



APR 19 2002

Cheryl A. Kennedy, Chairwoman  
Confederated Tribes of the Grand Ronde Community  
9615 Grand Ronde Road  
Grand Ronde, OR 97347

RE: Amended Gaming Ordinance of the Confederated Tribes of the  
Grand Ronde Community

Dear Chairwoman Kennedy:

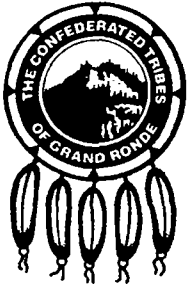
This letter responds to your request to the National Indian Gaming Commission (NIGC) for the review and approval of the Amended Gaming Ordinance (Ordinance) of the Confederated Tribes of the Grand Ronde Community (Tribe). The Tribe enacted the Ordinance by Resolution No. 036-02 on February 20, 2002. The Ordinance was received by the NIGC on February 25, 2002. Under the Indian Gaming Regulatory Act (IGRA) and the regulations promulgated by the NIGC, the Chairman has 90 days to review an ordinance and either approve or disapprove it. 25 C.F.R. § 522.4. This letter constitutes approval under the Indian Gaming Regulatory Act (IGRA).

Thank you for submitting the Grand Ronde Community Ordinance. The NIGC staff and I continue to look forward to working with you and the Tribe in implementing the IGRA.

Sincerely yours,

A handwritten signature in black ink that reads "Montie R. Deer".

Montie R. Deer  
Chairman



## The Confederated Tribes of the Grand Ronde Community of Oregon

Tribal Council

Phone (503) 879-2301 or (800) 422-0232

Fax (503) 879-5964

9615 Grand Ronde Rd.

Grand Ronde, OR 97347

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### Resolution No. 036-02

**WHEREAS**, the Grand Ronde Tribal Council, pursuant to Article III, Section I of the Tribal Constitution, approved November 30, 1984, by the Acting Deputy Assistant Secretary of the Interior for Indian Affairs, is empowered to exercise all legislative and executive authority not specifically vested in the General Council of the Confederated Tribes of the Grand Ronde Community of Oregon; and

**WHEREAS**, the Tribal Attorney's Office in consultation with Tribal Council and the Gaming Commission drafted amendments to the Gaming Ordinance, which include, but are not limited to, expanding the grounds for an appeal to the Tribal Court, providing definitions for High and Low Security Licensees, providing that three of the five Commissioners be Tribal members, changing the educational and/or experience requirements of the Commissioners, removing provisions governing use of management contracts, clarifying that Commission meetings on individual license and employee matters are not open to the public, providing for licensing of vendors, increasing the minimum age to be present on the gaming floor, modifying the process for license suspensions and appeals of licensing decisions; and

**WHEREAS**, the first reading of the amendments to the Gaming Ordinance was presented at the October 10, 2001, Tribal Council Meeting; and

**WHEREAS**, notice of amendments to the Gaming Ordinance was published for comment in the November 1, 2001, and November 15, 2001, editions of *Smoke Signals* and no comments were received; and

**WHEREAS**, after reviewing the amendments to the Gaming Ordinance and finding that the amendments would be in the best interest of the Tribe, the Tribal Council adopted the amendments by Tribal Council Resolution No. 183-01; and

**WHEREAS**, the Indian Gaming Regulatory Act requires approval of tribal gaming ordinances by the Chairman of the National Indian Gaming Commission; and

**WHEREAS**, the Chairman of the National Indian Gaming Commission responded to the amendments, required four technical revisions and therefore disapproved the Amended Gaming Ordinance by letter dated February 6, 2002; and

**WHEREAS**, the Tribal Attorney's Office has drafted revisions to the amendments of the Gaming Ordinance resolving the issues presented by the National Indian Gaming Commission; and

**Resolution No. 036-02**

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**WHEREAS**, the Tribal Council determines that the revisions are required by federal law and therefore may forego further notice and comment pursuant to Section (d)(5) of the Tribal Government Organization and Procedures Ordinance.

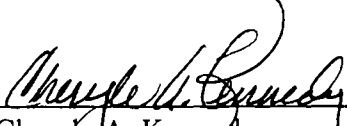
**NOW THEREFORE BE IT RESOLVED**, that the Tribal Council adopts the amendments to the Gaming Ordinance, as revised in response to the issues presented by the National Indian Gaming Commission.

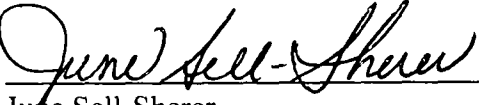
**BE IT FURTHER RESOLVED**, that the effective date of the amendments shall be January 1, 2002.

**BE IT FURTHER RESOLVED**, that the amendment expanding the grounds for an appeal to the Tribal Court of a Commission decision shall apply only to actions filed with the Tribal Court on or after the effective date of the amendments.

**BE IT FURTHER RESOLVED**, that the Tribal Council requests that the Chairman of the National Indian Gaming Commission promptly review and approve the amendments to the Gaming Ordinance, as revised.

