



Mille Lacs Band of Ojibwe Indians
Gaming Regulatory Authority
Detailed Gaming Regulations

**BACKGROUND INVESTIGATIONS AND LICENSURE:
APPLICANTS AND LICENSEES**

Document No. DGR – 7

Effective: April 28, 2016

I. INITIAL APPLICATION, RENEWAL APPLICATION AND BACKGROUNDING PROCESS.

Section 1. Purpose. This regulation is sets forth a detailed procedure for conducting background investigations, reviewing the results of those investigations, and making licensing determinations for licensees and applicants as required by the Indian Gaming Regulatory Act, National Indian Gaming Commission regulations, Tribal-State Compacts and Title 15 of Mille Lacs Band Statutes Annotated.

Section 2. Policy. The Band's Gaming Regulatory Authority (GRA) Board and Office of Gaming Regulation and Compliance (OGR&C) shall be responsible for conducting, or causing to be conducted, background investigations on all applicants and licensees of all Gaming Enterprises, the GRA and gaming management personnel. Such background investigations must be conducted in accordance with the regulations at 25 CFR § 556, the Tribal-State Compacts, Title 15 and DGR 7 (b).

- A. Licensing a Privilege. Any gaming license issued by the GRA is a privilege subject to suspension, denial or revocation.
- B. Burden on Applicant or Licensee. The burden of proving qualification for any license hereunder is at all times on the applicant/licensee. Applicants/licensees shall submit the information required for completion of the background investigation (including renewals) by the due date stated on the initial information request. Any license issued is subject to suspension until such information is received. Failure to provide such information constitutes grounds for license denial or revocation. Applicants/licensees accept any risk of adverse public notice, embarrassment or other action, which may result from the application process and expressly waive any claim for damages as a result thereof.
- C. Release of Information. All persons applying for a license shall sign a written release concerning all information necessary for the GRA to achieve its goals under Title 15, and to furnish such information to the Bureau of Indian Affairs, the NIGC, or other governmental agency as required by law or the Tribal-State Compacts.
- D. Applicant Claim of Privilege. An applicant or licensee may claim any privilege afforded by law in connection with a gaming license application or investigation, but a claim of privilege with respect to any testimony or evidence pertaining thereto may constitute grounds for denial, suspension or revocation of a gaming license.

Section 3. Authorization of Investigations; Release of Information. The GRA may employ all reasonable means, including engaging outside services and investigators, to acquire information necessary to determine whether a license should be issued, denied, suspended or revoked. Applicants for licensure or licensees subject to renewal shall execute a full release of all information necessary for the GRA to achieve its goals under this policy, and to meet the GRA's mandate pursuant to Title 15, the Tribal-State Compacts and applicable federal law.

Section 4. Confidentiality of Interviewed Persons in an Investigation. The GRA Board, the Director and all Licensees' of the OGR&C shall keep confidential the identity of each person interviewed in the course of the routine background investigation. However, nothing in these policies prevent the Director or counsel for the GRA Board from releasing to the licensee/applicant the name(s) of



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any person(s) whose testimony may be relied upon, or who may be called as a witness at a Determination Hearing or before the Court of Central Jurisdiction.

Section 5. Scope of Investigations and Related Activities. Any investigations or related activities conducted by the GRA pursuant to Title 15 must be strictly limited to official GRA duties under the law. Any investigations and related activities outside the routine of a normal background investigation may be undertaken only after review by the GRA Board to verify that the scope and subject of any additional investigation complies with Title 15 and other applicable law. Individuals who perform investigations and related activities outside the scope of Title 15 and other applicable law are subject to immediate dismissal and reasonable fines.

Section 6. Licensing and Investigation Fees. Prior to issuing a license, the GRA must receive all fees and costs, unless otherwise provided for in advance. Applicants and licensees may be responsible for any extraordinary costs of any applicable background investigation.

Section 7. Initial Application Process. All applicants for licensure shall complete a Personal and Uniform History Statement and read, sign and date the Mille Lacs Band Policy Regarding Felons and other License Restrictions (DGR 7b) prior to offer of employment. OGR&C licensing personnel shall review the application to ensure all applicable sections of the Personal and Uniform History Statement are completed. During the review process, the applicant will be asked a series of questions to clarify information disclosed or disclose information otherwise omitted from the application.

