



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, D.C. 20240

Honorable Samuel Penney
Chairman
Nez Perce Tribe
P.O. Box 305
Lapwai, Idaho 83540

OCT 20 1995

Dear Chairman Penney:

On September 5, 1995, we received the 1995 Class III Gaming Compact by and between the Nez Perce Tribe (Tribe) and the State of Idaho (State), dated August 22, 1995. We have completed our review of this Compact and conclude that it does not violate the Indian Gaming Regulatory Act of 1988 (IGRA), Federal law, or our trust responsibility. Therefore, pursuant to my delegated authority and Section 11 of the IGRA, we approve the Compact. The Compact 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.

Notwithstanding our approval of the Compact, Section 11(d)(1) of the IGRA, 25 U.S.C. § 2710(d)(1), requires that tribal gaming ordinances be approved by the Chairman of the National Indian Gaming Commission (NIGC). Regulations governing approval of Class II and Class III gaming ordinances are found in 25 C.F.R. § § 501.1-577.15 (1994). 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. The Tribe may want to contact the NIGC at (202) 632-7003 for further information to determine when and how to submit the ordinance for approval by the NIGC.

In addition, if the Tribe enters 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 for information on submitting the ordinance and the management contract for approval by the NIGC.

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

Sincerely,

/S/ Ada E. Deer

Ada E. Deer

Assistant Secretary - Indian Affairs

Enclosures

Identical Letter Sent to: Honorable Philip E. Batt
 Governor of Idaho
 State Capitol
 Boise, Idaho 83702

cc: Portland Area Director w/copy of approved Compact
 Supt., No. Idaho Agency w/copy of approved Compact
 National Indian Gaming Commission w/copy of approved Compact
 Boise Field Solicitor's Ofc w/copy of approved Compact
 United States Attorney w/copy of approved Compact

1995 CLASS III GAMING COMPACT

By and Between

THE NEZ PERCE TRIBE

and

THE STATE OF IDAHO

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1995 CLASS III GAMING COMPACT

By and Between the NEZ PERCE TRIBE and the STATE OF IDAHO

This Tribal-State Compact is made and entered into by and between the Nez Perce Tribe ("Tribe"), a federally recognized Indian Tribe, and the State of Idaho ("State") pursuant to the provisions of the Indian Gaming Regulatory Act. Pub. L. 100-497, 102 Stat. 2425, codified at 25 U.S.C. §§ 2701 *et seq.* and 18 U.S.C. §§ 1166-1168 (the "Act"). Whereby, the parties herein do promise, covenant and agree as follows:

ARTICLE 1. TITLE

These Articles of Compact collectively comprise, and may be cited as, "The 1995 Class III Gaming Compact By and Between the Nez Perce Tribe and the State of Idaho" or the "Compact."

ARTICLE 2. RECITALS

- 2.1 The Tribe and the State recognize and respect the laws and authority of the respective sovereigns.
- 2.2 On July 22, 1992, the Tribe, acting in accordance with the Act, filed a request with the State to enter into negotiations for the purpose of negotiating and entering into a Tribal-State Compact governing the conduct of the Tribe's Class III gaming activities.
- 2.3 The Tribe intends through this Compact to enhance the economic development of the Tribe, provide employment, maintain public confidence and trust that gaming

by the Tribe is conducted honestly, and free from criminal and corrupt influences, and to otherwise govern the conduct and operation of gaming in furtherance of the public interest of the Tribe and the State.

- 2.4 The parties recognize that gaming may provide positive financial impacts to the Tribe. The Tribe may utilize gaming-generated financial resources to fund programs that provide vital services to Tribal citizens. These programs may include education, health and human resources, housing, road construction and maintenance, sewer and water projects, economic development and self-sufficiency.
- 2.5 The Tribe, through this Compact and the regulations provided for herein, shall attempt in good faith to address the legitimate and common concerns of both parties.
- 2.6 The parties deem it in their respective best interests to enter into this Compact.
- 2.7 In the spirit of cooperation, the parties hereby set forth in joint effort to implement the terms of this Compact in good faith.

