ordinances and resolutions of the Tulalip Tribes of Washington regulating, authorizing, controlling, prohibiting, and/or in any way dealing with the conduct of bingo, punch boards, pull-tabs, social card games and other gaming heretofore enacted or now in effect are hereby repealed and of no further force and effect, provided that, the Tribe may continue to regulate Indian gaming as provided under Ordinance No. 55, as amended December 3, 1988, pending approval of this newer Ordinance by the Secretary of the Interior and/or the Chairman of the National Indian Gaming Commission.

Section 4: Definitions.

4.1 Class I gaming means social games solely for prizes of minimal value as determined by the Tribes, or traditional forms of Indian gaming engaged in by individuals as a part of, or in connection with, bona fide tribal ceremonies or celebrations.

4.2 (a) Class II gaming means:

(i) the game of chance commonly known as bingo (whether or not electronic, computer, or other technologic aids are used in connection therewith)

(I) which is played for prizes, including monetary prizes, with cards bearing numbers or other designations,

(II) in which the holder of the card covers such numbers or designations when objects, similarly numbered or designated, are drawn or electronically determined, and

(III) in which the game is won by the first person covering a previously designated arrangement of numbers or designations on such cards,

including (if played in the same location) pull-tabs, lotto, punch boards, tip jars, instant bingo, and other games similar to bingo, and

(ii) card games that

(I) are explicitly authorized by the laws of the State, or

(II) are not explicitly prohibited by the laws of the State and are played at any location in the State, but only if such card games are played in conformity with those laws and regulations (if any) of the State regarding hours or periods of operation of such card games or limitations on wagers or pot sizes in such card games.

(b) The term "class II gaming" does not include

(i) any banking card games, including baccarat, chemin de fer, or blackjack (21), or

(ii) electronic or electromechanical facsimiles of any game of chance or slot machines of any kind.

(c) Notwithstanding any other provision of this paragraph, the term "class II gaming" includes those card games played in the State of Washington, that were actually operated in such State by an Indian tribe on or before May 1, 1988, but only to the extent of the nature and scope of the card games that were actually operated by an Indian tribe in such State on or before such date, as determined by the Chairman of the National Indian Gaming Commission.

(d) Notwithstanding any other provision of this paragraph, the term "class II gaming" includes, during the 1-year period beginning on October 17, 1988, any gaming described in subparagraph (B)(II) that was legally operated on Indian lands on or before May 1, 1988, if the Indian tribe having jurisdiction over the lands on which such gaming was operated requests the State, by no later than the date that is 30 days after October 17, 1988, to negotiate a Tribal-State compact under section 2710(d)(3) of this title.

4.3 "Punch Boards" and "Pull-Tabs" shall be given their usual and ordinary meaning as of January 1, 1982; or as otherwise defined by the Tribes by rule or regulation.

4.4 "Social card games," deemed "class II gaming and permissible on the Reservation, include the games of poker, hearts, bridge, pinochle, cribbage, rummy, mah-jongg (tiles), coon-can, pan, and pitch, when authorized by the Tribes, and such other card games allowed by the Tribes consistent with applicable federal restrictions, so long as:

(a) there are two or more participants and each of them is a player;

(b) a player's success at winning money or other thing of value by overcoming chance is in the long run largely determined by the skill of the player;

(c) neither the Tribes nor any organization, corporation or person collects or obtains or charges any percentage of or collects or obtains any portion of the money or thing of value wagered or won by any of the players: Provided that this subsection shall not preclude a player from collecting or obtaining his or her winnings nor preclude the Tulalip Tribes from setting a fee for playing based on playing time;

(d) the type of card game is one specifically approved by the Tribes; and

(e) the extent of wagers, money or other thing of value which may be wagered or contributed by any player does not exceed the amount or value specified by the Tribes.

4.5 Class III gaming means all forms of gaming that are not class I or class II gaming.

4.6 Net revenues means gross revenues of a gaming activity less amounts paid out as, or paid for, prizes and total operating expenses, excluding management contract fees.

4.7 "Player" means a natural person who engages, on equal terms with the other participants, and solely as a contestant or bettor, in any form of gambling in which he may not receive or become entitled to receive any profit therefrom other than personal gambling winnings, and without otherwise rendering any material assistance to the establishment, conduct or operation of a particular gambling activity. A natural person who gambles at a social game of chance on equal terms with the other participants therein does not otherwise render material assistance to the establishment, conduct or operation thereof by performing, without fee or remuneration, acts directed toward the arrangement or facilitation of the game, such as inviting persons to play, permitting the use of premises therefor, and supplying cards or other equipment used therein.

4.8 Notwithstanding any of the foregoing definitional limitations, the Tribes may, as provided in section 6(j), enter into agreement(s) by which the Tulalip Tribes joins with other tribes to coordinate any tribal gaming operation falling within the "class II" category of §4 of the Indian Gaming Regulation Act. For example, an agreement(s) may be made directly with other tribes or with a management company or other entity to link players at various reservations, whether in the same or different states, by means of telephone, cable, television, satellite, and/or other telecommunication/computer technology, so long as the use of such

technology does not change the fundamental characteristics of the game.

4.9 Tulalip Indian Reservation, as used in this Ordinance, includes those lands set aside as the Tulalip Reservation by Article III of the Treaty of Point Elliott, 12 Stat. 928 (1855), and President Grant's December 23, 1873 Executive Order, plus other lands held in trust for the Tulalip Tribes of Washington or a Tulalip member(s), or held by the Tribe or its member(s) subject to a restriction by the United States against alienation and over which the Tribe exercises governmental power.

Section 5: Administration, Management and Operation of Gaming

The Tribes are empowered to administer this Ordinance, including general control, management and supervision of all herein authorized activities and properties, both real and personal, and to exercise all of the powers necessary and proper to accomplish all of the purposes of this Ordinance and as further hereinafter set forth and may do the following illustrative acts and things for and on behalf of and in the names of the Tulalip Tribes of Washington:

(a) to adopt and enforce appropriate rules and regulations for the purpose of carrying into effect the purposes and provisions of this Ordinance and the Indian Gaming Regulatory Act and the performance of its functions, including enforcement provisions and penalties.

(b) collecting, auditing, issuing and/or establishing and collecting fees, licenses, taxes and permits.

(c) purchasing, leasing, warehousing and selling bingo, punch board and pull-tab devices and other equipment for permissible gaming hereunder.

Section 6: Licenses Required/Background Investigations.

6.1 A separate license issued by the Tribes shall be required for each place, facility, or location on the Tulalip Indian Reservation at which class II or class III gaming is conducted. Except as provided in Section 6.6, the Tulalip Tribe shall have the sole proprietary interest and responsibility for the conduct of any class II and class III gaming activity. Except as otherwise expressly provided in this Ordinance, no person other than a member of the Tulalip Tribes, or an employee of the Tulalip Tribes, shall take any part in the primary or key management or operation of said game, and no person who takes part in the management or operation of said game shall take any part in the management or operation of any game conducted by any other organization of whatsoever kind or nature or wherever situate, or any other branch of the same organization, unless approved by the

Tulalip Tribes, and no part of the proceeds thereof shall inure to the benefit of any person other than that organization conducting said game.