**CERTIFICATION:** The Tribal Council for the Confederated Tribes the Grand Ronde Community of Oregon adopted this resolution at a regularly scheduled meeting, with a quorum present as required by the Grand Ronde Constitution held on **February 20, 2002**, by a vote of **7** yes, **0** no, and **0** abstentions.

  
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Cheryl A. Kennedy  
Tribal Council Chairwoman

  
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June Sell-Sherer  
Tribal Council Secretary

THE CONFEDERATED TRIBES OF THE GRAND RONDE COMMUNITY OF OREGON  
GAMING ORDINANCE

(a) Authority and Purpose: The Council has authority to adopt this Gaming Ordinance under the Tribal Constitution Article III, Section 1 – Powers. The Constitution does not require approval of the Ordinance or any amendment thereof by the Secretary of the Interior. The Ordinance or amendment is effective upon approval of the National Indian Gaming Commission (NIGC) under the Indian Gaming Regulatory Act (IGRA), in accordance with section (z) of this Ordinance. The purpose of this Ordinance is to set forth the terms for Class II and Class III gaming operations on tribal lands.

(b) Gaming Authorized: Class II and III gaming as defined in the IGRA, P.L. 100-447, 25 U.S.C., Sections 2703(7) and (8) and by the regulations declared by the NIGC at 25 C.F.R. §§ 502.3 and 502.4 is hereby authorized.

(c) Definitions: The following definitions shall apply:

(1) “Bylaws”: an operating document of the Grand Ronde Gaming Commission.

(2) “Chairman”: the Chairman of the NIGC.

(3) “Class I Gaming”: social games played solely for prizes of minimal value, or traditional forms of Indian gaming when played by individuals in connection with tribal ceremonies or celebrations.

(4) “Class II Gaming”:

(A) The game of chance commonly known as “bingo” or lotto (whether or not electronic, computer or other technologic aids are used) when played:

1. Play for prizes with cards bearing numbers or other designations;

2. Cover numbers or designations when objects, similarly numbered or designated, are drawn or electronically determined; and

3. Win the game by being the first person to cover a designated pattern on such cards;

(B) If played in the same location as bingo or lotto, pull-tabs, punch boards, tip jars, instant bingo, and other games similar to bingo;

(C) Nonbanking card games that:

1. State law explicitly authorizes, or does not explicitly prohibit, and are played legally anywhere in the State; and
  2. Players play in conformity with state laws and regulations concerning hours, periods of operation, and limitations on wagers and pot sizes.
- (5) “Class III Gaming”: all forms of gaming not classified Class I or II, including but not limited to:
- (A) Any house banking game, including but not limited to:
    1. Card games such as baccarat, chemin de fer, or blackjack (21), and pai gow (if played as house banking games);
    2. Casino games such as roulette, craps, and keno;
  - (B) Any slot machines as defined in 15 U.S.C. 1171(a) (1) and electronic or electromechanical facsimiles of any game of chance;
  - (C) Any sports betting and parimutuel wagering including but not limited to wagering on horse racing, dog racing or jai alai; or
  - (D) Lotteries.
- (6) “Commission”: the Grand Ronde Gaming Commission.
- (7) “Corporation”: the tribally chartered corporation responsible for developing, financing and operating Class II and Class III gaming activities of the Tribe on Grand Ronde Indian Land, currently Spirit Mountain Gaming, Inc. (SMGI).
- (8) “Gambling Device”:
- (A) Any so-called 'slot machine' or any other machine or mechanical device an essential part of which is a drum or reel with insignia thereon; and
    1. Which when operated may deliver, as the result of the application of an element of chance, any money or property; or
    2. By the operation of which a person may become entitled to receive, as the result of the application of an element of chance, any money or property; or

(B) Any other machine, mechanical device (including, but not limited to, roulette wheels and similar devices), electromechanical or electronic device designed and manufactured primarily for use in connection with gambling; and

1. Which when operated may deliver, as the result of the application of an element of chance, any money or property; or

2. By the operation of which a person may become entitled to receive, as the result of the application of an element of chance, any money or property; or

3. Any subassembly or essential part intended to be used in connection with any such machine, mechanical device or electromechanical or electronic device, but which is not attached to any such machine, mechanical device or electromechanical or electronic device as a constituent part.

(9) “Gaming Facility”: the buildings and grounds on Grand Ronde Indian Land where gaming, other than Class I gaming is operated or conducted, and any property that is used by the Tribe in connection with gaming, including any property used to store gaming equipment, supplies or records.

(10) “Gaming Operation”: each economic entity authorized by this ordinance and licensed by the Grand Ronde Gaming Commission, that operates the games, generates the revenues, issues the prizes, and pays the expenses. A gaming operation may be operated by a tribe directly or through a tribally chartered corporation, or a management contract.