ARTICLE 3. PURPOSE

The purposes of this Compact are:

- 3.1 To assure that the Tribe is the primary beneficiary of the gaming operation;
- 3.2 To protect the health, welfare, and safety of the public;
- 3.3 To assure that the profits derived from Class III gaming are accurately reported, are transferred to the rightful parties and are used for the purposes intended;
- 3.4 To assure that expenses of Class III gaming are legitimately incurred and accurately reflect the value of the property obtained or the services rendered;
- 3.5 To assure honesty and financial integrity of all activities conducted;
- 3.6 To assure that Class III gaming is completely and fairly regulated on an on-going basis;

3.7 To deter crime or the potential for any crime to occur and to protect any such gaming activity from any involvement by organized crime or other corrupting influences;

3.8 To protect, preserve, and enhance the economic and general welfare of the public and the citizens of both the Tribe and the State;

3.9 To recognize, enhance and further develop the official government-to-government relationship between the Tribe and the State and to mutually recognize and re-emphasize the governmental powers of each of them.

ARTICLE 4. DEFINITIONS

For purposes of this Compact:

4.1 "Act" means the federal Indian Gaming Regulatory Act, Pub. L. 100-497, 25 U.S.C. §§ 2701 *et seq.* and 18 U.S.C. §§ 1166-68.

4.2 "Commission" or "Gaming Commission" means the Nez Perce Tribal Gaming Commission, the single tribal agency primarily responsible for regulatory oversight of Class III gaming as authorized in this Compact.

4.3 "Class III gaming" means that type of gaming defined in Section 4(8) of the Act, 25 U.S.C. § 2703(8).

4.4 "Gaming code" means the laws, rules and regulations adopted by the Tribe as amended from time to time governing gaming activities at Tribal gaming facilities, and any other gaming operations conducted within the boundaries of the Nez Perce Reservation.

4.5 "Gaming employee" means any natural person employed in the operation or management of the gaming operation, whether employed by the Tribe or by any enterprise providing onsite services to the Tribe within the gaming facility, excluding persons providing maintenance, janitorial or other such ancillary non-gaming services.

- 4.6 "Gaming facility" or "gaming facilities" means all buildings, improvements and facilities used or maintained in connection with the conduct of Class III gaming as authorized by this Compact.
- 4.7 "Gaming operation" means the gaming enterprise, owned by the Tribe on Indian lands for the conduct of Class III gaming.
- 4.8 "Governor" means the Governor of the State of Idaho.
- 4.9 "Indian lands" means Indian lands as defined in the Act, as well as lands within the State which meet the requirements of 25 U.S.C. § 2719.
- 4.10 "License" means an approval or certification issued by the Commission to any natural person or enterprise to be involved in the gaming operation or in the providing of gaming services to the gaming operation.
- 4.11 "Licensee" means any natural person or enterprise that has been approved and licensed by the Commission to be involved in the gaming operation or in the providing of gaming services in the gaming operation.
- 4.12 "Management Contract" means a contract for the development and management of a Class III gaming operation, as provided in Article 9 of this Compact, and approved pursuant to the Act.
- 4.13 "Management Contractor" means any person, corporation or entity that enters into a development and management contract with the Tribe pursuant to Article 9 of this Compact.
- 4.14 "NPTEC" means the Nez Perce Tribal Executive Committee, which is the governing body of the Nez Perce Tribe.
- 4.15 "Pari-mutual betting" means a system of wagering on a live race whereby the winners divide the total amount wagered, in proportion to the amount individually wagered, after deducting commissions, fees and taxes. For purposes of this Compact, wagering on live races described in Article 6.1 is

authorized if it occurs either at a racetrack or on Indian lands by means of a simulcast of a live race.

4.16 "Regulations" means the gaming regulations promulgated by the Tribe pursuant to this Compact.

4.17 "Simulcast" means a simultaneous telecast of a live race.

4.18 "State" means the State of Idaho, its authorized officials, agents and representatives.

4.19 "State gaming agency" means the Idaho State Lottery which is the coordinating agency regarding Class III gaming pursuant to Idaho Code § 67-7409.

4.20 "State lottery" means:

- .1 The scratch-off game in which a player purchases a paper ticket that has groupings of numbers or symbols that are covered with a material that can be scratched off, thereby exposing the numbers or symbols. The player wins a prize if his ticket contains a pre-set combination of numbers or symbols; and
- .2 The numbers game commonly known as lotto in which a player purchases a paper ticket containing a series of numbers (often 5, 6 or 7 numbers) and wins a prize if all or some of these numbers are selected at a random drawing; and
- .3 The pull-tab or break-open game in which a player purchases a paper product that, when pulled apart, reveals a grouping of numbers or symbols. A player wins a prize if his ticket contains a pre-set combination of numbers or symbols; and
- .4 Any other type of game that the State hereafter conducts as a lottery game.