6.2 A tribal license shall also be required for primary management officials and key employees of each gaming enterprise on the Reservation, with prompt notification to the National Indian Gaming Commission of the issuance of such licenses.

6.3 No license shall be issued for a gaming facility unless the Tribes determine that its construction has been completed in a manner which adequately protects the environment and the public health and safety. One of the conditions of such license shall be that the facility also be maintained and the gaming so operated as to continue to meet this standard.

6.4 Background investigations shall be conducted on the primary management officials and key employees of a gaming enterprise on the Tulalip Reservation as mandated by the Indian Gaming Regulatory Act. The Tribes shall promulgate rules and regulations establishing a background investigation procedure and process adequate to:

(a) ensure that background investigations are conducted on primary management officials and key employees of any gaming enterprise and that oversight of such officials and their management is conducted on an ongoing basis; and

(b) includes:

(i) Tribal licenses for primary management officials and key employees of any gaming enterprise with prompt notification to the National Indian Gaming Commission of the issuance of such licenses;

(ii) a standard whereby any person whose prior activities, criminal record, if any, or reputation, habits and associations pose a threat to the public interest or to the effective regulation of gaming, or create or enhance the dangers of unsuitable, unfair, or illegal practices and methods and activities in the conduct of gaming shall not be eligible for employment; and

(iii) notification by the Tribes to the National Indian Gaming Commission of the results of such background check before the issuance of any such licenses.

6.5 If after the issuance of a gaming license, the Tribes receives reliable information from the National Indian Gaming Commission or other reliable sources that a primary management official or key employee does not meet the standard established under the second sentence of Section 6.4, rules and regulations to



be promulgated, the Tribes shall suspend his or her license and, after notice and hearing, may revoke such license. By regulation, the Tribes may set grounds for license suspension, revocation, and denial, including the above-referenced standard and such other grounds as it deems appropriate.

6.6 No license shall be required for class I gaming on the Tulalip Reservation.

6.7 No license shall be issued for a gaming activity managed or operated by other than the Tribes, except State and Tribally licensed Washington State lottery retailers.

6.8 The National Indian Gaming Commission shall have thirty (30) days to notify the Tribe of any objections to issuance of a gaming license.

6.9 The procedures for license application and review shall be set forth in regulations to be promulgated by the Tribes. All licenses shall be for one year only and renewable upon review and approval of the Tribes, as set forth in its regulations.

6.10 Nothing in this Ordinance or any rules or regulations promulgated pursuant hereto shall be deemed a waiver of the Tulalip Tribes sovereign immunity or consent to be sued.

Section 7: Audits.

7.1 Annual outside audits of class II and class III gaming on the Tulalip Reservation, which may be encompassed within existing independent tribal audit systems, shall be provided by the Tribes to the National Indian Gaming Commission.

7.2 All contracts for supplies, services, or concessions for a contract amount in excess of \$25,000 annually (except contracts for professional, legal, or accounting services) relating to class II or III gaming shall be subject to such independent audits.

Section 8. Net Revenue Allocation.

8.1 Net revenues from any Tribal gaming are not to be used for purposes other than:

(a) to fund Tribal government operations or programs;

(b) to provide for the general welfare of the Tulalip Tribes and its members;

(c) to promote Tribal economic development;

- (d) to donate to charitable organizations; or
- (e) to help fund operations of local government agencies.

8.2 Net revenues from any Class II or Class III gaming activities may be used to make per capita payments to members of the Tulalip Tribes only if:

(a) the Tribes have prepared a plan to allocate revenues to the uses authorized by Section 8.1, which plan has been approved by the Secretary of the Interior as adequate;

(b) the interests of minors and other legally incompetent persons who are entitled to receive any of the per capita payments are protected and preserved and the per capita payments are disbursed to the parents or legal guardian of such minors or legal incompetents in such amounts as may be necessary for health, education or welfare of the minor or other legally incompetent person under a plan approved by the Secretary of Interior and the Tribes; and

(c) the Tribes notifies its members of Federal tax liabilities of the per capita payment when made.

#### Section 9. Self-Regulation.

During any year in which the Tulalip Tribes has a certificate for self-regulation from the National Indian Gaming Commission, as provided in 25 U.S.C. §2710(c) of The Indian Gaming Regulation Act of 1988,

(a) the Tribes shall not be subject to the provisions of paragraphs (1), (2), (3), and (4), Section 7(b) of the Act;

(b) the Tribes shall continue to submit an annual independent audit as required by subsection (b)(2)(C) of 25 U.S.C. §2710 and shall submit to the National Commission a complete resume on all employees hired and licensed by the Tribe subsequent to the issuance of a certificate of self-regulation; and

#### Section 10: Class III Gaming Requirements:

10.1 No class III gaming shall be conducted on the Tulalip Indian Reservation until this Ordinance has been approved by either the Secretary of the Interior or the Chairman of the National Indian Gaming Commission.

10.2 Only those Class III gaming activities shall be allowed which are:

(a) permitted by the State of Washington for any purpose by any person, organization or entity; and

(b) conducted in conformance with a Tribal-State compact entered into by the Tulalip Tribe and State of Washington, and in effect.

10.3 The Tribes, in its sole discretion, may, either by ordinance or resolution, revoke any authorization for Class III gaming.

#### Section 11: Tribal, Federal and State Prohibitions

11.1 Gambling within the Tulalip Indian Reservation by any person acting other than as a player, or by any party, partnership, entity, firm, and/or corporation is hereby prohibited and declared unlawful except when authorized by the Tribes by ordinance or resolution and conducted pursuant to the control, rules and regulations of the Tribes, as well as the Indian Gaming Regulatory Act and rules and regulations promulgated thereunder.

11.2 Nothing herein, nor any rule and/or regulation promulgated hereunder shall be construed to supersede or preempt either the criminal/prohibitory laws of the State of Washington or applicable laws of the United States of America, insofar as said laws shall absolutely prohibit a gambling activity, unless federal law so allows.

11.3 It is the intent of this Ordinance to exert tribal sovereignty and jurisdiction within the Tulalip Indian Reservation and to preempt any civil-regulatory power or law, if any, of the State of Washington, within said boundaries concerning the subject matter of this Ordinance, except as otherwise provided in Section 11.4.

11.4 None of these prohibitions or assertions of tribal authority contained in this Ordinance are intended to apply to the licensing by the State of Washington of state lottery retailers, pursuant to RCW 67.70 and implementing state regulations and procedures. The Tribe will not object to the following assertions of exclusive state authority in regard to the state lottery:

(a) the issuance and revocation of lottery retailer licenses and the regulation of the manner of lottery ticket sales within the boundaries of the Tulalip Indian Reservation, pursuant to state law;

(b) state court jurisdiction, with exclusive venue in Thurston County, over state lottery license issues, including issuance or revocation, the conduct of a lottery retailer, the

financial relationship between any licensee and the state lottery and other matters regarding state lottery operation;

(c) jurisdiction of the Director, Washington State Lottery, or any lawfully appointed designee thereof, over state lottery administrative disputes, in accordance with Washington State law;

(d) the entry upon trust lands and property including lands owned by the Tribe or its members, by lottery employees, including investigators or enforcement officers, solely for the purpose of conducting investigations and enforcing the provisions of RCW 67.70.

