

1 STATE OF OKLAHOMA

2 1st Session of the 60th Legislature (2025)

3 COMMITTEE SUBSTITUTE
4 FOR

5 SENATE BILL 585

6 By: Coleman

7 COMMITTEE SUBSTITUTE

8 An Act relating to amusement and sports; amending 3A
9 O.S. 2021, Sections 262, 280, and 281, which relate
10 to state-tribal gaming and the Model Tribal Gaming
11 Compact; authorizing issuance of certain license;
12 requiring certain revenue sharing; providing
13 exception; updating language related to sports pools;
14 updating statutory references; defining terms;
15 authorizing certain event pools and Internet event
16 pools; requiring tribes to enforce certain
17 regulations; establishing certain Gaming Compact
18 Supplement; providing certain terms; requiring
19 certain submissions to the United States Department
20 of the Interior; deeming certain payment an
21 exclusivity; providing for codification; and
22 providing an effective date.

23 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

24 SECTION 1. AMENDATORY 3A O.S. 2021, Section 262, is
amended to read as follows:

Section 262. A. If at least four Indian tribes enter into the
~~model tribal state compact~~ Model Tribal Gaming Compact set forth in
Section 281 of this title, and such compacts are approved by the
Secretary of the Interior and notice of such approval is published

1 in the Federal Register, the Oklahoma Horse Racing Commission
2 (~~"Commission"~~) shall license organization licensees which are
3 licensed pursuant to Section 205.2 of this title to conduct
4 authorized gaming as that term is defined by ~~this act~~ the State-
5 Tribal Gaming Act pursuant to ~~this act~~ the State-Tribal Gaming Act
6 utilizing gaming machines or devices authorized by ~~this act~~ the
7 State-Tribal Gaming Act subject to the limitations of subsection C
8 of this section. No fair association or organization licensed
9 pursuant to Section 208.2 of this title or a city, town or
10 municipality incorporated or otherwise, or an instrumentality
11 thereof, may conduct authorized gaming as that term is defined by
12 ~~this act~~ the State-Tribal Gaming Act.

13 Notwithstanding the provisions of Sections 941 through 988 of
14 Title 21 of the Oklahoma Statutes, the conducting of and
15 participation in gaming in accordance with the provisions of ~~this~~
16 ~~act~~ the State-Tribal Gaming Act or the model compact set forth in
17 Section 281 of this title is lawful and shall not be subject to any
18 criminal penalties. Provided further, a licensed manufacturer or
19 distributor licensed pursuant to ~~this act~~ the State-Tribal Gaming
20 Act may manufacture, exhibit or store as a lawful activity any
21 machines or devices which are capable of being used to conduct the
22 following types of gaming:

- 23 1. Gaming authorized by the State-Tribal Gaming Act; or
- 24

1 2. Other gaming which may be lawfully conducted by an Indian
2 tribe in this state.

3 B. Except for Christmas Day, authorized gaming may only be
4 conducted by an organization licensee on days when the licensee is
5 either conducting live racing or is accepting wagers on simulcast
6 races at the licensee's racing facilities. Authorized gaming may
7 only be conducted by organization licensees at enclosure locations
8 where live racing is conducted. Under no circumstances shall
9 authorized gaming be conducted by an organization licensee at any
10 facility outside the organization licensee's racing enclosure. No
11 person who would not be eligible to be a patron of a pari-mutuel
12 system of wagering pursuant to the provisions of subsection B of
13 Section 208.4 of this title shall be admitted into any area of a
14 facility when authorized games are played nor be permitted to
15 operate, or obtain a prize from, or in connection with, the
16 operation of any authorized game, directly or indirectly.

17 C. In order to encourage the growth, sustenance and development
18 of live horse racing in this state and of the state's agriculture
19 and horse industries, the Commission is hereby authorized to issue
20 licenses to conduct authorized gaming to no more than three
21 organization licensees operating racetrack locations at which horse
22 race meetings with pari-mutuel wagering, as authorized by the
23 Commission pursuant to the provisions of this title, occurred in
24 calendar year 2001, as follows:

1 1. An organization licensee operating a racetrack location at
2 which an organization licensee is licensed to conduct a race meeting
3 pursuant to the provisions of Section 205.2 of this title located in
4 a county with a population exceeding six hundred thousand (600,000)
5 persons, according to the most recent Federal Decennial Census,
6 shall be licensed to operate not more than six hundred fifty ~~(650)~~
7 player terminals in any year. Beginning with the third year after
8 an organization licensee is licensed pursuant to this paragraph to
9 operate such player terminals, such licensee may be licensed to
10 operate an additional fifty ~~(50)~~ player terminals. Beginning with
11 the fifth year after an organization licensee is licensed pursuant
12 to this paragraph to operate such player terminals, such licensee
13 may be licensed to operate a further additional fifty ~~(50)~~ player
14 terminals; and

15 2. Two organization licensees operating racetrack locations at
16 which the organization licensees are licensed to conduct race
17 meetings pursuant to the provisions of Section 205.2 of this title
18 located in counties with populations not exceeding four hundred
19 thousand (400,000) persons, according to the most recent Federal
20 Decennial Census, may each be licensed to operate not more than two
21 hundred fifty ~~(250)~~ player terminals in any year.

22 Subject to the limitations on the number of player terminals
23 permitted to each organization licensee, an organization licensee
24 may utilize electronic amusement games as defined in ~~this act~~ the

1 State-Tribal Gaming Act, electronic bonanza-style bingo games as
2 defined in ~~this act~~ the State-Tribal Gaming Act and electronic
3 instant bingo games as defined in ~~this act~~ the State-Tribal Gaming
4 Act, and any type of gaming machine or device that is specifically
5 allowed by law and that an Indian tribe in this state is authorized
6 to utilize pursuant to a compact entered into between the state and
7 the tribe in accordance with the provisions of the Indian Gaming
8 Regulatory Act and any other machine or device that an Indian tribe
9 in this state is lawfully permitted to operate pursuant to the
10 Indian Gaming Regulatory Act, referred to collectively as
11 "authorized games". An organization licensee's utilization of such
12 machines or devices shall be subject to the regulatory control and
13 supervision of the Commission; provided, the Commission shall have
14 no role in oversight and regulation of gaming conducted by a tribe
15 subject to a compact. The Commission shall promulgate rules to
16 regulate the operation and use of authorized gaming by organization
17 licensees. In promulgating such rules, the Commission shall
18 consider the provisions of any compact which authorizes electronic
19 gaming which is specifically authorized by law by an Indian tribe.
20 For the purpose of paragraphs 1 and 2 of this subsection, the number
21 of player terminals in an authorized game that permits multiple
22 players shall be determined by the maximum number of players that
23 can participate in that game at any given time; provided, however,
24 that nothing in ~~this act~~ the State-Tribal Gaming Act prohibits the

1 linking of player terminals for progressive jackpots, so long as the
2 limitations on the number of permitted player terminals at each
3 organization licensee are not exceeded. Each organization licensee
4 shall keep a record of, and shall report at least quarterly to the
5 Oklahoma Horse Racing Commission, the number of games authorized by
6 this section utilized in the organization licensee's facility, by
7 the name or type of each and its identifying number.

8 D. No zoning or other local ordinance may be adopted or amended
9 by a political subdivision where an organization licensee conducts
10 live horse racing with the intent to restrict or prohibit an
11 organization licensee's right to conduct authorized gaming at such
12 location.

13 E. For purposes of ~~this act~~ the State-Tribal Gaming Act,
14 "adjusted gross revenues" means the total receipts received by an
15 organization licensee from the play of all authorized gaming minus
16 all monetary payouts.

17 F. The Oklahoma Horse Racing Commission shall promulgate rules
18 to regulate, implement and enforce the provisions of ~~this act~~ the
19 State-Tribal Gaming Act with regard to the conduct of authorized
20 gaming by organization licensees; provided, regulation and oversight
21 of games covered by a compact and operated by an Indian tribe shall
22 be conducted solely pursuant to the requirements of the compact.

23 G. The Commission is hereby authorized to issue one license to
24 conduct event wagering on nontribal land to a professional sports

1 team in this state that is a part of the National Basketball
2 Association. Such professional sports team shall have the right to
3 sublicense the event wagering license to one tribal-approved
4 operator for mobile and in-person event wagering on nontribal land.
5 All gross gaming revenues generated from the license shall be shared
6 with all tribal entities that have entered into the Model Tribal
7 Gaming Compact.

8 H. If an organization licensee operates or attempts to operate
9 more player terminals which offer authorized games than it is
10 authorized to offer to the public by ~~this act~~ the State-Tribal
11 Gaming Act or the terms of its license, upon written notice from the
12 Commission, such activity shall cease forthwith. Such activity
13 shall constitute a basis upon which the Commission may suspend or
14 revoke the licensee's license. The Commission shall promulgate any
15 rules and regulations necessary to enforce the provisions of this
16 subsection.

17 H. I. ~~This act~~ The State-Tribal Gaming Act is game-specific and
18 shall not be construed to allow the operation of any other form of
19 gaming unless specifically allowed by ~~this act~~ the State-Tribal
20 Gaming Act. ~~This act~~ The State-Tribal Gaming Act shall not permit
21 the operation of slot machines, house-banked card games, or house-
22 banked table games involving dice or roulette wheels, except when
23 expressly permitted in Section 4 of this act, or ~~games where winners~~

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1 ~~are determined by~~ wagering on the outcome of a sports contest,
2 except as provided for in Section 4 of this act.

3 SECTION 2. AMENDATORY 3A O.S. 2021, Section 280, is
4 amended to read as follows:

5 Section 280. The State of Oklahoma through the concurrence of
6 the Governor after considering the executive prerogatives of that
7 office and the power to negotiate the terms of a compact between the
8 state and a tribe, and by means of the execution of the State-Tribal
9 Gaming Act, and with the concurrence of the ~~State~~ Legislature
10 through the enactment of the State-Tribal Gaming Act, hereby makes
11 the following offer of a ~~model tribal gaming compact~~ Model Tribal
12 Gaming Compact regarding gaming to all federally recognized Indian
13 tribes as identified in the Federal Register within this state that
14 own or are the beneficial owners of Indian lands as defined by the
15 Indian Gaming Regulatory Act, 25 U.S.C., Section 2703(4), and over
16 which the tribe has jurisdiction as recognized by the Secretary of
17 the Interior and is a part of the tribe's "Indian reservation" as
18 defined in 25 C.F.R., Part 151.2 or has been acquired pursuant to 25
19 C.F.R., Part 151, which, if accepted, shall constitute a gaming
20 compact between this state and the accepting tribe for purposes of
21 the Indian Gaming Regulatory Act. Acceptance of the offer contained
22 in this section shall be through the signature of the chief
23 executive officer of the tribal government whose authority to enter
24 into the ~~compact~~ Compact shall be set forth in an accompanying law

1 or ordinance or resolution by the governing body of the tribe, a
2 copy of which shall be provided by the tribe to the Governor. No
3 further action by the Governor or the state is required before the
4 ~~compact~~ Compact can take effect. A tribe accepting this Model
5 Tribal Gaming Compact is responsible for submitting a copy of the
6 Compact executed by the tribe to the Secretary of the Interior for
7 approval and publication in the Federal Register. The tribe shall
8 provide a copy of the executed Compact to the Governor. No tribe
9 shall be required to agree to terms different than the terms set
10 forth in the Model Tribal Gaming Compact, which is set forth in
11 Section 281 of this title. As a precondition to execution of the
12 Model Tribal Gaming Compact by any tribe, the tribe must have paid
13 or entered into a written agreement for payment of any fines
14 assessed prior to the effective date of the State-Tribal Gaming Act
15 by the federal government with respect to the tribe's gaming
16 activities pursuant to the Indian Gaming Regulatory Act.

