

NATIONAL  
INDIAN  
GAMING  
COMMISSION

JUN 29 1995

Roland E. Johnson  
Governor  
Pueblo of Laguna  
P.O. Box 194  
Laguna, NM 87026

Dear Governor Johnson:

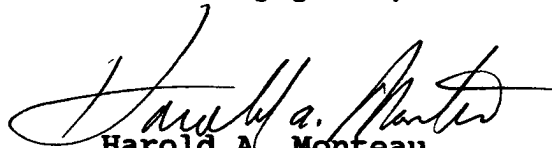
This letter responds to your request to review and approve the Pueblo's gaming ordinance, Ordinance No. 100-95, adopted on April 18, 1995, by the Pueblo of Laguna (Pueblo). This letter constitutes such approval under the Indian Gaming Regulatory Act (IGRA).

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 pueblo's ordinance are not subject to review and approval. Also, such approval 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 Pueblo's gaming ordinance, the Pueblo is now required to conduct background investigations on its 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 Pueblo of Laguna for review and approval. The NIGC staff and I look forward to working with you and the Pueblo in implementing the IGRA.

Sincerely yours,

  
Harold A. Monteau  
Chairman

**PUEBLO OF LAGUNA**  
**GAMING CONTROL ORDINANCE**

**ORDINANCE NO. 100-95**

**WHEREAS**, the Pueblo of Laguna ("Pueblo") is a federally recognized Indian Tribe organized under a Constitution adopted pursuant to the Indian Reorganization Act; and

**WHEREAS**, the Constitution vests all governmental powers in the Pueblo Council; and

**WHEREAS**, Congress has enacted the Indian Gaming Regulatory Act of 1988, 25 U.S.C. §§ 2701-2721 and 18 U.S.C. 1166-1168, to regulate certain types of gaming on Indian lands; and

**WHEREAS**, the Pueblo Council desires to regulate all gaming within the Laguna Reservation and all lands subject to the jurisdiction of the Pueblo ("Pueblo lands") for purposes of generating income for the Pueblo, promoting the Pueblo's economic development and Pueblo self-sufficiency and a strong Pueblo government; and

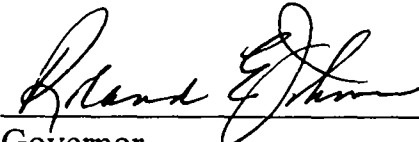
**WHEREAS**, the Pueblo Council has the power to regulate class I gaming and class II gaming, as those terms are defined under the IGRA on Pueblo lands and may jointly regulate all class III gaming, as the term is defined in the IGRA, pursuant to a Tribal-State Compact ("Compact") with the State of New Mexico; and

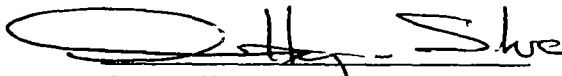
**WHEREAS**, the Pueblo Council finds that it is in the best interest of the Pueblo to enact a gaming ordinance to authorize and regulate all gaming on Pueblo lands consistent with the IGRA.

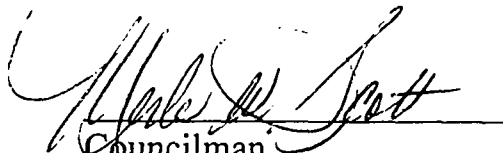
**Ordinance No. 100-95**  
**Page 2**

**BE IT FURTHER ORDAINED**, that the Governor of the Pueblo is hereby authorized to enter into a compact with the State for the purpose of conducting class III gaming on Pueblo land.

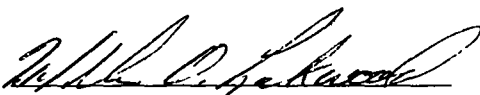
**DULY ENACTED** by the Pueblo Council of the Pueblo of Laguna this 18th day of April, 1995.

  
Governor

  
Councilman

  
Councilman

**ATTEST:**

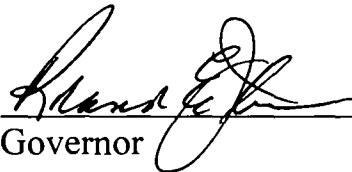
  
Pueblo Secretary

**Ordinance No. 100-95**

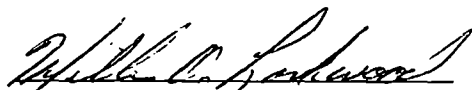
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**CERTIFICATION**

The foregoing Ordinance was enacted by the Pueblo Council of the Pueblo of Laguna on the 18th day of April, 1995, by a vote of 16 for, 4 opposed, 0 abstaining, at a duly called meeting at which a quorum of the Pueblo Council was present.