Provided that, nothing in this ordinance shall be deemed to constitute a waiver of immunity on the part of the Tulalip tribal government, corporation, or any entity created by either as to any assets or property of any nature whatsoever, or the adjudication of any federal rights or immunities. (as adopted January 9, 1988, Resolution #88-0009)

#### Section 12: Civil Remedy/Enforcement/Appeal

12.1 The Tulalip Tribal Court shall have exclusive jurisdiction over the enforcement of this Ordinance brought by the Tribes ~~and~~, except to the extent federal law provides otherwise.

12.2 (a) Every such activity relating to the subject matter of this Ordinance, namely gaming, held and/or conducted or engaged in within the Tulalip Indian Reservation, which is contrary to the provisions of this Ordinance and rules and regulations promulgated hereunder, is hereby prohibited and declared to be unlawful and a public nuisance, the remedy for which shall be an injunction and/or abatement and/or a civil fine(s) not to exceed \$5,000 per day, per violation, and/or cancellation of any license or permit issued to or relating thereto, or all.

(b) Fines may be established as liens upon specifically described property involved in a violation of this Ordinance, by order of the tribal court. In the case of real property, such order shall be filed for record notice with the Snohomish County Auditor. Liens on personal property shall be filed with Washington's Secretary of State. Upon twenty (20) days' written notice served, or fifty (50) days' notice by publication, with opportunity to request a hearing on the maker no later than ten days after expiration of the notice period, the tribal court may order the property sold at public auction, or forfeited to the Tulalip Tribe.

12.3 Any person or entity may appeal a final order of the tribal court, as provided in Tulalip Ordinance No. 49.

Section 13: Severability and Construction

13.1 All factors incident to the activities authorized in this Ordinance shall be closely controlled by the Tribes and the provisions of this Ordinance shall be liberally construed to achieve such end.


13.2 If any clause, part or section of this act shall be adjudged invalid, such judgment shall not affect or invalidate the remainder of the ordinance, but shall be confined in its operation to the clause, part or section directly involved in the controversy in which such judgment is rendered. If the operation of any clause, part or section of this act shall be held to impair the obligation of contract, or to deny any person any right or protection secured to him by the Constitution of the Tulalip Tribes of Washington, the Constitution of the United States of America, or the Constitution of the State of Washington, it is hereby declared that, had the invalidity of such clause, part or section be considered at the time of the enactment of this act, the remainder of the act would nevertheless have been adopted without such and any and all such invalid clauses, parts or sections.

13.3 Any reference herein to the National Indian Gaming Commission shall be read and interpreted as the Secretary of Interior until such time as the Commission is duly appointed and constituted.

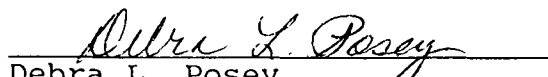
Section 14: Effective Date

This Ordinance shall become effective in accordance with the provisions of the Constitution of the Tulalip Tribes of Washington.

ADOPTED by the Board of Directors of the Tulalip Tribes of Washington at a regularly scheduled meeting assembled on the 7th day of April, 1990, with a quorum present by a vote of 6 for and 0 against.

  
Stanley G. Jones, Sr.  
Chairman

ATTEST:

  
Debra L. Posey  
Secretary

Amendment No. 1 to Tulalip Gaming  
Ordinance No. 55, as amended (dated  
February 9, 1995 - original enclosed)

RESOLUTION #95-0031  
AMENDMENT NO. 1  
TO TULALIP GAMING ORDINANCE NO. 55,  
AS AMENDED

BE AND IT IS HEREBY ENACTED by the Board of Directors of the Tulalip Tribes who do here promulgate and enact the following amendment to the Tulalip Gaming Ordinance No. 55, as amended, pursuant to the powers vested in it by Article VI, Section 1(k) and (l) of the Constitution and Bylaws of the Tulalip Tribes of Washington, and the Indian Gaming Regulatory Act, 25 U.S.C. Section 27*a*, et. seq., as follows:

A. Section 4.2(d) is hereby deleted;

B. The first paragraph of Section 6.4 is hereby amended to read as follows, to wit:

Background investigations shall be conducted on the primary management officials and key employees of the gaming enterprise on the Tulalip Reservation to the extent not less than that required by the Indian Gaming Regulatory Act and 25 CFR Parts 556 and 558, all as the same now exist or as they may hereafter be amended. The Tribes shall promulgate rules and regulations establishing a background investigation procedure and process adequate to; and,

C. The word "maker" in the eighth line of Section 12.2(b) is hereby deleted and the word "matters" substituted therein and in lieu thereof.

Adopted by the Board of Directors of the Tulalip Tribes of Washington at a regularly scheduled meeting assembled on the 9 day of February, 1995, with a quorum present by a vote of 6 for and 0 against.

TULALIP TRIBES OF WASHINGTON

By Stanley G. Jones Sr.  
Stanley G. Jones, Sr., Chairman

ATTEST:

Herman A. Williams Jr.  
Herman A. Williams, Jr., Secretary

Ordinance No. 55A, establishing a Tribal Gaming Commission, defining its powers, duties and procedures, received NIGC September 20, 1994 (dated June 16, 1992)



JUN 16 1992

OFFICIAL TRIBAL ACTION  
RECEIVED

ORDINANCE NO. 55A  
ESTABLISHING A TRIBAL GAMING COMMISSION  
DEFINING ITS POWERS, DUTIES AND PROCEDURES

BE IT ENACTED by the Board of Directors ("Board") of the Tulalip Tribes of Washington ("Tribe"), a federally recognized Indian tribe reorganized pursuant to Section 16 of the Indian Reorganization Act of 1934, as amended, and pursuant to Article VI, Section 1(a), (k) and (l) of the Tribal Constitution, Tulalip Gaming Ordinance No. 55, as amended, 25 USC Section 2701, et seq. (PL 100-497) ("IGRA") and the Tribal/State Compact for Class III Gaming between the Tulalip Tribes of Washington and the State of Washington of August 2, 1991, effective October 3, 1991 ("Compact"), that there shall be and hereby is created a Tulalip Tribal Gaming Commission ("Commission"), whose purpose is to be a single Tribal agency primarily responsible for regulatory oversight of Class I, II and III gaming as defined in IGRA, Tribal ordinance and the Compact.

1.0 COMMISSION - MEMBERS - APPOINTMENT - VACANCIES, FILLING.

1.1 The Commission shall consist of four (4) members appointed by the Board. The members of the Commission shall be appointed no later than forty-five (45) days from the effective date of this Ordinance. Members of the Commission shall be known as Commissioners who shall hold three (3) year terms, provided of the first appointed Commissioners, one shall hold a three (3) year term, two (2) shall hold a two (2) year term, and one shall hold a one (1) year term and hold office until their successors are duly appointed and qualified, which successors shall all hold three (3) year terms.

1.2 No employee of any Tribal Class I, II or III gaming operation as defined in IGRA or any non-Tribal gaming operation may be a Commissioner or employee of the Commission. No member of the Commission who has served two (2) full three (3) year terms shall be eligible for reappointment. In case of a vacancy it shall be filled by the appointment of the Board for the unexpired term.