4.21 "Track" means an in-state or out-of-state facility licensed to operate horse or other racing where pari-mutuel wagering on races is conducted.

4.22 "Tribal law enforcement agency" means the police force of the Tribe, established and maintained by the Tribe, pursuant to the Tribe's powers of self-government, to carry out law enforcement on Indian lands, including the law enforcement program maintained by the Bureau of Indian Affairs on the Nez Perce Reservation.

4.23 "Tribe" means the Nez Perce Tribe of Indians, its authorized officials, agents and representatives.

ARTICLE 5. PARTIES AND AUTHORITY

5.1 The Governor has authority to execute this Compact on behalf of the State pursuant to Idaho Constitution, art. IV, sec. 5, and Idaho Code §§ 67-429A, 67-802 and 67-4002.

5.2 The Nez Perce Tribal Executive Committee has authority to execute this Compact on behalf of the Tribe pursuant to the sovereign powers of the Tribe as well as tribal/federal agreements, tribal ordinances and executive orders.

ARTICLE 6. AUTHORIZED CLASS III GAMING

6.1 Gaming Authorized. Following approval of this Compact as provided in the Act, the Tribe may operate in its gaming facilities located on Indian lands the following types of games that are legal in the State of Idaho.

. 1 Lottery: those lottery games defined as "State lottery" in Article 4.20.

.2 Pari-mutuel betting:

- (a) on the racing of horses;
- (b) on the racing of dogs;
- (c) on the racing of mules; and
- (d) on the simulcast of a, b, or c.

.3 Any additional type of game involving chance and/or skill, prize and consideration that may hereafter be permitted by the public policy and criminal law of the State of Idaho.

6.2 No Restrictions on Authorized Gaming. Except as otherwise provided in this Compact, gaming authorized in Article 6.1 shall not be subject to any State restrictions, including the Tribe's advertising or promotion of the authorized games or any intrastate or interstate aspects of the permitted games. Provided, this section is not intended to permit types of gaming that are not legal in the State of Idaho and is not intended to permit gaming except on Indian lands as defined in Article 4.9.

6.3 Post Compact Meetings

The Tribe and the State agree to meet every six (6) months in an effort to enhance good relations and to facilitate the orderly operation of the matters addressed in this Compact. The first such meeting shall take place not later than December 1, 1995.

ARTICLE 7.

REGULATION, OPERATION AND MANAGEMENT OF GAMING

NPTEC shall regulate, operate and manage authorized Class III gaming in accordance with the terms of this Compact, the Gaming Code and regulations. NPTEC shall take legislative action adopting the terms of this Compact and, regulations into Tribal Law. NPTEC may adopt, amend or repeal such regulations or codes, consistent with the policy, objectives, purposes and terms of this Compact.

ARTICLE 8. TRIBAL GAMING COMMISSION

8.1 The Tribe, through NPTEC, shall have sole proprietary interest in and ultimate responsibility for the conduct of all gaming conducted by the Tribe. Consistent with this Compact, NPTEC shall determine the type of Class III gaming

authorized and retain responsibility for entering into management contracts or the selection of gaming operators.

- 8.2 NPTEC shall establish the Tribal Gaming Commission. The Commission shall consist of five (5) members with staggered three (3) year terms, appointed by and under the direct authority of NPTEC. Commission members may be removed for cause. Members of the Commission and their immediate family members shall not have any financial interest in the gaming regulated by the Commission or in any business supplying equipment or services for such Class III gaming activities. Any Commission member shall not consider any matter before the Commission involving immediate family members. "Immediate family member" as used in this Article means a Commission member's spouse or the father, mother, brother, sister, grandparent, and child or stepchild of a Commission member.
- 8.3 The Commission shall have the duty to regulate and supervise all authorized Class III gaming. The Commission shall the have powers and duties as prescribed by NPTEC which shall be exercised consistently with the Act and this Compact, including the following:
- .1 Propose regulations, rules and bylaws consistent with the Act, Gaming Code and this Compact for the operation and management of all Class III gaming and facilities.
 - .2 Adopt standards for and issue licenses to Class III gaming facilities and operations which require licensing.
 - .3 To enter all gaming offices, facilities or other places of business to determine compliance with this Compact, Gaming Code, regulations and other applicable law.