(11) “Grand Ronde Indian Land” or “Indian land”:

(A) Land within the limits of the Grand Ronde Indian Reservation; or

(B) Land over which the Tribe exercises governmental power and that is either:

1. Held in trust by the United States for the benefit of the Tribe or any Indian individual; or

2. Held by an Indian Tribe or individual subject to restriction by the United States against alienation.

(12) “High Security Gaming Licensee”: any person who does not possess levels of authority indicative of a Primary Management Official and are employed in a Class II or

Class III gaming area or security or surveillance, or has access to gaming cash or cash equivalents.

(13) “Licensee”: any person or entity that holds a valid and current license pursuant to the provisions of this Gaming Ordinance.

(14) “Low Security Gaming Licensee”: any person who does not possess levels of authority indicative of a Primary Management Official or High Security Gaming Licensee.

(15) “NIGC”: the National Indian Gaming Commission.

(16) “Net Revenue”: gross gaming revenues of the operation less amounts paid out as, or paid for, prizes and total gaming-related operating expenses, excluding management fees, if any.

(17) “Primary Management Official”:

(A) Any person having overall management responsibility over a class II or class III gaming area;

(B) Any person with authority to hire and fire personnel within a gaming operation or to establish and implement working policy for the gaming operation;  
or

(C) The Chief Financial Officer or other person who has financial management responsibility.

(18) “State”: the State of Oregon.

(19) “Tribal/State Compact” or “Compact”: the agreement negotiated and executed by the Tribe and an official or agency of the State and approved by the Secretary of the Interior pursuant to 25 U.S.C. 2710(d)(8), governing the conduct of Class III gaming on Indian lands.

(20) “Tribe”: the Confederated Tribes of the Grand Ronde Community of Oregon.

(21) “Tribal Council” or “Council”: the Tribal Council of the Confederated Tribes of the Grand Ronde Community of Oregon.

(22) “Tribal Court” or “Court”: the Tribal Court of the Confederated Tribes of the Grand Ronde Community of Oregon.

(23) "Vendor": any manufacturer, consultant or supplier of goods or services related to class II or class III gaming.

(d) Ownership: The Tribe shall have sole proprietary interest in and responsibility for conducting any Class II and Class III gaming operations authorized by this Ordinance.

(e) Unauthorized Gaming: The Tribe shall initiate an action against any person or entity conducting or taking part in unauthorized Class II or Class III gaming on Grand Ronde Indian Land in the Tribal Court, or if the Tribal Court lacks jurisdiction, in any court of competent jurisdiction.

(f) Use of Revenue: Net revenue from Class II and Class III gaming shall be used only for the following: funding tribal government operations and programs; providing for the general welfare of the Tribe and its members; promoting economic development; donations to charitable organizations, or helping to fund operations of local governmental agencies. At least ten percent (10%) of net revenues after debt service shall be allocated to Tribal endowments for increased health care benefits, education, and housing. The Finance Officer shall make this calculation at the end of the first quarter after the end of each full year of operation.

(g) Grand Ronde Gaming Commission:

(1) The Grand Ronde Gaming Commission is hereby established to regulate Class II and Class III gaming on Grand Ronde Indian Land. The Commission shall consist of five members recommended by the Commission and appointed by a majority vote of the Council. There shall be three Tribal members on the Commission and two persons who are not Tribal members. All Commission members must be at least 21 years of age. Commission membership shall include one each of the following persons:

(A) A person with at least ten years of law enforcement experience, or a person with a bachelor's degree in criminal justice or related field and at least five years of law enforcement experience;

(B) A person with management or regulatory experience within the private sector or a governmental agency, preferably tribal government; and

(C) A person with at least ten years of accounting experience, or a person with a bachelor's degree in accounting or related field and at least five years of accounting experience.

(2) Commissioners shall serve for terms of three (3) years and may be removed from office prior to the end of their term only for cause and by unanimous vote of the remainder of the Commission or a vote of six Council members at an open, regular meeting.



(3) In order to establish staggered terms, the Council shall appoint the first Commissioners as follows: two shall serve a 1-year term, two shall serve a 2-year term, one shall serve a 3-year term, (initial terms only). After the initial term, all subsequent terms of appointment shall run for three years. Vacancies shall be filled within 60 days by the Commission, with the approval of Council, provided, however, that a Commissioner whose term has expired shall hold their seat until it is filled. A vacancy shall be deemed to occur when a Commissioner is removed, resigns or upon expiration of his or her term without regard to whether the Commissioner seeks reappointment. When a vacancy occurs, notice of such vacancy shall be published and posted, for at least fifteen (15) days. The notice shall identify the qualifications, if any, specific to the vacancy and request interested parties to file a statement with the Commission reflecting their qualifications and interest in serving as a Commission member. Upon termination of the notice period, the Commission shall develop selection procedures which are designed to promote appointment of the most qualified person.

(4) Commissioners may hold other non-elective and non-managerial tribal positions and may engage in business and gamble in any gaming operation, provided, however, that they may not be employed in or own any interest in or gamble in a gaming operation authorized by this Ordinance.

(5) Commissioners shall be compensated at a rate established annually by the Commission, and approved by the Council. Commissioners shall be reimbursed for actual expenses incurred on Commission business, including necessary travel expenses, in a manner consistent with the applicable policies and procedures of the Tribe.