2.0 QUALIFICATIONS. No person may be a Commissioner unless they are a duly enrolled member of the Tulalip Tribes of Washington and twenty-one (21) years of age. The Board may require in order that a person be considered for appointment that such one(s) submit to a background investigation.

3.0 CHAIRMAN, QUORUM, MEETINGS, COMPENSATION AND EXPENSES,  
BOND - REMOVAL.

3.1 Annually, upon the appointment of membership of the Commission by the Board, the Board shall designate one each of their number as Chairman, Vice-Chairman and Secretary.

3.2 The Chairman shall preside over all meetings of the Commission, shall perform all duties of a Chairman and exercise any authority delegated to him by the Commission. A quorum shall be three (3) Commissioners. The Chairman may vote.

3.3 The Vice-Chairman shall assist the Chairman when called upon to do so and in the absence of the Chairman preside. When presiding the Vice-Chairman shall have all the rights, privileges and duties as well as responsibilities of the Chairman.

3.4 The Secretary shall conduct all Commission correspondence and shall keep an accurate record of all matters transacted at Commission meetings. It shall be the Secretary's duty to promptly submit to the Secretary of the Board all minutes of regular and special meetings of the Commission.

3.5 The principal office of the Commission shall be at such place as designated by the Board and hold meetings at least quarterly and at such other times as may be called by the Chairman or upon written request to the Chairman by any other Commissioner or at the direction of the Board.

3.6 Commissioners may be compensated and receive reimbursement for their expenses as determined annually by the Board.

3.7 Before entering the duties of office, each Commissioner shall enter into a surety bond executed by a surety company acceptable to the Board and authorized to do business in the State of Washington payable to the Tulalip Tribes of Washington in the penal sum of \$100,000.00 conditioned upon the faithful performance of the Commissioner's duties and take and subscribe to an oath of office as prescribed in Article IV of the Bylaws for the Tribe. The premium for said bond shall be paid by the Board.

3.8 Any Commissioner may be removed for the arrest and/or conviction of any crime, inefficiency, malfeasance and/or misfeasance in office upon specific written charges filed by the Executive Director of the Tribe with the Secretary of the Board. The Board shall hear the matter at a public or private hearing and adjudicate the charges at a time set in their discretion; as well prescribe the procedure for the hearing. The decision of the Board shall be final and non-appealable. Removal of any Commissioner by the Board shall disqualify such member for reappointment.

4.0 POWERS AND DUTIES - CLASS I AND II. The Commission shall have the primary responsibility for the Tribe for the on-site regulation, auditing, controls and security of all Class I and II gaming operations authorized by the Tribe, including, but not limited to, the following areas as set forth in IGRA, any Tribal gaming ordinance as it now exists or may hereafter be enacted and this Ordinance for the following matters:

- (i) Conduct annual outside audits of the gaming;
- (ii) Assure that the construction and maintenance of any gaming facility and the operation of that gaming is conducted in a manner which adequately protects the environment and the public health and safety;
- (iii) Assure with such gaming that there is an adequate system which ensures that background investigations are conducted on the primary management officials and key employees of the gaming enterprise, and that oversight of such officials and their management is conducted on an ongoing basis, including the issuance of Tribal licensing for primary management officials and key employees of the gaming enterprise, establish standards whereby any person whose prior activities, criminal record, if any, or reputation, habits and associations pose a threat to the public interest or to the effective regulation of gaming or create or enhance the dangers of unsuitable, unfair or illegal practices and methods and activities in the conduct of such gaming;
- (iv) Notify the National Indian Gaming Commission of the results of such background checks before the issuance of any such licenses;
- (v) Seek, where appropriate, certificates of self regulation for Class II gaming activities under IGRA, monitor and assure enforcement of ordinance provisions, whether relating to regulations or law enforcement;
- (vi) Adopt rules and regulations governing Class I and II gaming.

5.0 POWERS AND DUTIES - CLASS III. The Commission shall have the primary responsibility for the Tribe for the on-site regulation, auditing, controls and security of all Class III gaming

operations authorized by the Tribe and for the enforcement of the Compact, including, but not limited to, the following areas as set forth in the Compact and this Ordinance for the following matters, which referenced Compact provisions are incorporated herein by reference:

- (i) Nature, size and scope of Class III gaming - Compact, Section 3.
- (ii) Licensing and certification requirements - Compact, Section 4.
- (iii) Licensing and State certification procedures - Compact, Section 5.
- (iv) Tribal enforcement of Compact provisions - Compact, Section 6.
- (v) Regulatory jurisdiction relating to the enforcement of the provisions of Compact - Compact, Section 8.
- (vi) Law enforcement jurisdiction relating to gaming - Compact, Section 9.
- (vii) Enactment of Compact provisions and regulations governing gambling - Compact, Section 10.
- (viii) Regulations for the operations and management of the Tribal-Compact gaming operation - Compact, Section 11.
- (ix) Enforcement of public health and safety provisions - Compact, Section 14.

**6.0 ADMINISTRATOR, STAFF, RULES AND REGULATIONS.** The Commission shall employ a Director, either full or part time, who shall be the chief administrator and lead enforcement official for the Commission in carrying out its powers and duties and who shall issue rules and regulations for adoption by the Commission governing the activities authorized and shall supervise other Commission employees in carrying out the purposes and provisions of this Ordinance. In addition, and with the consent of the Commission the Director shall employ such staff as the Commission determines is necessary to carry out the purposes and provisions of this Ordinance, including gaming inspectors. Neither the Director nor any other Commission employee working therefor shall be an employee of any Tribal or other gaming operation. The Commission shall define the powers and duties of its employees, including delegation of Commission enforcement powers.

7.0 COMMISSIONERS AND EMPLOYEES - ACTIVITIES PROHIBITED.  
Commissioners or employees of the Commission shall not:

- (i) Serve as an officer, employee or manager of any organization, person, group, tribe or entity which conducts gambling activities;
- (ii) Receive or share in, directly or indirectly, profits of any gambling activity, other than authorized per capita payments, gr;
- (iii) Be beneficially interested in any contract for the manufacture or sale of gambling equipment, services or devices or the provision of independent consultant services in connection with a gambling activity.

8.0 REPORTS. The Commission shall and no less than quarterly make reports to the Board covering such matters in connection with this Ordinance or as the Board may otherwise more frequently require.

9.0 ENFORCEMENT, INVESTIGATION AND SANCTIONS. The Commission, in order to assure the compliance of any Tribal gaming operation with the provisions of applicable laws, codes, ordinances, rules and/or regulations:

- (i) Shall have free access to all gaming premises, employees, books and records at any time and for any purpose related to performance of its functions hereunder;
- (ii) May deny an application for or suspend or revoke any license or permit issued by it, for any reason or reasons it deems to be in the Tribal or public interest.
- (iii) May impose fines not to exceed five thousand dollars (\$5,000.00) per violation for any violation of any Tribal gaming ordinance, IGRA and/or the Compact, including rules and regulations;

9.1 Any action taken by the Commission under this Section shall be reduced to writing with a copy delivered to the affected organization or person, who may appeal within ten (10) days of receipt thereof the action to the Commission, which shall conduct a hearing at a public or private hearing and determine the appeal of the charges at a time in their discretion, as well as prescribe the procedures for the hearing. The decision of the Commission shall be final unless appealed to the Tribal Court

within five (5) days of the written decision. The imposition of the sanction shall be in full force and effect unless reversed finally by the Tribal Court.