17 Notwithstanding the provisions of Sections 941 through 988 of
18 Title 21 of the Oklahoma Statutes, the conducting of and the
19 participation in any game authorized by the ~~model compact~~ Model
20 Tribal Gaming Compact set forth in Section 281 of this title are
21 lawful when played pursuant to a compact which has become effective.

22 1. Prior to July 1, 2008, of all fees received by the state
23 pursuant to subsection A of Part 11 of the Model Tribal Gaming
24 Compact set forth in Section 281 of this title:

- 1 a. twelve percent (12%) shall be deposited in the
2 Oklahoma Higher Learning Access Trust Fund, and
3 b. eighty-eight percent (88%) of such fees shall be
4 deposited in the Education Reform Revolving Fund.

5 2. On or after July 1, 2008, of all fees received by the state
6 pursuant to subsection A of Part 11 of the Model Tribal Gaming
7 Compact set forth in Section 281 of this title and Gaming Compact
8 Supplements offered pursuant to Section ~~2~~ 280.1 of this title and
9 Section 4 of this act:

- 10 a. twelve percent (12%) shall be deposited in the General
11 Revenue Fund, and
12 b. eighty-eight percent (88%) of such fees shall be
13 deposited in the Education Reform Revolving Fund.

14 Provided, the first Twenty Thousand Eight Hundred Thirty-three
15 Dollars and thirty-three cents (\$20,833.33) of all fees received
16 each month by the state pursuant to subsection A of Part 11 of the
17 Model Tribal Gaming Compact set forth in Section 281 of this title
18 and Gaming Compact Supplements offered pursuant to Section ~~2~~ 280.1
19 of this title and Section 4 of this act shall be transferred to the
20 Department of Mental Health and Substance Abuse Services for the
21 treatment of compulsive gambling disorder and educational programs
22 related to such disorder.

23 SECTION 3. AMENDATORY 3A O.S. 2021, Section 281, is
24 amended to read as follows:

1 Section 281. This section sets forth the provisions of the
2 Model Tribal Gaming Compact.

3 MODEL TRIBAL GAMING COMPACT

4 Between the [Name of Tribe]

5 and the STATE OF OKLAHOMA

6 This Compact is made and entered into by and between the [Name
7 of Tribe], a federally recognized Indian tribe ("tribe"), and the
8 State of Oklahoma ("state"), with respect to the operation of
9 covered games (as defined herein) on the tribe's Indian lands as
10 defined by the Indian Gaming Regulatory Act, 25 U.S.C., Section
11 2703(4).

12 Part 1. TITLE

13 This document shall be referred to as the "[Name of Tribe] and
14 State of Oklahoma Gaming Compact".

15 Part 2. RECITALS

16 1. The tribe is a federally recognized tribal government
17 possessing sovereign powers and rights of self-government.

18 2. The State of Oklahoma is a state of the United States of
19 America possessing the sovereign powers and rights of a state.

20 3. The state and the tribe maintain a government-to-government
21 relationship, and this Compact will help to foster mutual respect
22 and understanding among Indians and non-Indians.

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1 4. The United States Supreme Court has long recognized the
2 right of an Indian tribe to regulate activity on lands within its
3 jurisdiction.

4 5. The tribe desires to offer the play of covered games, as
5 defined in paragraphs 5, 10, 11 and 12 of Part 3 of this Compact, as
6 a means of generating revenues for purposes authorized by the Indian
7 Gaming Regulatory Act, 25 U.S.C., Section 2701, et seq., including
8 without limitation the support of tribal governmental programs, such
9 as health care, housing, sewer and water projects, police,
10 corrections, fire, judicial services, highway and bridge
11 construction, general assistance for tribal elders, day care for the
12 children, economic development, educational opportunities and other
13 typical and valuable governmental services and programs for tribal
14 members.

15 6. The state recognizes that the positive effects of this
16 Compact will extend beyond the tribe's lands to the tribe's
17 neighbors and surrounding communities and will generally benefit all
18 of Oklahoma. These positive effects and benefits may include not
19 only those described in paragraph 5 of this Part, but also may
20 include increased tourism and related economic development
21 activities.

22 7. The tribe and the state jointly wish to protect their
23 citizens from any criminal involvement in the gaming operations
24 regulated under this Compact.

1 Part 3. DEFINITIONS

2 As used in this Compact:

3 1. "Adjusted gross revenues" means the total receipts received
4 from the play of all covered games minus all prize payouts;

5 2. "Annual oversight assessment" means the assessment described
6 in subsection B of Part 11 of this Compact;

7 3. "Central computer" means a computer to which player
8 terminals are linked to allow competition in electronic bonanza-
9 style bingo games;

10 4. "Compact" means this Model Tribal Gaming Compact between the
11 state and the tribe, entered into pursuant to Section 280 of this
12 title;

13 5. "Covered game" means the following games conducted in
14 accordance with the standards, as applicable, set forth in Sections
15 270 through 277 of this title: an electronic bonanza-style bingo
16 game, an electronic amusement game, an electronic instant bingo
17 game, nonhouse-banked card games; any other game, if the operation
18 of such game by a tribe would require a compact and if such game has
19 been: (i) approved by the Oklahoma Horse Racing Commission for use
20 by an organizational licensee, (ii) approved by state legislation
21 for use by any person or entity, or (iii) approved by amendment of
22 the State-Tribal Gaming Act; and upon election by the tribe by
23 written supplement to this Compact, any Class II game in use by the
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1 | tribe, provided that no exclusivity payments shall be required for
2 | the operation of such Class II game;

3 | 6. "Covered game employee" means any individual employed by the
4 | enterprise or a third party providing management services to the
5 | enterprise, whose responsibilities include the rendering of services
6 | with respect to the operation, maintenance or management of covered
7 | games. The term "covered game employee" includes, but is not
8 | limited to, the following: managers and assistant managers;
9 | accounting personnel; surveillance and security personnel; cashiers,
10 | supervisors, and floor personnel; cage personnel; and any other
11 | person whose employment duties require or authorize access to areas
12 | of the facility related to the conduct of covered games or the
13 | maintenance or storage of covered game components. This shall not
14 | include upper level tribal employees or tribe's elected officials so
15 | long as such individuals are not directly involved in the operation,
16 | maintenance, or management of covered game components. The
17 | enterprise may, at its discretion, include other persons employed at
18 | or in connection with the enterprise within the definition of
19 | covered game employee;

20 | 7. "Documents" means books, records, electronic, magnetic and
21 | computer media documents and other writings and materials, copies
22 | thereof, and information contained therein;

23 |
24 |

1 8. "Effective date" means the date on which the last of the
2 conditions set forth in subsection A of Part 15 of this Compact have
3 been met;

4 9. "Electronic accounting system" means an electronic system
5 that provides a secure means to receive, store and access data and
6 record critical functions and activities, as set forth in the State-
7 Tribal Gaming Act;

8 10. "Electronic amusement game" means a game that is played in
9 an electronic environment in which a player's performance and
10 opportunity for success can be improved by skill that conforms to
11 the standards set forth in the State-Tribal Gaming Act;

12 11. "Electronic bonanza-style bingo game" means a game played
13 in an electronic environment in which some or all of the numbers or
14 symbols are drawn or electronically determined before the electronic
15 bingo cards for that game are sold that conforms to the standards
16 set forth in the State-Tribal Gaming Act;

17 12. "Electronic instant bingo game" means a game played in an
18 electronic environment in which a player wins if his or her
19 electronic instant bingo card contains a combination of numbers or
20 symbols that was designated in advance of the game as a winning
21 combination. There may be multiple winning combinations in each
22 game and multiple winning cards that conform to the standards set
23 forth in the State-Tribal Gaming Act;

1 13. "Enterprise" means the tribe or the tribal agency or
2 section of tribal management with direct responsibility for the
3 conduct of covered games, the tribal business enterprise that
4 conducts covered games, or a person, corporation or other entity
5 that has entered into a management contract with the tribe to
6 conduct covered games, in accordance with IGRA. The names,
7 addresses and identifying information of any covered game employees
8 shall be forwarded to the SCA at least annually. In any event, the
9 tribe shall have the ultimate responsibility for ensuring that the
10 tribe or enterprise fulfills the responsibilities under this
11 Compact. For purposes of enforcement, the tribe is deemed to have
12 made all promises for the enterprise;

13 14. "Facility" means any building of the tribe in which the
14 covered games authorized by this Compact are conducted by the
15 enterprise, located on Indian lands as defined by IGRA. The tribe
16 shall have the ultimate responsibility for ensuring that a facility
17 conforms to the Compact as required herein;

18 15. "Game play credits" means a method of representing value
19 obtained from the exchange of cash or cash equivalents, or earned as
20 a prize, in connection with electronic gaming. Game play credits
21 may be redeemed for cash or a cash equivalent;

22 16. "Player terminals" means electronic or electromechanical
23 terminals housed in cabinets with input devices and video screens or
24 electromechanical displays on which players play electronic bonanza-

1 style bingo games, electronic instant bingo games or electronic
2 amusement games;

3 17. "Independent testing laboratory" means a laboratory of
4 national reputation that is demonstrably competent and qualified to
5 scientifically test and evaluate devices for compliance with this
6 Compact and to otherwise perform the functions assigned to it in
7 this Compact. An independent testing laboratory shall not be owned
8 or controlled by the tribe, the enterprise, an organizational
9 licensee as defined in the State-Tribal Gaming Act, the state, or
10 any manufacturer, supplier or operator of gaming devices. The
11 selection of an independent testing laboratory for any purpose under
12 this Compact shall be made from a list of one or more laboratories
13 mutually agreed upon by the parties; provided that the parties
14 hereby agree that any laboratory upon which the National Indian
15 Gaming Commission (NIGC) has relied for such testing may be utilized
16 for testing required by this Compact;

17 18. "IGRA" means the Indian Gaming Regulatory Act, Pub. L. 100-
18 497, ~~Oct.~~ October 17, 1988, 102 Stat. 2467, codified at 25 U.S.C.,
19 Section 2701 et seq. and 18 U.S.C., Sections 1166 to 1168;

20 19. "Nonhouse-banked card games" means any card game in which
21 the tribe has no interest in the outcome of the game, including
22 games played in tournament formats and games in which the tribe
23 collects a fee from the player for participating, and all bets are
24 placed in a common pool or pot from which all player winnings,

1 prizes and direct costs are paid. As provided herein,
2 administrative fees may be charged by the tribe against any common
3 pool in an amount equal to any fee paid the state; provided that the
4 tribe may seed the pool as it determines necessary from time to
5 time;

6 20. "Patron" means any person who is on the premises of a
7 gaming facility, for the purpose of playing covered games authorized
8 by this Compact;

9 21. "Principal" means, with respect to any entity, its sole
10 proprietor or any partner, trustee, beneficiary or shareholder
11 holding five percent (5%) or more of its beneficial or controlling
12 ownership, either directly or indirectly, or any officer, director,
13 principal management employee, or key employee thereof;

