DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

Indian Gaming

AGENCY: Bureau of Indian Affairs, Interior.

ACTION: Notice of amendments to approved Tribal-State Compact.

SUMMARY: Pursuant to section 11 of the Indian Gaming Regulatory Act of 1988, Pub. L. 100–497, 25 U.S.C. 2710, the Secretary of the Interior shall publish, in the Federal Register, notice of approved Tribal-State Compacts for the purpose of engaging in Class III (casino) gambling on Indian reservations. The Assistant Secretary—Indian Affairs, Department of the Interior, through his delegated authority, has approved the Amendments to St. Croix Chippewa Indians of Wisconsin and the State of Wisconsin Gaming Compact, which were executed on June 18, 1996.

DATES: This action is effective August 21, 1998.

FOR FURTHER INFORMATION CONTACT:
George T. Skibine, Director, Indian Gaming Management Staff, Bureau of Indian Affairs, Washington, DC. 20240, (202) 219–4068.


Kevin Gover,
Assistant Secretary—Indian Affairs.

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BILLING CODE 4310–02–P
AUG 07 1998

Honorable Lewis Taylor
Tribal Chairman
St. Croix Tribal Council
P.O. Box 287
Hertel, Wisconsin 54845

Dear Chairman Taylor:

We are in receipt of the Amendments to the St. Croix Chippewa Indians (Tribe) and the State of Wisconsin (State) Gaming Compact of 1991 dated June 18, 1998. We have completed our review of these Amendments and conclude that they do not violate the Indian Gaming Regulatory Act of 1988 (IGRA), Federal law, or our trust responsibility. Therefore, pursuant to Section 11(d)(8)(A) of IGRA, 25 U.S.C. § 2710(d)(8)(A) and delegated authority in 209 DM 8.1, we approve the Amendments. The Amendments shall take effect when the notice of our approval, pursuant to Section 11 (d)(3)(B) of IGRA, 25 U.S.C. § 2710(d)(3)(B), is published in the FEDERAL REGISTER.

We note that the Amendments (Section XXXII of the Compact) memorialize that the Tribe and State agree to discuss modification of the Compact should the State enact a law which purports to impact a tax, fee, assessment or other charge directly on the Tribe’s Class III gaming revenues, or a tax on winnings generated at a Class III gaming facility. Our approval of these Amendments should not be construed as, and is not, authorization for the State to impose such taxes, fees, assessments or charges.

We wish the Tribe and the State success in their economic venture.

Sincerely,

/s/ Kevin Gover
Assistant Secretary - Indian Affairs

Enclosure

Identical Letter Sent to: Honorable Tommy G. Thompson
Governor of Wisconsin
Madison, Wisconsin 53707

cc: Minneapolis Area Director w/copy of approved Amendment
Supt., Great Lakes Agency w/copy of approved Amendment
National Indian Gaming Commission w/copy of approved Amendment
Field Solicitor w/copy of approved Amendment
United States Attorney w/copy of approved Amendment
This Agreement is entered into by and between the St. Croix Chippewa Indians of Wisconsin ("Tribe") and the State of Wisconsin ("State").

WHEREAS, Section XXX of the St. Croix Chippewa Indians of Wisconsin and the State of Wisconsin Gaming Compact of 1991 provides that it may be amended upon the written agreement of both parties; and Whereas both parties wish the Compact to continue and believe the amendments to the Compact contained herein serve the best interest of both the State and the Tribe,

The State and the Tribe do hereby agree to amend the Compact as set forth below:

1. The term of the Compact shall, pursuant to Section XXV.B., be renewed for a term of five (5) years, from December 19, 1998 to December 19, 2003, subject to further extensions as provided therein.

2. Section V.A. of the Compact is amended by deleting the number "18" wherever it appears in this section and replacing it with the number "21." Section V.A. is further amended by adding the following sentence:

   No person under the age of 21 shall be permitted access to any portion of any facility in which any Class III game is conducted, except for purposes of employment pursuant to section V.B., or to gain access to the Tribe's non-gaming facilities.

The amendments to Section V.A. shall take effect on January 1, 1999.

3. Section XV. I. of the Compact is created to read:

   The Tribe shall limit use of electronic games of chance at locations other than its current facilities in Danbury and Turtle Lake to no more than one location, which is currently the Little Turtle Hertel Express. The number of electronic games of chance permitted at this location shall be limited to the number of electronic games of chance in operation at this location on the date of this agreement. The records of the Department of Administration, Division of Gaming shall be the final authority for determining the number of electronic games of chance in operation at the Little Turtle Hertel Express location on the date of this agreement.
4. Section XXXII of the Compact entitled “PAYMENT TO THE STATE” is created as follows:

A. The Tribe shall make an annual payment to the State for each one year period beginning December 19, 1998 through December 19, 2003 in the amount of $2,191,000.