10.0 SEVERABILITY. If any provision of this Ordinance, or the application to anyone or circumstance is held invalid, the remainder of the Ordinance or application thereof shall not be affected.

Adopted at a regular/special meeting of the Tulalip Tribes Board of Directors on the 6 day of June, 1992 with a quorum present by a vote of 6 for and 0 against.

TULALIP TRIBES OF WASHINGTON

By Stanley G. Jones Sr.  
Stanley G. Jones, Sr., Chairman

ATTEST:

Dawn Simpson  
Dawn Simpson, Secretary

Approved JUN 18 1992  
William Arthur Black Sr.  
Superintendent

Puget Sound Agency  
Everett, Washington

c:\dlb\tribes\ord55a\

LAW OFFICES OF

BELL & INGRAM

A PROFESSIONAL SERVICE CORPORATION  
1602 HEWITT AVENUE, SUITE 700  
P.O. BOX 1769  
EVERETT, WASHINGTON 98206

EVERETT (206) 258-6261  
SEATTLE (206) 762-3623  
FAX (206) 339-8450

LEWIS A. BELL (1992)  
WILLIAM F. INGRAM\*  
DOUGLAS L. BELL  
STEVEN D. UBERTI  
JAMES H. JONES, JR.  
LORNA L. BIGSBY  
BRUCE R. BELL  
DAVID S. CARSON  
JEFFREY C. WISHKO  
JOHN S. MCMASTERS

\*OF COUNSEL

NATURE SAVER™ FAX MEMO 01616		Date	1/27/95	# of pages	2
To	William Weissman		From	Douglas Bell	
Co./Dept.	NIGC		Co.	Bell, Ingram	
Phone #			Phone #	206 258 0261	
Fax #	(202) 632-7066		Fax #	206 339 8450	

January 27, 1995

Mr. William Weissman  
National Indian Gaming Commission

Re: Amendments to Tulalip Tribal Gaming Ordinance No. 55, As Amended

Dear Bill:

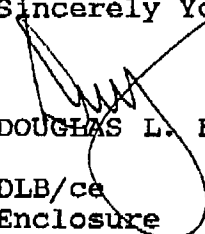
Please find enclosed my proposal amending Section 6.4 in order to bring it in line with the suggestions of Chairman Monteau per his letter of December 22, 1994 to the Tribe.

In addition, the Ordinance has been "cleaned up" in regard to Section 4.2(d) by eliminating the same as no longer being pertinent or applicable, and correcting the typographical error in Section 12.2(b).

Please advise as soon as possible whether this meets the requirements of Chairman Monteau's letter so the same may be adopted by the Tribe and resubmitted to NIGC for review and approval.

Thank you.

Sincerely Yours,

  
DOUGLAS L. BELL

DLB/ce  
Enclosure

cc: Board of Directors, Tulalip Tribes

950127-00009

**AMENDMENT NO. 1  
TO TULALIP GAMING ORDINANCE NO. 55,  
AS AMENDED**

BE AND IT IS HEREBY ENACTED by the Board of Directors of the Tulalip Tribes who do here promulgate and enact the following amendment to the Tulalip Gaming Ordinance No. 55, as amended, pursuant to the powers vested in it by Article VI, Section 1(k) and (l) of the Constitution and Bylaws of the Tulalip Tribes of Washington, and the Indian Gaming Regulatory Act, 25 U.S.C. Section 271, et. seq., as follows:

A. Section 4.2(d) is hereby deleted;

B. The first paragraph of Section 6.4 is hereby amended to read as follows, to wit:

Background investigations shall be conducted on the primary management officials and key employees of the gaming enterprise on the Tulalip Reservation to the extent not less than that required by the Indian Gaming Regulatory Act and 25 CFR Parts 556 and 558, all as the same now exist or as they may hereafter be amended. The Tribes shall promulgate rules and regulations establishing a background investigation procedure and process adequate to; and,

C. The word "maker" in the eighth line of Section 12.2(b) is hereby deleted and the word "matters" substituted therein and in lieu thereof.

Adopted by the Board of Directors of the Tulalip Tribes of Washington at a regularly scheduled meeting assembled on the \_\_\_ day of \_\_\_\_\_, 1995, with a quorum present by a vote of \_\_\_ for and \_\_\_ against.

TULALIP TRIBES OF WASHINGTON

By \_\_\_\_\_  
Stanley G. Jones, Sr., Chairman

ATTEST:

\_\_\_\_\_  
Herman L. Williams, Jr., Secretary



Amendment to Ordinance No. 55A,  
establishing Tribal Gaming Commission to  
finance powers, duties and procedures  
(dated December 3, 1994 - transmitted to  
NIGC December 5, 1994)

AMENDMENT TO ORDINANCE NO. 55A  
ESTABLISHING TRIBAL GAMING COMMISSION  
DEFINING ITS POWERS, DUTIES AND PROCEDURES

BE IT ENACTED by the Board of Directors ("Board") of the Tulalip Tribes of Washington ("Tribe"), a federally recognized Indian tribe reorganized pursuant to Section 16 of the Indian Reorganization Act of 1934, as amended, and pursuant to Article VI, Section 1(a), (k) and (l) of the Tribal Constitution, Tulalip Gaming Ordinance No. 55, as amended, Tribal Ordinance No. 55A, 25 USC Section 2701, et seq. (PL 100-497) ("IGRA") and the Tribal/State Compact for Class III Gaming between the Tulalip Tribes of Washington and the State of Washington of August 2, 1991, effective October 3, 1991 ("Compact"), that the following sections set forth below of Ordinance 55A shall be, and the same hereby are, amended to read and state as follows, to wit:

1.0 COMMISSION - MEMBERS - APPOINTMENT - VACANCIES, FILING.

1.1 The Commission shall consist of seven (7) members elected by the membership. The members of the Commission shall be elected no later than ninety (90) days from the effective date of the amendment to this Ordinance. Members of the Commission shall be known as Commissioners who shall hold three (3) year terms; provided of the first elected Commissioners, three shall hold a three (3) year term, two shall hold a two (2) year term, and two shall hold a one (1) year term and hold office until their successors are duly elected and qualified, which successors shall all hold three (3) year terms. The costs of election shall be borne by the Class III gaming operations, and compensation for Commissioners shall be set by the Board.

1.2 No employee of any Tribal Class I, II or III gaming operation as defined by IGRA or any non-Tribal gaming operation may be a Commissioner or employee of the Commission. No member of the Commission who has served two (2) full three (3) year terms shall be eligible for re-election. In case of a vacancy it shall be filled by the appointment of the Board for the unexpired term.

2.0 QUALIFICATIONS. No person may be a Commissioner unless they are a duly enrolled member of the Tulalip Tribes of Washington and twenty-one (21) years of age and shall never have been convicted of a felony crime, or a misdemeanor involving dishonesty. The Board shall require in order that a person be qualified for election that such candidates submit to a background investigation and also be qualified to be issued a gaming certificate and license pursuant to the compact between the Tulalip Tribes and the State of Washington. The fees and costs for such background investigation shall be paid by such proposed candidates in advance in the amount set by the Director of the Commission.