14 22. "Rules and regulations" means the rules and regulations
15 promulgated by the Tribal Compliance Agency for implementation of
16 this Compact;

17 23. "Standards" means the descriptions and specifications of
18 electronic amusement games, electronic bonanza-style bingo games and
19 electronic instant bingo games or components thereof as set forth in
20 Sections 270 through 277 of this title as enacted in 2004 or as
21 amended pursuant to paragraph 27 of this Part or subsection D of
22 Part 13 of this Compact, including technical specifications for
23 component parts, requirements for cashless transaction systems,
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1 software tools for security and audit purposes, and procedures for
2 operation of such games;

3 24. "State" means the State of Oklahoma;

4 25. "State Compliance Agency" ("SCA") means the state agency
5 that has the authority to carry out the state's oversight
6 responsibilities under this Compact, which shall be the Office of
7 Management and Enterprise Services or its successor agency. Nothing
8 herein shall supplant the role or duties of the Oklahoma State
9 Bureau of Investigation under state law. The Oklahoma Horse Racing
10 Commission and the Oklahoma Tax Commission shall have no role in
11 regulating or oversight of any gaming conducted by a tribe;

12 26. "Tribal Compliance Agency" ("TCA") means the tribal
13 governmental agency that has the authority to carry out the tribe's
14 regulatory and oversight responsibilities under this Compact.
15 Unless and until otherwise designated by the tribe, the TCA shall be
16 the [Name of Tribe] Gaming Commission. No covered game employee may
17 be a member or employee of the TCA. The tribe shall have the
18 ultimate responsibility for ensuring that the TCA fulfills its
19 responsibilities under this Compact. The members of the TCA shall
20 be subject to background investigations and licensed to the extent
21 required by any tribal or federal law, and in accordance with
22 subsection B of Part 7 of this Compact. The tribe shall ensure that
23 all TCA officers and agents are qualified for such position and
24 receive ongoing training to obtain and maintain skills that are

1 sufficient to carry out their responsibilities in accordance with
2 industry standards;

3 27. "State-Tribal Gaming Act" means the legislation in which
4 this Model Tribal Gaming Compact is set forth and, at the tribe's
5 option, amendments or successor statutes thereto;

6 28. "Tribal law enforcement agency" means a police or security
7 force established and maintained by the tribe pursuant to the
8 tribe's powers of self-government to carry out law enforcement
9 duties at or in connection with a facility; and

10 29. "Tribe" means the [Name of Nation].

11 Part 4. AUTHORIZATION OF COVERED GAMES

12 A. The tribe and state agree that the tribe is authorized to
13 operate covered games only in accordance with this Compact.
14 However, nothing in this Compact shall limit the tribe's right to
15 operate any game that is Class II under IGRA and no Class II games
16 shall be subject to the exclusivity payments set forth in Part 11 of
17 this Compact. In the case of electronic bonanza-style bingo games,
18 there have been disagreements between tribes and federal regulators
19 as to whether or not such games are Class II. Without conceding
20 that such games are Class III, the tribe has agreed to compact with
21 the state to operate the specific type of electronic bonanza-style
22 bingo game described in this Compact to remove any legal uncertainty
23 as to the tribe's right to lawfully operate the game. Should the
24 electronic bonanza-style bingo game or the electronic instant bingo

1 game described in this act be determined to be Class II by the NIGC
2 or a federal court, then the tribe shall have the option to operate
3 such games outside of this Compact; provided, any obligations
4 pursuant to subsection F of Part 11 of this Compact shall not be
5 affected thereby.

6 B. A tribe shall not operate an electronic bonanza-style bingo
7 game, an electronic instant bingo game or an electronic amusement
8 game pursuant to this Compact until such game has been certified by
9 an independent testing laboratory and the TCA as meeting the
10 standards set out in the State-Tribal Gaming Act for electronic
11 bonanza-style bingo games, electronic instant bingo games or
12 electronic amusement games, as applicable or any standards contained
13 in the Oklahoma Horse Racing Commission rules issued pursuant to
14 subsection B of Section 268 of this title that modify the standards
15 for such games that may be conducted by organizational licensees.
16 Provided, the tribe may rely on any certification of an electronic
17 bonanza-style bingo game, an electronic instant bingo, or electronic
18 amusement games by the Oklahoma Horse Racing Commission which was
19 obtained by an organization licensee pursuant to the State-Tribal
20 Gaming Act to establish certification compliance under this Compact.
21 The tribe may also rely on any certification of an electronic
22 bonanza-style bingo game, electronic instant bingo or an electronic
23 amusement game by the TCA obtained by another tribe which has

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1 entered into the model compact to establish certification compliance
2 under this Compact.

3 Part 5. RULES AND REGULATIONS; MINIMUM REQUIREMENTS FOR
4 OPERATIONS

5 A. Regulations. At all times during the Term of this Compact,
6 the tribe shall be responsible for all duties which are assigned to
7 it, the enterprise, the facility, and the TCA under this Compact.
8 The tribe shall promulgate any rules and regulations necessary to
9 implement this Compact, which at a minimum shall expressly include
10 or incorporate by reference all provisions of this Part 5 and the
11 procedural requirements of Part 6 of this Compact. Nothing in this
12 Compact shall be construed to affect the tribe's right to amend its
13 rules and regulations, provided that any such amendment shall be in
14 conformity with this Compact. The SCA may propose additional rules
15 and regulations related to implementation of this Compact to the TCA
16 at any time, and the TCA shall give good faith consideration to such
17 suggestions and shall notify the SCA of its response or action with
18 respect thereto.

19 B. Compliance; Internal Control Standards. All enterprises and
20 facilities shall comply with, and all covered games approved under
21 the procedures set forth in this Compact shall be operated in
22 accordance with the requirements set forth in this Compact,
23 including, but not limited to, those set forth in subsections C and
24 D of this Part. In addition, all enterprises and facilities shall

1 comply with tribal internal control standards that provide a level
2 of control that equals or exceeds those set forth in the National
3 Indian Gaming Commission's Minimum Internal Control Standards (25
4 C.F.R., Part 542), except as provided in Section 4 of this act.

5 C. Records. In addition to other records required to be
6 maintained herein, the enterprise or tribe shall maintain the
7 following records related to implementation of this Compact in
8 permanent form and as written or entered, whether manually or by
9 computer, and which shall be maintained by the enterprise and made
10 available for inspection by the SCA for no less than three (3) years
11 from the date generated:

12 1. A log recording all surveillance activities in the
13 monitoring room of the facility, including, but not limited to,
14 surveillance records kept in the normal course of enterprise
15 operations and in accordance with industry standards; provided,
16 notwithstanding anything to the contrary herein, surveillance
17 records may, at the discretion of the enterprise, be destroyed if no
18 incident has been reported within one (1) year following the date
19 such records were made. Records, as used in this Compact, shall
20 include video tapes and any other storage media;

21 2. Payout from the conduct of all covered games;

22 3. Maintenance logs for all covered games gaming equipment used
23 by the enterprise;

24

1 4. Security logs as kept in the normal course of conducting and
2 maintaining security at the facility, which at a minimum shall
3 conform to industry practices for such reports. The security logs
4 shall document any unusual or nonstandard activities, occurrences or
5 events at or related to the facility or in connection with the
6 enterprise. Each incident, without regard to materiality, shall be
7 assigned a sequential number for each such report. At a minimum,
8 the security logs shall consist of the following information, which
9 shall be recorded in a reasonable fashion noting:

- 10 a. the assigned number of the incident,
- 11 b. the date of the incident,
- 12 c. the time of the incident,
- 13 d. the location of the incident,
- 14 e. the nature of the incident,
- 15 f. the identity, including identification information, of
16 any persons involved in the incident and any known
17 witnesses to the incident, and
- 18 g. the tribal compliance officer making the report and
19 any other persons contributing to its preparation;

20 5. Books and records on all covered game activities of the
21 enterprise shall be maintained in accordance with generally accepted
22 accounting principles (GAAP); and

23 6. All documents generated in accordance with this Compact.
24

1 D. Use of Net Revenues. Net revenues that the tribe receives
2 from covered games are to be used for any one or more of those
3 purposes permitted under IGRA:

4 1. To fund tribal government operations or programs;

5 2. To provide for the general welfare of the tribe and its
6 members;

7 3. To promote tribal economic development;

8 4. To donate to charitable organizations; or

9 5. To help fund operations of local government agencies.

10 E. 1. The tribe's rules and regulations shall require the
11 enterprise at a minimum to bar persons based on their prior conduct
12 at the facility or who, because of their criminal history or
13 association with criminal offenders, pose a threat to the integrity
14 of the conduct of covered games.

15 2. The TCA shall establish a list of the persons barred from
16 the facility.

17 3. The enterprise shall employ its best efforts to exclude
18 persons on such list from entry into its facility; provided, neither
19 persons who are barred but gain access to the facility, nor any
20 other person, shall have any claim against the state, the tribe or
21 the enterprise or any other person for failing to enforce such bar.

22 4. Patrons who believe they may be playing covered games on a
23 compulsive basis may request that their names be placed on the list.

24 All covered game employees shall receive training on identifying

1 players who have a problem with compulsive playing and shall be
2 instructed to ask them to leave. Signs and other materials shall be
3 readily available to direct such compulsive players to agencies
4 where they may receive counseling.

5 F. Audits. 1. Consistent with 25 C.F.R., Section 571.12,
6 Audit Standards, the TCA shall ensure that an annual independent
7 financial audit of the enterprise's conduct of covered games subject
8 to this Compact is secured. The audit shall, at a minimum, examine
9 revenues and expenses in connection with the conduct of covered
10 games in accordance with generally accepted auditing standards and
11 shall include, but not be limited to, those matters necessary to
12 verify the determination of adjusted gross revenues and the basis of
13 the payments made to the state pursuant to Part 11 of this Compact.

14 2. The auditor selected by the TCA shall be a firm of known and
15 demonstrable experience, expertise and stature in conducting audits
16 of this kind and scope.

17 3. The audit shall be concluded within five (5) months
18 following the close of each calendar year, provided that extensions
19 may be requested by the tribe and shall not be refused by the state
20 where the circumstances justifying the extension request are beyond
21 the tribe's control.

22 4. The audit of the conduct of covered games may be conducted
23 as part of or in conjunction with the audit of the enterprise, but
24

1 if so conducted shall be separately stated for the reporting
2 purposes required herein.

3 5. The audit shall conform to generally accepted auditing
4 standards. As part of the audit report, the auditor shall certify
5 to the TCA that, in the course of the audit, the auditor discovered
6 no matters within the scope of the audit which were determined or
7 believed to be in violation of any provision of this Compact.

8 6. The enterprise shall assume all costs in connection with the
9 audit.

10 7. The audit report for the conduct of covered games shall be
11 submitted to the SCA within thirty (30) days of completion. The
12 auditor's work papers concerning covered games shall be made
13 available to the SCA upon request.

14 8. Representatives of the SCA may, upon request, meet with the
15 auditors to discuss the work papers, the audit or any matters in
16 connection therewith; provided, such discussions are limited to
17 covered games information and pursue legitimate state covered games
18 interests.

19 G. Rules for Play of and Prizes for Covered Games. Summaries
20 of the rules for playing covered games and winning prizes shall be
21 visibly displayed in the facility. Complete sets of rules shall be
22 available in pamphlet form in the facility.