(6) The Commission shall adopt bylaws for the conduct of business, which shall include the following provisions:

(A) The Commission shall select annually from its membership a Chair, Vice-Chair and Executive Secretary. The Chair shall have the power to convene special meetings with not less than 48 hours written or verbal notice to members of the Commission.

(B) General sessions of the Commission shall be open to the public.

(C) Executive sessions of the Commission shall not be open to the public. The Commission may only take official action while in executive session on Commission personnel and licensing matters.

(D) A quorum shall consist of three members. All decisions shall be made by a majority vote provided, however, that no Commission action shall be taken by a

vote of less than a majority of the full Commission unless indicated otherwise in this Ordinance or the Bylaws.

(7) The Commission shall make quarterly reports to the Council within 30 days of the end of each quarter. The reports shall include a summary of all licensing and enforcement actions.

(8) The Commission shall exercise all powers necessary to regulate Class II and Class III gaming on Grand Ronde Indian Land. The Commission shall meet not less than once every two (2) months to hear recommendations and set policy, to hear reports from the Director, to make licensing, suitability and approval determinations, to conduct disciplinary hearings, to hear player dispute appeals, and to transact other business. The Commission shall publicize rules and regulations for the operation of any gaming facility and hear and resolve all disputes regarding any provision of the Ordinance and rules and regulations promulgated by the Commission. In all decisions, the Commission shall act to promote and ensure integrity, security, honesty, and fairness of operation and administration of all gaming activities. The Commission shall have the authority to approve, deny, limit, condition, suspend, revoke, or restrict any license, or assess a fine against any person or entity licensed, or required to be licensed, for any cause deemed reasonable.

(9) The duties of the Commission include, but are not limited to, the following:

(A) Processing all license applications, making determinations regarding the suitability of persons for licensing, issuing licenses to qualified persons, and notifying the NIGC of the issuance of such licenses as required by the IGRA;

(B) Denial, limitation, revocation, rescission or suspension of any license when deemed necessary under the provisions of this or any related law of the Tribe, or any applicable Federal or State law;

(C) Causing to be conducted background investigations on all Primary Management Officials, High Security Gaming Licensees, Low Security Gaming Licensees, Vendors, Commission employees and members of the Commission;

(D) Designing, printing and making available all necessary license application forms and appropriate licenses;

(E) Collecting license fees imposed pursuant to this Ordinance or rule or regulation promulgated by the Commission;

(F) Inspecting and examining all premises, equipment and supplies where gaming is conducted or gaming devices or equipment are stored, sold or distributed;

(G) Inspecting and reviewing gaming contracts to ensure compliance with this Ordinance; and inspecting and reviewing records, books, and financial documents relating to the conduct of gaming to determine compliance by the licensee with this Ordinance and any other applicable law;

(H) Promulgating and amending such substantive and procedural regulations as the Commission deems necessary to carry out this Ordinance, but only upon thirty (30) days notice of the proposed rule-making, which notice shall be posted at the gaming facility, the Tribal offices, and the Community Center, and provided to the Council, the Board of Directors of the Corporation, and of any licensed gaming operation;

1. The notice shall specify the purpose of the proposed regulation, the language of the proposed regulation, and the factors the Commission has considered in its determination to enact the proposed regulation, and an address at which the Commission shall receive comments.

2. During the notice period the Commission shall receive comments regarding the proposed regulation at the Commission offices, or at a designated mailing address.

3. The Commission shall consider comments received by it at an open public meeting. The Commission 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 the information available to the Commission.

4. A final determination to enact a proposed regulation may be appealed to Tribal Court as provided in section (x) of this Ordinance.

(I) Consulting with the Tribal Attorney on legal questions, appeals and rule-making;

(J) Imposing civil penalties or other sanctions including seizure of property, after a hearing as provided by this Ordinance;

(K) Excluding individuals from the gaming facility due to his or her criminal acts, criminal history or association with career offenders or career offender

organizations (as defined by the Commission) which may pose a threat to the security and integrity of the gaming operation;

(10) A Commissioner's seat shall be immediately vacant upon conviction of any felony, conviction of any misdemeanor related to illegal gambling or bribery, or upon having three (3) consecutive unexcused absences from Commission meetings. Cause for removal of a Commissioner shall include but not be limited to: excessive use of intoxicants which impairs performance of duties, use of a tribal position for personal gain, failure to perform Commission duties adequately or according to this Ordinance, violation of any law of the Confederated Tribes of Grand Ronde and bringing discredit or disgrace to the Commission or the Tribe.

(11) The Commission may organize itself into divisions as it deems necessary. The Commission shall establish its own budget for operations, including a budget for the Director, and acquire such furnishings, equipment, supplies, books, and other things as it may deem necessary or desirable in carrying out its functions, and incur such other expenses, within the limit of funds available to it, as it may deem necessary. Within the limits of its approved budget, the Commission shall employ and fix the salaries of, or contract for, the services of such personnel and consultants as the execution of its duties requires. The annual Commission budget shall be published with the Tribe's Annual Budget.

