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Gambling Commission votes to forward Puyallup Tribe of Indians' gaming compact amendment to Governor's Office

OLYMPIA, Wash. – Today the Washington State Gambling Commission voted unanimously to forward the Puyallup Tribe of Indians' Class III gaming compact amendment to the Governor's Office for final consideration and signature. The Puyallup Tribe of Indians operates two casinos-- the Emerald Queen Casino I-5 in Tacoma and the Emerald Queen Hotel & Casino in Fife.

"This is the first of two amendments that will reflect current regulatory practices, reduce duplication between tribal and state regulators and clarify the roles for each party," said Commission Chair Bud Sizemore.

This most favored nation amendment includes terms that were agreed to with other tribes and clarifies the definitions of 'gaming operation' and 'tribe,' allowing tribally-chartered entities, wholly-owned by the Tribe, to own the Class III gaming facilities. It also includes the 2015 Amendment and Appendix X2 Addendum agreed to with 27 of the 29 federally-recognized tribes in Washington.

Below is a summary of the major changes in the proposed amendment.

- **Restriction on Electronic Benefits Cards:** Each tribe must ensure all cash dispensing outlets and point of sale machines within its gaming facilities do not accept electronic benefits cards.
- **Player Terminal Allocations:** Each tribe's allocation of player terminals (gaming machines) is increased from 975 to 1,075. In addition, the proposed amendment does not change the maximum number of machines allowed at a facility.
- **Annual Regulatory Fees**
- **Cost Allocation:** Regulatory fees for each tribe's gaming activities shall be determined according to the state's current cost allocation model. The amendment eliminates the 10% pre-payment discount, credit, and alternative regulatory fee agreement options.
- **Revisions to the State's Cost Allocation Model:** The state may revise its cost allocation model upon 90-day notice to a tribe. In the event of a dispute, the parties shall meet informally then follow the Regulatory Fee Dispute section in Appendix X2, if needed.
- **Audit:** The state shall give each tribe an audited accounting of its actual costs by April 30 of the following year.
- **Problem Gambling Smoking Cessation Contributions:** Each tribe's annual contributions towards problem gambling and smoking cessation services established in Appendix X2 shall be paid within one year of the close of the tribe's fiscal year to match other required contribution timeframes.
- **Appendix X2 Addendum:** Each tribe may increase its allocation by 50 player terminals, but only if the following conditions are met:

- A tribe provides the state with written notice that there are 500 or fewer player terminals available for lease among all tribes participating in the Tribal Lottery System, along with a certification from an independent accounting firm confirming the number of machines available.
- Within 30 days, the state reviews the certification and verifies the player terminals available for lease in the state. Any allocation change would be effective 30 days after notification by the state to the tribe.
- This allocation is limited to one (1) per twelve (12) month period. However, if any Washington tribe will operate more than 1,075 player terminals upon opening a new gaming facility, a tribe can notify the state, and with state concurrence, receive an additional 50 player terminal increase within the twelve month period.
- When a tribe receives an increase under this section, any other compacted Washington tribe shall receive the same increase.

These changes are consistent with several other tribes' gaming compacts. Negotiations regarding several other changes are ongoing and will be included in a separate amendment.

Next Steps:

1. The amendment will be sent to the Tribal Chair for final consideration and signature.
2. Once the Tribal Chair signs the amendment, it will be sent to the Governor for final consideration and signature.
3. After obtaining the signatures of the Tribal Chair and the Governor, the Tribe will send the amendment to the Secretary of the United States Department of Interior for consideration, signature and publication in the Federal Register.

The Indian Gaming Regulatory Act of 1988 provides that Indian tribes may conduct Class III gaming activities on Indian lands when the gaming is conducted in conformance with a tribal-state compact. RCW 9.46.360 provides that the Gambling Commission negotiate those compacts on behalf of the state. The Puyallup Tribe of Indians' tribal-state compact for Class III gaming was originally signed on May 28, 1996 and this is the fifth amendment. Public comments regarding this compact amendment may be submitted to compactcomments@wsgc.wa.gov.

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