23 H. Supervisory Line of Authority. The enterprise shall provide
24 the TCA and SCA with a chart of the supervisory lines of authority

1 with respect to those directly responsible for the conduct of
2 covered games, and shall promptly notify those agencies of any
3 material changes thereto.

4 I. Sale of Alcoholic Beverages. The sale and service of
5 alcoholic beverages in a facility shall be in compliance with state,
6 federal and tribal law in regard to the licensing and sale of such
7 beverages.

8 J. Age Restrictions. No person who would not be eligible to be
9 a patron of a pari-mutuel system of wagering pursuant to the
10 provisions of subsection B of Section 208.4 of this title shall be
11 admitted into any area in a facility where covered games are played,
12 nor be permitted to operate, or obtain a prize from or in connection
13 with the operation of, any covered game, directly or indirectly.

14 K. Destruction of Documents. Enterprise books, records and
15 other materials documenting the conduct of covered games shall be
16 destroyed only in accordance with rules and regulations adopted by
17 the TCA, which at a minimum shall provide as follows:

18 1. Material that might be utilized in connection with a
19 potential tort claim pursuant to Part 6 of this Compact, including,
20 but not limited to, incident reports, surveillance records,
21 statements, and the like, shall be maintained at least one (1) year
22 beyond the time which a claim can be made under Part 6 of this
23 Compact or, if a tort claim is made, beyond the final disposition of
24 such claim;

1 2. Material that might be utilized in connection with a prize
2 claim, including but not limited to incident reports, surveillance
3 records, statements, and the like, shall be maintained at least one
4 hundred eighty (180) days beyond the time which a claim can be made
5 under Part 6 of this Compact or, if a prize claim is made, beyond
6 the final disposition of such claim; and

7 3. Notwithstanding anything herein to the contrary, all
8 enterprise books and records with respect to the conduct of covered
9 games or the operation of the enterprise, including, but not limited
10 to, all interim and final financial and audit reports and materials
11 related thereto which have been generated in the ordinary course of
12 business, shall be maintained for the minimum period of three (3)
13 years.

14 L. Location. The tribe may establish and operate enterprises
15 and facilities that operate covered games only on its Indian lands
16 as defined by IGRA. The tribe shall notify the SCA of the operation
17 of any new facility following the effective date of this Compact,
18 except as provided in Section 4 of this act. Nothing herein shall
19 be construed as expanding or otherwise altering the term "Indian
20 lands", as that term is defined in the IGRA, nor shall anything
21 herein be construed as altering the federal process governing the
22 tribal acquisition of "Indian lands" for gaming purposes.

23 M. Records of Covered Games. The TCA shall keep a record of,
24 and shall report at least quarterly to the SCA, the number of

1 covered games in each facility, by the name or type of each and its
2 identifying number.

3 ~~PART~~ Part 6. TORT CLAIMS; PRIZE CLAIMS; LIMITED CONSENT TO SUIT

4 A. Tort Claims. The enterprise shall ensure that patrons of a
5 facility are afforded due process in seeking and receiving just and
6 reasonable compensation for a tort claim for personal injury or
7 property damage against the enterprise arising out of incidents
8 occurring at a facility, hereinafter "tort claim", as follows:

9 1. During the term of this Compact, the enterprise shall
10 maintain public liability insurance for the express purposes of
11 covering and satisfying tort claims. The insurance shall have
12 liability limits of not less than Two Hundred Fifty Thousand Dollars
13 (\$250,000.00) for any one person and Two Million Dollars
14 (\$2,000,000.00) for any one occurrence for personal injury, and One
15 Million Dollars (\$1,000,000.00) for any one occurrence for property
16 damage, hereinafter the "limit of liability", or the corresponding
17 limits under ~~the~~ The Governmental Tort Claims Act, whichever is
18 greater. No tort claim shall be paid, or be the subject of any
19 award, in excess of the limit of liability;

20 2. The tribe consents to suit on a limited basis with respect
21 to tort claims subject to the limitations set forth in this
22 subsection and subsection C of this Part. No consents to suit with
23 respect to tort claims, or as to any other claims against the tribe
24

1 shall be deemed to have been made under this Compact, except as
2 provided in subsections B and C of this Part;

3 3. The enterprise's insurance policy shall include an
4 endorsement providing that the insurer may not invoke tribal
5 sovereign immunity in connection with any claim made within the
6 limit of liability if the claim complies with the limited consent
7 provisions of subsection C of this Part. Copies of all such
8 insurance policies shall be forwarded to the SCA;

9 4. Any patron having a tort claim shall file a written tort
10 claim notice by delivery to the enterprise or the TCA. The date the
11 tort claim notice is filed with the enterprise or the TCA shall be
12 deemed the official date of filing the tort claim notice. The tort
13 claim notice shall be filed within one (1) year of the date of the
14 event which allegedly caused the claimed loss. Failure to file the
15 tort claim notice during such period of time shall forever bar such
16 tort claim; provided that a tort claim notice filed with the
17 enterprise or the TCA more than ninety (90) days, but within one (1)
18 year, after the event shall be deemed to be timely filed, but any
19 judgment thereon shall be reduced by ten percent (10%)~~;~~;

20 5. If the tort claim notice is filed with the TCA, the TCA
21 shall forward a copy of the tort claim to the enterprise and the SCA
22 within forty-eight (48) hours of filing, and if the tort claim
23 notice is filed with the enterprise, the enterprise shall forward a
24

1 copy of the tort claim to the TCA and the SCA within forty-eight
2 (48) hours of filing;

3 6. The tort claim notice shall state the date, time, place and
4 circumstances of the incident upon which the tort claim is based,
5 the identity of any persons known to have information regarding the
6 incident, including employees or others involved in or who witnessed
7 the incident, the amount of compensation and the basis for said
8 relief; the name, address and telephone number of the claimant, and
9 the name, address and telephone number of any representative
10 authorized to act or settle the claim on behalf of the claimant;

11 7. All tort claim notices shall be signed by the claimant. The
12 rules and regulations may additionally require that the tort claim
13 notices be signed under oath. The rules and regulations may also
14 require that as a condition of prosecuting tort claims, the claimant
15 shall appear to be interviewed or deposed at least once under
16 reasonable circumstances, which shall include the attendance of the
17 claimant's legal counsel if requested; provided that the enterprise
18 shall afford claimant at least thirty (30) days' written notice of
19 the interview or deposition; and provided further that the
20 claimant's failure to appear without cause for any interview or
21 deposition properly noticed pursuant to this paragraph shall be
22 deemed a voluntary withdrawal of the tort claim;

23 8. The enterprise shall promptly review, investigate, and make
24 a determination regarding the tort claim. Any portion of a tort

1 claim which is unresolved shall be deemed denied if the enterprise
2 fails to notify the claimant in writing of its approval within
3 ninety (90) days of the filing date, unless the parties by written
4 agreement extend the date by which a denial shall be deemed issued
5 if no other action is taken. Each extension shall be for no more
6 than ninety (90) days, but there shall be no limit on the number of
7 written agreements for extensions; provided, that no written
8 agreement for extension shall be valid unless signed by the claimant
9 and an authorized representative of the enterprise. The claimant
10 and the enterprise may continue attempts to settle a claim beyond an
11 extended date; provided, settlement negotiations shall not extend
12 the date of denial in the absence of a written agreement for
13 extension as required by this paragraph;

14 9. A judicial proceeding for any cause arising from a tort
15 claim may be maintained in accordance with and subject to the
16 limitations of subsection C of this Part only if the following
17 requirements have been met:

- 18 a. the claimant has followed all procedures required by
19 this Part, including, without limitation, the delivery
20 of a valid and timely written tort claim notice to the
21 enterprise,
- 22 b. the enterprise has denied the tort claim, and
- 23 c. the claimant has filed the judicial proceeding no
24 later than the one-hundred-eightieth day after denial

1 of the claim by the enterprise; provided, that neither
2 the claimant nor the enterprise may agree to extend
3 the time to commence a judicial proceeding; and

4 10. Notices explaining the procedure and time limitations with
5 respect to making a tort claim shall be prominently posted in the
6 facility. Such notices shall explain the method and places for
7 making a tort claim, that this procedure is the exclusive method of
8 making a tort claim, and that claims that do not follow these
9 procedures shall be forever barred. The enterprise shall make
10 pamphlets containing the requirements in this subsection readily
11 available to all patrons of the facility and shall provide such
12 pamphlets to a claimant within five (5) days of the filing of a
13 claim.

14 B. Prize Claims. The enterprise shall ensure that patrons of a
15 facility are afforded due process in seeking and receiving just and
16 reasonable compensation arising from a patron's dispute, in
17 connection with his or her play of any covered game, the amount of
18 any prize which has been awarded, the failure to be awarded a prize,
19 or the right to receive a refund or other compensation, ~~hereafter~~
20 hereinafter "prize claim", as follows:

21 1. The tribe consents to suit on a limited basis with respect
22 to prize claims against the enterprise only as set forth in
23 subsection C of this Part; no consents to suit with respect to prize
24 claims, or as to any other claims against the tribe shall be deemed

1 to have been made under this Compact, except as provided in
2 subsections A and C of this Part;

3 2. The maximum amount of any prize claim shall be the amount of
4 the prize which the claimant establishes he or she was entitled to
5 be awarded, ~~hereafter~~ hereinafter "prize limit";

6 3. Any patron having a prize claim shall file a written prize
7 claim notice by delivery to the enterprise or the TCA. The date the
8 prize claim is filed with the enterprise or the TCA shall be deemed
9 the official date of filing the prize claim notice. The prize claim
10 notice shall be filed within ten (10) days of the event which is the
11 basis of the claim. Failure to file the prize claim notice during
12 such period of time shall forever bar such prize claim;

13 4. If the prize claim notice is filed with the TCA, the TCA
14 shall forward a copy of the prize claim to the enterprise and the
15 SCA within forty-eight (48) hours of its filing; and if the prize
16 claim notice is filed with the enterprise, the enterprise shall
17 forward a copy of the tort claim to the TCA and the SCA within
18 forty-eight (48) hours of filing;

19 5. The written prize claim notice shall state the date, time,
20 place and circumstances of the incident upon which the prize claim
21 is based, the identity of any persons known to have information
22 regarding the incident, including employees or others involved in or
23 who witnessed the incident, the amount demanded and the basis for
24 said amount, the name, address and telephone number of the claimant,

1 and the name, address and telephone number of any representative
2 authorized to act or settle the claim on behalf of the claimant;

3 6. All notices of prize claims shall be signed by the claimant.
4 The rules and regulations may additionally require that the prize
5 claim notices be signed under oath;

6 7. The enterprise shall promptly review, investigate and make a
7 determination regarding the prize claim. Claimants shall cooperate
8 in providing information, including personal sworn statements and
9 agreeing to be interviewed, as the enterprise shall reasonably
10 request. The claimant is permitted to have counsel present during
11 any such interview;

12 8. If the prize claim is not resolved within seventy-two (72)
13 hours from the time of filing the claim in accordance with paragraph
14 5 of this subsection, the TCA shall immediately notify the SCA in
15 writing that the claim has not been resolved;

16 9. In the event the claim is resolved, the TCA shall not be
17 obligated to report that fact to the SCA, but shall make TCA reports
18 available for review;

19 10. Any portion of a prize claim which is unresolved shall be
20 deemed denied if the enterprise fails to notify the claimant in
21 writing of its approval within thirty (30) days of the filing date,
22 unless the parties agree by written agreement to extend the date.
23 Each extension shall be for no more than thirty (30) days, but there
24 shall be no limit on the number of written agreements for

1 extensions; provided, that no written agreements for extension shall
2 be valid unless signed by the claimant and an authorized
3 representative of the TCA. The claimant and the enterprise may
4 continue attempts to settle a claim beyond an extended date;
5 provided, settlement negotiations shall not extend the date of
6 denial in the absence of a written extension required by this
7 paragraph;

8 11. A judicial proceeding for any cause arising from a prize
9 claim may be maintained in accordance with and subject to the
10 limitations of subsection C of this Part only if the following
11 requirements have been met:

- 12 a. the claimant has followed all procedures required by
13 this Part, including without limitation, the delivery
14 of a valid and timely written prize claim notice to
15 the enterprise,
- 16 b. the enterprise has denied the prize claim, and
- 17 c. the claimant has filed the judicial proceeding no
18 later than one hundred eighty (180) days after denial
19 of the claim by the enterprise; provided that neither
20 the claimant nor the enterprise may extend the time to
21 commence a judicial proceeding; and

22 12. Notices explaining the procedure and time limitations with
23 respect to making a prize claim shall be prominently posted in the
24 facility. Such notices shall explain the method and places for

1 making claims, that this procedure is the exclusive method of making
2 a prize claim, and that claims that do not follow this procedure
3 shall be forever barred. The enterprise shall make pamphlets
4 containing the requirements in this subsection readily available to
5 all patrons of the facility and shall provide such pamphlets to a
6 claimant by the TCA within five (5) days of the filing date of a
7 claim.