- .4 Conduct investigations of alleged violations of this Compact, the Gaming Code, regulations and other applicable law.
 - .5 Take appropriate disciplinary action for violations of this Compact, Gaming Code or regulations, including the assessment of fines, or the conditioning, suspending or revocation of licenses or to institute appropriate legal action for enforcement or both.
 - .6 Provide for adequate security at all authorized gaming facilities.
 - .7 Determine appropriate methods for receipt of gaming revenue, specification of payouts and disbursements as provided in this Compact.
 - .8 Shut down or confiscate all equipment and gaming supplies failing to conform to required standards or regulations.
 - .9 Perform all other acts reasonably necessary to fulfill the purpose and execute the provisions of this Compact, the Gaming Code and regulations.
- 8.4 Prior to appointing the Commission, NPTEC shall conduct a background investigation of the proposed Commission which shall meet the requirements for Management Contractor background investigations set forth in Article 10.

ARTICLE 9. MANAGEMENT CONTRACTOR

The Tribe may enter into management contracts for the development and management of gaming authorized by and consistent with this Compact and in accord with regulations, the Act and the Gaming Code. The management contract shall be submitted to the Bureau of Indian Affairs or the Chairman of the National Indian Gaming Commission for approval. NPTEC shall not allow a management contractor to operate gaming authorized by this Compact if the Bureau of Indian Affairs or the Chairman of the National Indian Gaming Commission has disapproved the management contractor or management contract.

ARTICLE 10. LICENSING REQUIREMENTS

- 10.1 The Commission shall be responsible for issuing the necessary facility or personal licenses.
- 10.2 All gaming employees shall be licensed by the Commission. Such licenses are privileges which shall be granted and shall remain in effect only if the applicant establishes to the satisfaction of the Commission that the applicant clearly meets all licensing requirements. The Commission shall promulgate specific licensing requirements for gaming employee applicants which shall include at least the following mandatory minimum requirements. The applicant must:
- .1 be at least 18 years of age, unless tribal or State liquor regulations require otherwise;
 - .2 be of good moral character;
 - .3 possess creditworthiness and integrity in past financial transactions;
 - .4 not have been convicted of an offense related to gambling, fraud, misrepresentation or deception, drugs, or a felony within the past ten (10) years;
 - .5 not be a person whose prior activities, reputation or associations pose a threat to the public interest, or the effective regulation of gaming, or create or enhance the danger of unsuitable, unfair, or illegal practices or methods or activities in the conduct of gaming;
 - .6 not be employed in any capacity which would create a conflict of interest between the applicant and the gaming operation;
 - .7 not have had a gaming license denied, suspended or revoked by any state or tribe;
 - .8 be trainable or qualified to perform the duties required.

The Commission shall consider the experience, character, and general fitness of the applicant and the veracity and completeness of the information submitted with the application.

10.3 Failure to satisfy any of the foregoing requirements shall render the applicant ineligible to manage, operate or participate in gaming operations.

10.4 The Commission shall revoke an existing license upon the happening of any event which would have rendered the licensee ineligible for the license at the time of application or upon the failure of a licensee at any time to satisfy the Commission that the licensee meets all requirements. For this purpose, the Commission may require a licensee to be reconsidered at any time. A license shall be revoked if the licensee is in violation of this Compact, regulations or directives of the Commission.

10.5 Any applicant seeking a license shall first submit to a background check to be conducted by the Commission or its designee to ensure that applicants are eligible for a license. The Commission may issue a temporary license for a period of three (3) months pending completion of the background investigation for all individuals except the management contractor.

10.6 If a management contractor is used by the Tribe, the Commission shall conduct a thorough background investigation of the management contractor prior to issuing a permanent or temporary license.

10.7 Background investigations of primary management officials and key employees shall be as thorough as investigations performed upon management contractors.

10.8 Background investigations may be conducted by tribal law enforcement personnel, BIA police, the Federal Bureau of Investigation, or the State as may be agreed to by the Tribe and such entity. The gaming operation shall obtain sufficient information and identification from the applicant on forms to be

furnished by the Commission to permit a thorough background investigation together with such fees as may be required by the State and the Tribe. The information obtained shall include, at a minimum, name (including any aliases), current address, date and place of birth, criminal arrest and conviction record, Social Security number, sex, height, weight, and two (2) current photographs. This information shall be provided in writing to the designated agency which shall conduct the background investigation and provide a written report to the Commission and the State gaming agency regarding each application.

