



Mille Lacs Band of Ojibwe Indians

Executive Branch of Tribal Government

Office of the Chief Executive

Hand-delivered and via email

April 17, 2026

Sheldon Boyd, Speaker of the Assembly
Carolyn Beaulieu, District I Representative
Wendy Merrill, District II Representative
Harry Davis, District III Representative

Re: Veto of Band Assembly Act 13-26

Dear Honorable Members of the Band Assembly:

Aaniin. I am in receipt of Band Assembly Act 13-26 (Bill 22-01-13-26), dated April 8, 2026. Although I am grateful for the Band Assembly's hard work on this legislation, I am disappointed that the work was not performed in collaboration with other stakeholders across the Band. This is especially true considering that I submitted a couple of proposed drafts to the Band Assembly more than a year ago and have had three of my nominations for the Corporate Commissioner position denied by the Band Assembly (with a fourth nominee yet to receive a confirmation hearing). The reasons for these denials have never been articulated, and I believe that I've put forth well-qualified nominees.

I also wish to note that so many of the issues with Mille Lacs Corporate Ventures ("MLCV") that have come to light in the past 16 months are the direct result of my decision to seek new leadership in the Corporate Commissioner position. If I had instead made the decision to pursue *status quo*, many of MLCV's problems would not be widely known to Band members.

In the past, we had also scheduled workshops that were ultimately cancelled by the Band Assembly. When the Band Assembly presented its first draft of the legislation last fall, it provided only minimal public notice and opportunity to comment. The legislation is also replete with extensive overreaches that seek to give the Band Assembly power to directly administer MLCV and therefore violate the original intent of Title 16. Although I do share several concerns with the Band Assembly about how MLCV is governed, we shouldn't be extending so much authority to a single branch of government. As Title 16 states, the business decisions of the Band should instead be insulated against day-to-day political considerations faced by our elected leaders.

For all of these reasons, I am unable to approve the Act in its current form and have therefore issued my veto. The purposes for my veto are further described below in a non-exhaustive list.

1. **Corporate Governance.** As I understand the Act, it severs MLCV into two separate entities governed by independent boards. The Act would preserve the Commissioner of Corporate Affairs position, but strip it of any operational oversight over the companies. Instead,

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the Corporate Commissioner would serve as an *ex officio* member of both boards and exercise various oversight functions. ACT 13-26, § 4. Although I initially proposed that the Corporate Commission be bifurcated into gaming and non-gaming entities, this Act does not represent the corporate governance structure I had in mind. Moreover, over the course of the past 16 months, my point of view on this issue has evolved significantly. Given the pressing issues that our next Corporate Commissioner must confront (e.g. preserving and evolving Indian gaming as a lucrative business model for the future, assessing how to mitigate Maadadizi Investments' "sunk cost" issue, and potentially withdrawing from some of Makwa Global's contract obligations), I do not wish to nominate a Commissioner whose authority to address any of these issues has been severely diminished. My newest preference is that the Corporate Board of Directors be redesigned in a manner similar to the Investment Committee (17 MLBS § 204), wherein a mix of Band members and outside professionals can be relied upon to make the best possible business decisions for the company.

2. **Commissioner Term.** The Act reduces the Corporate Commissioner's term from four years to two years. ACT 13-26, § 2. This is not enough time for a Commissioner to execute her or his goals, even if the confirmation process proceeds expeditiously. Nor is this amount of time equivalent to the terms granted to other Commissioners. Lastly, the Chief Executive's responsibility to find a qualified Corporate Commissioner will be made even more difficult if the nominee cannot rely on a four-year commitment from the Band.

3. **Procurement Procedures.** The Act requires that various arm's-length agreements be approved by the Corporate Commission Board of Directors and comply with "procurement procedures in Title 7 of Band statute." ACT 13-26, § 107(f). It is not clear to me whether the entirety of Title 7, or merely a subset, is being made applicable to the Corporate Commission. For example, Title 7 requires that all contracts greater than \$7,500 be approved by the Administration Policy Board ("APB") and that all contracts greater than \$25,000 be approved by the Band Assembly. Does the Act intend for APB and Band Assembly to take on such a significant role in MLCV's procurement processes? To better clarify, I prefer that a separate section be added to the Act that outlines specifically what procurement procedures MLCV must follow.

