Chapter 8

Gaming Enterprise Facility Licenses Regulation

Regulation #R400-4:GC-08

Section 1. Purpose; Authority

1-1. *Purpose.* This regulation is intended to assist the Tribe, through its Gaming Commission, to gather and evaluate the information necessary to make an informed and prudent choice regarding the licensure of gaming enterprises within its jurisdiction.

1-2. *Authority.* This regulation is issued under and pursuant to the authority of Gaming Ordinance #10-400-01, Commission's Ordinance #04-150-01, Gaming Commission Ordinance #04-400-04, the National Indian Gaming Commission and IGRA.

Section 2. Definitions

Class II gaming shall mean Class II gaming as defined in IGRA.

Class III gaming shall mean all forms of gaming that are not Class I gaming or Class II gaming.

Gaming Enterprise shall mean any commercial enterprise of the Tribe authorized to engage in gaming, and all ancillary commercial activities within the gaming (facility(ies)) and other improvements constructed for the conduct of gaming.

Gaming Facility shall mean the building, buildings, or structure(s), wherein gaming is permitted, performed, conducted, or operated, and associated or adjacent real property owned by the Tribe.

Section 3. Types of Gaming Facility Licenses

3-1. The Commission may issue the following types of Gaming Facility Licenses:

1. Tribally-owned/operated Class II; and/or
2. Tribally-owned/operated Class III.

3-2. Facility license applications seek a declaration from the applicant regarding the type of gaming sought by the applicant. One completed approved application is sufficient for Class II, Class III or both Class II and III applicants. If a gaming activity is proposed in more than one building at the site of any gaming enterprise, a separate Gaming Facility License shall be required for each building or location where Class II or Class III gaming is conducted.

Section 4. Application Content

4-1. *General.* To obtain a Gaming Facility License, any gaming enterprise requesting such license shall submit an application on a form provided by the Gaming Commission. The application form shall include all of the following information set forth in this Section.

4-2. *Gaming Enterprise.* A description of the gaming activity proposed, including, but not limited to:

1. a description of the gaming activity proposed, along with all instructions, procedures, internal controls, and other documents related to the proposed gaming;
2. the maximum number and types of gaming equipment and gaming devices expected to be in the facility at any one time; If an increase to the maximum

number of games threshold is desired, written notice shall be provided the Gaming Commission verifying that all safety requirements have been met;

3. the number and types of gaming equipment and gaming devices expected to be in use at any time; and
4. the days and hours of operation proposed.

If the application is for a gaming facility that has not previously been operational, applicant shall state the number and types of gaming equipment and gaming devices expected to be in use when the gaming facility first opens for operation.

4-3. *Facility.* A description of the gaming facility proposed, including the layout of the gaming equipment and gaming devices of the gaming facility. In addition to any narrative comments which may be descriptive of the layout of the gaming equipment and gaming devices, applicant shall disclose an accurate floor plan adequately describing the location and type of all gaming equipment and gaming devices whether the gaming equipment and gaming devices are located on the gaming floor, or any where else in the control of the gaming enterprise. Furthermore, the applicant shall provide information regarding the location(s) of areas where gaming equipment and gaming devices may be stored, maintained, repaired, refurbished, inspected, received, or located while within the control of the gaming enterprise.

4-4. *Surveillance.* If the gaming facility surveillance function is the responsibility of the Gaming Commission, details regarding the surveillance function will not be necessary on the application. If the gaming facility surveillance function is the responsibility of the gaming enterprise, details regarding the surveillance function will be necessary in the application. Details regarding the surveillance function include, but are not limited to: number of personnel allocated to the surveillance function and the duties assigned to those personnel, the chain of command within the Surveillance Department and how that chain of command relates to the gaming enterprise organizational structure, information regarding department budget, information regarding the use of surveillance systems including but not limited to: video or digital cameras, recording of images, audio surveillance, and other forms of surveillance, the use of controls to limit access to surveillance systems and areas, information regarding surveillance efforts to gather information from other gaming enterprises, regulators, peace officers, employees of the gaming enterprise and others.

4-5. *Property Status.* The location proposed for such gaming facility. Applicant shall confirm that the gaming facility is located on trust land within the confines of property owned by the Tribe or in trust for the benefit of the Tribe. Specifically, real estate documents which show the physical location of the gaming facility which includes adequate information to verify the location is within the boundaries of the Tribe's land or land held in trust for the benefit of the Tribe.

