



# United States Department of the Interior

OFFICE OF THE SECRETARY

Washington, D.C. 20240

DEC 4 1993

Honorable L. David Jacobs  
Honorable John S. Loran  
Honorable Norman J. Tarbell  
Chiefs, St. Regis Mohawk Tribe  
Akwesasne - Community Building  
Hogansburg, New York 13655

Dear Chiefs:

We have reviewed the Tribal-State Compact Between the St. Regis Mohawk Tribe (Tribe) and the State of New York (State) (Compact) dated June 9, 1993, and conclude that it does not violate the Indian Gaming Regulatory Act (IGRA), other Federal law, or our trust responsibilities. Therefore, pursuant to my delegated authority and Section 11 of the IGRA, we approve the Compact. The Compact shall take effect when notice of our approval is published in the FEDERAL REGISTER pursuant to 25 U.S.C. § 2710(d)(3)(B).

After an extensive review of the tribal processes governing decision-making, we conclude that the two chiefs who signed the compact were within their authority to bind the Tribe. Executives have certain powers to act on behalf of the people they represent. In this instance, the Tribe has a long history of recognizing the authority of a majority of the three-person Tribal Council. While a referendum of the membership could overturn that decision, that referendum must be called by a majority of the Tribal Council and be conducted by the rules established by the Council. The November 13, 1993, referendum was not called and conducted in accordance with tribal law and custom. Therefore, we cannot recognize the referendum as governing the Tribal Council with respect to the Compact.

This decision does not preclude a future referendum which can decide the future of gaming on the St. Regis Reservation. Nothing in the Compact requires that the Tribe engage in gaming. It simply establishes a regulatory basis for doing so, if and when the Tribe chooses to proceed with Class III gaming. Furthermore, the Compact establishes a mechanism for amendments to the Compact should the Tribe require any changes to it.

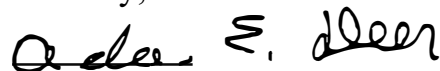
We note that Section 2(o) of the Compact defines "reservation" to include "Indian lands." While the language of the section does not exactly track the language of the IGRA, we have been assured by the tribal attorney that the language was intended to follow the requirements of the IGRA. We concur that this language can be interpreted to reflect the requirements under the IGRA that the Tribe must exercise governmental power over the gaming lands.

Notwithstanding our approval of the Compact, be advised that Section 11(d)(1)(A) of the IGRA, 26 U.S.C. § 2710(d)(1)(A), requires that gaming cannot be conducted without a tribal gaming ordinance approved by the Chairman of the National Indian Gaming Commission (NIGC). On July 8, 1992, the NIGC published in the FEDERAL REGISTER proposed regulations to govern the approval of Class II and Class III gaming ordinances. The final regulations were published In the FEDERAL REGISTER on January 22, 1993 (58 Fed. Reg. 5802), and became effective on February 22, 1993. Pursuant to the IGRA and the regulations, even previously existing gaming ordinances must be submitted to the NIGC for approval when requested by the Chairman.

In addition, if the Tribe intends to enter into a management contract for the operation and management of the Tribe's gaming facility, the contract must likewise be submitted to, and approved by the Chairman of the NIGC pursuant to Section 11(d)(9) of the IGRA, 25 U.S.C. § 2710(d)(9) and the NIGC's regulations governing management contracts. The Tribe may want to contact the NIGC at (202) 632-7003 for further information on submitting the ordinance and the management contract for approval by the NIGC.

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

Sincerely,

A handwritten signature in cursive script that reads "Ada E. Deer".

Ada E. Deer  
Assistant Secretary - Indian Affairs

Enclosures

6/2/93

**TRIBAL-STATE COMPACT**

**Between the**

**ST. REGIS MOHAWK TRIBE**

**and the**

**STATE OF NEW YORK**

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**TRIBAL-STATE COMPACT**

**Between the**

**ST. REGIS MOHAWK TRIBE**

**and the**

**STATE OF NEW YORK**

THIS TRIBAL-STATE COMPACT made and entered into by and between the ST. REGIS MOHAWK TRIBE, a federally-recognized Indian Tribe, and the STATE OF NEW YORK, pursuant to the provisions of the Indian Gaming Regulatory Act, Pub.L. 100-497, 25 U.S.C. §2701 et seq.

**WITNESSETH:**

WHEREAS, the St. Regis Mohawk Tribe is a federally-recognized Indian Tribe, possessing all sovereign powers and rights thereto pertaining; and

WHEREAS, the State of New York is a sovereign state of the United States with all rights and powers thereto pertaining; and

WHEREAS, the Congress of the United States has enacted into law the Indian Gaming Regulatory Act, Pub.L. 100-497, 25 U.S.C. §2701, et seq., which provides in part that a tribal-state Compact may be negotiated between a Tribe and a State to govern the conduct of certain gaming activities which constitute Class

III gaming for purposes of the Act on the Indian lands of the Tribe within the State; and

WHEREAS, the St. Regis Mohawk Tribe and the State of New York have mutually agreed, within the parameters established by the Act, to the following provisions governing the conduct of Class III gaming activities on the lands of the Tribe designed to (a) protect the health, welfare and safety of the citizens of the Tribe and the State, and (b) develop and implement a means of regulation for the conduct of Class III gaming on Indian lands as that term is defined in the Act in order to attempt to insure the fair and honest operation of such gaming activities and to minimize the possibility of corruption or illegal practices in conjunction with such activities and (c) attempt to maintain the integrity of all activities conducted in regard to Class III gaming;

NOW, THEREFORE, the ST. REGIS MOHAWK TRIBE and THE STATE OF NEW YORK do enter into a Tribal-State Compact as provided for herein.

SECTION 1. Title

This document shall be identified as "The St. Regis Mohawk Tribal-State of New York Gaming Compact," or cited as the "Compact" within this agreement.

SECTION 2.        Definitions.

For purposes of this Compact:

(a) "Act" means the Indian Gaming Regulatory Act, Pub.L. 100-497, 25 U.S.C. § 2701 et seq.

(b) "Class III Gaming" means all forms of gaming that are not Class I gaming or Class II gaming, as defined in Section 4(6) and (7) of the Act, 25 U.S.C. §2703(6) and (7).

(c) "Compact" means this agreement between the St. Regis Mohawk Tribe and the State of New York.

(d) "Complimentary services" means the provision to a patron of a Gaming Facility or such patron's guest, either free of charge or at a reduced price, of any goods or services, including transportation, lodging, and coupons or other representations of money for use in wagering.

(e) "Division" shall mean the New York State Division of Criminal Justice Services, its authorized officials, agents and representatives acting in their official capacities.

(f) "Enterprise" means any individual, trust, corporation, partnership, or other legal entity of any kind; provided, however, that with respect to any corporation, the term "enterprise" shall include such other corporation or other legal entity which, directly or indirectly, controls a majority of the voting interests in such corporation; and further provided, that with respect to any partnership, trust or other form of unincorporated business organization, the term "enterprise" shall include each corporation or other legal entity which, directly or

indirectly, controls a majority of the voting interests in such organization.

(g) "Gaming employee" means any person employed in the operation or management of the Gaming Facilities, whether employed by the Tribe or by any enterprise providing on-site services to the Tribe within a Gaming Facility, including, but not limited to, Gaming Facility managers and assistant managers; accounting personnel; Gaming Facility security personnel; Gaming Facility surveillance personnel; credit executives; Gaming Facility cashier supervisors; dealers or croupiers; box men; floormen; pit bosses; shift bosses; cage personnel; collection personnel; computer operators and technicians; food and beverage service personnel and any other person whose employment duties require or authorize access to restricted areas of the Gaming Facilities not otherwise opened to the public.

(h) "Gaming equipment" means any machine or device which is specially designed or manufactured for use in the operation of any Class III gaming activity, including those devices described in Appendices A and B of this Compact.