(12) At the end of the budget year any unexpended funds may be applied to the following year's budget at the Council's discretion.

(13) The Commission and the Director shall maintain files and records as they deem desirable and all such records are open to Council inspection as Council deems appropriate, unless otherwise restricted by Tribal, state or federal law. Files and records shall not be removed from the Commission offices.

(h) Commission Director:

(1) The Commission shall hire a Director, with the approval of the Council, who shall be responsible for the day-to-day monitoring of gaming activities, including the implementation and enforcement of the rules and regulations promulgated by the Commission. No one convicted of a felony of any kind or a misdemeanor related to illegal gambling or bribery may serve as Director. The Director shall not have any financial interest in any gambling by any gaming facility patron.

(2) The Director shall be terminated automatically and immediately upon the Director's conviction in a federal or state court of competent jurisdiction for any felony or for any misdemeanor related to illegal gambling or bribery. If the Director is convicted

of violating any part of this Ordinance, or of a crime the Commission finds relates to the Director's honesty or ability to fulfill his duties, he shall be immediately terminated.

(3) The Director shall, subject to the approval of the Commission, perform all duties, exercise all powers, assume and discharge all responsibilities, and carry out and effect all purposes of this Ordinance related to the establishment of all gaming activity. In all decisions, the Director shall act to promote and ensure integrity, security, honesty, and fairness of the operation and administration of all gaming activity. The duties of the Director include, but are not limited to, the following:

(A) Confirm that management is carrying out its responsibility as provided for in this Ordinance;

(B) Communicate with the NIGC as necessary and appropriate and ensure compliance with the rules and regulations of that agency;

(C) Ensure there is an adequate system for background investigations of applicants and licensees and that oversight of licensees is conducted on an ongoing basis. The Director will ensure that all applications and background investigations are completed so that no person shall be eligible for licensure or employment in or with any part of the gaming operation if that person's 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. The Director shall ensure that the NIGC is given results of such background checks, if required by NIGC;

(D) Review all records, documents, and anything else necessary and pertinent to enforcement of any provisions of this Ordinance;

(E) Recommend to the Commission whether sanctions should be imposed on any person subject to the jurisdiction of this Ordinance.

(i) Audit:

(1) If the Tribe does not cause an annual independent audit of the Gaming Operation to be conducted, as required by IGRA, the Commission shall cause one to be conducted and shall submit the results of the audit to the NIGC.

(2) All gaming related contracts that result in the purchase of supplies, services, concessions, or other subject matter that the Commission determines is related to gaming in excess of \$25,000 annually, except contracts for legal and accounting services, shall be specifically included in the audit.

(j) Construction, Maintenance and Operation of Facility: The gaming facility shall be constructed, maintained and operated in a manner which protects the environment, public health and safety. This shall include compliance with the Uniform Building Code, until the Tribe adopts its own building code.

(k) License Applications for Primary Management Officials, High Security Gaming Licensees and Low Security Gaming Licensees:

(1) The Commission shall develop license application forms for Primary Management Officials, High Security Gaming Licensees and Low Security Gaming Licensees which shall include, at a minimum, requests for all information listed in this section and in section (l) of this Ordinance.

(2) A Privacy Act notice in accordance with 25 C.F.R. § 556.2 shall be placed on the application form to be signed by persons applying for positions classified as Primary Management Official, High Security Gaming Licensee and Low Security Gaming Licensee.

(3) A notice regarding false statements in accordance with 25 C.F.R. § 556.3 shall be placed on the application form to be signed by persons applying for positions classified as Primary Management Official, High Security Gaming Licensee and Low Security Gaming Licensee.

(l) Background Investigations: Each applicant for Commission membership, Commission employment, Primary Management Official, High Security Gaming Licensee and Low Security Gaming Licensee shall provide all of the following information:

(1) Full name, other names used (oral or written) including nicknames, social security number(s), birth date, place of birth, citizenship, gender, all languages spoken or written;

(2) All the following information currently and for the previous ten (10) years: business and employment positions held, ownership interests in those businesses, business and residence addresses, and drivers license numbers;

(3) Names and current addresses of three (3) personal references, including references acquainted with applicant during each period of residence listed under paragraph (2) above;