- A. Class A Key Licenses. Class A Key Licenses are required for any applicant/licensee considered to be part of the departments or holding the titles listed below:
1. Gaming Enterprises: Slots, Directors, Finance, General Managers, Information Technology, Managers, Marketing (except ticket takers/ushers and coat checks), Security (except Valet);
 2. Mille Lacs Corporate Ventures: Mille Lacs Corporate Ventures Board, Commissioner, Executive Administrative Assistant, Administrative Assistant, Attorney, Vice President, Director, Manager, Accounting, Finance, Internal Audit, Investigator, Marketing, Information Technology; and
 3. Gaming Regulatory Authority: All GRA personnel and the attorney from the Office of the Solicitor General regularly representing the GRA.
- B. Class B Key Licenses: Class B Key Licenses are required for any applicant/licensee considered to be part of the departments or holding the titles listed below:
1. Table Games, Card Games, Bingo, Pull Tabs and Learning & Development.
 2. Human Resources and all Administrative Assistants that are not required to have a Class A License.
 3. Hotel, Food and Beverage, and Golf Departments that handle cash, credit cards, coupons or comps.
 4. Any other individual employed by the Gaming Enterprise or Mille Lacs Corporate Ventures earning or having the potential to earn (due to current grade level) \$50,000.00 or more during the fiscal year (including bonuses and incentives).



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- C. Class C Non-Key Licenses. Class C Non-Key Licenses are required for any person employed by a Gaming Enterprise or Mille Lacs Corporate Ventures, except persons employed at Mille Lacs Corporate Ventures' small businesses or employed at a Mille Lacs Corporate Ventures' subsidiary, who is not otherwise required to have a Class A or B License.
- D. Notices and Requests for Information. The Personal and Uniform History Statement must contain the following notices and require the following information:
1. Privacy Act Notice: In compliance with the Privacy Act of 1974, the following information is provided: Solicitation of the information on this form is authorized by 25 U.S.C. 2701 et seq. The purpose of the requested information is to determine the eligibility of the individuals to be granted a gaming license. The information will be used by the Gaming Regulatory Authority and the National Indian Gaming Commission members and staff who have need for information in the performance of their official duties. The information may be disclosed to appropriate Federal, Tribal, State, local, or foreign law enforcement and regulatory agencies when relevant to civil, criminal or regulatory investigations or prosecutions or when pursuant to a requirement by a tribe or the National Indian Gaming Commission in connection with the issuance, denial, or revocation of a gaming license, or investigations of activities while associated with a tribe or a gaming operation. Failure to consent to the disclosures indicated in this notice will result in a tribe being unable to issue a gaming license. The disclosure of your Social Security Number (SSN) is voluntary. However, failure to supply a SSN may result in errors in processing your application.
 2. 18 U.S.C. § 1001 Notice: A false statement on any part of your license application may be grounds for denying a license or the suspension or revocation of a license. Also, you may be punished by fine or imprisonment.
 3. 25 C.F.R. Background Information: At a minimum, all information as required in 25 C.F.R. § 556.4(a)(1)-(14).
 4. 15 MLBSA § 307(c): Gaming Regulatory Authority - Authority to Release Information: All persons applying for a license or renewing a license shall agree to release all information necessary in order for the GRA to conduct a complete and accurate background investigation and to furnish such information to the Bureau of Indian Affairs, the National Indian Gaming Commission, or such other governmental agency as may be required by law or the Compact.

Section 8. Renewal Application Process. The renewal application and the related process must be substantially similar to the initial application.

Section 9. Creating and Changing Positions. The Gaming Enterprise and Mille Lacs Corporate Ventures shall provide the OGR&C notification of reassignments, transfers and creation of new positions. This notification will give the OGR&C an opportunity to review the current gaming license classification for the position to determine if further background procedures must be conducted prior to implementation. Notice must be received by the OGR&C at least ten (10) business days prior to implementation.



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II. BACKGROUND PROCEDURES.

Section 1. OGR&C Background Procedures. In addition to assisting an applicant or licensee with completion of the Personal and Uniform History Statement, the OGR&C licensing personnel shall also perform the following:

A. Class A and B Licenses:

1. Contact county criminal history agency based on residence history, credit report and motor vehicle report.
2. Submit relevant information and fingerprints to Minnesota Department of Public Safety or NIGC for receipt of Minnesota Bureau of Criminal Apprehension report or FBI Report.
3. Conduct reference checks on personal/character references and previous gaming licenses.
4. Investigate and update criminal history report by submitting relevant information to the Minnesota Department of Public Safety or NIGC, on an annual basis after date of hire.