B. In the event a change in State law is enacted to permit the operation of electronic games of chance, or other Class III games, as defined in and authorized by this Compact, by any person other than a federally recognized Tribe under the provisions of the Indian Gaming Regulatory Act, 25 U.S.C. 2701 et. seq., or the State Lottery as authorized by Ch. 565 Wis. Stats., the Tribe shall be relieved of its obligations to pay these amounts. If a subsequent agreement regarding Class III gaming substantially and adversely affects the Tribe’s Class III gaming revenues, the State and the Tribe shall meet to discuss a reduction of the amount required pursuant to Section XXXII.A.

C. Method of Payment. The Tribe shall make the first payment required by Subsection A on or before December 30, 1999, and each subsequent payment on December 30, 2000, December 30, 2001, December 30, 2002 and December 30, 2003 respectively.

D. The parties may modify this obligation to pay pursuant to a subsequent agreement.

E. In the event that a natural or man-made disaster renders impossible the operation of fifty (50) percent or more of the electronic games of chance operated by the Tribe under this compact for a period of fourteen (14) consecutive days or more, the payment required under this section for the year in which the disaster occurs shall be reduced by a percentage equal to the percentage decrease in the net win (total amount wagered less winnings paid) for the calendar year in which the natural disaster occurred compared with the net win for the previous calendar year, and the State and Tribe shall meet to discuss additional assistance.

F. In the event that, after the effective date of this amendment, the State enacts any law which imposes a new tax, fee, assessment, or other charge which is assessed directly on the Tribe’s Class III gaming revenues, or a tax exclusively on winnings generated at the Class III gaming facilities, the State and Tribe shall meet to discuss a modification to Section XXXII. of this Compact.
5. Section XXIII of the Compact entitled “ADDITIONAL BENEFITS TO TRIBE” is created as follows:

Should the State and any other compacting Tribe within Wisconsin amend a current gaming compact or adopt a new gaming compact with terms that are more favorable to the compacting Tribe or to the State than are the terms of this Compact, upon request by Tribe, the parties shall meet to negotiate the incorporation of substantially similar provisions into the Compact and, if applicable and agreeable to the parties, substantially similar provisions shall be incorporated into the Compact.

6. Section XXXIV of the Compact is created as follows:

A. In the event that the amendments contained herein are disapproved, in whole or in part, by the Secretary of the Interior, either party may serve on the other a demand for renegotiation of such portion of the Compact amendments of June 1998 as are impacted. The parties shall meet to negotiate revisions to address such objection as may be raised. If a mutually satisfactory solution is not achieved within sixty (60) days of the Secretary’s action, either party may during the sixty (60) day period thereafter serve upon the other a notice of nonrenewal of Compact. The Compact shall then expire 180 days after service of a notice of nonrenewal of Compact pursuant to this section.

B. In the event that a court of competent jurisdiction holds any or all of the amendments to the Compact contained herein to be unenforceable or invalid within six (6) months of the execution of said amendments, either party may serve on the other a demand for renegotiation of such portion of the Compact amendments of June 1998 as are impacted. The parties shall meet to negotiate revisions to address such objection as may be raised. If a mutually satisfactory solution is not achieved within sixty (60) days of the court’s holding, either party may during the sixty (60) day period thereafter serve upon the other a notice of nonrenewal of Compact. The Compact shall then expire 180 days after service of a notice of nonrenewal of Compact pursuant to this section.

C. In the event that a court of competent jurisdiction holds any or all of the amendments to the Compact contained herein to be unenforceable or invalid later than six (6) months after the execution of these Compact amendments, the parties shall meet to negotiate terms to replace those affected by the decision of the court.
7. The Tribe, along with other Wisconsin Indian Tribes, agrees to propose the development of a plan by February 1999 for the creation of a revenue sharing system among the Tribes so that monies would be directed by the Tribes within Wisconsin having the greatest gaming revenues to the Tribes having the least gaming revenues. The Tribe agrees to make its best efforts to develop such a plan in consultation with other Wisconsin Indian Tribes by February 1999.

8. Section XXXV of the Compact is created as follows:

By July 1, 1999 the Tribe shall have entered into written agreements with all units of local governments providing services to a Class III gaming facility of the Tribe, to reimburse those units of local governments for such services.

9. The State and Tribe agree to execute contemporaneous with the execution of these compact amendments a document entitled Memorandum of Understanding Regarding Technical Matters and Memorandum of Understanding Regarding Government to Government Matters, which documents are incorporated herein by reference.