(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 in general, including ownership interests in those businesses;
  - (7) The name and address of any licensing or regulatory agency where the applicant has filed an application for a license or permit related to gaming, whether or not a license or permit was granted;
  - (8) The name and address of any licensing 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;
  - (9) For each felony where there is a conviction or an ongoing prosecution: charge, name and address of the court involved, and the date and disposition if any;
  - (10) For each misdemeanor or infraction conviction or ongoing prosecution (except minor traffic violations) within the past ten (10) years: the name and address of the court involved, date and disposition if any;
  - (11) For each criminal charge (except minor traffic charges), whether or not convicted, if within the past ten (10) years and not otherwise listed: the charge, name and address of the court, date and disposition if any;
  - (12) Current photograph, or photo identification;
  - (13) Any other information the Commission may deem relevant;
  - (14) Relative to Commission membership, Commission employment, Primary Management Officials and High Security Gaming Licensees, fingerprints consistent with procedures adopted by the Commission according to 25 C.F.R. § 522.2(h).
- (m) Eligibility Determination: The Commission or its delegate shall review prior activities, criminal records (if any), reputation, habits and associations, and any other information deemed relevant of applicants to determine eligibility for appointment to the Commission, Commission employment, or licensure for Primary Management Official, High Security Gaming Licensee or Low Security Gaming Licensee positions. If the Commission or its delegate determines that appointment, employment or licensure of the individual would pose a threat to the Tribal interest or the effective regulation of gaming, or would create or enhance the danger of unsuitable, unfair, or illegal practices or activities, the Tribe, the Commission, or the Gaming Operation, whichever is appropriate, shall not appoint, employ, or license the individual.

(n) Procedures for Forwarding Applications and Reports for Primary Management Officials and High Security Gaming Licensees to NIGC:

- (1) Employees hired for Primary Management Official or High Security Gaming Licensee positions may be temporarily licensed, but shall remain on probation until the background investigation is completed regardless of the time involved.
- (2) When the decision to hire a Primary Management Official or High Security Gaming Licensee is made, the Commission shall begin the background investigation, and forward to NIGC copies of the person's application, if required by NIGC.
- (3) Upon completion of the background investigation and a determination of eligibility, the Commission shall forward a report to NIGC within 60 days after a licensee begins work, if required by NIGC. The report shall include all of the following:
  - (A) Steps taken in conducting a background investigation;
  - (B) Results obtained;
  - (C) Conclusion reached;
  - (D) The basis for those conclusions; and
  - (E) A copy of the eligibility determination made under section (m).
- (4) If, within 30 days after NIGC receives a report, NIGC does not object to the issuance of a license, the Commission's licensing determination shall be deemed conclusive.
- (5) The Commission shall respond to requests for information from the Chairman concerning Primary Management Officials or High Security Gaming Licensees who are the subject of a report. Such a request shall toll the 30-day period under section (4) of this section until the Chairman receives the information requested.
- (6) If, within the 30-day period under section (4) of this section, NIGC provides the Tribe or Commission with a statement of objection, the Commission shall reconsider the application. The Commission shall make a final decision after considering the objections of the NIGC.
- (7) If a license is not issued to an applicant, the Commission:
  - (A) Shall notify the NIGC; and



(B) May forward copies of its eligibility determination and report (if any) to the NIGC for inclusion in the Indian Gaming Individuals Records System (IGIRS).

(8) With respect to Primary Management Officials and High Security Gaming Licensees, the Commission shall retain applications and reports (if any) of background investigations for inspection by the Chairman or his or her designee for no less than three (3) years from the date of termination.

(o) Drug Testing: Each Commission Member, Commission employee, Primary Management Official, High Security Gaming Licensee and Low Security Gaming Licensee, upon selection or hire and prior to appointment or licensure, shall undergo urinalysis to test for drug use, the results of which may be used in appointment and licensing determinations.

(p) Licensing of Vendors:

(1) The Commission shall promulgate regulations for licensing of Vendors and determine that a background investigation is conducted in accordance with such regulations and the Tribal/State Gaming Compact.

(2) The Commission shall develop license application forms for Vendors.

(3) All applicants for a Vendor license shall provide all financial and operating data requested by the Tribe or the State.

(4) Vendor licenses may not be granted for a period exceeding seven years in duration.

(q) Corporation Duties: The Corporation shall be responsible for ensuring sound development and management of all Class II and Class III gaming activities carried out under this Ordinance. The Corporation's duties shall include:

(1) Ensuring that Class II and Class III gaming is conducted in a businesslike manner;

(2) Ensuring that Class II and Class III gaming is conducted in accordance with the applicable contracts with the Corporation; and

(3) Ensuring that currency and negotiable instruments are transported by a reputable, insured armored car service.

(r) Licensing of Gaming:

(1) The Commission is hereby authorized to issue all licenses for the conduct of Class II and Class III gaming activities.

(2) The Commission shall ensure that:

(A) Such gaming activity is located on Indian lands within the Tribe's jurisdiction, and the State of Oregon permits such gaming for any purpose by any person, organization or entity (and such gaming is not otherwise specifically prohibited on Indian lands by Federal laws);

(B) The Tribe will have the sole proprietary interest and responsibility for the conduct of such gaming activity;

(C) Net revenues from such gaming activity are used in accordance with Section (f) of this Ordinance;

(D) Such gaming activity is subject to annual outside audits, which may be encompassed within existing independent Tribal audit systems, and provided to the Council;

(E) All contracts for supplies, services, or concessions for an aggregate amount in excess of \$25,000 annually, except contracts for legal and accounting services, relating to such gaming are also subject to independent audits;

(F) The construction and maintenance of the gaming facility, and the operation of that gaming is conducted in a manner which is in accordance with rules and regulations promulgated by the Commission and adequately protects the environment and public health and safety; and

(G) All Primary Management Officials, High Security Gaming Licensees, and Low Security Gaming Licensees of the gaming operation have completed a background investigation which is approved by the Commission, and if required, by the NIGC.