B. Class C Licenses:

1. Contact county criminal history agency based on residence history, credit report and motor vehicle report.
2. Submit relevant information to Minnesota Department of Public Safety for receipt of Minnesota Bureau of Criminal Apprehension report.
3. Contact relevant agency for receipt of motor vehicle report for valet positions, shuttle driver positions and all other drivers of company vehicles.
4. Conduct reference checks on personal/character references and previous gaming licenses.
5. After licensure, every odd year on the Licensee's date of hire, submit information to the Minnesota Department of Public Safety for receipt of Minnesota Bureau of Criminal Apprehension report.

Section 2. Eligibility Determination. OGR&C licensing personnel (or the Director) shall review the results of all background investigative reports above to determine:

- A. If the information in the reports conflict with the information provided on the Personal and Uniform History Statement;
- B. If the information in the reports violate the standards contained in DGR 7b or the Tribal-State Compacts;
- C. If employment of a person poses a threat to the public interest or to the effective regulation of gaming, or creates or enhances the dangers of unsuitable, unfair, or illegal practices and methods and activities in the conduct of gaming; and
- D. If the information in the reports creates or enhances the danger of internal theft or fraud. The Director shall consider the nature of the position applied for to determine the nature of any potential threat to Band assets.

Section 3. Waiver of Eligibility Requirements. If an applicant fails to meet the minimum requirements for a gaming license set forth by DGR 7b, the applicant may request a waiver of such requirements.

- A. In addition to the standard Gaming License Application requirements, waiver requests must include:



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1. Any documents pertaining to court ordered treatment or programs;
 2. Any documents regarding release from a State or Federal penitentiary; and
 3. At least three (3) personal affidavits attesting to the character and rehabilitation of the applicant. The affidavits must:
 - (a) Be from a person unrelated to the applicant;
 - (b) State how long the person has known the applicant (minimum of five (5) years);
 - (c) Contain a verifiable physical or mailing address; and
 - (d) Be notarized.
- B. Upon receipt of the required information, the Director will assess the information, issue a compliance recommendation and place the recommendation on the agenda for the next GRA Board meeting. The applicant will be notified by certified mail of the time, date and location of the licensing hearing. The applicant must attend the hearing in person. The applicant may submit a written request to appear from any GRA office by phone.
- C. Nothing in this section requires the GRA Board to grant a waiver request.

III. GRANTING OF GAMING LICENSES.

Section 1. Granting of a Temporary License. Once an applicant has submitted a fully completed Personal and Uniform History Statement, OGR&C licensing personnel shall review the Statement to determine if it contains any information that would prohibit the applicant from obtaining a Band gaming license. Absent such a prohibition, the Director or designee shall issue a temporary license to the applicant. Applicants are permitted to obtain employment with such a temporary license, subject to a final license determination made in accordance with these regulations. Pursuant to 15 MLBSA § 307(c)(3)(B)(vi) and 25 C.F.R. § 558.3(b), no Band Gaming Enterprise shall employ a Key Employee or Primary Management Official who does not have a license after ninety (90) days.

Section 2. Granting of a Gaming License. Once all of the reports required in Part II have been received from the appropriate agencies, OGR&C licensing personnel (or the Director) shall review the reports to determine:

- A. Whether the applicant provided the required information;
- B. Whether the information provided by the applicant conflicts with that contained in the reports; and
- C. Whether the nature of any nondisclosure, conflicting information, or information revealed in the reports makes the applicant ineligible for licensure pursuant to Title 15 and other applicable laws.
 1. Recommendation to Director. For all applicants, OGR&C licensing personnel shall complete an Investigative and Suitability Report and notify the Director of its results.
 2. Compliance Recommendation. The Director shall assess the results of the Investigative and Suitability Report and issue a Compliance Recommendation as to licensure as defined in 15 MBLSA § 402(b). The Director shall make all Compliance Recommendations to either the GRA Board, or a Hearing Examiner. For any recommendation against licensure, the Director shall notify the appropriate persons of the