8 C. Limited Consent to Suit for Tort Claims and Prize Claims.

9 The tribe consents to suit against the enterprise in a court of
10 competent jurisdiction with respect to a tort claim or prize claim
11 if all requirements of paragraph 9 of subsection A of this Part or
12 all requirements of paragraph 11 of subsection B of this Part have
13 been met; provided that such consent shall be subject to the
14 following additional conditions and limitations:

15 1. For tort claims, consent to suit is granted only to the
16 extent such claim or any award or judgment rendered thereon does not
17 exceed the limit of liability. Under no circumstances shall any
18 consent to suit be effective as to any award which exceeds such
19 applicable amounts. This consent shall only extend to the patron
20 actually claiming to have been injured. A tort claim shall not be
21 assignable. In the event any assignment of the tort claim is made
22 in violation of this Compact, or any person other than the patron
23 claiming the injury becomes a party to any action hereunder, this
24 consent shall be deemed revoked for all purposes. Notwithstanding

1 the foregoing, consent to suit shall not be revoked if an action on
2 a tort claim is filed by (i) a court appointed representative of a
3 claimant's estate, (ii) an indispensable party, or (iii) a health
4 provider or other party subrogated to the claimant's rights by
5 virtue of any insurance policy; provided, that nothing herein is
6 intended to, or shall constitute a consent to suit against the
7 enterprise as to such party except to the extent such party's claim
8 is:

- 9 a. in lieu of and identical to the claim that would have
10 been made by the claimant directly but for the
11 appointment of said representative or indispensable
12 party, and participation of such other party is in
13 lieu of and not in addition to pursuit of the claim by
14 the patron, and
- 15 b. the claim of such other party would have been subject
16 to a consent to suit hereunder if it had been made by
17 the claimant directly; and

18 2. For prize claims, consent is granted only to the extent such
19 claim does not exceed the prize limit. Under no circumstances shall
20 any award exceed the prize limit. This consent shall only extend to
21 the patron actually claiming to have engaged in the play of a
22 covered game on which the claim is based. Prize claims shall not be
23 assignable. In the event any assignment of the prize claim is made,
24 or any person other than the claimant entitled to make the claim

1 becomes a party to any action hereunder, this consent shall be
2 deemed revoked for all purposes. Notwithstanding the foregoing,
3 consent to suit shall not be revoked if an action on a prize claim
4 is filed by (i) a court-appointed representative of a claimant's
5 estate, or (ii) an indispensable party, provided that nothing herein
6 is intended to, or shall constitute a consent to suit against the
7 enterprise as to such party except to the extent such party's claim
8 is:

9 a. in lieu of and identical to the claim that would have
10 been made by the claimant directly but for the
11 appointment of said representative or indispensable
12 party, and participation of such other party is in
13 lieu of and not in addition to pursuit of the claim by
14 the patron, and

15 b. the claim of such other party would have been subject
16 to a consent to suit hereunder if it had been made by
17 the claimant directly.

18 D. Remedies in the Event of No or Inadequate Insurance for Tort
19 Claim. In the event a tort claim is made and there is no, or
20 inadequate, insurance in effect as required under this Compact, the
21 enterprise shall be deemed to be in default hereunder unless, within
22 ten (10) days of a demand by the SCA or a claimant to do so, the
23 enterprise has posted in an irrevocable escrow account at a state or
24 federally chartered bank which is not owned or controlled by the

1 | tribe, sufficient cash, a bond or other security sufficient to cover
2 | any award that might be made within the limits set forth in
3 | paragraph 1 of subsection A of this Part, and informs the claimant
4 | and the state of:

5 | 1. The posting of the cash or bond;

6 | 2. The means by which the deposit can be independently verified
7 | as to the amount and the fact that it is irrevocable until the
8 | matter is finally resolved;

9 | 3. The right of the claimant to have this claim satisfied from
10 | the deposit if the claimant is successful on the claim; and

11 | 4. The notice and hearing opportunities in accordance with the
12 | tribe's tort law, if any, otherwise in accordance with principles of
13 | due process, which will be afforded to the claimant so that the
14 | intent of this Compact to provide claimants with a meaningful
15 | opportunity to seek a just remedy under fair conditions will be
16 | fulfilled.

17 | Part 7. ENFORCEMENT OF COMPACT PROVISIONS

18 | A. The tribe and TCA shall be responsible for regulating
19 | activities pursuant to this Compact. As part of its
20 | responsibilities, the tribe shall require the enterprise do the
21 | following:

22 | 1. Operate the conduct of covered games in compliance with this
23 | Compact, including, but not limited to, the standards and the
24 | tribe's rules and regulations;

1 2. Take reasonable measures to assure the physical safety of
2 enterprise patrons and personnel, prevent illegal activity at the
3 facility, and protect any rights of patrons under the Indian Civil
4 Rights Act of 1968, 25 U.S.C., ~~Sec. 1302-1303~~ Sections 1302 through
5 1303;

6 3. Promptly notify appropriate law enforcement authorities of
7 persons who may be involved in illegal acts in accordance with
8 applicable law;

9 4. Assure that the construction and maintenance of the facility
10 meets or exceeds federal and tribal standards for comparable
11 buildings; and

12 5. Prepare adequate emergency access plans to ensure the health
13 and safety of all covered game patrons. Upon the finalization of
14 emergency access plans, the TCA or enterprise shall forward copies
15 of such plans to the SCA.

16 B. All licenses for members and employees of the TCA shall be
17 issued according to the same standards and terms applicable to
18 facility employees. The TCA shall employ qualified compliance
19 officers under the authority of the TCA. The compliance officers
20 shall be independent of the enterprise, and shall be supervised and
21 accountable only to the TCA. A TCA compliance officer shall be
22 available to the facility during all hours of operation upon
23 reasonable notice, and shall have immediate access to any and all
24 areas of the facility for the purpose of ensuring compliance with

1 the provisions of this Compact. The TCA shall investigate any such
2 suspected or reported violation of this Compact and shall require
3 the enterprise to correct such violations. The TCA shall officially
4 enter into its files timely written reports of investigations and
5 any action taken thereon, and shall forward copies of such reports
6 to the SCA within fifteen (15) days of such filing. Any such
7 violations shall be reported immediately to the TCA, and the TCA
8 shall immediately forward the same to the SCA. In addition, the TCA
9 shall promptly report to the SCA any such violations which it
10 independently discovers.

11 C. In order to develop and foster a positive and effective
12 relationship in the enforcement of the provisions of this Compact,
13 representatives of the TCA and the SCA shall meet, not less than on
14 an annual basis, to review past practices and examine methods to
15 improve the regulatory scheme created by this Compact. The meetings
16 shall take place at a location mutually agreed to by the TCA and the
17 SCA. The SCA, prior to or during such meetings, shall disclose to
18 the TCA any concerns, suspected activities, or pending matters
19 reasonably believed to possibly constitute violations of this
20 Compact by any person, organization or entity, if such disclosure
21 will not compromise the interest sought to be protected.

22 Part 8. STATE MONITORING OF COMPACT

23 A. The SCA shall, pursuant to the provisions of this Compact,
24 have the authority to monitor the conduct of covered games to ensure

1 that the covered games are conducted in compliance with the
2 provisions of this Compact. In order to properly monitor the
3 conduct of covered games, agents of the SCA shall have reasonable
4 access to all areas of the facility related to the conduct of
5 covered games as provided herein:

6 1. Access to the facility by the SCA shall be during the
7 facility's normal operating hours only; provided that to the extent
8 such inspections are limited to areas of the facility where the
9 public is normally permitted, SCA agents may inspect the facility
10 without giving prior notice to the enterprise;

11 2. Any suspected or claimed violations of this Compact or of
12 law shall be directed in writing to the TCA; SCA agents shall not
13 interfere with the functioning of the enterprise; and

14 3. Before SCA agents enter any nonpublic area of the facility,
15 they shall provide proper photographic identification to the TCA.
16 SCA agents shall be accompanied in nonpublic areas of the facility
17 by a TCA agent. A one-hour notice by SCA to the TCA may be required
18 to assure that a TCA officer is available to accompany SCA agents at
19 all times.

20 B. Subject to the provisions herein, agents of the SCA shall
21 have the right to review and copy documents of the enterprise
22 related to its conduct of covered games. The review and copying of
23 such documents shall be during normal business hours or hours
24 otherwise at tribe's discretion. However, the SCA shall not be

1 permitted to copy those portions of any documents of the enterprise
2 related to its conduct of covered games that contain business or
3 marketing strategies or other proprietary and confidential
4 information of the enterprise, including, but not limited to,
5 customer lists, business plans, advertising programs, marketing
6 studies, and customer demographics or profiles. No documents of the
7 enterprise related to its conduct of covered games or copies thereof
8 shall be released to the public by the state under any
9 circumstances. All such documents shall be deemed confidential
10 documents owned by the tribe and shall not be subject to public
11 release by the state.

12 C. At the completion of any SCA inspection or investigation,
13 the SCA shall forward a written report thereof to the TCA. The TCA
14 shall be apprised on a timely basis of all pertinent,
15 nonconfidential information regarding any violation of federal,
16 state, or tribal laws, the rules or regulations, or this Compact.
17 Nothing herein prevents the SCA from contacting tribal or federal
18 law enforcement authorities for suspected criminal wrongdoing
19 involving the TCA. TCA may interview SCA inspectors upon reasonable
20 notice and examine work papers and SCA in the same fashion that SCA
21 inspectors may examine auditors' notes and make auditor inquiry
22 unless providing such information to the TCA will compromise the
23 interests sought to be protected. If the SCA determines that
24 providing the information to the TCA will compromise the interests

1 sought to be protected, then the SCA shall provide such information
2 to the tribe in accordance with Part ~~13~~ 14 of this Compact.