(3) The Commission shall consult with appropriate law enforcement officials concerning gaming licenses it issues. If, after the issuance of a gaming license, the Commission receives notification from the NIGC that a Primary Management Official or High Security Gaming Licensee does not meet the standard established under Section (m) of this Ordinance, the Commission shall suspend such license and, after notice and hearing, may revoke such license. If, after issuance of a gaming license, the Commission receives reliable information from the State Police or any source other than the NIGC that

a Primary Management Official, High Security Gaming Licensee or Low Security Gaming Licensee does not meet the standard established under Section (m) of this Ordinance, the Commission may suspend such license and, after notice and hearing, may revoke such license.

(4) The Commission may set a fee for applications, background investigations, and licenses. Such fees shall be made payable to the Confederated Tribes of the Grand Ronde Community of Oregon.

(5) An applicant for licensing shall make true and full disclosure of all information to the Director and the Commission.

(s) License Locations: The Commission shall issue a separate license to each gaming operation or location on Grand Ronde Indian land where Class II or III gaming is conducted under the provisions of this Ordinance.

(t) Prohibition Against Certain Individuals: It shall be a violation of this Ordinance for any gaming operation to knowingly fail to exclude or eject from the gaming facility any individual who:

- (1) Is under the influence of liquor or any narcotic or such other substance;
- (2) Is under the age of twenty-one (21) years of age and present on the gaming floor, unless such minor is a licensee allowed on the gaming floor to perform non-gaming employment duties;
- (3) Engages in disorderly conduct;
- (4) Is armed and not engaged in legitimate law enforcement activity;
- (5) Has been excluded by the Commission; or
- (6) Engages in any unlawful activity.

(u) Unlawful Acts:

- (1) It is unlawful for any person:
  - (A) To alter or misrepresent the outcome of a game or other event on which wagers have been made after the outcome is sure but before it is revealed to the players;

- (B) To place, increase or decrease a bet or to determine the course of play after acquiring knowledge, not available to all players, of the outcome of the game or that is the subject of the bet or wager;
- (C) To aid anyone in acquiring knowledge as set forth in subparagraph (B), for the purposes of increasing or decreasing a bet or wager, or for the purpose of determining the course of play contingent upon that event or outcome;
- (D) To claim, collect or take, or attempt to claim, collect or take, money or anything of value in or from a gambling game with intent to defraud, without having made a wager contingent thereon, or to claim, collect or take an amount greater than the amount won;
- (E) Knowingly entice or induce another to go to any place where a game is being conducted or operated in violation of the provisions of this Ordinance, with the intent that the other person play or participate in the game;
- (F) To place or increase a bet or wager after acquiring knowledge of the outcome of the game or event which is the subject of the bet or wager, including past-posting and pressing bets;
- (G) To reduce the amount wagered or cancel the bet after acquiring knowledge of the outcome of the game or other event which is the subject of the bet or wager, including pinching bets;
- (H) To manipulate with intent to cheat, any component of a gambling device in a manner contrary to the designed and normal operational purpose for the component, with knowledge that the manipulation affects the outcome of the game or with knowledge of any event that affects the outcome of the game;
- (I) Except as specifically permitted by the Director, with approval of the Commission, to possess with the intent to use, or use at any table game, any calculator, computer, or other electronic, electrical, or mechanical device to assist in projecting an outcome at any table game, to keep track of or analyze the cards having been dealt, or to change probabilities of any table game or the playing strategies to be utilized;
- (J) To trespass upon any premises licensed by this Ordinance without the consent of the licensee and/or the Commission; or
- (K) To take anything of value from a gaming facility without authorization.

(2) Any person who engages in activities on property subject to this Ordinance without a license, in violation of a license or terms imposed thereon, in violation of any regulation, provision, or amendment of this Ordinance shall be in violation of the Ordinance.

(3) No fine shall be assessed nor any action taken for any violation under this section unless a charge is filed in proper form with the Commission or Tribal Court, within one year of the commission of the offense.

(4) Council Members, Commissioners, Corporate Board Members, the Director and their immediate families shall receive no personal compensation, gift, reimbursement or payment of any kind from any person doing or wishing to do business with the Tribe relating to gaming nor from any person wishing to obtain an unfair advantage in any authorized wager on gaming. Any property received in violation of this provision, including cash payments, shall be immediately forfeited to the Tribe and the offending persons shall be prosecuted to the full extent possible under Tribal law. The Commission shall cooperate to the fullest extent possible with any federal or state law enforcement agency to pursue prosecution under applicable federal or state law.