  
Governor

**ATTEST:**

  
Pueblo Secretary

# PUEBLO OF LAGUNA

P.O. BOX 194

LAGUNA, NEW MEXICO 87026

Office of:

The Governor  
The Secretary  
The Treasurer

(505) 243-7616  
(505) 552-6654  
(505) 552-6655

## PUEBLO OF LAGUNA GAMING CONTROL ORDINANCE NO. 100-95

SECTION 1. **PURPOSE.** This Ordinance is enacted and shall be interpreted to accomplish the following purposes:

- (a) To legalize and regulate the conduct of Gaming Activity on Pueblo Lands;
- (b) To maintain the highest standard of integrity in the conduct of Gaming Activity on Pueblo Lands.
- (c) To produce revenue to fund the Pueblo's governmental operations and programs;
- (d) To promote the health, education, and welfare of the Pueblo and its members; and
- (e) To promote the Pueblo's economic development.

SECTION 2. **DEFINITIONS.** For purposes of this Ordinance:

- (a) "Act" means the Indian Gaming Regulatory Act of 1988, Pub.L. No. 100-497, 25 U.S.C. §§ 2701-2721 and 18 U.S.C. §§ 1166-1168, and all regulations promulgated thereunder.
- (b) "Board" means the Pueblo of Laguna Gaming Control Board established by this Ordinance.
- (c) "Class I Gaming " means Class I Gaming as defined in the Act.
- (d) "Class II Gaming" means Class II Gaming as defined in the Act.
- (e) "Class III Gaming" means Class III Gaming as defined in the Act.
- (f) "Commission" means the National Indian Gaming Commission.
- (g) "Compact" means any Tribal-State Compact between the Pueblo and the State governing the conduct of Class III Gaming, which is approved by the Secretary pursuant to the Act.
- (h) "Pueblo Council" means the Pueblo Council of the Pueblo.

(i) "Key Employee" means a Person employed by a Gaming Operation or Management Contractor and

(1) Who performs one or more of the following functions:

- (A) Bingo caller;
- (B) Counting room supervisor;
- (C) Chief of security;
- (D) Custodian of gaming supplies or cash;
- (E) Floor manager;
- (F) Pit boss;
- (G) Dealer;
- (H) Croupier;
- (I) Approver of credit;

(I) Custodian of gambling devices, including Persons with access to cash and accounting records within such devices;

(2) If not otherwise included, any other Person whose total cash compensation is in excess of \$50,000 per year; or

(3) If not otherwise included, the four most highly compensated Persons in a Gaming Operation or Management Contractor.

(j) "Gaming Activity" means all forms of Class II Gaming and Class III Gaming conducted by a Gaming Operation on Pueblo Lands.

(k) "Gaming Device" means any gambling device as defined in 15 U.S.C. § 1171(a).

(l) "Gaming Employee" means any person, other than a Key Employee or Primary Management Official, employed by a Gaming Operation or Management Contractor.

(m) "Gaming Equipment" means any equipment, device, or contrivance used to conduct Class III gaming.

(n) "Gaming Facility" means the building, room, or location at which Gaming Activity is conducted on Pueblo Lands.

(o) "Gaming Operation" means the enterprise, corporation or other entity owned by the Pueblo for the conduct of Gaming Activity in any Gaming Facility.

(p) "Gaming-Related Contract" means a contract or agreement providing of any goods, services or concessions to the Pueblo, a Gaming Operation, or Management Contractor in connection with the conduct of Gaming Activity in a Gaming Facility in an amount in excess of \$25,000 annually, except for professional, legal or accounting services. No Gaming-Related Contract may be broken up into parts for the purpose of avoiding this definition and any requirement of licensure or certification.

(q) "Management Contract" means any contract, subcontract, or collateral agreement between the Pueblo and a Management Contractor or between a Management Contractor and a subcontractor if such contract or agreement provides for the management of all or part of a Gaming Operation.

(r) "Management Contractor" means any Person who enters into a Management Contract with the Pueblo.

(s) "Net Revenues" means gross revenues of any Gaming Activity less amounts paid out as, or paid for, prizes and total operating expenses, but excluding management fees paid to a Management Contractor.

(t) "Ordinance" means the Pueblo of Laguna Gaming Control Ordinance.

(u) "Person" means any individual, partnership, corporation, company or other legal entity.

(v) "Primary Management Official" means

(1) The Person having management responsibility for a Management Contract;

(2) Any Person who has authority:

(A) To hire and fire employees;

(B) To set up working policy for a Gaming Operation; or

(C) The chief financial officer or other Person who has financial management responsibility.

(w) "Pueblo" means the Pueblo of Laguna, a federally recognized Indian Pueblo, its authorized officials, agents and representatives.

(x) "Pueblo Lands" means (a) land within the exterior boundaries of the Laguna Reservation or (b) land over which the Pueblo exercises governmental power and that is either (i) held in trust by the United States for the benefit of the Pueblo or its members or (ii) held by the Pueblo or its members subject to restriction by the United States against alienation.

(y) "Secretary" means the Secretary of the Interior or his duly authorized representative.

(z) "State" means the State of New Mexico, its authorized officials, agents and representatives.