9.0 ENFORCEMENT, INVESTIGATION AND SANCTIONS. The Commission in order to assure the compliance of any Tribal gaming operation with the provisions of applicable compacts, laws, codes, ordinances, rules and/or regulations, and/or any other reason(s) it deems to be in the Tribal or public interest;

- (i) Shall have free access to all gaming premises, employees, books and records at any time and for any purpose related to performance of its functions hereunder;
- (ii) May deny an application for or suspend or revoke any license or permit issued by it;
- (iii) May impose fines not to exceed five thousand dollars (\$5,000.00) per violation for any violation of any Tribal gaming ordinance, IGRA and/or the Compact, including rules and regulations.

Furthermore, the effective date of this Amendment shall be the later of the required approvals pursuant to the Tribal Constitution, Article VI, Section 2 and 25 CFR Section 522.3.

Adopted at the regular meeting of the Tulalip Tribes Board of Directors on the 3rd day of December, 1994, with a quorum present by a vote of 5 for and 0 against.

TULALIP TRIBES OF WASHINGTON

By Stanley G. Jones, Sr.  
Stanley G. Jones, Sr., Chairman

ATTEST:

Herman Williams, Jr.  
Herman Williams, Jr., Secretary

c:\dlb\tribes\ord55a.ame

Approved

Bill A. Black  
Puget Sound Agency  
Everett, Washington

Superintendent

12/16/94

RECEIVED

APR 27 1990

PRINCE GEORGE

TULALIP GAMING ORDINANCE  
ORDINANCE NO. 55, AS AMENDED

BE AND IT IS HEREBY ENACTED by the Board of Directors of the Tulalip Tribes ("Tribes") who do here promulgate and enact the following gambling ordinance pursuant to the powers vested in it by Article VI, Section 1(k) and (l) of the Constitution and Bylaws of the Tulalip Tribes of Washington, and the Indian Gaming Regulatory Act, 25 USC Section 2701, et seq., as follows:

Section 1: Purpose and Policy.

IT IS HEREBY DECLARED to be the policy of the Tulalip Tribes of Washington recognizing the close relationship between professional gambling and organized crime, to restrain all persons or entities from seeking profit from professional gambling activities within the exterior boundaries of the Tulalip Indian Reservation as defined herein; to restrain all persons from patronizing such professional gambling activities; to safeguard the Indian and non-Indian public of the Tulalip Indian Reservation against the evils induced by common gamblers and common gambling houses engaged in professional gambling; and at the same time, to avoid restricting participation by individuals in activities and social pastimes, which activities and social pastimes are more for amusement rather than for profit, may have cultural value, do not maliciously affect the Indian and non-Indian public of the Tulalip Indian Reservation, and do not breach the peace.

The Tulalip Tribes of Washington further declares that the raising of funds for the promotion of bona fide charitable or nonprofit organizations and/or Tribal governmental and social programs is in the Tribal and public interest as is participation in such activities as are hereinafter authorized.

The Tulalip Tribes of Washington further declares that the exercise of Tribal power through this Ordinance is necessary to protect the right of Tribal self-government and to regulate its internal relations so as to protect its political and economic security.

By this Ordinance, the Tulalip Tribes of Washington does not intend to preempt the authority of the State of Washington to license businesses within the Reservation as state lottery retailers, according to state laws, and as further provided in Section 13.4, infra. (as added January 9, 1988, Resolution #88-0009).

Any ambiguity in this Ordinance or any rules or regulations shall be resolved so as to be consistent with the Indian Gaming Regulatory Act, 25 U.S.C. §2701, et. seq. and other applicable federal law.

Section 2: Title.

This Ordinance shall be known as the "Tulalip Gaming Ordinance."

Section 3: Revocation of Prior Ordinances.

All ordinances and resolutions of the Tulalip Tribes of Washington regulating, authorizing, controlling, prohibiting, and/or in any way dealing with the conduct of bingo, punch boards, pull-tabs, social card games and other gaming heretofore enacted or now in effect are hereby repealed and of no further force and effect, provided that, the Tribe may continue to regulate Indian gaming as provided under Ordinance No. 55, as amended December 3, 1988, pending approval of this newer Ordinance by the Secretary of the Interior and/or the Chairman of the National Indian Gaming Commission.

Section 4: Definitions.

4.1 Class I gaming means social games solely for prizes of minimal value as determined by the Tribes, or traditional forms of Indian gaming engaged in by individuals as a part of, or in connection with, bona fide tribal ceremonies or celebrations.

4.2 (a) Class II gaming means:

(i) the game of chance commonly known as bingo (whether or not electronic, computer, or other technologic aids are used in connection therewith)

(I) which is played for prizes, including monetary prizes, with cards bearing numbers or other designations,

(II) in which the holder of the card covers such numbers or designations when objects, similarly numbered or designated, are drawn or electronically determined, and

(III) in which the game is won by the first person covering a previously designated arrangement of numbers or designations on such cards,

including (if played in the same location) pull-tabs, lotto, punch boards, tip jars, instant bingo, and other games similar to bingo, and

(ii) card games that

(I) are explicitly authorized by the laws of the State, or

(II) are not explicitly prohibited by the laws of the State and are played at any location in the State,

but only if such card games are played in conformity with those laws and regulations (if any) of the State regarding hours or periods of operation of such card games or limitations on wagers or pot sizes in such card games.

(b) The term "class II gaming" does not include

(i) any banking card games, including baccarat, chemin de fer, or blackjack (21), or

(ii) electronic or electromechanical facsimiles of any game of chance or slot machines of any kind.

(c) Notwithstanding any other provision of this paragraph, the term "class II gaming" includes those card games played in the State of Washington, that were actually operated in such State by an Indian tribe on or before May 1, 1988, but only to the extent of the nature and scope of the card games that were actually operated by an Indian tribe in such State on or before such date, as determined by the Chairman of the National Indian Gaming Commission.

(d) Notwithstanding any other provision of this paragraph, the term "class II gaming" includes, during the 1-year period beginning on October 17, 1988, any gaming described in subparagraph (B)(II) that was legally operated on Indian lands on or before May 1, 1988, if the Indian tribe having jurisdiction over the lands on which such gaming was operated requests the State, by no later than the date that is 30 days after October 17, 1988, to negotiate a Tribal-State compact under section 2710(d)(3) of this title.

4.3 "Punch Boards" and "Pull-Tabs" shall be given their usual and ordinary meaning as of January 1, 1982; or as otherwise defined by the Tribes by rule or regulation.

4.4 "Social card games," deemed "class II gaming and permissible on the Reservation, include the games of poker, hearts, bridge, pinochle, cribbage, rummy, mah-jongg (tiles), coon-can, pan, and pitch, when authorized by the Tribes, and such other card games allowed by the Tribes consistent with applicable federal restrictions, so long as:

(a) there are two or more participants and each of them is a player;

(b) a player's success at winning money or other thing of value by overcoming chance is in the long run largely determined by the skill of the player;

(c) neither the Tribes nor any organization, corporation or person collects or obtains or charges any percentage of or collects or obtains any portion of the money or thing of value wagered or won by any of the players: Provided that this subsection shall not preclude a player from collecting or obtaining his or her winnings nor preclude the Tulalip Tribes from setting a fee for playing based on playing time;

(d) the type of card game is one specifically approved by the Tribes; and

(e) the extent of wagers, money or other thing of value which may be wagered or contributed by any player does not exceed the amount or value specified by the Tribes.