(i) "Gaming Facility" means any room or rooms including that portion of any building, common or public areas in which Class III gaming as authorized by this Compact is conducted on the Reservation.

(j) "Gaming school" means any enterprise organized to provide specialized training for the Conduct of Class III gaming, other than programs operated by the Tribal Gaming Operation.



(k) "Gaming services" means the provision of any goods, supplies or services to the Tribal Gaming Operation directly in connection with the conduct of Class III gaming in a Gaming Facility, including the leasing of the Gaming Facility, maintenance, security services, junket services, gaming schools, laboratory testing of gaming equipment and machines, and manufacture, distribution, maintenance or repair of gaming equipment.

(l) "Junket services" means any arrangement to facilitate the attendance at a Gaming Facility of patrons selected by reason of their propensity to gamble by providing to such patrons any consideration including cash or rebates or reduced charges for goods or services such as transportation, lodging, food, beverage, or entertainment; provided, however, that the term shall not include enterprises which function solely to provide common transportation to a Gaming Facility to the public without limitation to selected patrons.

(m) "National Indian Gaming Commission" means the Commission established pursuant to Section 5 of the Act, 25 U.S.C. §2704.

(n) "Principal" means with respect to any enterprise:

(i) each of its officers and directors; (ii) each of its principal management employees, including any chief executive officer, chief financial officer, chief operating officer, or general manager; (iii) each of its owners or partners if an unincorporated business; (iv) each of its shareholders who owns more than ten percent of the shares of the corporation, if a

corporation; and (v) each person other than a banking institution who has provided financing for the enterprise constituting more than ten percent of the total financing of the enterprise.

(o) "Reservation" means the Indian lands of the St. Regis Mohawk Tribe within the State of New York as defined by Section 4(4) of the Act, 25 U.S.C. §2703(4); and all lands within the State of New York title to which is either held in trust by the United States for the benefit of the Tribe or held by the Tribe subject to restriction by the United States against alienation; and all lands within the State of New York which become Indian lands as a result of the settlement of the Tribe's land claim litigation against the State.

(p) "State" means the State of New York, its authorized officials, agents, representatives or agencies acting in their official capacities.

(q) "State Gaming Agency" or "Board" means the New York State Racing and Wagering Board, its authorized officials, agents and representatives acting in their official capacities or such other agency of the State as the State may from time to time designate by written notice to the Tribe as the single State agency responsible for oversight of Class III gaming as authorized by this Compact.

(r) "State Law Enforcement Agency" means the New York State Division of State Police or such other law enforcement agency of the State as the State may from time to time designate by written notice to the Tribe as the law enforcement agency of the State

which will have primary responsibility for law enforcement with respect to Class III gaming as authorized by the provisions of this Compact. Within the Division of State Police, the term "Casino Detail" means the members assigned by the Superintendent or the Superintendent's designee to provide police service at the Gaming Facilities. Members of the Casino Detail will conduct the required background investigations for the licensing of gaming employees, members of the Tribal Gaming Agency and all other persons for whom background investigations are required under the terms of this Compact.

(s) "Tribal Gaming Agency" or "Commission" means the St. Regis Mohawk Tribal Gaming Commission or such other agency of the Tribe as the Tribe may from time to time designate by written notice to the State as the tribal agency responsible for the regulation of Class III gaming jointly with the State Gaming Agency.

(t) "Tribal Gaming Operation" means the entity operating Class III gaming, which could be either the Tribe or an enterprise authorized by the Tribe to conduct such gaming in any Gaming Facility on the Reservation.

(u) "Tribal Law Enforcement Agency" means the police force of the St. Regis Mohawk Tribe established and maintained by the Tribe pursuant to the Tribe's powers of self-government to carry out law enforcement within the Reservation.

(v) "Tribe" means the St. Regis Mohawk Tribe, its

authorized officials, agents and representatives acting in their official capacities.

**SECTION 3. Authorized Class III Gaming.**

(a) Authorized games. The Tribe may conduct, only within the St. Regis Mohawk Tribe Reservation, and subject to the terms and conditions of this Compact, any and all games of chance as specifically defined in Appendix A, which is made a part of this Compact.

(b) Authorized Gaming Facilities.

(i) The Tribe may establish Gaming Facilities on the Reservation for the operation of any games of chance as authorized pursuant to subsection (a) of this Section;

(ii) The Tribe shall not conduct authorized Class III gaming within that portion of any building where Class II gaming is conducted.

(c) Authorized forms of payment. All payments for wagers made on authorized forms of Class III gaming conducted by the Tribe on the Reservation, including the purchase of chips, or plaques for use in wagering, shall be made by cash, cash equivalent, check or credit card as specifically delineated in Appendix B.

(d) Prohibited Class III gaming. The Tribe may not conduct any form of Class III gaming which is not expressly enumerated in

Appendix A of this Compact unless such Appendix is amended pursuant to Section 13 of this Compact.

(e) Prohibition on attendance of minors. No person under the minimum age of eighteen (18) shall be admitted into any Gaming Facility nor be permitted to place any wager, directly or indirectly on the outcome of any game authorized by this Compact.

(f) Financial accounts and auditing. The Tribe or any management enterprise operating under authority of the Tribe, shall maintain complete and accurate financial records relating to Gaming Facility operations. The forms of such accounts and associated financial statements shall meet or exceed those illustrated in Appendix C "Chart of Accounts". Any revisions to accounting structures or the form of financial statements in Appendix C shall be submitted to the State for approval prior to implementation by the Tribe or its management enterprise. In accordance with generally accepted accounting principles, an annual financial audit of Gaming Facility operations shall be completed by an independent certified public accountant to be selected by the Tribe from a jointly compiled Tribe-State list of approved accounting firms with experience in casino auditing. Within ninety (90) days of the close of the Gaming Facility, certified financial statements prepared by the independent certified public accountant, and such other reports as may be necessary concerning accounting and internal control procedures, shall be submitted to the Board by the Tribe as specified in

Appendix C.

(g) Tort remedies for patrons. The Tribe agrees to require the Tribal Gaming Operation to maintain liability insurance to compensate injured patrons of Gaming Facilities. Courts of the State of New York shall adjudicate claims for personal injury to patrons of Gaming Facilities pursuant to 25 U.S.C., Section 233.

(h) Organization of Tribal Operations. The Tribe shall disclose to the State Gaming Agency its program of instructional and on-the-job training and its system of internal organization for each of its Gaming Operations including a compendium of all positions involved in the operation of its Gaming Facilities, including staffing and supervisory positions involved in each table gaming activity conducted pursuant to Appendices A and B, and shall promptly notify the State Gaming Agency of any change in such training programs or table of organization or in the persons designated for any position. The Tribal Gaming Agency shall ensure that any person designated to occupy a position in the Gaming Facilities is properly trained and qualified for such position.

(i) Gaming hours and days. The Tribe may conduct Class III gaming in the Gaming Facility up to twenty-four (24) hours each day during any calendar year. The Tribal Gaming Agency shall notify the State Gaming Agency of its gaming hours and shall thereafter notify the State Gaming Agency within thirty (30) days of any change in such gaming operational schedule.

SECTION 4. Law Enforcement Matters Relating to Class III Gaming.

(a) State criminal jurisdiction. Nothing in this Compact shall alter the jurisdiction of the State of New York over Indian land as provided by applicable law. The State Law Enforcement Agency shall not enforce laws prohibiting Class III gaming provided such gaming is conducted pursuant to the terms of this Compact. Jurisdiction is retained over any form of Class III gaming not conducted pursuant to the terms of this Compact. Enforcement of the provisions of this Section shall encompass, but not be limited to, Gaming Facilities, auxiliary facilities, parking area and grounds.

(b) Casino Detail. The parties to this agreement anticipate the formation of a New York State Police Casino Detail. The members of this detail will conduct the day-to-day police operations and background investigations at Gaming Facilities on the reservation.