### SECTION 3. NATURE AND SCOPE OF GAMING ACTIVITIES.

(a) Authorized Gaming. A Gaming Operation may conduct all forms of Gaming Activity in any Gaming Facility, subject to the provisions of the Compact and applicable law.

(b) Forms of Payment. All payment for wagers made in any Gaming Activity conducted by a Gaming Operation shall be made by cash, chips, or tokens. A Gaming Operation shall not extend credit. Unless otherwise prohibited by applicable law or the Compact, chips or tokens may be purchased using cash, checks or credit card.

(c) Wagering Limitations. The Board may set by regulation the maximum wager for Class III Gaming.

(d) Hours of Operation. A Gaming Operation may conduct any Gaming Activity on the hours and days approved by the Board.

(e) Prohibition on Minors. No person under the age of 18 shall participate in any Class III Gaming. However, a person under age 21 may be employed by a Gaming Operation or Management Contractor in food, non-alcoholic beverage, and maintenance service.

**SECTION 4. COMPLIANCE WITH THE ACT.** This Ordinance shall be construed in a manner that conforms to the Act in all respects, and, if the Ordinance is inconsistent with the Act in any manner, the provisions of the Act shall govern.

(a) Proprietary Interest. The Pueblo shall have the sole proprietary interest in and responsibility for the conduct of any Gaming Activity on Pueblo Lands; however,



nothing in this Ordinance shall prevent the Pueblo from entering into a Management Contract.

(b) Use of Net Revenues. The Net Revenues to the Pueblo after payment of any management fees from any Gaming Activity shall be used for the following purposes:

- (1) To fund the Pueblo's government operations or programs;
- (2) To promote and provide for the health, education and welfare of the Pueblo and its members;
- (3) To promote and provide for the Pueblo's economic development;
- (4) To donate to charitable organizations and causes;
- (5) To help fund operations of local government agencies; or,
- (6) Any other purposes authorized by the Tribal Council and permitted under the Act.

(c) Annual Audit. A Gaming Operation shall be subject to an annual audit by independent certified public accountants approved by the Board. Copies of the annual audit shall be sent to the Board, the Pueblo, and the Commission. All Gaming-Related Contracts, except contracts for professional legal or accounting services, shall be subject to the annual audit.

(d) Public Safety Standards. Each Gaming Facility shall be constructed and maintained in a manner that adequately protects the environment and public health and safety and in accordance with the Uniform Building Code which has been adopted by the Pueblo.

## SECTION 5. LICENSING.

(a) Gaming License Requirements. Unless a compact shall allocate responsibility to an entity other than the Board, the licensed authority for Class II Gaming and Class III Gaming shall be the Board.

(1) Key Employees and Primary Management Officials. The Board shall license each Primary Management Official and Key Employee of a Gaming Operation and Management Contractor.

(2) Gaming Employees. The Board shall license each Gaming Employee.

(3) Gaming Facility. The Board shall license each Gaming Facility.

(4) Management Contractor. Pursuant to the Act, the Commission shall license a Management Contractor and any Person having a direct or indirect financial interest in a Management Contract. The Board shall license such contractor or person if the Commission is prohibited by the Act from doing so.

(5) Gaming Device and Gaming Equipment. The Board shall license each Gaming Device and Gaming Equipment.

(6) Gaming-Related Contractors. The Board shall license each Person proposing to enter into a Gaming-Related Contract.

(7) Other Persons. The Board may license such other Persons as it deems necessary to carry out the purposes of this Ordinance.

(b) Applications for Gaming Licenses.

(1) An applicant applying for a license shall provide all the information required by Section 6(b) of this Ordinance and the Act on an application form adopted by the Board for that purpose. The applicant shall pay any fees required by the Board and the Commission.

(A) The Board shall require each applicant to sign and submit a Privacy Act notice on an application form as required by the Act ("Privacy Act Notice"):

In compliance with the Privacy Act of 1974, the following information is provided: Solicitation of the information on this form is authorized by 25 U.S.C. 2701 et seq. The purpose of the requested information is to determine the eligibility of individuals to be employed in a gaming operation. The information will be used by National Indian Gaming Commission members and staff who have need for the information in the performance of their official duties. The information may be disclosed to appropriate Federal, Tribal, State, local, or foreign law enforcement and regulatory agencies when relevant to civil, criminal, or regulatory investigations or prosecutions or when pursuant to a requirement a tribe or the National Indian Gaming Commission in connection with the hiring or firing of an employee, the issuance of revocation of a gaming license, or investigations of activities while associated with a tribe or a gaming operation. Failure to consent to the disclosures indicated in this notice will result in a tribe's being unable to hire you in a primary management official or key employee position.

The disclosure of your Social Security Number (SSN) is voluntary. However, failure to supply a SSN may result in errors in processing your application.

(B) The Board shall require each applicant to sign and submit a notice regarding false statements on an application form as required by the Act ("False Statements Notice"):

A false statement on any part of your application may be grounds for not hiring you, or for firing you after you begin work. Also, you may be punished by fine or imprisonment.