4.5 Class III gaming means all forms of gaming that are not class I or class II gaming.

4.6 Net revenues means gross revenues of a gaming activity less amounts paid out as, or paid for, prizes and total operating expenses, excluding management contract fees.

4.7 "Player" means a natural person who engages, on equal terms with the other participants, and solely as a contestant or bettor, in any form of gambling in which he may not receive or become entitled to receive any profit therefrom other than personal gambling winnings, and without otherwise rendering any material assistance to the establishment, conduct or operation of a particular gambling activity. A natural person who gambles at a social game of chance on equal terms with the other participants therein does not otherwise render material assistance to the establishment, conduct or operation thereof by performing, without fee or remuneration, acts directed toward the arrangement or facilitation of the game, such as inviting persons to play, permitting the use of premises therefor, and supplying cards or other equipment used therein.

4.8 Notwithstanding any of the foregoing definitional limitations, the Tribes may, as provided in section 6(j), enter into agreement(s) by which the Tulalip Tribes joins with other tribes to coordinate any tribal gaming operation falling within the "class II" category of §4 of the Indian Gaming Regulation Act. For example, an agreement(s) may be made directly with other tribes or with a management company or other entity to link players at various reservations, whether in the same or different states, by means of telephone, cable, television, satellite, and/or other telecommunication/computer technology, so long as the use of such

technology does not change the fundamental characteristics of the game.

4.9 Tulalip Indian Reservation, as used in this Ordinance, includes those lands set aside as the Tulalip Reservation by Article III of the Treaty of Point Elliott, 12 Stat. 928 (1855), and President Grant's December 23, 1873 Executive Order, plus other lands held in trust for the Tulalip Tribes of Washington or a Tulalip member(s), or held by the Tribe or its member(s) subject to a restriction by the United States against alienation and over which the Tribe exercises governmental power.

#### Section 5: Administration, Management and Operation of Gaming

The Tribes are empowered to administer this Ordinance, including general control, management and supervision of all herein authorized activities and properties, both real and personal, and to exercise all of the powers necessary and proper to accomplish all of the purposes of this Ordinance and as further hereinafter set forth and may do the following illustrative acts and things for and on behalf of and in the names of the Tulalip Tribes of Washington:

(a) to adopt and enforce appropriate rules and regulations for the purpose of carrying into effect the purposes and provisions of this Ordinance and the Indian Gaming Regulatory Act and the performance of its functions, including enforcement provisions and penalties.

(b) collecting, auditing, issuing and/or establishing and collecting fees, licenses, taxes and permits.

(c) purchasing, leasing, warehousing and selling bingo, punch board and pull-tab devices and other equipment for permissible gaming hereunder.

#### Section 6: Licenses Required/Background Investigations.

6.1 A separate license issued by the Tribes shall be required for each place, facility, or location on the Tulalip Indian Reservation at which class II or class III gaming is conducted. Except as provided in Section 6.6, the Tulalip Tribe shall have the sole proprietary interest and responsibility for the conduct of any class II and class III gaming activity. Except as otherwise expressly provided in this Ordinance, no person other than a member of the Tulalip Tribes, or an employee of the Tulalip Tribes, shall take any part in the primary or key management or operation of said game, and no person who takes part in the management or operation of said game shall take any part in the management or operation of any game conducted by any other organization of whatsoever kind or nature or wherever situate, or any other branch of the same organization, unless approved by the



Tulalip Tribes, and no part of the proceeds thereof shall inure to the benefit of any person other than that organization conducting said game.

6.2 A tribal license shall also be required for primary management officials and key employees of each gaming enterprise on the Reservation, with prompt notification to the National Indian Gaming Commission of the issuance of such licenses.

6.3 No license shall be issued for a gaming facility unless the Tribes determine that its construction has been completed in a manner which adequately protects the environment and the public health and safety. One of the conditions of such license shall be that the facility also be maintained and the gaming so operated as to continue to meet this standard.

6.4 Background investigations shall be conducted on the primary management officials and key employees of a gaming enterprise on the Tulalip Reservation as mandated by the Indian Gaming Regulatory Act. The Tribes shall promulgate rules and regulations establishing a background investigation procedure and process adequate to:

(a) ensure that background investigations are conducted on primary management officials and key employees of any gaming enterprise and that oversight of such officials and their management is conducted on an ongoing basis; and

(b) includes:

(i) Tribal licenses for primary management officials and key employees of any gaming enterprise with prompt notification to the National Indian Gaming Commission of the issuance of such licenses;

(ii) a standard whereby any person whose prior activities, criminal record, if any, or reputation, habits and associations pose a threat to the public interest or to the effective regulation of gaming, or create or enhance the dangers of unsuitable, unfair, or illegal practices and methods and activities in the conduct of gaming shall not be eligible for employment; and

(iii) notification by the Tribes to the National Indian Gaming Commission of the results of such background check before the issuance of any such licenses.

6.5 If after the issuance of a gaming license, the Tribes receives reliable information from the National Indian Gaming Commission or other reliable sources that a primary management official or key employee does not meet the standard established under the second sentence of Section 6.4, rules and regulations to

be promulgated, the Tribes shall suspend his or her license and, after notice and hearing, may revoke such license. By regulation, the Tribes may set grounds for license suspension, revocation, and denial, including the above-referenced standard and such other grounds as it deems appropriate.

6.6 No license shall be required for class I gaming on the Tulalip Reservation.

6.7 No license shall be issued for a gaming activity managed or operated by other than the Tribes, except State and Tribally licensed Washington State lottery retailers.

6.8 The National Indian Gaming Commission shall have thirty (30) days to notify the Tribe of any objections to issuance of a gaming license.

6.9 The procedures for license application and review shall be set forth in regulations to be promulgated by the Tribes. All licenses shall be for one year only and renewable upon review and approval of the Tribes, as set forth in its regulations.

6.10 Nothing in this Ordinance or any rules or regulations promulgated pursuant hereto shall be deemed a waiver of the Tulalip Tribes sovereign immunity or consent to be sued.

#### Section 7: Audits.

7.1 Annual outside audits of class II and class III gaming on the Tulalip Reservation, which may be encompassed within existing independent tribal audit systems, shall be provided by the Tribes to the National Indian Gaming Commission.

7.2 All contracts for supplies, services, or concessions for a contract amount in excess of \$25,000 annually (except contracts for professional, legal, or accounting services) relating to class II or III gaming shall be subject to such independent audits.

#### Section 8. Net Revenue Allocation.

8.1 Net revenues from any Tribal gaming are not to be used for purposes other than:

- (a) to fund Tribal government operations or programs;
- (b) to provide for the general welfare of the Tulalip Tribes and its members;
- (c) to promote Tribal economic development;

(d) to donate to charitable organizations; or

(e) to help fund operations of local government agencies.