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- time, date and location that the GRA Board or a Hearing Examiner will hear such recommendation in a Compliance Determination hearing.
3. Compliance Determination. If the GRA Board or Hearing Examiner issues a Compliance Determination in favor of granting a license to an applicant, the OGR&C shall issue such license, subject to the following provisions:
 - (a) Notification to NIGC. Pursuant to 15 MLBSA § 307 and 25 C.F.R. §§ 556 and 558, the OGR&C shall forward the results of all background investigations for Key Employees and Primary Management Officials, including the eligibility determination made pursuant to 25 C.F.R. § 558.2, to the NIGC. These requirements are subject to change based on the Band’s participation in an NIGC self-regulation pilot program. In the event the Band participates in such a program, the program’s requirements will supersede this provision.
 - (b) NIGC Consideration. If, within the 30-day period described in 15 MLBSA § 307 and 25 C.F.R. § 558.3, the NIGC notifies the GRA that it has no objection to the issuance of a license for a Key Employee or Primary Management Official, the GRA may go forward and issue a license to such an applicant. If however, during the same period, the NIGC provides the GRA with a statement itemizing objections to the issuance of a license for a Key Employee or Primary Management Official, the GRA Board shall reconsider the application in light of these objections. The GRA shall make the final decision whether to issue a license to such an applicant.
 4. Physical Gaming License.
 - (a) Upon licensure each licensee must be issued a photographic identification card or badge. Such identification card or badge must display the, license number, department, job title and expiration date (expiration date only applies to Class A or B Licenses). The licensee’s legal first name must be printed on the front of each photographic identification badge. Each licensee, with the exception of Surveillance employees, shall wear the photographic identification card or badge described above during all times when they are working (including Associate only areas of the Gaming Enterprise). Such identification card or badge must be reissued at least annually for Class A and B licensees.
 - (b) Duplicate badge: In the event a duplicate badge is created, it must clearly state “Duplicate” on the front of the badge, with an expiration date no longer than five (5) days from its issue. Duplicate badges must not have swipe access enabled.
 - (c) Expired badges: Expired badges must be turned in at the time of obtaining a new badge. No new issue shall be distributed until the expired badge has been turned in. All expired badges must be immediately destroyed.

IV. SUSPENSION, DENIAL AND REVOCATION OF GAMING LICENSE.

Section 1. Relevant Background Information. If, at any time during the course of a routine background investigation, OGR&C licensing personnel become aware of any information material to a Compliance Recommendation, they shall immediately notify the Director.



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- A. The Director will assess the information received and issue a Compliance Recommendation. The GRA Board (or a Hearing Examiner appointed by the Board) will hear all Compliance Recommendations. Persons who wish to appeal a negative Compliance Recommendation may do so at the time, place and location for the Compliance Determination Hearing listed on the Compliance Recommendation.
 - B. For a new applicant, if the Director issues a Compliance Recommendation recommending denial of a license and the individual is currently employed by a Gaming Enterprise, the OGR&C shall notify management of the denial and the applicant will be unable to continue active employment pending a final Compliance Determination by the GRA Board or final order from the Mille Lacs Band Court of Central Jurisdiction.
 - C. All Compliance Determination Hearings will be held in accordance with DGR 2. The GRA Board shall notify the applicant/licensee in writing of its Compliance Determination.
 - D. The OGR&C shall submit the Notification of Results to the NIGC.
 - E. At the conclusion of the Determination Hearing, the Director shall immediately notify the Gaming Enterprise of the status of the applicant/licensees' license.

Section 2. Term of License Suspension. Nothing in these regulations prevent the GRA Board from suspending a gaming license, for a period not to exceed one (1) year, pursuant to the Board's authority to impose reasonable penalties as outlined in 15 MLBSA § 305(a)(16).

Section 3. Temporary License Suspension. If the OGR&C requests clarification from a licensee regarding an application, renewal, references or any other information deemed necessary to complete a license file, the following procedure will apply:

- A. The licensee, Department Vice President and Human Resources Vice President will be notified;
- B. The Licensee will have five (5) business days to comply with the OGR&C's information request; and
- C. If the five (5) business day's lapse and the licensee has not complied with the request, the OGR&C has the authority to temporarily suspend the licensees' license until the licensee complies with the information requested.

Section 4. License Suspension or Revocation. If, after the issuance of a Gaming License, the OGR&C or a member of the GRA Board receives reliable information indicating that a licensee is not eligible for continued licensure, such information shall be conveyed to the Director.