(C) The Board shall notify in writing each Person, who is required to be licensed pursuant to Section 5(a) of this Ordinance, but who has not signed and submitted an application form containing the Privacy Act Notice and False Statements Notice, to either complete a new application form that contains the Privacy Act Notice and False Statements Notice or sign a statement that contains the False Statements Notice and Privacy Act Notice.

(2) On its application, a Gaming Operation or Management Contractor shall designate an agent to accept service on its behalf of any official determination, order or notice of violation that may be served by the Board or Commission pursuant to the Act.

(c) Granting a Gaming License.

(1) If the Commission notifies the Board that it has no objection to the issuance of a license to a Key Employee or Primary Management Official, the Board may issue a license to such applicant.

(2) If the Commission provides the Board with a statement itemizing objections to the issuance of a license to a Key Employee or Primary Management Official, the Board shall reconsider the application by taking into account the objections itemized by the Commission. The Board shall make the final decision whether to issue a license to such applicant.

(d) Suspension and Revocation of Gaming License.

(1) If, after the issuance of a license, the Board obtains reliable information from the Commission or other source indicting that a licensee is not eligible for a license under the standard set forth in Section 6(h) of this Ordinance, the Board shall suspend the license and shall notify the licensee in writing of the suspension and the proposed revocation of the license.

(2) The Board shall also notify the licensee of the time and place for a hearing on the proposed revocation of the license.

(3) After the revocation hearing, the Board shall decide to revoke or to reinstate the license. The decision shall be final and not subject to further appeal. The Board shall notify the Commission of its decision.

(e) Duration and Renewal of Licenses. Any license issued by the Board shall be effective for one year from the date of issuance. Any license for a Management Contractor shall be renewed automatically each year during the term of the Management Contract unless the Board determines that the Management Contractor is in violation of applicable law. A licensee who has submitted the required application for renewal and any other information required by the Board at least 30 days before the expiration of his license may continue to be employed under the expired license or until final action is taken on the

renewal application by the Board or, if required by the Act, the Commission. Such licensee shall provide updated material and information as requested on the appropriate renewal application, but shall not be required to resubmit historical data already provided or otherwise available to the Board.

(f) Identification Cards. The Board shall require all employees of a Gaming Operation or Management Contractor to wear identification cards issued by the Board which shall include such employee's photograph, first and last name, employee number, signature, and a date of expiration.

(g) Fees for Licenses. The fees for licenses shall be set by the Board. If the actual costs incurred by the Board for a background investigation exceed the amount deposited by the applicant, those costs may be assessed to the applicant in the discretion of the Board. In such cases, the Board shall submit a detailed billing of the costs and an explanation as to why the excess costs were incurred. Payment in full of any required fee is required before a license is issued.

## SECTION 6. **BACKGROUND INVESTIGATIONS**

(a) Board Authority. Unless a Compact shall allocate sole jurisdiction to an entity other than the Board with respect to background investigations, the Board shall conduct a background investigation of each Person required to be licensed pursuant to Section 5(a) of this Ordinance according to standards at least as stringent as set forth in the Act .

(b) Required Information. Each Person required to be licensed pursuant to Section 5(a) of this Ordinance shall provide to the Board the following information on an application form for that purpose:

- (1) Full name, other names used (oral or written), social security number(s), birth date, place of birth, citizenship, gender, all languages (spoken or written);
- (2) Currently and for the previous 5 years: business and employment positions held, ownership interests in those businesses, business and residence addresses, and drivers license numbers;
- (3) The names and current addresses of at least three personal references, including one personal reference who was acquainted with the applicant during each period of residence, listed under Section 6(b)(2) of this Ordinance;
- (4) Current business and residence telephone numbers;

- (5) A description of any existing and previous business relationships with Indian tribes including ownership interests in those businesses;
- (6) A description of any existing and previous business relationships with the gaming industry generally, including ownership interests in those businesses;
- (7) The name and address of any licensing or regulatory agency with which the person has filed an application for a license or permit related to gaming, whether or not such license or permit was granted;
- (8) For each felony for which there is an ongoing prosecution or a conviction, the charge, the name and address of the court involved, and the date and disposition, if any;
- (9) For each misdemeanor conviction or ongoing misdemeanor prosecution (excluding minor traffic violations), within 10 years of the date of the application, the name and address of the court involved and the date and disposition;
- (10) For each criminal charge (excluding minor traffic charges), whether or not there is a conviction, if such criminal charge is within 10 years of the date of the application and is not otherwise listed pursuant to Section 6(b)(8) or (9) of this Ordinance, the criminal charge, the name and address of the court involved, and the date and disposition;
- (11) 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;
- (12) A current photograph;
- (13) Any other information the Board deems relevant; and
- (14) Fingerprints consistent with the procedures set forth in this Ordinance.