(c) Identification badges. The Tribal Gaming Agency shall issue color-coded identification badges to the members of the Casino Detail. Such badges shall remain the property of the Tribal Gaming Agency and must be returned to the Tribal Gaming Agency at the conclusion of the member's service in the Detail.

(d) Powers of State law enforcement officers. Law enforcement officers of the State of New York shall be accorded

free access to all areas of the Gaming Facilities for the purpose of maintaining public order and public safety and enforcing applicable criminal laws of the State as permitted by federal law. Personnel employed by the Tribal Gaming Agency shall provide state law enforcement officers with immediate access to all areas of the Gaming Facilities including all locked and secure areas. Personnel employed by the Tribal Gaming Agency are expected to accompany any state law enforcement officer admitted to locked and secure areas, and it shall be the Tribe's responsibility to have Tribal Gaming Agency personnel always available. However, access to these areas by State Law Enforcement Agency personnel may in no way be delayed or limited because an employee of the Tribal Gaming Agency is not immediately available to accompany one or more state law enforcement officers. This Compact serves as prior written consent of the Tribe for the State Law Enforcement Agency to assign personnel to the Reservation facilities to coordinate law enforcement and to conduct background investigations for the licensing of gaming employees and the registration of gaming service enterprises.



The State Law Enforcement Agency assigned to the Gaming Facility will maintain regular liaison with the Tribal Law Enforcement Agency.

(e) Powers of tribal law enforcement agency. Duly appointed officers of the St. Regis Mohawk Tribe retain their authority to enforce applicable ordinances of the St. Regis Mohawk Tribe. Any such tribal law enforcement officer may also concurrently have authority to enforce criminal laws of the State provided such officers are granted that authority by the New York State Criminal Procedure Law and meet the applicable requirements established by the Bureau of Municipal Police. The State Law Enforcement Agency and the Tribal Law Enforcement Agency shall cooperate with each other in order to promote public safety and the prosecution of offenders.

(f) Transition of law enforcement to tribe. The State and the Tribal Council are in agreement that all law enforcement matters relating to Class III Gaming shall initially be undertaken by the State as provided in subsections (a), (b), (c) and (e) of this Section. However, the Tribe reserves the option to undertake some law enforcement matters relating to Class III gaming when the Tribe's Law Enforcement Agency obtains authority pursuant to subsection (f) of this Section. The parties shall meet at the annual assessment of cost meeting between the Tribe and the State to reach mutual agreement in the respective roles of the Tribe and state law enforcement personnel in maintaining public order and safety and enforcement of applicable criminal

laws. However, the State Law Enforcement Agency reserves the right to continue to perform a public safety role at the facility and will also remain the sole law enforcement agency charged with the duty of conducting background investigations for the licensing of gaming employees, registration of gaming service enterprises and licensing of principals.

SECTION 5. Licensing of Gaming Employees.

(a) Requirements for gaming employee licensing. No person may commence or continue employment as a gaming employee unless such person is the holder of a valid current gaming employee license issued by the State Gaming Agency in accordance with the provisions of this Section. Officers and inspectors employed by the Tribal Gaming Agency shall be required to obtain gaming employee licenses.

(b) Procedure for license application. Each applicant for a gaming employee license shall submit a completed license application in quadruplicate to the Tribal Gaming Agency, on forms prescribed and provided by the State Gaming Agency. The completed gaming employee license application shall contain such information, documentation and assurances as may be required by the State Gaming Agency concerning the applicant's personal and family history, personal and business references, criminal conviction record, business activities, financial affairs, gaming industry experience, gaming school education and general

educational background. The Tribal Gaming Agency shall certify on the completed application that the application has been approved and shall retain one (1) copy and forward one (1) copy to the Tribal Gaming Operation and two (2) copies of such certified application to the State Gaming Agency. The applications submitted to the State Gaming Agency pursuant to the provisions hereof shall be accompanied by a non-refundable fingerprint processing fee established by the State Gaming Agency, two (2) sets of the applicant's fingerprint card(s), two (2) current photograph(s) and a release signed by the applicant authorizing a background investigation in a form as required by the State Gaming Agency and Tribal Gaming Agency.

(c) License fees. The Tribal Gaming Agency may assess a fee for processing the gaming employee license application and for each renewal. Such fee(s) shall be made payable to the Tribal Gaming Agency upon submission of the application.

(d) Investigation of applicants. The State Gaming Agency shall promptly forward a copy of the gaming employee license application, one photograph and release to the State Law Enforcement Agency which shall conduct a background investigation of the applicant. The State Gaming Agency shall forward the fingerprint cards and the appropriate fingerprint processing fee to the Division for a fingerprint-based search of the State criminal history record files and for forwarding to the Federal Bureau of Investigation for a fingerprint-based search of the Federal criminal history record files. The State Law Enforcement

Agency shall, as soon as is practicable after conclusion of its background investigation, report its findings to the State Gaming Agency. The Division shall forward the results of the criminal record searches to the State Gaming Agency and shall maintain the fingerprint records on a full search and retain basis until such time as the Division is notified that such person is no longer employed in Class III gaming.

(e) Temporary licensing. The Tribal Gaming Agency may request the State Gaming Agency to issue a temporary license for any applicant. The State Gaming Agency shall issue a temporary license to such applicant whose application discloses no grounds to disqualify the applicant and the State Gaming Agency's fingerprint (or other) check with the Division does not disclose grounds for denial of such temporary licensing. Within seven (7) business days of the request by the Tribal Gaming Agency and receipt of the completed application and related documents, the State Gaming Agency shall either issue or deny a temporary gaming license. The temporary gaming license shall remain in effect until it is suspended or revoked or upon the issuance or denial of an annual license. If the State Gaming Agency denies issuance of a temporary license, it shall notify the Tribal Gaming Agency setting forth the reason(s) for the denial in writing. Such denial may not interrupt the processing of the application for an annual license unless such application is withdrawn by the Tribal Gaming Agency or Tribal Gaming Operation.

(f) Action by the State Gaming Agency.

1. The State Gaming Agency shall deny a gaming employee license to any applicant who:
  - a. is under the age of 18;
  - b. has been convicted of a felony;
  - c. has been convicted of any form of bookmaking or other form of illegal gaming;
  - d. has been convicted of any fraud or material misrepresentation in connection with gaming;
  - e. has been found through a final administrative determination to have violated any law, rule or regulation relating to gaming for which termination of employment or revocation of license might be imposed;
  - f. has otherwise been determined to be a person whose prior activities, criminal record, if any, or reputation, habits and associations pose a threat to the effective regulation of gaming or create or enhance the chances of unfair or illegal practices, methods, and activities in the conduct of the gaming permitted pursuant to this Compact; or
  - g. has failed to provide any information reasonably required to investigate the applicant for a gaming employee license or to reveal any fact material to such application, or has furnished any information

which is untrue or misleading in connection with such application.

2. Any information received by the Tribal Gaming Agency bearing upon the eligibility of any applicant or licensee for license shall be submitted immediately to the State Gaming Agency.
3. In the case of an approval, the written notice of such approval and a license prescribed by the State Gaming Agency shall be sent to the Tribal Gaming Agency for issuance to the applicant. In the case of a denial, the notice shall be sent to the Tribal Gaming Agency and to the applicant. The notice of denial shall set forth the reason(s) for such action.

(g) Duration of license. Any gaming employee license issued by the State Gaming Agency shall be effective for not more than one year unless a longer period is prescribed by the State Gaming Agency; provided, that a licensed employee who has timely and properly applied for renewal may continue to be employed under the expired license until final action is taken on the renewal application by the State Gaming Agency. Upon termination of a licensee's employment, the Tribal Gaming Agency shall immediately give written notice of termination to the State Gaming Agency which shall promptly notify the Division.

