



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, DC 20240

DEC - 3 2025

The Honorable Robert Larsen
President, Lower Sioux Indian Community
in the State of Minnesota
39527 Reservation Highway 1
Morton, Minnesota 56270

Dear President Larsen:

On August 20, 2025, the Office of Indian Gaming received for review and approval the Addendum to Tribal-State Compact for Control of Class III Blackjack on the Lower Sioux Community (Tribe) Reservation in Minnesota (State) for Class III Card Games (Amendment). The Amendment permits the Tribe to operate class III card games on the Tribe's Indian lands.

Under the Indian Gaming Regulatory Act (IGRA), the Secretary of the Interior (Secretary) may approve or disapprove a compact within 45 days of its submission. 25 U.S.C. § 2710(d)(8). If the Secretary does not affirmatively approve or disapprove the compact within 45 days, IGRA provides that the compact is considered to have been approved by the Secretary by operation of law, "but only to the extent that the compact is consistent with the provisions of [IGRA]." *Id.*

We undertook a thorough review of the Amendment. No action was taken on the Amendment within 45 days of its submission. As a result, the Amendment is "considered to have been approved by the Secretary, but only to the extent [it] is consistent with the provisions of [IGRA]." *Id.* The Amendment takes effect when notice of approval is published in the *Federal Register*, as required by 25 U.S.C. § 2710(d)(8)(D).

A similar letter is being sent to the Honorable Tim Walz, Governor, State of Minnesota.

Sincerely,

William Henry Kirkland III
Assistant Secretary – Indian Affairs

Enclosure

**Addendum to Tribal-State Compact for Control of Class III Blackjack on the Lower Sioux
Community Reservation in Minnesota for Class III Card Games**

WHEREAS, the State of Minnesota (hereafter “State”) and the Lower Sioux Indian Community in the State of Minnesota (hereafter “Community”) have previously negotiated and executed a gaming compact entitled “Tribal-State Compact for Control of Class III Blackjack on the Lower Sioux Community Reservation in Minnesota” executed May 8, 1991 (as amended to date, hereafter “Compact”); and

WHEREAS, pursuant to the IGRA (as hereinafter defined) and Section 2.2 and Section 2.3 of the Compact, the State and the Community may negotiate and execute a Compact, including an amendment to an existing Compact, for “any other form of Class III gaming which the State permits for charitable, commercial or governmental purposes”; and

WHEREAS, the State expressly permits the operation of Class III card games at commercial horseracing facilities in the State subject to the licensing and regulatory provisions of Minnesota Statute §240.01 et seq., and the State may now and/or hereafter permit the operation of other Class III card games in the State for charitable, commercial, or governmental purposes; and

WHEREAS, the Community has adopted a Tribal Gaming Ordinance which permits and provides for the regulation and control of Class III card games; and

WHEREAS, the State and the Community wish to add an addendum to the Compact to permit the Community to conduct Class III card games on the Community’s Indian lands; and

NOW THEREFORE, in consideration of the mutual undertakings and agreements hereinafter set forth, the Community and the State enter into the following Addendum to the Compact.

1. Scope

- 1.1 This Addendum permits and shall govern the operation of Class III card games on the Community’s Indian Lands, except that nothing in this Addendum shall affect or alter the terms of the Compact with respect to the operation of the game of Blackjack, nor shall it alter or affect the terms of the Tribal-State Compact for Control of Class III Video Games of Chance on the Lower Sioux Reservation in Minnesota.
- 1.2 The Community may operate any Class III Card Game on its Indian Lands pursuant to the IGRA and in accordance with this Addendum, provided that the State currently or hereafter permits such game for any charitable, commercial, or governmental purposes by any person, organization, or entity in the State of Minnesota.
- 1.3 This Addendum is entered into pursuant to the Indian Gaming Regulatory Act, 25 U.S.C. §2710(d), Minnesota Statute §3.9221, and the inherent sovereign authority of the Community and the Community’s tribal law.

- 1.4 If a court of competent jurisdiction finds any provision of this Addendum to be invalid or illegal, such provision shall be severed from this Addendum and the remainder of the Addendum and Compact shall remain in full force and effect. If a court of competent jurisdiction finds this Addendum to be invalid or illegal in its entirety, this Addendum shall be severed from the Compact and the remainder of the Compact shall remain in full force and effect.
- 1.5 This Addendum shall become effective upon execution by the Governor of the State, ratification by the Community, approval by the Secretary of the Interior and publication of the approval in the Federal Register pursuant to the Indian Gaming Regulatory Act.

2. Definitions

- 2.1 "Blackjack" has the meaning ascribed to it in Section 1.02 of the Compact.
- 2.2 "Banking Card Game" means (a) any card game where the house participates in the game and takes on all players, collects from all losers, and pays all winners; (b) any card game that is banked by the house or a pool whereby the house or the pool pays all winning bets and collects from all losing bets; and, (c) any of the other "banking card games", as such term is used under 25 U.S.C. §2703(7)(B) or any successor statute thereof.
- 2.3 "Class III Card Game" means any Banking Card Game, including dealer controlled or dealer assisted electronic games. For purposes of this Addendum, Class III Card Game does not include the game of Blackjack governed by the terms of the Compact.
- 2.4 "Compact" means the Tribal-State Compact for Control of Class III Blackjack on the Lower Sioux Community Reservation in Minnesota, in effect upon the execution of this Addendum or as amended thereafter.
- 2.5 "Community" means the Lower Sioux Indian Community in the State of Minnesota, a federally recognized Indian tribe.
- 2.6 "IGRA" means the Indian Gaming Regulatory Act, 25 U.S.C. §§2701-2721 and §§ 1166-1168.
- 2.7 "Indian Lands" means the Community's Reservation and all other Indian Lands (as defined by § 2703(4) of IGRA or any successor statute thereof) over which the Community exercises governmental authority.
- 2.8 "State" means the State of Minnesota, including the Governor and the Department of Public Safety, acting by and through its duly appointed Commissioner.