- 10.9 Each applicant must submit a set of fingerprints to be forwarded to the Bureau of Criminal Identification, Department of Law Enforcement, for examination and further submission, if necessary, to the Federal Bureau of Investigation. Such identification records resulting from submission of fingerprints shall be used only for the official use of the requesting party.
- 10.10 The Tribe shall retain the right to conduct such additional background investigations of any gaming employee at any time during the term of that person's employment. At any time, any gaming employee who does not establish that he or she satisfies all of the criteria set forth above shall be dismissed.

ARTICLE 11. SECURITY

11.1 Each gaming operator shall be required to employ an adequate security force and shall submit a security plan to the Commission for its approval. The gaming operator shall file a written report with the Commission detailing any incident in which an employee or patron or other person is suspected of violating a provision of this Compact, the Gaming Code or regulations within twenty-four (24) hours of its occurrence.

11.2 The Commission shall require gaming operators to employ security and surveillance standards at least as stringent as those set forth in Appendix A. The Commission may adopt stricter standards which shall be provided to the State.

11.3 The Commission shall have access to all or any part of the security system or its signal at all times.

ARTICLE 12. OPERATIONAL REQUIREMENTS

All authorized Class III gaming shall be conducted in accordance with this Compact including the operational requirements set forth in Appendix B. The Commission may adopt stricter standards which shall be provided to the State within fourteen (14) days of their adoption.

ARTICLE 13. ACCOUNTING AND CASH CONTROLS

The Commission shall require gaming operators to employ accounting and cash control procedures at least as stringent as those contained in Appendix C of this Compact. These control procedures may be modified by mutual agreement of the parties.

ARTICLE 14. AUDITS

14.1 The Tribe shall undertake an independent audit of all books, records, gaming and cash control procedures of all authorized Class III gaming activities at least once in each fiscal year. Such audit shall be conducted by an independent certified public accountant with experience in auditing gaming operations. The audit shall include review of all records necessary to ensure compliance with this Compact, the Gaming Code, and regulations. All audits shall conform to applicable American Institute of Certified Public Accountants standards. Consistent with Article 17.3, the Tribe shall provide copies of such audits upon request. The State may conduct a review of such audit to ensure compliance with this Compact.

14.2 In the event the State disputes the sufficiency of the accounting and audit practices utilized by the Tribe pursuant to this Compact, the State shall inform the Tribe of its concerns and, if adequate assurance of compliance with the State's request is not given, the matter may be resolved pursuant to Article 21.

ARTICLE 15.

STATE ENFORCEMENT OF COMPACT PROVISIONS

- 15.1 The State gaming agency, pursuant to the provisions of this Compact, shall have the authority to monitor Class III gaming operations to ensure compliance with the provisions of this Compact, the Gaming Code and regulations. In order to provide for proper monitoring of gaming operations, agents of the State gaming agency previously identified as such in writing to the Commission shall have unrestricted access to all areas of Class III gaming facilities during normal operating hours without notice; provided, however, that the monitoring activities of these agents shall be in the presence of one member of the Commission and/or gaming manager and shall not interfere with the normal functioning of the gaming operation. Said agent shall provide proper identification to the Tribe.
- 15.2 At the completion of any inspection or investigation by the State gaming agency, copies of the inspection or preliminary investigative report shall be forwarded to the Commission within five (5) working days of its completion.

ARTICLE 16. REPORTING

The Tribe shall provide the State gaming agency with a copy of its current Gaming Code, regulations and amendments thereto, audit reports conducted pursuant to Article 14, results of all equipment tests, management contracts, background investigation results, information regarding violations of this Compact or regulations including completed investigative reports and final dispositions. All copies shall be provided to

the State within a reasonable time but no later than sixty (60) days after receipt by the Tribe.