(c) Release Form. The Board shall obtain from each applicant a release form signed by the applicant authorizing the Board and Commission to obtain any information related to the applicant's activities, including schools, property interests (real and personal), employment, criminal justice agencies, regulatory agencies, businesses, financial institutions, lending institutions, medical institutions, hospitals, and health care professionals.

(d) Procedures for Conducting Background Investigations. The Board shall conduct a background investigation of each Person required to be licensed pursuant to Section 5(a) of this Ordinance sufficient to enable the Board to make a determination of suitability pursuant to Section 6(h) of this Ordinance ("Suitability Determination").

(1) An applicant for a license shall provide to the Board all the information required pursuant to Section 6(b) of this Ordinance and copies of the applicant's birth certificate, social security card, driver's license, passport and other documents deemed necessary by the Board to conduct a background investigation of the applicant.

(2) The Board shall confirm, verify, and investigate the information provided by the applicant and obtain any additional information pursuant to the signed release form. In conducting a background investigation, the Board shall keep confidential the identity of each person interviewed in the course of the background investigation.

(3) Once the Board has satisfied itself of the accuracy of the information provided by the applicant and other information obtained pursuant to a signed release form, the Board shall analyze such information to make the Suitability Determination. The Board may conduct any further background investigation should the circumstances warrant.

(e) Fingerprint Check.

(1) The chairman of the Board is authorized to negotiate and enter into an agreement with the Commission or a State or federal law enforcement agency for the purpose of processing fingerprint cards to obtain criminal history record information ("CHRI") of Persons required to be licensed pursuant to Section 5(a) of this Ordinance.

(2) The Laguna Pueblo Police Department is hereby designated as the law enforcement agency responsible for taking fingerprints of applicants for licenses. The chairman of the Board is also authorized to negotiate and enter into an agreement with a State or federal law enforcement agency to take such fingerprints. Such law enforcement agency shall designate an individual for the purpose of communicating with the Board and the Commission regarding the taking of the fingerprints.

(3) The Board shall impose a fee sufficient to cover the cost of processing the fingerprint cards.

(f) Procedure for Processing Fingerprint Cards.

(1) Upon receipt of a completed application for a license and the payment of any required fees, the Board shall direct the applicant to the law enforcement agency authorized to take fingerprints. The law enforcement agency shall take the applicant's fingerprints on cards provided by the Commission for that purpose. The fingerprint cards

shall be printed by a certified print technician and shall be of a quality as to be classifiable. The fingerprint cards shall be signed by the person taking the prints and the applicant. After taking the applicant's fingerprints, the law enforcement agency shall forward the fingerprint cards directly to the Commission for an FBI fingerprint check.

(2) The Board shall also send to the Commission a check in an amount sufficient to cover the cost of processing each applicant's fingerprint card and a list containing the following information:

(A) the names of each applicant whose fingerprint cards will be sent to the Commission by the law enforcement agency.

(B) the social security number for each applicant;

(C) the date of birth of each applicant; and

(D) the name of the law enforcement agency taking the fingerprints.

(g) Criminal History Record Information. The Board may use the CHRI for the purpose of making a Suitability Determination and any other lawful purpose permitted by an agreement with the Commission or a State or federal law enforcement agency. The Board shall abide by all conditions or limitations imposed by such agreement on the release, dissemination or use of the CHRI. The Board shall further ensure that the CHRI is restricted to the personnel directly involved in the licensing deliberations. The Board shall maintain records of the identities of all personnel receiving access to the CHRI and shall furnish such records to the Commission upon request.

(h) Suitability Determination. The Board shall review an applicant's prior activities, criminal record, if any, reputation, habits and associations to make a finding for submission to the Commission concerning the eligibility of the applicant for a license. The Board shall not issue a license to, nor shall a Gaming Operation or Management Contractor employ, any Person whom the Board determines poses a threat to the public interest or to the effective regulation of any Gaming Activity or creates or enhances the dangers of unsuitable, unfair, or illegal practices and methods and activities in the conduct of any Gaming Activity.

(i) Procedures for Forwarding Applications and Reports to the Commission.

(1) When a Key Employee or Primary Management Official begins work at a Gaming Operation, the Board shall send the completed application to the Commission.

(2) Upon completion of a background investigation conducted pursuant to this Ordinance, the Board shall send the Investigative Report and the Suitability

Determination to the Commission within 60 days after a Key Employee or Primary Management Official begins work at a Gaming Operation or within 60 days of the approval of this Ordinance by the Commission. A Gaming Operation or Management Contractor shall not employ any Key Employee or Primary Management Official, or any other Person who does not have a license after 90 days unless that period is suspended by action of the Commission pursuant to the Act.

Investigative Report to Commission.

(j) The Board shall prepare a report on each background investigation conducted pursuant to this Ordinance ("Investigative Report"). An Investigative Report shall include the following information:

investigation;

(A) A description of the steps taken in conducting a background

(B) An explanation of results obtained;

(C) A statement as to the conclusions reached; and

(D) The bases or justifications for each of the conclusions.