(h) Renewal of license. An applicant for a license renewal shall submit a renewal application in quadruplicate to the Tribal Gaming Agency on forms prescribed by the State Gaming Agency

which shall not require the applicant to furnish historical data previously submitted. The Tribal Gaming Agency shall forward one (1) copy to the tribal gaming operation and forward two (2) copies of the renewal application to the State Gaming Agency which shall forward a copy to the State Law Enforcement Agency for its review. No additional background investigation of an applicant for renewal shall be required unless new information concerning the applicant's suitability or eligibility for licensing is received by the Tribal Gaming Agency or the State Law Enforcement Agency. The State Gaming Agency shall issue a renewal license unless the new information is sufficient to disqualify the applicant pursuant to subsection (f)(1) of this Section. A copy of the renewal license shall be sent to the Tribal Gaming Agency.

(i) Denial, suspension or revocation of license. Upon a denial of an initial gaming employee license application the State Gaming Agency shall notify in writing, the applicant, the Tribal Gaming Agency, and the Tribal Gaming Operation. The notice shall set forth the reason(s) for the denial. The action of the State Gaming Agency in denying an initial gaming employee application is reviewable pursuant to Article 78 of the New York Civil Practice Laws and Rules upon petition of the applicant. The State Gaming Agency may suspend, revoke or deny a renewal of any gaming employee license for any violation of this Compact or if new information concerning facts arising either prior to or since the issuance of the initial license, or any renewal

thereof, comes to the attention of the State Gaming Agency which information would justify denial of such initial license. No gaming employee license shall be suspended, revoked or renewal denied except after notice and hearing under the State Administrative Procedures Act and may be reviewable pursuant to Article 78 of the New York Civil Practice Laws and Rules upon petition of the applicant. The State Gaming Agency shall have the authority to summarily suspend such license pursuant to such administrative procedures.

(j) Display of license. The license issued by the State Gaming Agency shall be carried on the person of the licensee in a manner prescribed by the State Gaming Agency at all times while at the Gaming Facility. The license shall be surrendered to the State Gaming Agency upon license suspension, revocation or upon termination of employment.

(k) Identification badges. The Tribal Gaming Agency shall issue serially numbered identification badges to all licensed gaming employees. No person shall have access to any area restricted to employees in a Gaming Facility without having an authorized and valid identification badge issued by the Tribal Gaming Agency prominently appended to the approved location on the licensee's outer garment. The Tribal Gaming Agency shall code the design, color(s), wording and lettering of the identification badge in accordance with job title of the employee. Such identification badge shall remain the property of the Tribal Gaming Agency and must be surrendered by the licensed



gaming employee upon the demand by any authorized Tribal Gaming Agency representative where such employee has been suspended, charged or discharged for violation of any applicable law of the Tribe, the United States or the State, or has terminated his or her employment. The name of each badge recipient, the employment position, badge number and assigned code shall be forwarded to the State Gaming Agency and Tribal Gaming Operation.

(1) Investigation of non-gaming employees. The State and Tribal agencies may investigate misconduct of employees of the Tribe or an Enterprise who are not gaming employees but who are employed in ancillary facilities located within the same building as any Gaming Facility, and such employees shall be dismissed by the Tribe or an Enterprise from such employment upon notification by the State or Tribal Agencies that their conduct in the course of their employment in such ancillary facilities pose a threat to the effective regulation of gaming or create or enhance the dangers of unfair or illegal practices, methods and activities in the conduct of gaming, subject to the same rights of appeal as are provided in sub-section (i) of this Section.

SECTION 6. Registration of Gaming Service Enterprises.

(a) Requirement for registration. No enterprise may provide gaming service, gaming supplies or gaming equipment to the Tribal Gaming Operation unless it is the holder of a valid

gaming service registration issued by the State Gaming Agency in accordance with the provisions of this Section.

(b) Procedure for registration. Each applicant for a gaming service registration shall submit, on forms prescribed by the State Gaming Agency, a completed registration application in quadruplicate to the Tribal Gaming Agency, two (2) copies of which the Tribal Gaming Agency shall forward to the State Gaming Agency and one (1) copy to the Tribal Gaming Operation. The gaming registration application shall contain such information, documentation and assurances as may be required by the State Gaming Agency, including identification of all of the applicant's principals. Each principal shall submit a completed informational form in quadruplicate along with the gaming service registration application which shall contain the principal's personal, business and family history, personal and business references, criminal conviction record, business activities, financial affairs, prior gaming industry experience, source of funds used to acquire an interest in the enterprise and general educational background. The informational form shall include a signed release on a form prescribed by the State Gaming Agency authorizing a background investigation, two (2) sets of fingerprint cards with the appropriate fingerprint processing fee which is not refundable and two (2) current photographs.

(c) Fees. Each initial application for registration or renewal shall be accompanied by an application processing fee

payable to the Tribal Gaming Agency in an amount set and retained by the Tribal Gaming Agency.

(d) Investigation of applicants. The State Gaming Agency shall forward a copy of the application and informational form(s) and one photograph of each principal to the State Law Enforcement Agency which shall conduct background investigations of the applicants. The State Gaming Agency shall forward the fingerprint cards and the appropriate fingerprint processing fees to the Division for a fingerprint-based search of the State criminal history record files and for forwarding to the Federal Bureau of Investigation for a fingerprint-based search of the Federal criminal history record files. The State Law Enforcement Agency shall report the results of its investigation to the State Gaming Agency. The Division shall forward the results of the criminal record searches to the State Gaming Agency and shall maintain the fingerprint records on a full search and retain basis until such time as it is notified that such gaming services registrant and principals are no longer involved in Class III gaming operated by the Tribe; such notification shall occur immediately following the termination of such Class III gaming activity.

(e) Action by State Gaming Agency.

1. The State Gaming Agency shall issue a registration to any gaming service enterprise unless it:
  - a. has been convicted of a felony;

- b. has been convicted of any form of bookmaking or other forms of illegal gambling;
- c. has been convicted of any fraud or material misrepresentation in connection with gaming;
- d. has been found through a final administrative determination, to have violated any law, rule or regulation relating to gaming for which termination of employment or revocation of registration might be imposed;
- e. has otherwise been determined to be a person whose prior activities, criminal record, if any, or reputation, habits and associations pose a threat to the effective regulation of gaming or create or enhance the chances of unfair or illegal practices, methods and activities in the conduct of the gaming permitted pursuant to this Compact;
- f. has failed to provide any information reasonably required to investigate the application for registration or to reveal any fact material to such application, or has furnished any information which is untrue or misleading in connection with such application; or

g. has a principal who is disqualified by virtue of sub-paragraphs a, b, c, d, e or f of this subsection or is under the age of 18.

2. Upon approval of the application, the State Gaming Agency shall issue a gaming service registration and send appropriate written notice to the applicant, the Tribal Gaming Agency and the Tribal Gaming Operation. In the event that the State Gaming Agency denies a registration applicant, the State Gaming Agency shall notify in writing the applicant, the Tribal Gaming Agency and the Tribal Gaming Operation of the reason(s) for the denial.

(f) Temporary gaming service registration. The State Gaming Agency shall, upon request of the Tribal Gaming Agency, issue a temporary gaming service registration pending the processing of the application for gaming service registration and informational form(s); (i) when there are no grounds apparent on the face of the application or informational form(s) sufficient to disqualify the applicant and upon the satisfactory results of a fingerprint (or other) check of each principal made by the Division at the request of the State Gaming Agency; or (ii) when the applicant is registered as a gaming enterprise in Connecticut or New Jersey. All applications for temporary registration submitted within four (4) months following the approval of this Compact by the Secretary of the Interior shall be granted or denied within seven (7) business days of the request by the

Tribal Gaming Agency and receipt by the State Gaming Agency of the completed application and related documents. The temporary registration shall remain in effect until suspended or revoked or upon issuance or denial of an annual registration. If the State Gaming Agency refuses to issue a temporary registration it shall notify the Tribal Gaming Agency setting forth the reason(s) for refusal in writing. Such denial shall not interrupt the processing of the application for annual registration unless such application(s) is withdrawn by the applicant or the Tribal Gaming Operation.