ARTICLE 17. PRIVILEGES AND CONFIDENTIALITY

- 17.1 All financial information, proprietary concepts, ideas, plans, methods, data, developments, inventions or other proprietary information regarding the gaming operations of the Tribe shall be deemed confidential and proprietary information of the Tribe and shall be protected from third party or public disclosure without the express written approval of the Tribe.
- 17.2 In the event any person, entity, or government requests confidential information as described in Article 16.1 by judicial process or otherwise, the State shall immediately notify the Tribe and provide copies of all such requests to the Tribe, as well as allow the Tribe sufficient time to respond to such requests. The State shall raise the confidentiality of such records pursuant to this compact as a defense to any such request. Provided, nothing in this section is intended to limit the State's right to use any information in any proceeding relating to the enforcement of this compact.
- 17.3 It is the parties' understanding that all records provided to the State by the Tribe under this Compact shall be exempt from public disclosure pursuant to Idaho Code § 9-340(2) and (5) and Idaho Code § 9-203(5). In the event it is determined by court order that the records are not exempt from public disclosure, the State shall thereafter have the right to inspect but not copy records subject to disclosure.
- 17.4 The Tribe shall have the right to inspect and copy all State records concerning the Tribe's Class III gaming other than records protected by State law.

ARTICLE 18. JURISDICTION

- 18.1 The Tribe shall be responsible for addressing and solving all law enforcement problems arising from its Class III gaming activities on Indian lands. Whenever the Tribe has reason to believe that any person or entity has violated this Compact, the regulations, the Gaming Code or other law applicable to a Class III gaming activity, the Tribe shall request that appropriate law enforcement authorities investigate the violation.
- 18.2 The Tribe shall have exclusive civil jurisdiction over all civil matters or disputes relating to or arising from gaming conducted pursuant to this Compact to the extent permitted by federal law.
- 18.3 Nothing contained herein shall be deemed to modify or limit existing rules involving criminal jurisdiction over the gaming operation authorized under this Compact.
- 18.4 Both the Tribe and State and their respective agencies and instrumentalities shall have the power to arrest on Indian lands in Idaho and to detain any person whatsoever for any suspected violation of this Compact, or any law, rule or regulation of any governmental authority respecting gaming on Indian lands. Upon identification of the appropriate authority under this Compact for the prosecution of such suspected offense, the arresting governmental sovereign shall release such detained person to the custody of the sovereign or sovereigns which are empowered to prosecute the suspected offender under this Compact, applicable law, rule or regulation.
- 18.5 The jurisdiction held by the State does not obligate the State to take any action on Indian lands pursuant to its jurisdiction. The jurisdiction held by the State shall not be construed as creating an obligation between the State and the Tribe

or between the State and any third party which would require the State to exercise its jurisdiction on Indian lands.

ARTICLE 19. TAXATION

- 19.1 Except as provided in Article 20, nothing in this Compact shall be deemed to authorize the State or any political subdivision thereof to impose any tax, fee, charge or assessment upon the Tribe or the gaming operation. Nothing in this Compact shall authorize or permit the collection and payment of any Idaho tax or contribution in lieu of taxes or fees on or measured by gaming transactions, gaming devices permitted under this Compact, gross or net gaming revenues, or the Tribe's net income.
- 19.2 Nothing in this Article is intended to affect the State's right to tax income as permitted by law.

ARTICLE 20. PAYMENT AND REIMBURSEMENTS

The gaming operation shall compensate the State for actual expenses reasonably incurred relating to any background investigations conducted by the State at the request of the Tribe. Fees payable under this Article shall be in accordance with the State fee schedule and be the same as the costs to the State for conducting similar background investigations for its Class III gaming operations. The fees shall be paid at the time a criminal background investigation is requested.

ARTICLE 21. DISPUTE RESOLUTION

- 21.1 Except as provided in Article 6, if either party believes that the other party has failed to comply with any requirement of this Compact, it shall invoke the following procedure:
- .1 The party asserting the non-compliance shall serve written notice on the other party. The notice shall identify the specific statutory, regulatory or Compact provision alleged to have been violated and shall specify the

factual basis for the alleged non-compliance. The State and the Tribe shall thereafter meet within ten (10) working days in an effort to resolve the dispute.

- . 2 If the dispute is not resolved to the satisfaction of the parties within sixty (60) days after service of the notice set forth in Article 21.1.1, either party may pursue binding arbitration to enforce or resolve disputes concerning the provisions of this Compact.