(v) License Suspension:

(1) If, after the issuance of a gaming license, the Director receives notification from the NIGC that a Primary Management Official or High Security Gaming Licensee does not meet the standard established under Section (m) of this Ordinance, the Director shall suspend the license and notify the licensee, the Gaming Operation, and the Commission in writing of the suspension and proposed action. If, after the issuance of a gaming license, the Director receives reliable information that a Primary Management Official, High Security Gaming Licensee, Low Security Gaming Licensee, or Vendor is not eligible for licensure, or has violated this Ordinance or rules and regulations promulgated by the Commission, the Director may suspend the license and notify the licensee, the Gaming Operation, and the Commission in writing of the suspension and proposed action.

(2) If the Director does not rescind the suspension, the Director shall petition the Commission for revocation of the license. The Commission shall provide notice to the licensee which shall include the date, time and place for a hearing on the revocation. The date for the hearing shall be the next regularly scheduled Commission meeting which is at least ten (10) days after the time for licensee to file a written response to the petition has expired, provided, however, that the Commission may extend the time at the request of the Director or licensee.

(3) After the hearing, the Commission shall render a written decision which shall contain findings of fact and conclusions of law. The Commission shall notify NIGC of

the decision in the case of a Primary Management Official or High Security Gaming Licensee.

(4) A licensee may appeal the decision of the Commission in accordance with section (w)(3) of this Ordinance.

(w) Appeals of Licensing Decisions:

(1) Should an applicant or licensee disagree with a licensing decision of the Commission, she or he may request a hearing before the Commission not later than seven (7) days after receipt of notification from the Director of the Commission's decision. The Commission shall hold a hearing to review its decision at the next regularly scheduled Commission meeting, or at the discretion of the Chair, a special meeting may be called to hear the appeal.

(2) Following such hearing, the Commission shall affirm, modify or reverse its initial licensing decision.

(3) Any party aggrieved by a final decision of the Commission has the right to appeal the decision of the Commission to the Tribal Court, but only on grounds that the decision was arbitrary and capricious or a violation of Tribal Constitutional rights. Such appeal must be filed with the Court in writing on or before the fourteenth (14<sup>th</sup>) day following receipt of the Commission's written decision. The Tribal Court shall review, on the record, the decision of the Commission. The party appealing the Commission's decision shall have the burden of persuasion. The Tribal Court shall give due deference to the rule of nonprejudicial error and matters within the expertise or judgment of the Commission. The Tribal Court shall recognize the obligations of the Tribe and the Commission under federal gaming law and the Tribe/State Compact. The Tribal Court shall recognize the Commission's authorization to seek and obtain information on the condition that such information remain confidential and not be disclosed to applicants or any other parties, or information that is otherwise protected from disclosure to the applicant or any other parties and the Commission's authority to rely on such information in making licensing decisions. The only remedy which the Tribal Court may order in matters appealed under this Ordinance is referring the matter back to the Commission for reconsideration in light of the Tribal Court's ruling in such matter. No appeal beyond the Tribal Court may be had.

(x) Appeals of Rule-Making Decisions: Should a licensee disagree with a rule-making decision of the Commission, the licensee may file an appeal with the Tribal Court within ten (10) days of the decision, but only if the licensee commented on such rule or regulation in accordance with section (g)(9)(H) of this Ordinance and only on the grounds that the Commission exceeded its authority granted under this Ordinance in promulgating such rule or regulation.

(y) Player Disputes:

(1) Should the Gaming Operation be unable to resolve a player dispute involving winnings equal to or greater than \$500, the Gaming Operation shall immediately contact the Director, who shall perform an investigation and render a written decision within thirty (30) days of the contact.

(2) Should the Gaming Operation be unable to resolve a player dispute involving winnings less than \$500, the Gaming Operation shall inform the player that a complaint may be filed with the Director within five (5) days of the dispute, and provide the player with the the Director's address, telephone number and regular office hours. Upon receipt of a complaint, the Director shall perform an investigation and render a written decision within thirty (30) days of the receipt of the complaint.

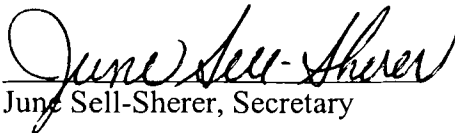
(3) Should the player or the Gaming Operation disagree with the Director's decision, either may file a petition for review with the Commission within fourteen (14) days of the receipt of the Director's decision. The Commission shall provide notice to the parties which shall include the date, time and place for a hearing on the petition. The date for the hearing shall be the next regularly scheduled Commission meeting which is at least ten (10) days after the time for a written response to the petition has expired, provided, however, that the Commission may extend the time at the request of the one of the parties.

(4) After the hearing, the Commission shall render a written decision which shall contain findings of fact and conclusions of law.

(5) A party may appeal the decision of the Commission in accordance with section (w)(3) of this Ordinance.

(z) Effective Date: Upon approval of the Ordinance or any amendment thereof by NIGC, the Ordinance or amendment will be effective on the date specified in the Council resolution adopting the Ordinance or amendment. If no effective date is specified in such resolution, the Ordinance or amendment will be effective in accordance with Tribal law.

I certify that this is a true copy of the Confederated Tribes of the Grand Ronde Community of Oregon Gaming Ordinance.

  
June Sell-Sherer, Secretary