(g) Duration of registration. Any gaming service registration issued by the State Gaming Agency shall be effective for not more than one year unless a longer period is prescribed by the State Gaming Agency; provided, that a registrant or principal(s) that has timely and properly applied for a renewal may continue to provide services, supplies or equipment or be associated with the registrant under an expired registration until final action is taken upon the renewal application and informational form(s) by the State Gaming Agency.

(h) Renewal of gaming service registration. A renewal applicant and its principals shall submit a renewal application and informational form(s) in quadruplicate to the Tribal Gaming Agency on forms prescribed by the State Gaming Agency. An applicant and its principals shall not be required to resubmit historical data previously furnished.

The renewal application and informational form(s) shall be reviewed by the Tribal Gaming

Agency and two (2) copies forwarded to the State Gaming Agency and one (1) copy to the Tribal Gaming Operation. The State Gaming Agency shall forward one copy to the State Law Enforcement Agency. No additional background investigation of an applicant for renewal shall be required unless new information concerning the applicant's continuing suitability or eligibility for a registration license is received by the State Gaming Agency, the State Law Enforcement Agency, the Tribal Gaming Agency and the Tribal Gaming Operation. The State Gaming Agency shall renew a gaming service registration unless the new information is sufficient to disqualify the renewal applicant pursuant to subsection (e) of this Section.

(i) Display of registration and badge. Registration shall be in a form prescribed by the State Gaming Agency and shall be in the possession of the registered gaming service enterprise at all times while at a Gaming Facility. Each employee or principal of the registered enterprise while at a Gaming Facility in a representative capacity shall wear a badge prescribed and issued by the Tribal Gaming Agency identifying that person as an employee or principal of the registrant unless such employee or principal has been licensed as a gaming employee in which case the employee or principal shall wear an identification badge as prescribed in Section 5 (k). Upon issuance of the badge, the name of the registrant, the name of the recipient and the badge number shall be forwarded to the State Gaming Agency and the Tribal Gaming Operation. In the event of a suspension or

revocation of the registration, the registration shall be surrendered to the State Gaming Agency and all badges surrendered to the Tribal Gaming Agency.

(j) Denial, revocation or suspension of registration and appeal. Upon a denial of an initial registration application the State Gaming Agency shall notify in writing, the applicant, the Tribal Gaming Agency and the Tribal Gaming Operation. The notice shall set forth the reason(s) for the denial. The action of the State Gaming Agency in denying an initial application may be reviewable pursuant to Article 78 of the New York Civil Practice Laws and Rules in the State Supreme Court upon petition by the applicant. The State Gaming Agency may suspend or revoke any registration or deny a renewal of any registration for any violation of this Compact or if new information concerning facts arising either prior to or since the issuance of the initial registration or any renewal thereof including the ineligibility of any principal, comes to the attention of the State Gaming Agency which information would justify denial of such initial registration, or any renewal thereof. No registration shall be suspended or revoked or renewal denied except after notice and hearing under the State Administrative Procedures Act and may be reviewable pursuant to Article 78 of the New York Civil Practice Laws and Rules upon petition by the registrant. The State Gaming Agency shall have the authority to summarily suspend a registration pursuant to such administrative procedures. The State Gaming Agency, the State Law Enforcement Agency and the



Tribal Gaming Agency may investigate any person or entity who holds a registration, or any principal thereof, at any time. Any information which comes to the actual attention of the Tribal Gaming Agency or the Tribal Gaming Operation bearing upon the eligibility of any applicant, registrant or principal must be submitted immediately to the State Gaming Agency.

(k) Investigation of non-gaming enterprises. Any enterprise which provides services, supplies or equipment to a Tribal Gaming Operation other than gaming services, supplies or gaming equipment in a total amount exceeding the sum of \$50,000.00 in a single twelve month period shall be identified by the Tribal Gaming Agency to the State Gaming Agency and shall agree to cooperate with the State Gaming Agency and the State Law Enforcement Agency in any investigation deemed necessary by either such agency relative to the fitness of such enterprise to engage in business with the Tribal Gaming Operation. The Tribal Gaming Agency or State Gaming Agency may bar such enterprise from providing supplies, services or equipment to the Tribal Gaming Operation upon a determination that such enterprise or a principal thereof is a person or entity whose prior activities, criminal record, if any, or reputation, habits and associations pose a threat to the effective regulation of gaming or create or enhance the dangers of unfair or illegal practices, methods and activities in the conduct of gaming; provided, however, that such enterprise may appeal such determination in the manner provided pursuant to subsection (j) of this Section.

SECTION 7.           Standards of Operation and Management for Class  
III Games of Chance.

(a) Standards of operation and management.       The standards of operation and management governing all gaming operations are defined in Appendix B of this Compact.   Such standards shall protect the public interest in the integrity of the gaming operations and shall reduce the dangers of unsuitable, unfair or illegal practices and methods and activities in the conduct of gaming.

(b) Persons barred from Gaming Facilities.       The Tribal Gaming Agency and State Gaming Agency shall establish, maintain and share lists of persons barred from the Gaming Facilities because their criminal histories or associations with career offenders or career offender organizations pose a threat to the integrity of the gaming activities or the safety of patrons or employees.   The Tribal Gaming Agency, Tribal Gaming Operation and State Gaming Agency shall exclude persons on such lists from entry into the Gaming Facilities.   The Tribal Gaming Agency, Tribal Gaming Operation and State Law Enforcement Agency shall also exclude persons engaging in disorderly conduct or other conduct jeopardizing public safety in the Gaming Facility.

(c) Records of complimentary services.       The Tribal Gaming Operation shall maintain a record of all complimentary services provided to patrons of its Gaming Facilities or their guests, including either the full retail price of such service or item if

the same service or item is normally offered for sale to patrons in the ordinary course of business at the Gaming Facility, or the cost of the service or item to the Tribal Gaming Operation if not offered for sale to patrons in the ordinary course of business. If the complimentary service or item is provided to a patron by a third party on behalf of the Tribal Gaming Operation, such service or item shall be recorded at the actual cost to the Tribal Gaming Operation of having the third party provide such service or item. A log recording all such complimentary services having a value greater than \$200 shall be available for inspection by the State Gaming Agency in accordance with Section 11(b) and Appendix B of this Compact.

(d) Possession of firearms prohibited. No person, including security department personnel, shall possess, or be permitted to possess any pistol or other type of firearm within any Gaming Facility without the express written consent of the State Law Enforcement Agency and the Tribal Law Enforcement Agency, except for personnel of the State Law Enforcement Agency. The Tribal Gaming Agency shall post, in a conspicuous location at every entrance to each Gaming Facility, a sign that may easily be read stating: "No person shall possess any pistol or firearm of any kind within this Gaming Facility without the express written consent of the New York State Police and the Tribal Police."

SECTION 8. Tribal Regulatory Authority in the Event that the State Declines to Exercise Jurisdiction.

(a) Default authority of Tribal Gaming Agency. In the event that the State Gaming Agency declines to exercise all or any portion of the authority vested in the State Gaming Agency pursuant to the applicable provisions of this Compact, or the Standards of Operation and Maintenance set forth in Appendix B of this Compact, then the Tribal Gaming Agency shall exercise such authority and carry out the responsibilities set forth therein including, without limitation, licensing of employees and registration of gaming service enterprises, until and unless the State Gaming Agency advises the Tribe in writing that it is prepared to exercise such authority.

(b) Default authority of Tribal Law Enforcement Agency. In the event that the State Law Enforcement Agency declines to exercise the responsibilities vested in it pursuant to the applicable provisions of this Compact, then the Tribal Law Enforcement Agency shall carry out such responsibilities at the request of the State Gaming Agency or the Tribal Gaming Agency, as the case may be, until and unless the State Law Enforcement Agency agrees to exercise such responsibility.

SECTION 9. State Assessment for Costs of Oversight.