21.2 Except as provided in Article 6, both parties consent to binding arbitration as provided herein. Once a party has given notice of intent to pursue binding arbitration and the notice has been sent to the non-complaining party, the matter in controversy may not be litigated in court proceedings. A panel of three (3) arbitrators shall be selected by the American Arbitration Association. The arbitrators may declare the parties' rights under the terms of this Compact and grant relief permitted by law. An arbitration decision shall be made within one hundred twenty (120) days of the selection of the arbitrators unless extended by the arbitrators. Arbitrators shall have the power to issue orders and decisions as may be necessary to enforce participation by the parties and as may be necessary or desirable to bring about an expeditious and reasonable decision. The arbitrators shall bill their fees equally to the respective parties. No former or present employee of the State, Tribal member, or former or present Tribal employee may be designated as an arbitrator. No judicial review of an arbitration decision will be permitted. The parties may, by written agreement, permit a decision by a single arbitrator. Arbitration decisions shall have the same effect as if a part of this Compact, incorporated in full herein.

21.3 Nothing in this Article 21 shall be construed to preclude, limit or restrict the ability of the parties to pursue, by mutual agreement, alternative methods of

dispute resolution, whether binding or non-binding, including, but not limited to, arbitration, mediation, mini-trials or judicial resolution firms; provided, however, that neither party is under any obligation to agree to such alternative methods of dispute resolution.

ARTICLE 22. RESERVATION OF RIGHTS

- 22.1 Nothing in this Compact shall be deemed to affect the operation by the Tribe of any Class II gaming as defined in the Act, whether conducted within or without the gaming facility or gaming facilities, or to confer upon the State any jurisdiction over such Class II gaming conducted by the Tribe.
- 22.2 Except as set forth in this Compact, nothing shall be deemed to authorize the State or any political subdivision thereof to regulate in any manner the government of the Tribe, including the Commission, or to interfere in any manner with the Tribe's selection of its government officers, including members of the Commission.
- 22.3. Nothing in this Compact shall be construed to require the Idaho Legislature to appropriate funds in the future.

ARTICLE 23. 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 this Compact and the remaining applications of such section or provision shall continue in full force and effect.

ARTICLE 24. NOTICES

Unless otherwise indicated differently, all notices, payments, request, reports, information or demands which either party may desire or be required to give the other party hereto, shall be in writing and shall be personally delivered or sent by telefax or first class certified or registered United States mail, postage prepaid, return receipt

requested, and sent to the other party at its address appearing below or such other address as either party shall hereinafter inform the other party by written notice:

Tribe: Nez Perce Tribe
Attn: Law and Order Subcommittee Chairman
P.O. Box 305
Lapwai, ID 83540

State: Director, Idaho State Lottery
1199 Shoreline Lane
Suite 100
Boise, ID 83702

ARTICLE 25. SUCCESSORS

This Compact shall bind and inure to the benefit of the respective successors of the parties.

ARTICLE 26. ENTIRE AGREEMENT

This Compact, including the attached Appendices "A," "B" and "C" which are fully incorporated into this Compact by this reference, constitute the entire agreement between the parties, subject only to the contingencies set out in Article 6. Neither party is relying on any prior or other written or oral representation in entering into this Compact.

ARTICLE 27. MULTIPLE ORIGINALS

This Compact is executed in triplicate. Each of the three (3) Compacts with an original signature of each party shall be an original.

ARTICLE 28. GOVERNING LAW

This Compact is, in all respects, to be governed by the laws of the United States of America, the tribe or the State, as applicable.

ARTICLE 29. DURATION AND RENEGOTIATION

The State or the Tribe may, by appropriate and lawful means, request negotiations to amend or replace this Compact. In the event of a request for renegotiation, this Compact shall remain in effect until renegotiated or replaced. Such requests shall be in writing and shall be sent by certified mail to the Governor of the State or the Chairman of the Tribe at the appropriate governmental office.

ARTICLE 30. EFFECTIVE DATE

This Compact shall become effective upon signature by both parties, approval by the Secretary and publication of that approval in the Federal Register in accordance with the Act. This Compact is entered pursuant to the Act, State law, and tribal law.

NEZ PERCE TRIBE

STATE OF IDAHO

By Samuel M. Penney
Samuel Penney, Chairman

By Philip E. Batt
Philip E. Batt, Governor

Dated: 8-22-95

Dated: 8-22-95

Consistent with 25 U.S.C.A. Sec. 2710 (d)(8), the 1995 Class III Gaming Compact By and Between the Nez Perce Tribe and the State of Idaho is hereby approved on the 20th day of October, 1995, by the Assistant Secretary - Indian Affairs, United States Department of the Interior.

Ada E. Deer
Ada E. Deer
Assistant Secretary - Indian Affairs