(2) If a license is not issued to an applicant, the Board:

(A) Shall notify the Commission, and

(B) May forward copies of its Suitability Determination and Investigative Report to the Commission for inclusion in the Indian Gaming Individuals Records System.

(3) The Board shall retain all applications for license, Investigative Reports, Suitability Determinations, and other records and information for inspection by the Commission for no less than three years from the date of termination of employment.

(k) Fees for Background Investigation. The fees for background investigations shall be set by the Board. If the actual costs incurred by the Board for a background investigation exceed the amount deposited by the applicant, those costs may be assessed to the applicant at the discretion of the Board. In such cases, the Board shall submit to the applicant a detailed billing of the costs and an explanation as to why the excess costs were incurred.



## SECTION 7. MANAGEMENT CONTRACTS.

(a) Requirement for Review and Approval. The Pueblo may enter into a Management Contract subject to approval of the Commission and the Board .

(b) Required provisions.

(1) Governmental Authority. A Management Contract shall provide that all Gaming Activity conducted by a Management Contractor be conducted in accordance with this Ordinance, the Compact, and the Act.

(2) Assignment of Responsibilities. A Management Contract shall identify the responsibilities of each party for each identifiable function set forth in the Act.

(3) Accounting. A Management Contract shall provide for the establishment and maintenance of satisfactory accounting systems and procedures that shall include an adequate system of internal accounting controls and permit the preparation of financial statements in accordance with generally accepted accounting principles.

(4) Reporting. A Management Contract shall require the Management Contractor, at its own cost and expense, to provide monthly verifiable financial reports to the Pueblo, the Board, and if required by the Act, the Commission.

(5) Access. A Management Contract shall require a Management Contractor to allow immediate access to a Gaming Operation, including its books and records, by authorized officials of the Pueblo, Board, or Commission, who shall have the right to verify the daily gross revenues and income from the Gaming Operation and access to any other gaming-related information that such authorized officials deem appropriate.

(6) Guaranteed Payment. A Management Contract shall provide for a minimum guaranteed monthly payment in a sum certain to the Gaming Operation that has preference over the retirement of any development and construction costs.

(7) Development and Construction Costs. A Management Contract shall provide for an agreed upon maximum dollar amount per month of revenues for the recoupment of development and construction costs.

(8) Term. Pursuant to the Act, a Management Contract shall not be for a term exceeding five (5) years unless, upon request of the Pueblo, the Commission authorizes a longer contract term not to exceed seven (7) years.

(9) Compensation. Pursuant to the Act, a Management Contract shall not provide for more than thirty percent (30%) of the Net Revenues of a Gaming Operation to be paid to a Management Contractor unless, upon request of the Pueblo, the Commission

authorizes a higher percentage not to exceed forty percent (40%). The balance of any Net Revenues shall be paid to the Treasurer of the Pueblo or other Pueblo entity as set forth in a Management Contract.

(10) Termination; Disputes. A Management Contract shall provide the grounds and mechanisms for modifying or terminating such contract and include a mechanism to resolve disputes between a Gaming Operation and Management Contractor, Management Contractor and patrons, and Management Contractor and its employees.

(11) Assignments and Subcontracting. A Management Contract shall provide to what extent contract assignments and subcontracting are permissible.

(12) Ownership Interest. A Management Contract shall provide that changes in the ownership interest in such contract shall require the advance approval of the Pueblo and the Board, and if required by the Act, the Commission.

(13) Prohibited provisions. A Management Contract shall not transfer or convey any interest in Pueblo Lands unless authorized by federal law.

#### **SECTION 8. EXEMPTIONS.**

(a) Class I Gaming. Class I Gaming may be conducted solely for recognized charitable, traditional, religious and social purposes of the Pueblo and for prizes of minimal value without compliance with this Ordinance.

(b) Prize Limits. For purposes of this Section, "prizes of minimal value" shall mean the aggregate amount of all prizes awarded or given in a single gathering or session that is no greater than that allowed under the laws of the State.

(c) Board Authority. Notwithstanding the exemption granted by this Ordinance for Class I Gaming, the Board shall have authority to investigate the conduct of any Class I Gaming to determine whether such Class I Gaming is in violation of applicable law, to regulate and take measures to ensure the integrity of Class I Gaming, and to enforce the provisions of applicable law.

#### **SECTION 9. DISPUTE RESOLUTION.**

(a) Dispute Resolution Procedures. If a Gaming Operation or Management Contractor refuses to pay alleged winnings to a patron engaged in any Gaming Activity and a Gaming Operation or Management Contractor and the patron are unable to resolve the dispute and the dispute involves:

(1) At least \$250, the Gaming Operation or Management Contractor shall notify the Board in writing of the dispute within five calendar days of the date the

dispute arises, or the date of the written complaint, whichever is later ("Notice of Dispute"), or

(2) Less than \$250, the Gaming Operation or Management Contractor shall inform the patron that the patron has the right within five calendar days of the date the dispute arises to make a written request to the Board to conduct an investigation ("Request for Investigation").