(a) General policy. The following policies, standards and procedures shall be followed by the Tribe and the State in assessing the Tribe for all reasonable and necessary costs incurred by the State, pursuant to this Compact, in regulating gaming operations and in ensuring public safety.

(i). Compensation shall be made by the Tribe to the State for the actual cost of wages of State employees, their fringe benefits, and their relevant travel, lodging and related expenses incurred in performance of State obligations under this Compact.

(ii). The Tribe shall compensate the State, at actual cost, for such other non-employee expense as equipment, space, utility and maintenance costs necessary to perform State obligations under this Compact.

(b) Budget planning. Annually, on or about October 1, the State, after consultation with the Tribe, shall provide the Tribe with a budget estimate of State costs expected to be incurred during the following State fiscal year, i.e., from April 1 to March 31 of the succeeding year. The purpose is to enable the Tribe and the State to engage in forward fiscal planning. This estimate shall be divided into two major segments: one for Class III gaming regulation, the other for related public safety

protection. Coordination of estimates developed by the State agencies concerned shall be the responsibility of the State Office of Indian Relations or such other agency of the State as the State may designate from time to time by written notice to the Tribe. The comprehensive budget estimate shall be submitted to the State Division of the Budget for review and inclusion in the State's Executive Budget. It shall include a level of detail no less than in the following schedule:

(c) Definitions.

(i). Personal Service Costs:

Staffing. Includes listing of categories of State employees by job title, pay grade and anticipated pay, and number within each category.

Fringe Benefits. Computed using the annual percentage rate promulgated by the Division of Budget for the cost of benefits provided to State employees. The percentage is applied against an employee's salary and added thereto.

Overhead Costs. For the first year of operation, these costs shall be computed and submitted annually by the State to the Tribe using the relevant computation methodology specified in Circular No. A-87 published on January 15, 1981 by the U.S. Office of Management and Budget, Executive Office of the President. In subsequent years, a fixed percentage of the total salaries of

State employees directly assigned to Class III gaming activities may be used in lieu of an annual computation if mutually agreed to by both parties. The agreed-upon amount will be approximately the same as the actual overhead costs. The purpose is to defray the associated administrative costs of the State's and any relevant State agency's central administration.

Auditing. Includes the estimated cost of auditing by the State, if, under the terms of this Compact, the State retains and exercises certain authority to audit gaming activities and/or associated records.

(ii) Non-Personal Service. Includes items directly related to gaming regulation and policing, such as vehicles, telephones, fax machines, desks, chairs, file cabinets, personal computers, communication systems, rental cost of off-reservation headquarters space, and cleaning, maintenance and supply costs. Estimated costs for each shall be detailed.

(iii) One-Time v. Recurring Costs. Identifies those costs, primarily for Non-Personal Service, that are incurred as a one-time cost by the State during the start-up period(s) and segregating those costs that are estimated to be recurring.

Because the number of Gaming Facilities to be operated is uncertain, the cost allocation will also include estimated cost per Gaming Facility.

- (d) Appropriation. To permit reimbursement of State costs by the Tribe, a Special Revenue Fund/Other (SRO) appropriation(s) shall be recommended by the Governor of the State each year in the Executive Budget submitted to the Legislature. Upon legislative approval, this type of appropriation receives income from a specific revenue source, with disbursements from the fund made only for specified purposes related to the funding source. Expenditures by the State relating to this Compact shall be made from the SRO appropriation, and the Tribe shall reimburse the appropriation for the actual expenses incurred by the State. Since the nature of an appropriation requires that a fixed amount be appropriated by the Legislature, the Tribe shall provide the State, prior to October 1 of each year, its best estimate on the number of Gaming Facilities that will be operating on the Reservation during the ensuing State fiscal year. During that year, the State Gaming Agency shall be notified in not less than ninety (90) days of the intent of the Tribe or Tribal Gaming Agency to commence the operation of a new Gaming Facility or terminate the operation of an existing Gaming Facility.



(e) Payments by Tribe to State.

- (i) Assessment by State. The State shall assess the Tribe quarterly for actual expenses incurred in executing its responsibilities under this Compact. Time spent by State employees in performance of relevant duties shall be documented by duly executed and approved time records, and reimbursement for expenses for employee travel, lodging and food shall be based upon the policies of the State of New York applicable to all State employees, as adjusted from time to time. Purchase of equipment, supplies and other Non-Personal Service items shall be supported by appropriate receipts of purchase or lease.
- (ii) Start-up Assessment. During the start-up year of Gaming Operations, the State's quarterly assessment of costs to the Tribe shall be based upon the prospective budget estimates developed by the State in cooperation with the Tribe. Within 30 days after the close of the State's fiscal year, the State shall submit an adjusted assessment to the Tribe reflecting actual State expenses. If the adjustment demonstrates that the Tribe has been overbilled or underbilled, a compensating adjustment will be made in billings to the Tribe in the subsequent billing period.

(iii) Subsequent Assessments. For each of the second and subsequent years, the first quarterly billing to the Tribe, representing the period of actual expenses from April 1 to June 30 inclusive, shall be submitted by the State on or about August 1 of each year. Subsequent quarterly billings shall be submitted to the Tribe by the State on or about November 1 for the second quarter, February 1 for the third quarter, and May 1 for the last quarter. Reimbursement to the State by the Tribe shall occur within 30 days of billing by the State via check made out to the order of the State Comptroller of the State of New York, with notation referencing the appropriate Special Revenue Fund/Other account, and mailed to the Comptroller, 6th floor, Alfred E. Smith State Office Building, Albany, New York 12236.

(f) Resolution of disputed State expenses. If the Tribe disputes the validity of any of the State's expenses billed to the Tribe for reimbursement to the State, the Tribe, within the 30-day reimbursement period, shall notify the relevant State agency and the State Office of Indian Relations of the disputed items billed and give its reasons for contesting them. If the Tribe and the State are unable to resolve the dispute(s) to their mutual satisfaction, the dispute resolution procedures provided for in Section 14 of this Compact shall be utilized for a final

resolution. Until such resolution is obtained, all of the undisputed items in a billing shall be reimbursed by the Tribe to the State; only the disputed items shall be withheld until a final resolution is obtained.

**SECTION 10. Approval of Management Contracts.**

In accordance with Section 11(d)(9) of the Act, 25 U.S.C. §2710(d)(9), the Chairman of the National Indian Gaming Commission shall be responsible for the review and approval of any management contract for management of Tribal Gaming Operations conducted on the Reservation pursuant to this Compact in accordance with the provisions of subsections (b), (c), (d), (f), (g) and (h) of Section 12 of the Act, 25 U.S.C. §2711. The Tribe shall not enter into any management contract for the management of Tribal Gaming Operation on the Reservation without the approval of the Chairman in accordance with the terms of the Act. The Tribe shall provide the State Gaming Agency with a copy of such contract and with the information described in Section 12(a)(1) of the Act, 25 U.S.C. §2711 at the time of submission of such contract to the Chairman and agrees that the State shall be deemed to have standing to submit its views regarding approval of such contract to the National Indian Gaming Commission.

SECTION 11. Enforcement of Compact Provisions.