4-6. *Patron and Employee Protection.* A description of the security, police, fire protection, environmental, health, safety, and other public safety services to be available to the proposed gaming facility and patrons of such gaming facility. The description shall include the name of the service, its contact person, its address and phone numbers, anticipated response time to an emergency at the gaming facility, and the gaming enterprise's plan to integrate services from government and private resources with services that are directly controlled by the gaming enterprise.

To the extent that uniform safety codes and practices are used, a specific reference to those codes and practices, a copy of those codes and practices and affirmation that the codes and practices are updated consistent with industry standards.

4-7. *Accounting.* A description of the accounting procedures proposed for such gaming facility. The description of the accounting procedures shall include, but not be limited to:

1. Details regarding accounting processes; and
2. The maintenance, preservation and protection of accounting records; and
3. Information regarding the protection of electronic or computer accounting records, accounting standards, audit practices and procedures; and
4. The retention of vendors that have or will provide accounting services; and
5. Systems for complying with the System of Internal Controls of the gaming enterprise whether those controls are imposed by the gaming enterprise, Tribal-State Compact, Gaming Ordinance, Generally Accepted Accounting Procedures, and IGRA; and
6. Maintenance of records described below for a period of five years:
    a. Revenues, expenses, assets, liabilities and equity for the gaming enterprise;
    b. Daily cash transactions for each game including but not limited to transactions relating to each bingo game, gaming table bank, game drop box, and gaming room bank;
    c. All markers, IOUs, returned checks, hold checks or other similar credit instruments;
    d. Individual and statistical game records (except for card games) to reflect statistical drop and statistical win for electronic, computer or other technologically assisted games, analytical reports which show the total amount of cash wagered and the total amount of prizes won;
    e. Contracts, correspondence and other transaction documents relating to all licenses and non-licensed vendors;
    f. Records of all gaming enforcement activities;
    g. Audits prepared by or on behalf of the gaming enterprise or the Tribe relating to the gaming enterprise;
    h. Personnel information on the number of all employees of the gaming enterprise including, but not limited to, name, address, job description, a summary of the licensure categories, rotation sheets, hours worked, employee profiles, background checks, and documents relating to disciplinary matters.

4-8. *Primary Management Officials and Key Employees.* The name, address, title, and a current job description (including duties and responsibilities) of each Primary Management Official and Key Employee proposed for the gaming facility.

4-9. *Non-Gaming Employees.* The name, address, title, and a current job description (including duties and responsibilities) of each Non- Gaming Employee proposed for the gaming facility.

Section 5. Gaming Facility License Minimum Requirements

In addition to the information required in the Gaming Facility License application, any applicant for a tribally-owned or tribally operated Class II or Class III gaming facility license must provide documentation that the gaming enterprise and proposed gaming

facility will meet the following minimum criteria set forth in Article IX of the Gaming Ordinance

Section 6. Facility License Application Procedures

6-1. *Pre-Evaluation.* Upon receipt of a completed application for a Gaming Facility License for any Class II or Class III gaming facility, the Gaming Commission shall:

1. Review the application to determine the application's completeness, accuracy and compliance with requirements therein; and
2. Determine whether the applicant has fulfilled its duties under the requirements provided in the Gaming Ordinance and this regulation; and
3. Seek additional or clarifying information from the applicant if necessary.

6-2. *Gaming Commission Review.* Upon determination by the Gaming Commission that the applicant's application has been completed, the Gaming Commission shall:

1. Review the proposed gaming enterprise to ensure that all minimum criteria required by the Gaming Ordinance have been met; and
2. Ensure that all management contractors and principals thereof, and all employees and vendors required by IGRA and the Gaming Ordinance possess a valid and current temporary or regular license for each such gaming enterprise; and
3. Review and approve the accounting procedures to be used in such gaming facility; and
4. Review and approve the layout of the games and surveillance systems (if applicable) for the gaming facility; and
5. Review and approve the plan for the protection of public safety and the environmental health, safety, and physical security of patrons of the gaming facility; and
    a. Emergency preparedness, including but not limited to fire suppression, law enforcement, and security; and
    b. Food and potable water; and
    c. Construction and maintenance; and
    d. Hazardous materials; and
    e. Sanitation (both solid waste and wastewater; and
    f. Other environmental or public health and safety standards adopted by the Tribe in light of climate, geography, and other local conditions and applicable to its gaming facilities, places, or locations.
6. Review all aspects of the proposed gaming enterprise to ensure that it will be in compliance with the provisions of the Tribal–State Compact; and
7. Within 45 days of Gaming Commission's determination of a completed application and other required pre-application tasks, consider and approve the application unless the Gaming Commission believes, based upon reasonable grounds, that the gaming be operated at the proposed gaming facility in violation of Tribal, federal, or other applicable law or the terms and conditions of the Tribal-State Compact; and
8. If the Gaming Commission denies the applicants request for a license, the Gaming Commission will inform the applicant of the denial in writing, and if feasible, the Gaming Commission will advise the applicant of any