(3) The failure to give a Notice of Dispute or make a Request for Investigation within the five-day period shall bar the claim to any money in dispute.

(b) Investigation and Hearing. Upon receipt of a Notice of Dispute or Request for Investigation, the Board shall conduct whatever investigation it deems necessary to resolve the dispute. The Board shall hold a hearing on the matter within ten days after concluding the investigation of the dispute. At the hearing, the Gaming Operation or Management Contractor and patron may submit any documentation or other written evidence to the Board to support their respective positions.

(c) Decision. Within ten days after the hearing, the Board shall issue a written decision resolving the dispute and shall mail the written decision, by certified mail, return receipt requested, to the patron and the Gaming Operation or Management Contractor. The effective date of a decision of the Board made under this Section is the date the decision is received by the aggrieved party as reflected on the return receipt ("Effective Date").

(d) Review of Decision. The decision of the Board shall be final and subject to review by the Tribal Court, if the aggrieved party files a petition for review with the Tribal Court within ten calendar days of the Effective Date.

## SECTION 10. **GAMING CONTROL BOARD.**

(a) Establishment of the Board, Appointment; Term. There is hereby established a Board to be known as the Pueblo of Laguna Gaming Control Board. The Board shall consist of three members who shall be appointed by the Pueblo Council to serve staggered terms of three years commencing on the date of their appointment.

(b) Compensation. The Pueblo Council shall establish the compensation, if any, for the members of the Board.

(c) Removal. The Pueblo Council may remove any member of the Board for any reason at any time.

(d) Vacancies. The Pueblo Council shall fill any vacancies in the Board.

(e) Designation as Agent. The Board is hereby appointed as the agent for the Pueblo to accept on behalf of the Pueblo service of any official determination, order, or notice of violation that may be served by the Commission pursuant to the Act.

(f) Powers and Duties. The Board shall have the following powers and duties:

(1) To monitor and regulate any Gaming Activity conducted on Pueblo Lands, except as provided by applicable law or the Compact.

(2) To inspect and examine all premises on Pueblo Lands on which any Gaming Activity is conducted.

(3) To conduct background investigations as may be necessary and to conduct such other investigations to protect the public interest in the integrity of any Gaming Activity and to prevent improper or unlawful conduct in the course of any Gaming Activity.

(4) To demand access to, inspect, examine, photocopy, or audit or to cause an audit to be conducted on all papers, books, and records of any Gaming Operation or Management Contractor relating to any Gaming Activity conducted on Pueblo Lands and any matters necessary to carry out its duties pursuant to this Ordinance, the Compact, and applicable law.

(5) To compel any Person to appear before it and provide such information, documents or other materials as may be in such person's possession and to administer oaths or affirmations to witnesses appearing before it.

(6) To promulgate such regulations and guidelines as it deems appropriate to implement the provisions of this Ordinance, the Compact, or other applicable law.

(7) To issue, suspend and revoke licenses in accordance with this Ordinance.

(8) To enforce the health and safety standards applicable to any Gaming Facility.

(9) To levy and collect fees and to impose any penalties and fines for violations of this Ordinance.

(10) To bring in the name of the Pueblo with concurrence of the Tribal Council any action in a court of competent jurisdiction, including the Tribal Court, to enforce this Ordinance, the Compact or applicable law, or to enjoin or otherwise prevent any violation of this Ordinance, the Compact or applicable law.

(11) To adopt an annual operating budget subject to the approval of the Pueblo Council and, in accordance with such budget, to employ a staff as it deems necessary to fulfill its responsibilities under this Ordinance, and to retain legal counsel, consultants and other professional services, including investigative services, to assist it in carrying out its powers.

(12) To issue any order or make any decision which the Board has the power to issue or make pursuant to applicable law and to take any action as may be required to protect to the public interest in any Gaming Activity.

(13) To conduct any hearing, take testimony, and receive any evidence and to compel the production of any information or documents,

(14) To enter into such contracts and agreements with State, federal and private entities for activities necessary to the discharge of its duties.

(15) To take any other action necessary and proper to carry out its powers set forth in this Ordinance.

(g) Executive Director. The Board may appoint and retain an individual to serve as executive director of the Board to administer and execute its duties and responsibilities hereunder and other staff as the Board may deem necessary to carry out such duties and responsibilities. The executive director shall be responsible for coordination of the functions with the Commission and other federal, state, Pueblo and local agencies as necessary.

(h) Certificate of Self Regulation. As provided in the Act, the Board on behalf of the Pueblo may petition the Commission for a certificate of self regulation.

(i) Procedures of the Board

(1) Regular meetings. Regular meetings of the Board may be held upon such notice, or without notice, and at such time and place as shall from time to time be fixed by the Board. Unless otherwise specified by the Board, no notice of such regular meetings shall be necessary.