8.2 Net revenues from any Class II or Class III gaming activities may be used to make per capita payments to members of the Tulalip Tribes only if:

(a) the Tribes have prepared a plan to allocate revenues to the uses authorized by Section 8.1, which plan has been approved by the Secretary of the Interior as adequate;

(b) the interests of minors and other legally incompetent persons who are entitled to receive any of the per capita payments are protected and preserved and the per capita payments are disbursed to the parents or legal guardian of such minors or legal incompetents in such amounts as may be necessary for health, education or welfare of the minor or other legally incompetent person under a plan approved by the Secretary of Interior and the Tribes; and

(c) the Tribes notifies its members of Federal tax liabilities of the per capita payment when made.

#### Section 9. Self-Regulation.

During any year in which the Tulalip Tribes has a certificate for self-regulation from the National Indian Gaming Commission, as provided in 25 U.S.C. §2710(c) of The Indian Gaming Regulation Act of 1988,

(a) the Tribes shall not be subject to the provisions of paragraphs (1), (2), (3), and (4), Section 7(b) of the Act;

(b) the Tribes shall continue to submit an annual independent audit as required by subsection (b)(2)(C) of 25 U.S.C. §2710 and shall submit to the National Commission a complete resume on all employees hired and licensed by the Tribe subsequent to the issuance of a certificate of self-regulation; and

#### Section 10: Class III Gaming Requirements:

10.1 No class III gaming shall be conducted on the Tulalip Indian Reservation until this Ordinance has been approved by either the Secretary of the Interior or the Chairman of the National Indian Gaming Commission.

10.2 Only those Class III gaming activities shall be allowed which are:

(a) permitted by the State of Washington for any purpose by any person, organization or entity; and

(b) conducted in conformance with a Tribal-State compact entered into by the Tulalip Tribe and State of Washington, and in effect.

10.3 The Tribes, in its sole discretion, may, either by ordinance or resolution, revoke any authorization for Class III gaming.

#### Section 11: Tribal, Federal and State Prohibitions

11.1 Gambling within the Tulalip Indian Reservation by any person acting other than as a player, or by any party, partnership, entity, firm, and/or corporation is hereby prohibited and declared unlawful except when authorized by the Tribes by ordinance or resolution and conducted pursuant to the control, rules and regulations of the Tribes, as well as the Indian Gaming Regulatory Act and rules and regulations promulgated thereunder.

11.2 Nothing herein, nor any rule and/or regulation promulgated hereunder shall be construed to supersede or preempt either the criminal/prohibitory laws of the State of Washington or applicable laws of the United States of America, insofar as said laws shall absolutely prohibit a gambling activity, unless federal law so allows.

11.3 It is the intent of this Ordinance to exert tribal sovereignty and jurisdiction within the Tulalip Indian Reservation and to preempt any civil-regulatory power or law, if any, of the State of Washington, within said boundaries concerning the subject matter of this Ordinance, except as otherwise provided in Section 11.4.

11.4 None of these prohibitions or assertions of tribal authority contained in this Ordinance are intended to apply to the licensing by the State of Washington of state lottery retailers, pursuant to RCW 67.70 and implementing state regulations and procedures. The Tribe will not object to the following assertions of exclusive state authority in regard to the state lottery:

(a) the issuance and revocation of lottery retailer licenses and the regulation of the manner of lottery ticket sales within the boundaries of the Tulalip Indian Reservation, pursuant to state law;

(b) state court jurisdiction, with exclusive venue in Thurston County, over state lottery license issues, including issuance or revocation, the conduct of a lottery retailer, the

financial relationship between any licensee and the state lottery and other matters regarding state lottery operation;

(c) jurisdiction of the Director, Washington State Lottery, or any lawfully appointed designee thereof, over state lottery administrative disputes, in accordance with Washington State law;

(d) the entry upon trust lands and property including lands owned by the Tribe or its members, by lottery employees, including investigators or enforcement officers, solely for the purpose of conducting investigations and enforcing the provisions of RCW 67.70.

Provided that, nothing in this ordinance shall be deemed to constitute a waiver of immunity on the part of the Tulalip tribal government, corporation, or any entity created by either as to any assets or property of any nature whatsoever, or the adjudication of any federal rights or immunities. (as adopted January 9, 1988, Resolution #88-0009)

#### Section 12: Civil Remedy/Enforcement/Appeal

12.1 The Tulalip Tribal Court shall have exclusive jurisdiction over the enforcement of this Ordinance brought by the Tribes, except to the extent federal law provides otherwise.

12.2 (a) Every such activity relating to the subject matter of this Ordinance, namely gaming, held and/or conducted or engaged in within the Tulalip Indian Reservation, which is contrary to the provisions of this Ordinance and rules and regulations promulgated hereunder, is hereby prohibited and declared to be unlawful and a public nuisance, the remedy for which shall be an injunction and/or abatement and/or a civil fine(s) not to exceed \$5,000 per day, per violation, and/or cancellation of any license or permit issued to or relating thereto, or all.

(b) Fines may be established as liens upon specifically described property involved in a violation of this Ordinance, by order of the tribal court. In the case of real property, such order shall be filed for record notice with the Snohomish County Auditor. Liens on personal property shall be filed with Washington's Secretary of State. Upon twenty (20) days' written notice served, or fifty (50) days' notice by publication, with opportunity to request a hearing on the maker no later than ten days after expiration of the notice period, the tribal court may order the property sold at public auction, or forfeited to the Tulalip Tribe.

12.3 Any person or entity may appeal a final order of the tribal court, as provided in Tulalip Ordinance No. 49.

Section 13: Severability and Construction

13.1 All factors incident to the activities authorized in this Ordinance shall be closely controlled by the Tribes and the provisions of this Ordinance shall be liberally construed to achieve such end.

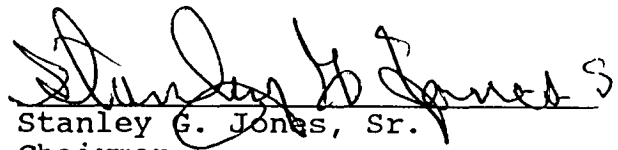
13.2 If any clause, part or section of this act shall be adjudged invalid, such judgment shall not affect or invalidate the remainder of the ordinance, but shall be confined in its operation to the clause, part or section directly involved in the controversy in which such judgment is rendered. If the operation of any clause, part or section of this act shall be held to impair the obligation of contract, or to deny any person any right or protection secured to him by the Constitution of the Tulalip Tribes of Washington, the Constitution of the United States of America, or the Constitution of the State of Washington, it is hereby declared that, had the invalidity of such clause, part or section be considered at the time of the enactment of this act, the remainder of the act would nevertheless have been adopted without such and any and all such invalid clauses, parts or sections.

13.3 Any reference herein to the National Indian Gaming Commission shall be read and interpreted as the Secretary of Interior until such time as the Commission is duly appointed and constituted.

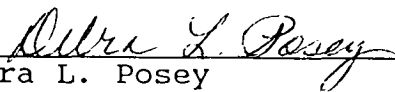
Section 14: Effective Date

This Ordinance shall become effective in accordance with the provisions of the Constitution of the Tulalip Tribes of Washington.

ADOPTED by the Board of Directors of the Tulalip Tribes of Washington at a regularly scheduled meeting assembled on the 7th day of April, 1990, with a quorum present by a vote of 6 for and 0 against.

  
Stanley G. Jones, Sr.  
Chairman

ATTEST:

  
Debra L. Posey  
Secretary