3. Regulatory Standards

- 3.1 The following regulatory standards from the Compact shall be incorporated into this Addendum and shall apply to the operation of Class III Card Games:

- (a) Sections 4.2, and 4.3
- (b) Sections 5.1, 5.4, 5.5, and Section 6.

3.2 The Community shall perform background investigations for each primary management official and key employee (as each such term is defined in such federal regulations) whose responsibilities include the operation or management of Class III Card Games. The Community may employ any such primary management official and key employee who represented in writing that he or she meets the standards set forth in this section, but may not retain any such primary management official and key employee whose responsibilities include the operation or management of Class III Card Games and who, based on such background investigations, has been: (a) convicted of a felony within five (5) years of starting employment with the Community; (b) convicted of a felony or gross misdemeanor involving fraud, misrepresentation, or gambling; or, (c) otherwise determined ineligible for a license by the Community's Gaming Commission. Background check reports shall be made available to the State Commissioner of Public Safety, upon written request, by the Tribal Gaming Commission within thirty (30) days of receipt of the request.

3.3 The Community shall develop and adopt Regulatory Standards for the operation of each Class III Card Game, including but not limited to:

- (a) The type and number of decks of cards to be used in each game and requirements for cards dealt from a shoe or by hand;
- (b) Wagering, including limits, and when and how wagers are made;
- (c) Opening and closing of tables and handling of cash and chips; and
- (d) Oversight and surveillance.

3.4 The Regulatory Standards shall govern the play and operation of Class III Card Games on the Community's Indian Lands. Upon final adoption or amendment, Regulatory Standards related to Class III Card Games shall be promptly submitted to the Commissioner of Public Safety.

4. Enforcement and Disputes

4.1 Agents of the Department of Public Safety shall upon the presentation of valid identification, have the right to inspect all premises used for the play of Class III Card Games, and may inspect all premises, equipment, records, documents, or other items related to the play of Class III Card Games, in each case to the extent necessary to verify compliance with this Addendum. Inspections conducted pursuant to this Section shall be made during normal business hours and shall be conducted in a manner that does not disrupt normal business operations.

4.2 Violations by the Community of this Addendum shall be handled as follows:


(a) Upon detection of an alleged violation of this Addendum, the Department of Public Safety shall notify the Community's Gaming Commission and provide a detailed description of the alleged violation (each such notice, an "Alleged Violation Notice"). The Gaming Commission shall have 30 days (or such longer period as deemed necessary by the Gaming Commission in good faith) to investigate the alleged violation. If a violation is found to exist, the Gaming Commission shall order corrective action and shall provide documentation to the Department of Public Safety that demonstrates that the issue has been addressed.

(b) If the Community (or its Gaming Commission) disputes that an alleged violation exists, the Community (or its Gaming Commission) shall notify the Commissioner of Public Safety in writing of the basis for the dispute and the parties shall, within 15 days, meet in an effort to resolve the matter. If an agreed upon resolution cannot be reached, each party may pursue any and all remedies available under the IGRA.

(c) If the corrective action order issued by the Community's Gaming Commission is not implemented, or if the Community's Gaming Commission does not take any action to address an undisputed violation described in an Alleged Violation Notice, the Commissioner of Public Safety may issue a formal Notice of Non-Compliance to the Community and may pursue any and all remedies available to it under the IGRA.

STATE OF MINNESOTA

LOWER SIOUX INDIAN COMMUNITY



Tim Walz
Governor

Date: August 18, 2025



Robert L. Larsen
President, Lower Sioux Indian Community

Date: 7/18/25

APPROVED BY
UNITED STATES DEPARTMENT OF THE INTERIOR

Date: _____

STATE OF MINNESOTA
CERTIFICATION OF AUTHORITY TO ENTER INTO
ADDENDUM TO TRIBAL-STATE COMPACT FOR CONTROL OF CLASS III
BLACKJACK ON THE LOWER SIOUX COMMUNITY RESERVATION IN
MINNESOTA FOR CLASS III CARD GAMES

I, Tim Walz, am the Governor of the State of Minnesota and hereby certify that, under State of Minnesota law, I am authorized to enter into Class III compacts under the Indian Gaming Regulatory Act with Indian tribes in the State of Minnesota, and that the attached Addendum to Tribal-State Compact for Control of Class III Blackjack on the Lower Sioux Community Reservation in Minnesota for Class III Card Games is validly entered under this authority.

August 18, 2025

Date

A handwritten signature in black ink, appearing to read "Tim Walz", is written over a horizontal line.

Tim Walz
Governor
State of Minnesota