corrective action that may be taken before they will reconsider its decision to deny the applicant's request; and

9. For new facilities, the Chairperson of the National Indian Gaming Commission must be notified that a facility license is under consideration for issuance at least 120 days before the opening of any new place, facility or location on Indian lands where Class II or Class III gaming will occur. The notification must contain the following:
   a. The name and address of the property; and
   b. A legal description of the property; and
   c. The tract number for the property as assigned by the Bureau of Indian Affairs, Department of Interior, Land Title and Records Offices, if not maintained then a copy of the trust or other deed(s) to the property or an explanation as to why such documentation does not exist; and
   d. If not maintained by the Bureau of Indian Affairs, Department of Interior documentation of property's ownership.

Section 7. Facility License Renewal Procedures

7-1. Receipt of a completed renewal application for a Gaming Facility License for any Class II or Class III gaming facility must be submitted to the Gaming Commission 60 days prior to the expiration of the current license.

7-2. Each Gaming Facility license shall be renewed biennial. A renewal fee shall be required for each Class II or Class III license in accordance with Section 9.06 of the Gaming Ordinance.

7-3. To obtain a renewal of a license, the gaming enterprise shall submit a written renewal application to the Gaming Commission on the form provided by the agency. No renewal application shall be approved until the Annual Report, required by Section 9.10 of the Gaming Ordinance has been properly filed.

7-4. All renewal applications submitted shall be approved in 45 days or less unless the regulatory agency believes, based on reasonable grounds, that the gaming enterprise has been or will be operated in violation of Tribal, federal, or other applicable law or the terms and conditions of the Tribal-State Compact.

7-5. If the Gaming Commission denies a renewal application for a Gaming Facility License, the Gaming Commission shall, within seven calendar days, notify the applicant of the specific reasons for such denial and a description of any corrective action which they determine may cure the deficiencies which resulted in denial of the renewal application.

Section 8. Licensure

8-1. A Gaming Facility License issued by the Gaming Commission is valid for a period of two years measured by the date of issuance. The license issued by the Gaming Commission shall contain a date of issuance. The gaming enterprise shall post the license in each premise where the gaming enterprise conducts gaming.

8-2. A Gaming Facility License issued by the Gaming Commission permits the holder of the license to operate Class II games and the following Class III games:

1. Craps and related dice games; and
2. Wheel games, including "Big Wheel" and related games;
3. Roulette; and

4. Banking card games that are not otherwise treated as Class II gaming in Michigan pursuant to 25 U.S.C. 2703(7)(C), and non-banking card games played by any Michigan Tribe on or before May 1, 1998; and
5. Electronic games of chance featuring coin drop and payout as well as printed tabulations, whereby the software of the device predetermines the presence or lack of a winning combination and payout. Electronic games of chance are defined as a microprocessor-controlled electronic device which allows a player to play games of chance, which may be affected by an element of skill, activated by the insertion of a coin or currency, or by the use of a credit, and awards game credits, cash, tokens, or replays, or a written statement of the player's accumulated credits, which written statements are redeemable for cash; and
6. Keno; and
7. Any other Class III game that lawfully may be operated by a person licensed to operate a gaming enterprise pursuant to the Initiated Law of 1996, MCL 432.201 et seq.; and
8. Games that lawfully may be conducted pursuant to MCL 750.303a and MCL 750.310a.

8-3. A gaming enterprise that has been issued a Gaming Facility license may not assign, transfer, sell, give, or alienate the license in any way.

8-4. The Tribe shall submit a copy to the Chairperson of the National Indian Gaming Commission a copy of any newly issued or renewed facility license within 30 days of issuance.

8-5. The Tribe shall notify the Chairperson of the National Indian Gaming Commission if a facility license is terminated or not renewed, of if the facility, place or location closes or reopens.