3 D. Nothing in this Compact shall be deemed to authorize the
4 state to regulate the tribe's government, including the TCA, or to
5 interfere in any way with the tribe's selection of its governmental
6 officers, including members of the TCA; provided, however, the SCA
7 and the tribe, upon request of the tribe, shall jointly employ, at
8 the tribe's expense, an independent firm to perform on behalf of the
9 SCA the duties set forth in subsections A and B of this Part.

10 Part 9. JURISDICTION

11 This Compact shall not alter tribal, federal or state civil
12 adjudicatory or criminal jurisdiction.

13 Part 10. LICENSING

14 A. 1. Except as provided in paragraph 6 of Part 3 of this
15 Compact, no covered game employee shall be employed at a facility or
16 by an enterprise unless such person is licensed in accordance with
17 this Compact. In addition to the provisions of this Part which are
18 applicable to the licensing of all covered game employees, the
19 requirements of 25 C.F.R., Part 556, Background Investigations for
20 Primary Management Officials and Key Employees, and 25 C.F.R., Part
21 558, Gaming Licenses for Key Employees and Primary Management
22 Officials, apply to Key Employees and Primary Management Officials
23 of the facility and enterprise.

1 2. All prospective covered game employees shall apply to the
2 TCA for a license. Licenses shall be issued for periods of no more
3 than two (2) years, after which they may be renewed only following
4 review and update of the information upon which the license was
5 based; provided, the TCA may extend the period in which the license
6 is valid for a reasonable time pending the outcome of any
7 investigation being conducted in connection with the renewal of such
8 license. In the event the SCA contends that any such extension is
9 unreasonable, it may seek resolution of that issue pursuant to Part
10 ~~11~~ 12 of this Compact.

11 3. The application process shall require the TCA to obtain
12 sufficient information and identification from the applicant to
13 permit a background investigation to determine if a license should
14 be issued in accordance with this Part and the rules and
15 regulations. The TCA shall obtain information about a prospective
16 covered game employee that includes:

- 17 a. full name, including any aliases by which applicant
- 18 has ever been known,
- 19 b. social security number,
- 20 c. date and place of birth,
- 21 d. residential addresses for the past five (5) years,
- 22 e. employment history for the past five (5) years,
- 23 f. driver license number,
- 24

- 1 g. all licenses issued and disciplinary charges filed,
- 2 whether or not discipline was imposed, by any state or
- 3 tribal regulatory authority,
- 4 h. all criminal arrests and proceedings, except for minor
- 5 traffic offenses, to which the applicant has been a
- 6 party,
- 7 i. a set of fingerprints,
- 8 j. a current photograph,
- 9 k. military service history, and
- 10 l. any other information the TCA determines is necessary
- 11 to conduct a thorough background investigation.

12 4. Upon obtaining the required initial information from a
13 prospective covered game employee, the TCA shall forward a copy of
14 such information to the SCA, along with any determinations made with
15 respect to the issuance or denial of a temporary or permanent
16 license. The SCA may conduct its own background investigation of
17 the applicant at SCA expense, shall notify the TCA of such
18 investigation within a reasonable time from initiation of the
19 investigation, and shall provide a written report to the TCA of the
20 outcome of such investigation within a reasonable time from the
21 receipt of a request from the TCA for such information. SCA
22 inspector field notes and the SCA inspector shall be available upon
23 reasonable notice for TCA review and inquiry.

1 5. The TCA may issue a temporary license for a period not to
2 exceed ninety (90) days, and the enterprise may employ on a
3 probationary basis, any prospective covered game employee who
4 represents in writing that he or she meets the standards set forth
5 in this Part, provided the TCA or enterprise is not in possession of
6 information to the contrary. The temporary license shall expire at
7 the end of the ninety-day period or upon issuance or denial of a
8 permanent license, whichever event occurs first. Provided that the
9 temporary license period may be extended at the discretion of the
10 TCA so long as good faith efforts are being made by the applicant to
11 provide required information, or the TCA is continuing to conduct
12 its investigation or is waiting on information from others, and
13 provided further that in the course of such temporary or extended
14 temporary licensing period, no information has come to the attention
15 of the TCA which, in the absence of countervailing information then
16 in the record, would otherwise require denial of license. A
17 permanent license shall be issued or denied within a reasonable time
18 following the completion of the applicant's background
19 investigation.

20 6. In covered gaming the tribe shall not employ and shall
21 terminate, and the TCA shall not license and shall revoke a license
22 previously issued to, any covered game employee who:

- 23 a. has been convicted of any felony or an offense related
24 to any covered games or other gaming activity,

1 b. has knowingly and willfully provided false material,
2 statements or information on his or her employment
3 application, or

4 c. is a person whose prior activities, criminal record,
5 or reputation, habits, and associations pose a threat
6 to the public interest or to the effective regulation
7 and control of the conduct of covered games, or create
8 or enhance the dangers of unsuitable, unfair, or
9 illegal practices, methods, and activities in the
10 conduct of covered games or the carrying on of the
11 business and financial arrangements incidental
12 thereto.

13 7. The SCA may object to the employment of any individual by
14 the enterprise based upon the criteria set forth in paragraph 6 of
15 this subsection ~~A of this Part~~. Such objection shall be in writing
16 setting forth the basis of the objection. The SCA inspector's work
17 papers, notes and exhibits which formed the SCA conclusion shall be
18 available upon reasonable notice for TCA review. The enterprise
19 shall have discretion to employ an individual over the objection of
20 the SCA.

21 8. The TCA shall have the discretion to initiate or continue a
22 background investigation of any licensee or license applicant and to
23 take appropriate action with respect to the issuance or continued
24

1 validity of any license at any time, including suspending or
2 revoking such license.

3 9. The TCA shall require all covered game employees to wear, in
4 plain view, identification cards issued by the TCA which include a
5 photograph of the employee, his or her first name, a four-digit
6 identification number unique to the license issued to the employee,
7 a tribal seal or signature verifying official issuance of the card,
8 and a date of expiration, which shall not extend beyond such
9 employee's license expiration date.

10 B. 1. Any person or entity who, directly or indirectly,
11 provides or is likely to provide at least Twenty-five Thousand
12 Dollars (\$25,000.00) in goods or services to the enterprise in any
13 twelve-month period, or who has received at least Twenty-five
14 Thousand Dollars (\$25,000.00) for goods or services provided to the
15 enterprise in any consecutive twelve-month period within the
16 immediately preceding twenty-four-month period, or any person or
17 entity who provides through sale, lease, rental or otherwise covered
18 games, or parts, maintenance or service in connection therewith to
19 the tribe or the enterprise at any time and in any amount, shall be
20 licensed by the TCA prior to the provision thereof. Provided, that
21 attorneys or certified public accountants and their firms shall be
22 exempt from the licensing requirement herein to the extent that they
23 are providing services covered by their professional licenses.

24

1 2. Background investigations and licensing shall follow the
2 same process and apply the same criteria as for covered game
3 employees set forth in paragraph 6 of subsection A of this Part.

4 3. In the case of a license application of any entity, all
5 principals thereof shall be subjected to the same background
6 investigation required for the licensing of a covered game employee,
7 but no license as such need be issued; provided, no license shall be
8 issued to the entity if the TCA determines that one or more of its
9 principals will be persons who would not be qualified to receive a
10 license if they applied as covered game employees.

11 4. Nothing herein shall prohibit the TCA from processing and
12 issuing a license to a principal in his or her own name.

13 5. Licenses issued under this subsection shall be reviewed at
14 least every two (2) years for continuing compliance, and shall be
15 promptly revoked if the licensee is determined to be in violation of
16 the standards set forth in paragraph 6 of subsection A of this Part.
17 In connection with such a review, the TCA shall require the person
18 or entity to update all information provided in the previous
19 application.

20 6. The enterprise shall not enter into, or continue to make
21 payments pursuant to, any contract or agreement for the provision of
22 goods or services with any person or entity who does not meet the
23 requirements of this Part including, but not limited to, any person
24

1 or entity whose application to the TCA for a license has been
2 denied, or whose license has expired or been suspended or revoked.

3 7. Pursuant to 25 C.F.R., Part 533, all management contracts
4 must be approved by the Chair of the National Indian Gaming
5 Commission. The SCA shall be notified promptly after any such
6 approval.

7 8. In addition to any licensing criteria set forth above, if
8 any person or entity seeking licensing under this subsection is to
9 receive any fee or other payment based on the revenues or profits of
10 the enterprise, the TCA may take into account whether or not such
11 fee or other payment is fair in light of market conditions and
12 practices.

13 C. 1. Subject to the exceptions set forth in paragraph 4 of
14 this subsection, any person or entity extending financing, directly
15 or indirectly, to the facility or enterprise in excess of Fifty
16 Thousand Dollars (\$50,000.00) in any twelve-month period shall be
17 licensed prior to providing such financing. Principals thereof
18 shall be subjected to background investigations and determinations
19 in accordance with the procedures and standards set forth in
20 subsection A of this Part. Licenses issued under this section shall
21 be reviewed at least every two (2) years for continuing compliance,
22 and shall be promptly revoked if the licensee is determined to be in
23 violation of the standards set forth in paragraph 6 of subsection A
24 of this Part. In connection with such a review, the TCA shall

1 require the person or entity to update all information provided in
2 the previous application.

3 2. The SCA shall be notified of all financing and loan
4 transactions with respect to covered games or supplies in which the
5 amount exceeds Fifty Thousand Dollars (\$50,000.00) in any twelve-
6 month period, and shall be entitled to review copies of all
7 agreements and documents in connection therewith.

8 3. A supplier of goods or services who provides financing
9 exclusively in connection with the sale or lease of covered games
10 equipment or supplies shall be licensed solely in accordance with
11 licensing procedures applicable, if at all, to such suppliers
12 herein.

13 4. Financing provided by a federally regulated or state-
14 regulated bank, savings and loan, or trust, or other federally or
15 state-regulated lending institution; any agency of the federal,
16 state, tribal or local government; or any person or entity,
17 including, but not limited to, an institutional investor who, alone
18 or in conjunction with others, lends money through publicly or
19 commercially traded bonds or other commercially traded instruments,
20 including but not limited to the holders of such bonds or
21 instruments or their assignees or transferees, or which bonds or
22 commercially traded instruments are underwritten by any entity whose
23 shares are publicly traded or which underwriter, at the time of the
24 underwriting, has assets in excess of One Hundred Million Dollars

1 (\$100,000,000.00), shall be exempt from the licensing and background
2 investigation requirements in subsection B of this Part or this
3 subsection.

4 D. In the event the SCA objects to a lender, vendor or any
5 other person or entity within subsection B or C of this Part seeking
6 to do business with the enterprise, or to the continued holding of a
7 license by such person or entity, it may notify the TCA of its
8 objection. The notice shall set forth the basis of the objection
9 with sufficient particularity to enable the TCA to investigate the
10 basis of the objection. The SCA inspector and SCA inspector field
11 notes shall be available for TCA review and inquiry. Within a
12 reasonable time after such notification, the TCA shall report to the
13 SCA on the outcome of its investigation and of any action taken or
14 decision not to take action.