(2) Special meetings. Special meetings of the Board may be called by the chairman of the Board or may be held by teleconference or by polling. The chairman of the Board shall fix the time and place of the special meeting. Neither the business to be transacted at, nor the purposes of, any regular or special meeting of the Board need to be specified in the notice of the meeting.

(3) Quorum. At any meeting of the Board, a majority of the Board members shall constitute a quorum for the transaction of business. The vote of a majority

of the members present at a meeting at which a quorum is present shall be the act of the Board. The chairman of the Board shall preside at all meetings of the Board unless the chairman of the Board designates another member to preside in his absence. Approval of action telephonically or by polling is also authorized.

(4) Notice of Board Action; Hearings. No action of the Board taken pursuant to this Ordinance shall be valid unless the Person affected is given notice of the proposed action and the opportunity to appear and to be heard before the Board and to submit such evidence as the Board deems relevant to the matter at issue. Any hearing conducted may at the direction of the Board be conducted by the executive director or by one or more members of the Board designated by the Board for that purpose.

(5) Rules and Procedures. The Board may adopt such additional procedures and rules as it deems necessary or convenient to govern its affairs consistent with applicable law.

**SECTION 11. PROHIBITED ACTS.** It shall be a violation of this Ordinance for any person:

(a) To conduct or participate in any Gaming Activity on Pueblo Lands other than at a licensed Gaming Facility.

(b) To receive, distribute, apply or divert any property, funds, proceeds, or other assets of a Gaming Operation to the benefit of any Person except as authorized by this Ordinance, the Compact, or applicable law.

(c) To tamper with any Gaming Device or Gaming Equipment used in the conduct of any Gaming Activity with the intent to cause any Person to win or lose any wager other than in accordance with the publicly-announced and approved rules of a Gaming Operation.

(d) To do any other act in connection with the conduct of any Gaming Activity with the intent to affect the outcome of any wager other than in accordance with the publicly-announced and approved rules of a Gaming Operation.

(e) To alter or misrepresent the outcome of any event on which wagers have been made after the outcome is made sure but before it is revealed to the players.

(f) 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 any event that affects the outcome of the game or which is the subject of the bet or to aid anyone in acquiring such knowledge for the purpose of placing, increasing or decreasing a bet or determining the course of play contingent upon that event or outcome.

(g) To claim, collect or take, or attempt to claim, collect or take, money or anything of value in or from a Gaming Device or Gaming Equipment, with intent to defraud, without having made a wager thereon, or to claim, collect or take an amount greater than the amount won.

(h) To place or increase a wager or bet after acquiring knowledge of the outcome of the game or other event which is the subject of the bet, including past-posting and pressing bets.

(i) 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, including pinching bets.

(j) To manipulate, with the intent to cheat, any Gaming Device or Gaming Equipment, including, but not limited to manipulating a Gaming Device or Gaming Equipment with knowledge that the manipulation affects the outcome of such device or equipment.

(k) To knowingly use other than coins or tokens approved by the Board or other lawful coin, legal tender of the United States of America, or to use a coin not of the same denomination as the coin intended to be used in the Gaming Device or Gaming Equipment.

(l) To possess, with the intent to use, any device to assist in projecting the outcome of the game, in keeping track of the cards played, in analyzing the probability of the occurrence of an event relating to Gaming Activity, or in analyzing the strategy for playing or betting to be used in the Gaming Activity.

(m) To use any device or means to cheat, or to possess any such device or means while at a Gaming Facility.

(n) To knowingly entice or induce another to go to any place where Gaming Activity is being conducted or operated in violation of the provisions of this Ordinance, the Act, the Compact, or other applicable law with the intent that the other person play or participate in that Gaming Activity.

**SECTION 12. PENALTIES.** Any person who violates any provision of this Ordinance shall be subject to civil penalties, termination of employment by the Gaming Operation or Management Contractor, denial, suspension or revocation of a license, exclusion from any Gaming Facility, or exclusion from Pueblo Lands. The Board may impose a fine of not more than \$5,000.00 for each violation. The Board shall have the jurisdiction to impose any penalties on any Person within the jurisdiction of the Pueblo.

SECTION 13. **SEVERABILITY.** In the event any section or provision of this Ordinance or its application to any particular activity is held to be invalid, the remaining sections and provisions of this Ordinance and the remaining applications of such section or provision shall continue in full force and effect.

SECTION 14. **SOVEREIGN IMMUNITY.** The Pueblo does not in any way waive its sovereign immunity from suit in any court. However, decisions of the Board may be appealed to and shall be subject to final appellate review only in the Tribal Court. No decision of the Board shall be reversed unless the Tribal Court finds that the Board's action was arbitrary, capricious, or not in accordance with the law. No compensatory, punitive, monetary, or exemplary damages may be awarded against the Board for any action taken or decision made by the Board.

SECTION 15. **REPEAL.** To the extent inconsistent with this Ordinance, all prior ordinances, or parts thereof, are hereby repealed.

SECTION 16. **AMENDMENTS.** This Ordinance may be amended by the Pueblo Council.