- A. The Director shall assess the information received and issue a Compliance Recommendation to suspend or revoke the licensee's gaming license, to be the subject of a Determination Hearing before the GRA Board.
- B. A licensee who receives a Compliance Recommendation for suspension or revocation of their gaming license will be unable to continue active employment pending the final outcome of a Determination Hearing before the GRA Board or final order from the Court of Central Jurisdiction.

Section 5. Emergency Enforcement Orders. If the Director or designee finds that the licensee is an immediate threat to Band assets, or that probable cause exists to believe that a crime has been, or is about to be committed, the Director or designee may, by Emergency Order, immediately



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impose any legitimate regulatory enforcement and corrective action within the scope of the GRA's authority which is proportional to the harm such Emergency Enforcement Order seeks to remedy. Pursuant to this standard, the Director may require the immediate removal (and restriction against reentry) of a licensee from a Gaming Enterprise, pending the outcome of a Compliance Determination hearing or final order from the Court of Central Jurisdiction. All Emergency Enforcement Orders must comply with the requirements found in 15 MLBSA § 402(c) and be supported by a Compliance Recommendation.

Section 6. GRA Board Consideration of Emergency Orders. Pursuant to 15 MLBSA § 402(c), the Director shall immediately forward any such order, along with a supporting Compliance Recommendation, to the GRA Board and the Corporate Commissioner in the manner provided by 15 MLBSA § 312(d). The GRA Board shall convene a Compliance Determination hearing to consider the Director's Emergency Enforcement Order and supporting Compliance Recommendation within three (3) days of receipt of the Order from the Director. In all such cases, the GRA Board's Compliance Determination or a final order from the Court of Central Jurisdiction supersedes the Director's Emergency Enforcement Order. For any license suspended or revoked, the OGR&C staff shall submit the Notification of Results to the NIGC, and immediately notify Gaming Enterprise management of the status of the applicant/employee license.

V. BACKGROUND INFORMATION, DOCUMENT ACCESS AND RETENTION. Licensing files containing the Personal and Uniform History Statement, Employment Application, I-9, PPAN and all investigation results must be securely maintained at the offices of the OGR&C. Access to such files is limited to the OGR&C licensing staff, the Director and members of the GRA Board. NIGC Agents and State Gambling Enforcement Agents may also access files for purposes of an audit. Licensing files must be retained for at least three (3) years after the associate/employee terminates.

VI. GAMING STANDARDS FOR EMPLOYEES LICENSED BY THE GRA.

Section 1. Employees Prohibited from Gaming. Licensed employees in the following positions are prohibited from gaming at any Gaming Enterprise licensed by the GRA:

- A. GRA Board Members;
- B. GRA Employees; and
- C. Mille Lacs Corporate Ventures Gaming Group.

Section 2. Conditions of Employee Gaming. Licensed employees other than those listed above may game at a Gaming Enterprise licensed by the GRA with the following conditions:

- A. Employees shall not game while on duty;
- B. Employees shall not game while in uniform;
- C. Employees of the Slots Department shall not play slots at the Gaming Enterprise where they are employed;
- D. Employees of the Information Technology Department with access to gaming systems shall not play slots;



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- E. Employees who work in Blackjack shall not play Blackjack at the Gaming Enterprise where they are employed;
 - F. Employees who sell Pull Tabs shall not play Pull Tabs at the Gaming Enterprise where they are employed;
 - G. Employees who control Bingo paper inventory shall not play Bingo at the Gaming Enterprise where they are employed;
 - H. Employees are prohibited from participating in marketing promotions that involve a guest drawing;
 - I. Employees are prohibited from participating in marketing promotions insured by a third party;
 - J. Employees who work in the Marketing Department (except for coat check and the call center) are prohibited from participating in any marketing promotion; and
 - K. Employees must utilize a readily identifiable, both visually and electronically, player's card while gaming.

History.

Approved by Band Assembly on June 29, 2005.

Changes approved by the Gaming Regulatory Authority on April 24, 2014. Effective Date: April 24, 2014.

Changes approved by the Gaming Regulatory Authority on November 24, 2015. Effective Date: January 1, 2016.

Changes approved by the Gaming Regulatory Authority Board on April 28, 2016. Effective April 28, 2016

Copies of prior versions of the regulation available upon request from the GRA.