(a) Tribal gaming agency supervision. The Tribal Gaming Agency shall have primary responsibility for oversight of Tribal Gaming Operations and shall, for that purpose, employ inspectors who shall be present in all Gaming Facilities during all hours of operation and who shall be under the supervision of personnel accountable solely to the Tribal Gaming Agency and not to any employees of the Tribal Gaming Operations. Such inspectors shall have unfettered access to all areas of the Gaming Facilities at all times, and personnel employed by the Tribal Gaming Operation shall for such purposes provide such inspectors access to locked and secure areas of the Gaming Facilities in accordance with the provisions of Appendix B. Such inspectors shall investigate and report to the Tribal Gaming Agency regarding any failure by the Tribal Gaming Operation to comply with any of the provisions of this Compact or the applicable laws and ordinances of the Tribe and shall also report, process and resolve (1) complaints by patrons, (2) violations committed by patrons, (3) violations committed by gaming employees and (4) violations committed by the Tribal Gaming Operation. The Tribal Gaming Agency shall require the Tribal Gaming Operation to correct such failure upon such terms and conditions as the Tribal Gaming Agency may determine necessary. The Tribal Gaming Agency shall agree to fully cooperate with all State Gaming Agency and State Law Enforcement Agency investigations and shall forward copies of all patron

complaints, gaming violations and security breach incidents to the State Gaming Agency on a daily basis. In the case where a report indicates that a complaint, violation or incident has not been resolved, the report shall state what remedial steps have been or will be taken to resolve the matter. A follow-up report shall indicate the final disposition of the matter. If the State Gaming Agency disagrees with the action taken by the Tribal Gaming Agency or the action of the Tribal Gaming Operation, which the Tribal Gaming Agency supports, the parties shall meet to settle the matter. If the parties cannot agree, the Tribal Gaming Agency or the State Gaming Agency may initiate the provisions of Section 14 of this Compact. If the State Gaming Agency and Tribal Gaming Agency agree that the Tribal Gaming Operation has violated the provisions of the Compact, appropriate sanctions shall be imposed. The Tribal Gaming Agency will prepare a plan for the safety and security of employees and patrons in each of its Gaming Facilities, following consultation and agreement with the State Law Enforcement Agency, setting forth the respective responsibilities of the Tribal Law Enforcement Agency, the security departments of the Tribal Gaming Operations, and the State Law Enforcement Agency. The Tribal Gaming Agency will also provide the State Gaming Agency and State Law Enforcement Agency with copies of the floor plans and surveillance systems for each Gaming Facility in accordance with the applicable provisions of Appendix B and confer with such agencies regarding the adequacy of such plans and systems. The

Tribal Gaming Agency shall be empowered by Tribal ordinance to impose fines and other appropriate sanctions within the jurisdiction of the Tribe upon any enterprise or person who violates provisions of this Compact including the Appendices.

(b) State review authority. The State Gaming Agency shall have the authority to review the Tribal Gaming Operation in order to determine whether such operations are conducted in compliance with the provisions of this Compact, and for that purpose personnel employed by the State Gaming Agency shall be present in all Gaming Facilities during all hours of operation and shall have unfettered access to all areas of the Gaming Facilities at all times without prior notice for the purpose of performing operation audits of the Tribal Gaming Operations; provided, however, that personnel of the Tribal Gaming Operation shall always accompany personnel of the State Gaming Agency into those areas where money is counted or kept. State personnel shall report to the State Gaming Agency and the Tribal Gaming Agency regarding any failure by the Tribal Gaming Operation to comply with any of the provisions of this Compact. Each Tribal Gaming Operation shall provide the State Law Enforcement Agency and State Gaming Agency with separate and reasonable office spaces and reasonable parking spaces adjacent to each Gaming Facility for the use of their personnel for the purposes of such review and enforcement activities. Personnel employed by the State Gaming Agency shall not interfere with the conduct of the Tribal Gaming Operations except as may be required to perform such

review and operational auditing functions. Auditors employed by the State Gaming Agency shall upon notice to the Tribal Gaming Agency have unfettered access during ordinary business hours of operation to inspect and copy all records, including computer log tapes, of the Tribal Gaming Operations; provided, however, that all records of the Tribal Gaming Operations and Tribal Gaming Agency which are obtained by the State Gaming Agency shall be deemed confidential and proprietary financial information belonging to the Tribe and shall not be subject to public disclosure by the State without the express written consent of the Tribe. The State Gaming Agency may conduct whatever investigations as they deem appropriate respecting violations of this Compact. The Tribal Gaming Agency, as agent of the Tribe, shall cause each of the Class III gaming operations to be subjected to an annual audit by an Independent Certified Public Accountant, selected by the Tribal Gaming Agency, in accordance with the provisions of Appendix C. The State Gaming Agency shall be provided with an opportunity to review the audit findings with the Independent Certified Public Accountant prior to issuance of the audit report and shall receive copies of the audit report, engagement letter, management's representation letter, lawyer's contingency letter and such other workpapers as the State Gaming Agency deems necessary.

(c) Enforcement authority of the State Gaming Agency. If the State Gaming Agency determines that the Tribal Gaming Operation is not in compliance with any provision of this

Compact, the State Gaming Agency shall deliver a notice of noncompliance to the Tribal Gaming Agency and the Tribal Gaming Operation setting forth the nature of such noncompliance and the action required to remedy such noncompliance. In the event that the Tribal Gaming Operation's noncompliance continues following receipt of such notice, the State Gaming Agency may (1) bring an action in the United States District Court for the Northern District of New York pursuant to 25 U.S.C. §2710(d)(7)(A)(ii) to enjoin the noncompliant activity in violation of this Compact, or (2) commence an arbitration pursuant to Section 14 of this Compact. In addition, the State also may petition the National Indian Gaming Commission to impose penalties on the Tribe pursuant to Section 11(d) of this Compact.

(d) Enforcement authority of the National Indian Gaming Commission. The Tribe shall enact as part of its tribal ordinances governing Class III gaming activities on the Reservation and submitted to the National Indian Gaming Commission for approval pursuant to Section 11(d) (2) of the Act, 25 U.S.C. §2710(d) (2), all of the provisions of this Compact. In accordance with Section 14 of the Act, 25 U.S.C. §2713, the National Indian Gaming Commission may enforce the provisions of the ordinances of the Tribe governing the conduct of Class III gaming activities on the Reservation, including the provisions of this Compact as incorporated into such ordinances pursuant to this section. The State Gaming Agency may petition the National Indian Gaming Commission to impose penalties on the Tribe



pursuant to 25 U.S.C. §2713, including civil fines and temporary or permanent closure of some or all of the Tribal Gaming Operation, for violation of the ordinances of the Tribe including the provisions of this Compact incorporated into such ordinances.

(e) Quarterly meetings. In an attempt to develop and foster a relationship in the enforcement of the provisions of this Compact representatives of the State Gaming Agency, State Law Enforcement Agency, the Tribe and Tribal Gaming Agency shall meet, not less than on a quarterly basis, unless otherwise agreed, to review past practices and examine methods to improve the regulatory and enforcement programs created by this Compact.

SECTION 12. Application of State Regulatory Standards.

(a) Health and safety standards. Tribal ordinances and regulations governing health and safety standards applicable to the Gaming Facilities shall be no less rigorous than standards imposed by the laws and regulations of the State relating to public facilities with regard to building, sanitary, and health standards and fire safety. The Tribe shall cooperate with any State agency generally responsible for enforcement of such health and safety standards in order to assure compliance with such standards. Tribal ordinances and regulations governing water discharges from the Gaming Facilities shall be no less rigorous than standards generally imposed by the laws and regulations of the State relating to public facilities; provided, however, that

to the extent that federal water discharge standards specifically applicable to the Reservation would pre-empt such State standards, then such federal standards shall govern.

(b) Traffic standards. The Tribe shall provide access from any Gaming Facilities located on the Reservation onto public highways of the State of New York which are adequate to meet standards of the State Department of Transportation or shall enter into agreements with the State Department of Transportation for the provision of such access by the State, including provisions for compensation by the Tribe of the costs incurred by the State in constructing such improvements to the public highways, including traffic control signals, as may be necessary. The State will cooperate with the Tribe in providing at the Tribe's expense such signage as is reasonable and appropriate in order to permit members of the traveling public to locate the Reservation from the major road approaches.

SECTION 13. Amendment and Modification.

(a) Amendment and modification. The provisions of this Section shall govern the amendment and modification of the Compact and any of its Appendices. No provision of this Compact or of any of its Appendices shall be amended or modified except by written agreement of the Tribe and the State.