15 Part 11. EXCLUSIVITY AND FEES

16 A. The parties acknowledge and recognize that this Compact
17 provides tribes with substantial exclusivity and, consistent with
18 the goals of IGRA, special opportunities for tribal economic
19 opportunity through gaming within the external boundaries of
20 Oklahoma in respect to the covered games. In consideration thereof,
21 so long as the state does not change its laws after the effective
22 date of this Compact to permit the operation of any additional form
23 of gaming by any such organization licensee, or change its laws to

24

1 permit any additional electronic or machine gaming within Oklahoma,
2 the tribe agrees to pay the following fees:

3 1. The tribe covenants and agrees to pay to the state a fee
4 derived from covered game revenues calculated as set forth in
5 paragraph 2 of this subsection. Such fee shall be paid no later
6 than the twentieth day of the month for revenues received by the
7 tribe in the preceding month; and

8 2. The fee shall be:

9 a. four percent (4%) of the first Ten Million Dollars
10 (\$10,000,000.00) of adjusted gross revenues received
11 by a tribe in a calendar year from the play of
12 electronic amusement games, electronic bonanza-style
13 bingo games and electronic instant bingo games,

14 b. five percent (5%) of the next Ten Million Dollars
15 (\$10,000,000.00) of adjusted gross revenues received
16 by a tribe in a calendar year from the play of
17 electronic amusement games, electronic bonanza-style
18 bingo games and electronic instant bingo games,

19 c. six percent (6%) of all subsequent adjusted gross
20 revenues received by a tribe in a calendar year from
21 the play of electronic amusement games, electronic
22 bonanza-style bingo games and electronic instant bingo
23 games, and
24

1 d. ten percent (10%) of the monthly net win of the common
2 pool(s) or pot(s) from which prizes are paid for
3 nonhouse-banked card games. The tribe is entitled to
4 keep an amount equal to state payments from the common
5 pool(s) or pot(s) as part of its cost of operating the
6 games.

7 Payments of such fees shall be made to the Treasurer of the
8 State of Oklahoma. ~~Nothing~~ Except as provided in Section 4 of this
9 act, nothing herein shall require the allocation of such fees to
10 particular state purposes, including, but not limited to, the actual
11 costs of performing the state's regulatory responsibilities
12 hereunder.

13 B. Annual oversight assessment. In addition to the fee
14 provided for in subsection A of this Part, the state shall be
15 entitled to payment for its costs incurred in connection with the
16 oversight of covered games to the extent provided herein, "annual
17 oversight assessment". The annual oversight assessment, which shall
18 be Thirty-five Thousand Dollars (\$35,000.00), shall be determined
19 and paid in advance on a fiscal year basis for each twelve (12)
20 months ending on June 30 of each year.

21 C. Upon the effective date of this Compact, the tribe shall
22 deposit with the SCA the sum of Fifty Thousand Dollars (\$50,000.00)
23 ("start-up assessment"). The purpose of the start-up assessment
24 shall be to assist the state in initiating its administrative and

1 oversight responsibilities hereunder and shall be a one-time payment
2 to the state for such purposes.

3 D. Nothing in this Compact shall be deemed to authorize the
4 state to impose any tax, fee, charge or assessment upon the tribe or
5 enterprise except as expressly authorized pursuant to this Compact;
6 provided that, to the extent that the tribe is required under
7 federal law to report prizes awarded, the tribe agrees to copy such
8 reports to the SCA.

9 E. In consideration for the covenants and agreements contained
10 herein, the state agrees that it will not, during the term of this
11 Compact, permit the nontribal operation of any machines or devices
12 to play covered games or electronic or mechanical gaming devices
13 otherwise presently prohibited by law within the state in excess of
14 the number and outside of the designated locations authorized by the
15 State-Tribal Gaming Act. The state recognizes the importance of
16 this provision to the tribe and agrees, in the event of a breach of
17 this provision by the state, to require any nontribal entity which
18 operates any such devices or machines in excess of such number or
19 outside of the designated location to remit to the state at least
20 quarterly no less than fifty percent (50%) of any increase in the
21 entities' adjusted gross revenues following the addition of such
22 excess machines. The state further agrees to remit at least
23 quarterly to eligible tribes, as liquidated damages, a sum equal to
24 fifty percent (50%) of any increase in the entities' adjusted gross

1 revenues following the addition of such excess machines. For
2 purposes of this Part, "eligible tribes" means those tribes which
3 have entered into this Compact and are operating gaming pursuant to
4 this Compact within forty-five (45) miles of an entity which is
5 operating covered game machines in excess of the number authorized
6 by, or outside of the location designated by, the State-Tribal
7 Gaming Act. Such liquidated damages shall be allocated pro rata to
8 eligible tribes based on the number of covered game machines
9 operated by each Eligible Tribe in the time period when such
10 adjusted gross revenues were generated.

11 F. In consideration for the covenants and agreements contained
12 herein, the tribe agrees that in the event it has currently or
13 locates in the future a facility within a radius of twenty (20)
14 miles from a recipient licensee as that term is defined in
15 subsection K of Section 263 of this title that it shall comply with
16 the requirements of subsection K of Section 263 of this title.

17 Part 12. DISPUTE RESOLUTION

18 In the event that either party to this Compact believes that the
19 other party has failed to comply with any requirement of this
20 Compact, or in the event of any dispute hereunder, including, but
21 not limited to, a dispute over the proper interpretation of the
22 terms and conditions of this Compact, the following procedures may
23 be invoked:
24

1 1. The goal of the parties shall be to resolve all disputes
2 amicably and voluntarily whenever possible. A party asserting
3 noncompliance or seeking an interpretation of this Compact first
4 shall serve written notice on the other party. The notice shall
5 identify the specific Compact provision alleged to have been
6 violated or in dispute and shall specify in detail the asserting
7 party's contention and any factual basis for the claim.
8 Representatives of the tribe and state shall meet within thirty (30)
9 days of receipt of notice in an effort to resolve the dispute;

10 2. Subject to the limitation set forth in paragraph 3 of this
11 Part, either party may refer a dispute arising under this Compact to
12 arbitration under the rules of the American Arbitration Association
13 (AAA), subject to enforcement or pursuant to review as provided by
14 paragraph 3 of this Part by a federal district court. The remedies
15 available through arbitration are limited to enforcement of the
16 provisions of this Compact. The parties consent to the jurisdiction
17 of such arbitration forum and court for such limited purposes and no
18 other, and each waives immunity with respect thereto. One
19 arbitrator shall be chosen by the parties from a list of qualified
20 arbitrators to be provided by the AAA. If the parties cannot agree
21 on an arbitrator, then the arbitrator shall be named by the AAA.
22 The expenses of arbitration shall be borne equally by the parties.

23 A party asserting noncompliance or seeking an interpretation of
24 this Compact under this section shall be deemed to have certified

1 that to the best of the party's knowledge, information, and belief
2 formed after reasonable inquiry, the claim of noncompliance or the
3 request for interpretation of this Compact is warranted and made in
4 good faith and not for any improper purpose, such as to harass or to
5 cause unnecessary delay or the needless incurring of the cost of
6 resolving the dispute. If the dispute is found to have been
7 initiated in violation of this Part, the Arbitrator, upon request or
8 upon his or her own initiative, shall impose upon the violating
9 party an appropriate sanction, which may include an award to the
10 other party of its reasonable expenses incurred in having to
11 participate in the arbitration; and

12 3. Notwithstanding any provision of law, either party to the
13 Compact may bring an action against the other in a federal district
14 court for the de novo review of any arbitration award under
15 paragraph 2 of this Part. The decision of the court shall be
16 subject to appeal. Each of the parties hereto waives immunity and
17 consents to suit therein for such limited purposes, and agrees not
18 to raise the Eleventh Amendment to the United States Constitution or
19 comparable defense to the validity of such waiver.

20 Nothing herein shall be construed to authorize a money judgment
21 other than for damages for failure to comply with an arbitration
22 decision requiring the payment of monies.

23 Part 13. CONSTRUCTION OF COMPACT; FEDERAL APPROVAL
24

1 A. Each provision, section, and subsection of this Compact
2 shall stand separate and independent of every other provision,
3 section, or subsection. In the event that a federal district court
4 shall find any provision, section, or subsection of this Compact to
5 be invalid, the remaining provisions, sections, and subsections of
6 this Compact shall remain in full force and effect, unless the
7 invalidated provision, section or subsection is material.

8 B. Each party hereto agrees to defend the validity of this
9 Compact and the legislation in which it is embodied. This Compact
10 shall constitute a binding agreement between the parties and shall
11 survive any repeal or amendment of the State-Tribal Gaming Act.

12 C. The parties shall cooperate in seeking approval of this
13 Compact from an appropriate federal agency as a tribal-state compact
14 under the Indian Gaming Regulatory Act.

15 D. The standards for electronic bonanza-style bingo games,
16 electronic instant bingo games and electronic amusement games
17 established in the State-Tribal Gaming Act as enacted in 2004, and,
18 at the election of the tribe, any standards contained in the
19 Oklahoma Horse Racing Commission rules issued pursuant to subsection
20 B of Section 268 of this title are hereby incorporated in this
21 Compact and shall survive any repeal of the State-Tribal Gaming Act,
22 or any games authorized thereunder. In the event that any of said
23 standards are changed by amendment of the State-Tribal Gaming Act,
24 the tribe shall have the option to incorporate said changes into

1 this Compact by delivery of written notice of said changes to the
2 Governor and the SCA.

3 Part 14. NOTICES

4 All notices required under this Compact shall be given by
5 certified mail, return receipt requested, commercial overnight
6 courier service, or personal delivery, to the following persons:

7 Governor

8 Chair, State-Tribal Relations Committee

9 Attorney General

10 [Principal Chief, Governor or Chair]

11 [Name of Tribe]

12 [Address]

13 With copies to:

14 _____

15 _____

16 Part 15. DURATION AND NEGOTIATION

17 A. This Compact shall become effective upon the last date of
18 the satisfaction of the following requirements:

19 1. Due execution on behalf of the tribe, including obtaining
20 all tribal resolutions and completing other tribal procedures as may
21 be necessary to render the tribe's execution effective;

22 2. Approval of this Compact by the Secretary of the Interior as
23 a tribal-state compact within the meaning of IGRA and publication in
24

1 the Federal Register or satisfaction of any other requirement of
2 federal law; and

3 3. Payment of the start-up assessment provided for in
4 subsection C of Part 11 of this Compact.

5 B. This Compact shall have a term which will expire on January
6 1, 2020, and at that time, if organization licensees or others are
7 authorized to conduct electronic gaming in any form other than pari-
8 mutuel wagering on live horse racing pursuant to any governmental
9 action of the state or court order following the effective date of
10 this Compact, the Compact shall automatically renew for successive
11 additional fifteen-year terms; provided that, within one hundred
12 eighty (180) days of the expiration of this Compact or any renewal
13 thereof, either the tribe or the state, acting through its Governor,
14 may request to renegotiate the terms of subsections A and E of Part
15 11 of this Compact.

16 C. This Compact shall remain in full force and effect until the
17 sooner of expiration of the term or until the Compact is terminated
18 by mutual consent of the parties.

19 D. This Compact may be terminated by state upon thirty (30)
20 days' prior written notice to the tribe in the event of either (1) a
21 material breach by the tribe of the terms of a tobacco Compact with
22 the state as evidenced by a final determination of material breach
23 from the dispute resolution forum agreed upon therein, including
24 exhaustion of all available appellate remedies therefrom, or (2) the

1 | tribe's failure to comply with the provisions of Section 346 et seq.
2 | of Title 68 of the Oklahoma Statutes, provided that the tribe may
3 | cure either default within the thirty-day notice period, or within
4 | such additional period as may be reasonably required to cure the
5 | default, in order to preserve continuation of this Compact.

