



Via U.S. Mail and Facsimile

JAN 11 2008

Darrell Mike, Chairman
Twenty-Nine Palms Band of Mission Indians
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Palm Springs, CA 92264

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RE: Amendment to Twenty-Nine Palms Band of Mission Indians Gaming Ordinance

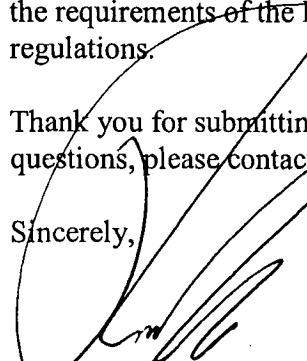
Dear Chairman Mike and Mr. Kovall:

On December 12, 2007, Mr. Kovall on behalf of the Twenty-Nine Palms Band of Mission Indians (Band) requested that the National Indian Gaming Commission (NIGC) review and approve the Band's amendment to the Twenty-Nine Palms Band of Mission Indians Gaming Ordinance (Gaming Ordinance). The Band amended the Gaming Ordinance on December 5, 2007, via Resolution No. 120507. In this amendment, the Band clarified its compliance with NIGC Minimum Internal Control Standards (MICS) for Class II and III gaming.

This letter constitutes approval of the amendment because nothing therein conflicts with the requirements of the Indian Gaming Regulatory Act (IGRA) and the Commission's regulations.

Thank you for submitting the amendment for review and approval. If you have any questions, please contact Staff Attorney Rebecca Chapman at (202) 632-7003.

Sincerely,



Philip N. Hogen
Chairman

GARY E. KOVALL
Attorney At Law

December 12, 2007

Philip N. Hogan
Chairman
National Indian Gaming Commission
1441 L Street, NW
Suite 9100
Washington, DC 2005

DEC 14 2007

Re: Amendment to Twenty-Nine Palms Band of Mission Indians Gaming Ordinance - "CRIT" MICS Regulation/Enforcement Modification

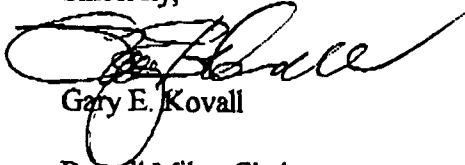
Dear Chairman Hogan:

On behalf of the Twenty-Nine Palms Band of Mission Indians and the Twenty-Nine Palms Gaming Commission, and pursuant to IGRA (25 U.S.C. § 2710) and 25 CFR §522.3, I am hereby submitting for your review and approval the enclosed amendment to the Tribe's Gaming Ordinance. The specific proposed amendment is contained within the Tribe's duly-adopted Resolution No. 120507 contained herein.

The purpose and intent of this amendment to the Ordinance is to maintain the "status quo" between the Tribe and NIGC that has existed for 13 years+ regarding the validity of and the Tribe's compliance with, Minimum Internal Control Standards promulgated and enforced by the NIGC and which have governed the Tribe's Class II and Class III gaming operations. Because of the uncertainty of the application of the so-called "CRIT" judicial decision to the Tribe's gaming operations, for both the protection of its assets and protection of the public, the Tribe felt that the adopting the attached clarifying amendment pursuant to its sovereign powers of self-government, has become necessary. Once approved by the NIGC pursuant to its valid and unquestioned authority to approve gaming ordinances under IGRA, the Tribe is confident that its purposes in adopting this amendment will have been satisfied.

Thank you for your attention to this matter and the assistance of NIGC staff in working through the details.

Sincerely,



Gary E. Kovall

xc: Darrell Mike, Chairman
Joe Murillo, Executive Director, Twenty-Nine Palms Gaming Commission

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RESOLUTION OF THE GENERAL COUNCIL
THE TWENTY-NINE PALMS BAND OF MISSION INDIANS
AMENDMENT TO THE GAMING ORDINANCE
RESOLUTION NO. 120507

WHEREAS, the Twenty-Nine Palms Band of Mission Indians ("Tribe") is a federally-recognized Indian tribe invested with powers of sovereign self-government;

WHEREAS, operation of class II and class III games of chance by the Tribe upon its reservation lands is a valid and legal means of promoting tribal economic development, economic self-sufficiency and the general health and welfare of the tribal members;

WHEREAS, that under the principles established by the United States Supreme Court in California v. Cabazon Band of Mission Indians 480 U.S. 202 (1987), Indian tribes have the right to offer and regulate gaming activity on Indian lands;

WHEREAS, the United States Congress, in response to the Cabazon decision, enacted Public Law 100- 497 (25 U.S.C. § 2701 *et seq.*), commonly known as the Indian Gaming Regulatory Act ("IGRA") authorizing certain types of class II and class III gaming activities by federally-recognized Indian tribes on lands within the jurisdiction of the Tribe;

WHEREAS, that the Tribe has entered into a Class III Gaming Compact with the State of California ("Compact") which Compact has been duly authorized by the United States Department of the Interior and which authorizes the Tribe to engage in class III gaming activities pursuant to federal law on its reservation lands in accordance with the provisions of the Compact and IGRA;