(b) Compact provisions. A request to amend or modify the Compact by either party shall be in writing, specifying the

manner in which the party requests the Compact to be amended or modified, the reason(s) therefor, and the proposed language. Representatives of the parties shall meet within ten (10) days of the request and shall expeditiously and in good faith negotiate whether and on what terms and conditions the Compact will be amended or modified. A request by the Tribe to amend or modify any provision of the Compact shall be deemed a request to enter into negotiations for the purpose of entering into a Tribal-State Compact subject to the provisions of 25 U.S.C. §2710(d). Disputes between the Tribe and the State shall not be subject to arbitration pursuant to Section 14.

(c) Appendices provisions: games.

- (i) If the State (1) makes lawful a Class III game of chance not authorized to be conducted for any purpose by any person, organization or entity when this Compact took effect and the State Gaming Agency adopts specifications for such game, or (2) enters into a Tribal-State Compact with any Indian tribe or nation governing the conduct of Class III Gaming authorizing the conduct by such tribe or nation of a Class III game of chance not authorized to be conducted by the Tribe under this Compact, and setting forth specifications for such game, the State Gaming Agency shall give the Tribe written notice of such action within five (5) days, identifying the game and its specifications.

If the Tribe accepts such game and its specifications, it shall notify the State Gaming Agency in writing and the appropriate amendments or modifications shall be made to Appendices A and B. If the Tribe submits its own specifications for such game, the State Gaming Agency shall within fifteen (15) days notify the Tribe that it has accepted or rejected the Tribe's proposed specifications. If the State Gaming Agency accepts the Tribe's proposed specifications, the appropriate amendments and modifications shall be made to Appendices A and B. If the State Gaming Agency rejects the Tribe's proposed specifications, the Tribe may commence an arbitration pursuant to Section 14 of this Compact.

- (ii) The Tribe may make a request to amend or modify specifications for an approved game in Appendix A by submitting proposed amended or modified specifications in writing to the State Gaming Agency. The State Gaming Agency shall within fifteen (15) days notify the Tribe that it has accepted or rejected the Tribe's proposed specifications. If the State Gaming Agency accepts the Tribe's proposed specifications, the appropriate amendments and modifications shall be

made to Appendices A and B. If the State Gaming Agency rejects the Tribe's proposed specifications, the Tribe may commence an arbitration pursuant to Section 14 of this Compact.

- (iii) The Tribe may request that a Class III game of chance be added to the approved games of chance contained in Appendix A by submitting written specifications for such a game to the State Gaming Agency. Such a request shall be deemed a request to amend or modify the Compact pursuant to Section 13(b), and the Tribe may not commence an arbitration pursuant to Section 14 with respect to a dispute arising out of such request. The State Gaming Agency shall within fifteen (15) days notify the Tribe in writing that it accepts or rejects the game and the specifications proposed by the Tribe. If the State Gaming Agency accepts the proposed game and the specifications, the appropriate amendments shall be made to Appendices A and B. If the State Gaming Agency rejects the proposed game and the specifications, the State and the Tribe shall within five (5) days after the Tribe's receipt of the notice of rejection enter into negotiations pursuant to Section 13(b). Nothing in this Compact shall be deemed to waive

the right of the Tribe to request negotiations for amendment or modification to this Compact with respect to a Class III game or activity which is to be conducted on the Tribal lands but which is not permitted under the provisions of this Compact.

(d) Appendices provisions: other. Except as provided for in subsection (c) above, if the Tribe or the State seeks to amend or modify a provision of any of the Appendices to this Compact, it shall notify the other party in writing. The party receiving such notice shall within fifteen (15) days notify the party requesting the amendment or modification that it accepts or rejects the proposed amendment or modification. If the proposed amendment or modification is accepted it shall be made. If the proposed amendment or modification is rejected, the party proposing it may commence an arbitration pursuant to Section 14 of this Compact.

SECTION 14. Arbitration.

(a) Notice. If the State or the Tribe (1) believes that the other party has failed to comply with any provision of this Compact or of the Appendices hereto, or (2) intends to commence an arbitration concerning a request to amend or modify a provision of any of the Appendices, as provided in Section 14, it shall notify the other party in writing. The notice of

noncompliance shall identify each provision of the Compact alleged to have been violated, specify, with particularity and detail, the factual basis therefor, and include documentation sufficient to support the claim of noncompliance. Within five (5) days of receipt of notice under this subsection by either party, the Tribe and the State shall meet and attempt to resolve the dispute.

(b) Procedures for dispute resolution. If the dispute is not resolved to the satisfaction of the parties within thirty (30) days after service of the notice set forth in subsection (a) above, the dispute shall be determined by arbitration pursuant to the rules of the American Arbitration Association. The parties shall maintain a list of mutually agreed-upon arbitrators from which an arbitrator shall be selected by the parties to resolve any given dispute. In the event of a disagreement as to the arbitrator to be selected, each party shall select one arbitrator and the two arbitrators shall select a third. The arbitrator(s) shall be selected within thirty-five (35) days of the notice set forth in subsection (a) above.

(c) Arbitration costs. The cost of arbitration shall be paid by the losing party, unless the decision of the arbitrator(s) shall specify otherwise, but the parties shall bear their own expenses and attorneys' fees associated with their participation in the arbitration. All arbitration proceedings shall be conducted to expedite resolution of the dispute and minimize cost to the participants.

(d) Remedies. The arbitrator(s) may impose any relief available in law or equity warranted under the circumstances.

(e) Arbitration decision. The decision of the arbitrator(s) shall be final, binding and unappealable. Failure to comply with the judgment and award within the time specified therein for compliance shall be deemed a breach of the Compact, and the prevailing party may bring an action in the United States District Court of the Northern District of New York to enforce the judgment and award.

(f) Preservation of remedies. The right to commence an arbitration pursuant to this Section is in addition to any other remedies that may be available to the parties under applicable law. The Tribe and the State hereby waive any defense which they may have by virtue of their sovereign immunity from suit with respect to any such action in the United States District Courts only for the limited purposes to enforce the provisions of this Compact, and consent to the exercise of jurisdiction over such action and over the Tribe and the State by the United States District Courts with respect to such actions to enforce the provisions of this Compact.

SECTION 15. Effective Date and Duration.

(a) Effective date. This Compact shall be effective upon publication of notice of approval by the Secretary of the



Interior of the United States in the Federal Register in accordance with 25 U.S.C. §2710(d)(3)(B).

(b) Termination. Once effective this Compact shall be in effect until terminated by written agreement of both parties.

(c) Consultation upon revision of State regulations.  
Whenever the State adopts or revises any rule or regulation which corresponds to any provision of the Tribe's Standards of Operations and Management relating to the same type of gaming, the State Gaming Agency may notify the Tribal Gaming Agency that it requests analogous changes in such Standards and the Tribal Gaming Agency will promptly confer with the State Gaming Agency in good faith concerning the appropriateness and applicability of such changes.

SECTION 16. Notices.

All notices required or authorized to be served shall be served by first class mail at the following addresses:

Tribal Chiefs	Chairman
St. Regis Mohawk Tribe	NYS Racing and Wagering Board
Community Building	400 Broome Street
St. Regis Mohawk Indian	New York, New York 10013
Reservation - Akwesasne	
Hogansburg, NY 13655	

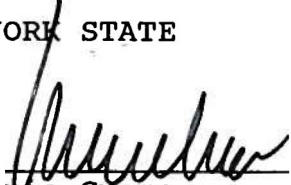
SECTION 17. Severability.

In the event that any section or provision of this Compact is held invalid, or its application to any particular activity

held invalid, it is the intent of the parties that the remaining sections of the Compact and the remaining applications of such section or provision shall continue in full force and effect.

NEW YORK STATE

By

  
Mario Cuomo  
Governor

ST. REGIS MOHAWK TRIBE

By

  
Norman J. Tarbell, Chief

By

  
L. David Jacobs, Chief

By

  
John S. Loran, Chief

6-9-93



Ada E. Deer  
Assistant Secretary - Indian Affairs

12-4-93

Date