6 | The state hereby agrees that this subsection is severable from
7 | this Compact and shall automatically be severed from this Compact in
8 | the event that the United States Department of the Interior
9 | determines that these provisions exceed the state's authority under
10 | IGRA.

11 | Part 16. AUTHORITY TO EXECUTE

12 | This Compact, as an enactment of the people of Oklahoma, is
13 | deemed approved by the State of Oklahoma. No further action by the
14 | state or any state official is necessary for this Compact to take
15 | effect upon approval by the Secretary of the Interior and
16 | publication in the Federal Register. The undersigned tribal
17 | official(s) represents that he or she is duly authorized and has the
18 | authority to execute this Compact on behalf of the tribe for whom he
19 | or she is signing.

20 | APPROVED:

21 | [Name of Tribe]

22 | _____ Date _____

23 | [CHIEF EXECUTIVE OFFICER]

24 |

1 SECTION 4. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 280.2 of Title 3A, unless there
3 is created a duplication in numbering, reads as follows:

4 A. As used in this section:

5 1. "Adjusted gross event pool revenue" shall have the same
6 meaning as adjusted gross revenues as defined in Section 281 of
7 Title 3A of the Oklahoma Statutes, less federal excise taxes
8 applicable to any event wagering revenues;

9 2. "Event pool" means the business of accepting wagers or bets
10 on a wagering event or portions of a wagering event, the individual
11 performance statistics of participants in a wagering event, or other
12 events involved with a contest, or a combination of these events.
13 Event pool includes, but is not limited to, single-game bets, teaser
14 bets, parlays, over-unders, moneylines, exchange betting, in-game
15 bets, in-play bets, proposition bets, and straight bets;

16 3. "Event wagering platform" means an integrated system of
17 hardware, software, and servers through which an event pool is
18 offered on the Internet;

19 4. "Governing body" means the organization that prescribes
20 final rules, enforces codes of conduct, and determines final
21 outcomes for a wagering event, or the participants in a wagering
22 event;

23 5. "Indian land" means the same as defined by 25 U.S.C.,
24 Section 2703(4);

1 6. "Internet" means the international computer network of
2 interoperable packet-switched data networks including, but not
3 limited to, additional technological platforms such as mobile,
4 satellite, or other electronic distribution channels;

5 7. "Internet event pools" means an event pool operating or
6 offering play through an Internet-capable device;

7 8. "Internet event pool account" means an account established
8 by a facility for a person over eighteen (18) years of age where the
9 following is recorded:

- 10 a. deposits and credits,
- 11 b. withdrawals,
- 12 c. wagers,
- 13 d. value of winnings or losses, and
- 14 e. account adjustments;

15 9. "Nontribal lands" means any area in this state that is not
16 within Indian land;

17 10. "Professional sports team" means the owner of a
18 professional sports team in this state that is a member of the
19 National Basketball Association;

20 11. "Wagering event" means any activity that involves one or
21 more players or participants and that has a governing body to
22 determine outcomes including, but not limited to, sporting events
23 and other events involving competitive components. Wagering event
24 does not include pari-mutuel wagering on horse racing, any high

1 school event, any event where a majority of contestants are under
2 eighteen (18) years of age, or ay election for public office;

3 12. "Wagering event supplier" means a person or entity that
4 provides hardware, software, or services related to event pools and
5 event pool operations; and

6 13. "Wagering event vendor license" means a license obtained by
7 the Tribal Compliance Agency (TCA) to:

8 a. supply an enterprise with event betting equipment,
9 services, or information necessary for the operation
10 of an event pool, and

11 b. provide management services under a contract to an
12 event pool operator.

13 A wagering event vendor license shall not include any sports
14 team, event team, or governing body of a contest or sports league.

15 B. Notwithstanding subsection L of Part 5 of Section 281 of
16 Title 3A of the Oklahoma Statutes, event pools and Internet event
17 pools shall be authorized to operate within a compacting tribe's
18 Indian lands and shall be recognized as a covered game pursuant to
19 Section 281 of Title 3A of the Oklahoma Statutes. Only a tribe that
20 has entered into a Gaming Compact Supplement pursuant to Section
21 280.1 of Title 3A of the Oklahoma Statutes shall authorize event
22 pools. Nothing in this act shall be construed as authorizing a
23 tribe to conduct an event pool within another compacting tribe's
24 Indian lands.

1 C. Notwithstanding subsection L of Part 5 of Section 281 of
2 Title 3A of the Oklahoma Statutes:

3 1. Internet event pools shall be authorized to operate within a
4 compacting tribe's Indian lands and shall be recognized as a covered
5 game pursuant to Section 281 of Title 3A of the Oklahoma Statutes.
6 Internet event pools shall be made available to individuals who have
7 established an Internet event pool account and who, at the time of
8 placing a wager, are located within the Indian lands of the tribe
9 that is offering the event pool. Only a tribe that has entered into
10 a Gaming Compact Supplement pursuant to Section 280.1 of Title 3A of
11 the Oklahoma Statutes shall authorize event pools; and

12 2. Internet event pools shall be authorized within nontribal
13 lands and shall be recognized as a covered game pursuant to this
14 Compact. Internet event pools shall only be made available to
15 individuals that have established an Internet event pool account
16 who, at the time of placing a wager on a wagering event, are located
17 on nontribal lands. Only the professional sports team may authorize
18 one (1) tribal approved wagering event supplier to offer wagering
19 events through Internet event pools on nontribal lands. All
20 adjusted gross event pool revenue received on nontribal lands shall
21 be shared between all tribes.

22 D. A tribe shall adopt and enforce regulations which:

23 1. Require a TCA to ensure that the enterprise exclude betting
24 on a wagering event, or type of wager if a governing body requests

1 and demonstrates good cause. A demonstration of good cause shall
2 require that the governing body has identified and provided the TCA
3 with information regarding:

4 a. suspicious betting activity that, if confirmed, would
5 directly impact the outcome of the wagering event or
6 type of wager, and

7 b. the manner in which such wagering event or type of
8 wager affects the integrity or perceived integrity of
9 the governing body's event;

10 2. Provide information to governing bodies and the Oklahoma
11 Tribal-State Gaming Compact State Compliance Agency (SCA) related to
12 suspicious betting activity;

13 3. Require an enterprise to employ a third-party provider of
14 geolocation services to ensure that patrons do not wager on event
15 pools offered by the tribe when such patrons are not located within
16 the tribe's Indian lands;

17 4. Require an enterprise to utilize industry standard age
18 verification procedures to ensure that no person under eighteen (18)
19 years of age is able to bet on a wagering event or wager;

20 5. Require an enterprise to take commercially reasonable
21 measures to prohibit players, participants, coaches, referees, team
22 owners, employees of a governing body or its member teams, and
23 player and referee union personnel from betting on any wagering
24 event or wager overseen by their governing body. To determine which

1 persons are excluded from betting on any wagering event or wager,
2 the enterprise shall use publicly available information and any
3 lists of such persons the governing body may provide; and

4 6. Require an enterprise to remit to the professional sports
5 team a payment of twenty-five one-hundredths of one percent (0.25%)
6 of the total amount wagered on event pools, including Internet event
7 pools, within thirty (30) days of the end of each calendar quarter.

8 E. If a tribe that has engaged in a Compact pursuant to
9 Sections 280 and 281 of Title 3A of the Oklahoma Statutes elect to
10 accept the offer of an additional covered game and to operate event
11 pools and Internet event pools, the tribe shall execute a supplement
12 to the Compact to provide as follows:

13 "MODEL TRIBAL GAMING COMPACT SUPPLEMENT

14 Between the [Name of Tribe]

15 and the STATE OF OKLAHOMA

16 To be governed in accord with the [Name of Tribe]'s Model Tribal
17 Gaming Compact ("Compact"), approved by the United States Department
18 of the Interior on [Date], the [Name of Tribe] ("Tribe") accepts the
19 State's offer of additional covered game pursuant to this section,
20 which offer and this acceptance are subject to the following terms:

21 Part 1. TITLE

22 This document shall be referred to as the "[Name of Tribe] and
23 State of Oklahoma Gaming Compact Event Pools Supplement ("Gaming
24 Compact Supplement").

1 Part 2. TERMS

2 A. The Tribe hereby memorializes its election to accept the
3 State's offer of an additional covered game, which offer is codified
4 pursuant to this section.

5 B. The Tribe agrees, subject to the enforcement and exclusivity
6 provisions of its Compact, to pay a fee to the State equal to ___
7 percent (___%) of the adjusted gross event pool revenues from the
8 operation of event pools and Internet event pools within the Tribe's
9 Indian lands and nontribal lands. For all purposes, such payments
10 shall be deemed an exclusivity and fee payment pursuant to paragraph
11 2 of subsection A of Part 11 of Section 281 of Title 3A of the
12 Oklahoma Statutes.

13 C. The Tribe's operation of event pools and Internet event
14 pools pursuant to this Gaming Compact Supplement shall, for all
15 purposes, including enforcement and exclusivity, be treated as
16 subject to and lawfully conducted under the terms and provisions of
17 the Compact.

18 Part 3. AUTHORITY TO EXECUTE

19 This Gaming Compact Supplement, to the extent it conforms with
20 this section, is deemed approved by the State of Oklahoma. No
21 further action by the State or any state official is necessary for
22 this Gaming Compact Supplement to take effect upon approval by the
23 United States Secretary of the Interior and publication in the
24 Federal Register. The undersigned tribal official(s) represents

1 that he or she is duly authorized and has the authority to execute
2 this Gaming Compact Supplement on behalf of the tribe for whom he or
3 she is signing.

4 APPROVED:

5 [Name of Tribe]

6 _____ Date: _____

7 [Title]"

8 F. A tribe electing to accept this additional game offering
9 shall be responsible for submitting a copy of the executed
10 supplement to the United States Secretary of the Interior for
11 approval and publication in the Federal Register.

12 G. Upon approval of a supplement by the Secretary, and subject
13 to the enforcement and exclusivity provisions of its existing Model
14 Tribal Gaming Compact with the state, the electing tribe shall be
15 deemed pursuant to such supplement, construed as an acceptance of
16 this offer, a supplement to the tribe's existing Compact, and to be
17 in agreement with the agreed upon payment percentage of the adjusted
18 gross event pool revenues from the operation of event pools and
19 Internet event pools within the tribe's Indian lands and nontribal
20 lands. For all purposes, such payment shall be deemed an
21 exclusivity and fee payment under paragraph 2 of subsection A of
22 Part 11 of Section 281 of Title 3A of the Oklahoma Statutes.

23 H. Notwithstanding the provisions of Sections 941 through 988
24 of Title 21 of the Oklahoma Statutes, the conduction of and

1 participation in any game authorized pursuant to this section are
2 lawful when played pursuant to a compact.

3 I. Nothing in this section shall be construed to permit the
4 operation of any additional form of gaming by organizational
5 licensees or to permit any additional electronic or machine gaming
6 within this state.

7 J. Nothing in this section shall be construed to authorize a
8 tribe to conduct an event pool or Internet event pool within the
9 Indian lands of another tribe.

10 SECTION 5. This act shall become effective November 1, 2025.

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