ST. CROIX CHIPPEWA INDIANS
OF WISCONSIN

STATE OF WISCONSIN

By: Lewis Taylor, Tribal Chair

By: Tommy G. Thompson, Governor

Date Signed: 4/8/98

Date Signed: June 18, 1998

Consistent with 25 U.S.C.A. Sec. 2710 (d)(8), the Amendments to the St. Croix Chippewa Indians and the State of Wisconsin Gaming Compact dated June 18, 1998, is hereby approved on this 7 day of August, 1998, by the Assistant Secretary - Indian Affairs, United States Department of the Interior.

UNITED STATES DEPARTMENT OF THE INTERIOR

Kevin Gover
Assistant Secretary - Indian Affairs
MEMORANDUM OF UNDERSTANDING
REGARDING TECHNICAL MATTERS

Whereas, the State of Wisconsin (State) and the St. Croix Chippewa Indians of Wisconsin (Tribe) have executed amendments to the St. Croix Chippewa Indians of Wisconsin and the State of Wisconsin Gaming Compact of 1991, and

Whereas, the State and the Tribe desire to execute this Memorandum contemporaneous with the Compact Amendments and incorporate this Memorandum into the Compact Amendments, and

Whereas, the State and the Tribe agree that the revisions contained herein will enable both parties to more effectively and efficiently perform the respective responsibilities regarding the Tribe's Class III gaming operation, to the benefit of both parties,

The parties hereby agree that the following terms and provisions are incorporated by reference into the Amendments to the St. Croix Chippewa Indians of Wisconsin and the State of Wisconsin Gaming Compact of 1991.

1. The Tribe shall utilize in its Class III gaming operations minimum internal control standards that achieve the same level of protection against risk of loss as those adopted by the National Indian Gaming Association. In the event any provision of the minimum internal control standards conflicts with the provisions of this Compact, the terms of the Compact shall control. The Department of Administration, Division of Gaming and the Tribe may designate, in writing, minimum internal control standards which conflict with the Compact as acceptable for use in the Tribe’s Class III gaming facilities. In the event the Department and the Tribe enter into such written designation the written designation shall constitute a waiver, for a duration specified in the written designation, of the State's ability to allege compliance with the designated minimum internal control standard as a violation of the Compact.

2. In order to more efficiently provide the Department with access to the data generated by the Tribe’s slot accounting system described at Section XV.D.7. of the Compact, the Tribe agrees to provide weekly, in electronic format, daily metered activity and records generated by the on-line slot accounting system.

   A. The information shall be provided weekly in an electronic format according to the following procedure:

      1. At the completion of the accounting rollover for the previous business day, the Tribe shall electronically submit the reports specified in subsections 2 and 3 based on the data contained in the “slotmast.dat” file of the slot accounting system.

      2. The Tribe shall run the “SLOTMAST TO ASCII” utility from the SMART System Utilities Menu.

      3. This data shall be transmitted as a variable length/comma delimited ASCII text file to the Department.
4. The weekly transmission of data shall include the "SIS ADJUSTMENT REPORT" written to an electronic format in which the slot accounting system has recorded any modifications to the data as a result of the daily audit.

5. The Tribe shall upon request furnish the Department additional slot accounting information or reports electronically within 24 hours of the request.

B. The parties shall cooperatively investigate and consider any future technological innovation which may improve the effectiveness and efficiency of revenue verification to the Department from the Tribe’s on-line accounting system reliably and accurately, and which does not pose any material risk to the operating integrity and security of the Tribe’s on-line system. The parties agree to pursue the installation of such innovations which are cost efficient and would further the purposes of the Compact.

C. For Tribal facilities which operate with electronic games of chance that record accounting information individually on a printed medium rather than to an on-line slot accounting system, the Tribe shall electronically prepare a spreadsheet as each drop occurs. This spreadsheet shall contain all machine activity and machine identification information and shall be transmitted electronically to the Department on a weekly basis.

D. Should the Tribe make significant changes to its slot accounting systems, which modify the procedure as contained in par. A., above, the Department and the Tribe shall meet not less than 90 days prior to the scheduled date of the system modification to agree upon necessary changes to the procedures for electronic transfer of accounting data as contained herein.

E. All data provided pursuant to this section, shall be treated as confidential pursuant to Section X. B. of the Compact and such data shall not be disclosed in the form of statewide aggregate totals without permission of the Tribe.

ST. CROIX CHIPPEWA INDIANS
OF WISCONSIN

By:
Lewis Tayloe, Tribal Chair
Date Signed: 6/14/95

STATE OF WISCONSIN

By:
Tommy C. Thompson, Governor
Date Signed: June 18, 1998