WHEREAS, the tribal regulation of gaming activity on its reservation lands is vital to the protection of the lands and the interests of the Tribe and its members;

WHEREAS, the Tribe duly enacted a tribal gaming activity ordinance to enable it to regulate gaming activities on its lands in 1994, and amended in May of 2003 (Resolution No 050203A) which ordinance and amendment were duly approved by the National Indian Gaming Commission ("NIGC") as required by IGRA, and which ordinance established a tribal gaming commission known as the "Twenty-Nine Palms Gaming Commission" ("Commission") and then further modified the membership eligibility requirements for its Commissioners;

WHEREAS, in light of the October 2006 Colorado Indian Tribe decision (“CRIT” decision) of the United States Circuit Court, District of Columbia, calling into question the validity of Minimum Internal Control Standards (“MICS”) promulgated and enforced by the NIGC which have governed the gaming operations of the Tribe since adoption of its Gaming Ordinance, as amended, the Tribe has concluded that, in the best interests of its gaming operations, protecting tribal assets and enhancing and preserving the integrity of the games being offered to the public, continued compliance with the MICS and the authority of the NIGC related to said MICS is necessary and appropriate; and

WHEREAS, the Tribe hereby wishes to confirm its intentions hereunder by adopting a specific amendment to its Gaming Ordinance under the authority of IGRA and tribal law concerning the MICS regulations as set forth below; and

WHEREAS, under its Class III Gaming Compact with the State of California, in particular, Modification No. 2, Section 8.4.1(e) thereof, the Tribe, pursuant to tribal law and the provisions of IGRA [25 U.S.C. § 2710 (d)(1)(A) (i) and (iii)] hereby clarifies that the authority to regulate the Tribe’s gaming operations; in particular, adoption and compliance with the MICS, is a matter of the sovereign to sovereign governmental relationship between the Tribe and the federal government (NIGC); and

WHEREAS, the General Council of the Tribe is the duly-authorized governing body of the Tribe and is empowered by the articles of association of the Tribe and tribal law to enact this amendment to its approved tribal gaming activity ordinance, and

WHEREAS, to best promote and assure the continued integrity of the gaming activities upon its reservation lands as required by IGRA and the Compact the Tribe takes the actions described below to amend its Gaming Ordinance regarding the internal control standards governing its gaming operations and related authority of the Tribe and the NIGC;

ACCORDINGLY, the Tribe hereby adopts the following amendment to its tribal gaming ordinance and authorizes the tribal Chairman or his designee to submit such amendment to the National Indian Gaming Commission for review:

“Minimum Internal Control Standards

(A) *Applicable Standards.* The Twenty-Nine Palms Gaming Commission shall comply with 25 CFR Part 542 by formally adopting and making applicable to the tribe’s gaming operation(s) internal control standards that:

(A) Provide a level of control that equals or exceeds those set forth in 25 CFR part

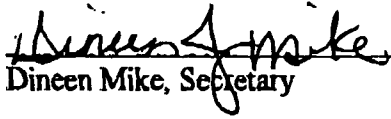
542, as published or as revised by mutual agreement between the National Indian Gaming Commission and the TRwenty-Nine Palms Band of Mission Indians; and

2. Contain standards for currency transaction reporting that comply with 31 CFR Part 103; and
 3. Establish internal control standards for Class II and Class III games that are not addressed in the MICS, if any.
- B. Annual CPA Testing of Compliance. In order to verify that the gaming operation is in compliance with the internal control standards adopted pursuant to paragraph A, an independent certified public accountant (CPA) shall be engaged annually to perform "Agreed-Upon Procedures" in the manner provided for in 25 CFR 542.3(f).
- C. Compliance. The tribal gaming regulatory authority and the NIGC shall monitor and enforce compliance with the internal control standards adopted pursuant to paragraph A in the manner provided for in 25 CFR 542.3(g). In addition, the National Indian Gaming Commission shall, for the purpose of enforcing compliance with the internal control standards, have the power to:
1. monitor all Class II and Class III gaming on a continuing basis;
 2. inspect and examine all premises on which Class II or Class III gaming is conducted; and
 3. demand access to and inspect, examine, photocopy, and audit all papers, books, and records respecting gross revenues of all Class II and Class III gaming or any other matters necessary to ensure and enforce compliance with the MICS.
- D. Enforcement. Any failure to adopt internal control standards pursuant to paragraph A, to perform Agreed-Upon Procedures pursuant to paragraph B, to prevent or obstruct the exercise of any of the Commission's powers under paragraph C, or to comply with the internal control standards once adopted is a violation of this ordinance. The Chairman of the National Indian Gaming Commission shall have the authority to remedy violations of this ordinance under 25 U.S.C. 2713 and its implementing regulations, and the Tribe shall have all rights and remedies available thereunder."

CERTIFICATION

I, the undersigned Secretary of the Twenty-Nine Palms Band of Mission Indians General Council

certify that Resolution No. 120507 was adopted at a duly-noticed and conducted meeting of the General Council on December 5, 2007 at which a quorum was present by a vote of 4 for 0 against and 0 abstaining.


Dineen Mike, Secretary