4. **Annual Budgets.** The Act requires the Corporate Commission to "operate in accordance with an annual budget duly authorized by Band Assembly resolution[.]" ACT 13-26, § 152. Another provision establishes the same budget approval process for the Band's non-gaming businesses. ACT 13-26, § 302. These provisions are problematic for a couple of reasons.

- First, Title 16 does not permit the Band Assembly to approve a corporate entity's budget by resolution. The reason for this is to avoid elected officials exercising direct control over the Band's business operations. Band law defines a resolution as a "formal expression of opinion, will, or intention voted on by the Band Assembly." 3 MLBS § 1(m). Permitting corporate budgets to be approved by Band Assembly resolution would effectively create a superior class of membership for the three District Representatives that would allow them to exercise greater authority than either the Chief Executive or Secretary-Treasurer. If empowered to approve the Band's gaming and non-gaming budgets by resolution, the three District Representatives would be able to exercise rights

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over the Band's businesses which the remaining members/elected officials would be unable to exercise.

- Second, by authorizing itself to approve the gaming and non-gaming budgets, the Band Assembly would presumptively be accepting the fiduciary duty to oversee the company's financial health. But the Act does not expressly delineate or account for this fiduciary duty.

5. **Budget Reporting.** The Act requires the "Corporate Commission CEO and Corporate Commissioner [to] report to the Band Assembly on a quarterly basis, or as otherwise requested by the Band Assembly, the cash requirement levels needed to operate Casinos and the justification to support the use of such funds." ACT 13-26, § 152(c). Additional provisions establish this same reporting process for the Band's non-gaming businesses. ACT 13-26, §§ 252(d), 302(d). Combined, these provisions effectively reduce the Chief Executive to a lower-class member by conferring a statutory responsibility to report to the Band Assembly and not to the Chief Executive.

6. **Definition of Net Revenues.** The Act defines the term "Net Revenues" in a manner inconsistent with the Band's Gaming Regulatory Act (Title 15, Chapter 1). ACT 13-26, § 153(b). Since the Band's Gaming Regulatory Act is approved by the Chairman of the National Indian Gaming Commission under the Indian Gaming Regulatory Act ("IGRA"), this discrepancy could potentially pose IGRA compliance issues. If the Band's definition of "Net Revenues" is to be amended, it should be accomplished by amending the Band's Gaming Regulatory Act. My position is that the Band's definition of "Net Revenues" should be in full compliance with IGRA.

7. **Corporate Debt.** The Act states that the "Corporate Commission shall not borrow, lend or enter into any loan agreement or establish any line of credit for the Casinos without approval by Band Assembly resolution." ACT 13-26, § 157(a). Another provision makes this same prohibition for the Band's non-gaming businesses. ACT 13-26, § 307(a). Like other provisions, this requirement leaves the Chief Executive and Secretary-Treasurer out of the decision-making process, thus diluting their membership status. The Band Assembly should also not be directing MLCV's credit-seeking activities by resolution.

8. **Corporate Salaries.** The Act requires the "Corporate Commission, on behalf of the Casinos, [to] submit a report to the Band Assembly detailing the specific budgeted dollar amount for each of the top 50 positions, vacant or filled, held at the Casinos and shall report a dollar value in the aggregate for all the remaining positions no later than March 1 of every year." ACT 13-26, § 157(c). Another provision imposes this same requirement for the Band's non-gaming businesses, but encompassing only 25 positions. ACT 13-26, § 307(c). Although I can understand the need for visibility of the most heavily compensated positions, the requirement to report the top 50 positions seems excessive. I prefer reducing this number to 20 for the Band's gaming businesses and ten for the non-gaming businesses.

9. **Prohibited Projects.** The Act states that the "Corporate Commission and Casinos shall not use funds for any business activity, purpose, or venture that is illegal or inconsistent with the values of the Band." ACT 13-26, § 157(d). Another provision makes this same prohibition for the Band's

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non-gaming businesses. ACT 13-26, § 257(d). Although I certainly agree that the Band should not be operating illegal businesses, it is less clear to me which businesses are “inconsistent with the values of the Band.” Reasonable minds may differ over such a statement. (For example, some might argue that operating wholesale and retail cannabis businesses is inconsistent with the Band’s values, as well as the sale of alcohol at our casinos.) As such, I prefer more clarity here. If this provision is attended to address some of Makwa Global’s contracts with the federal government, then I recommend that the Band Assembly expressly state which types of contracting activities the Band should not be engaged in (e.g. training security personnel).

10. Band Member Development. The Act includes Band member development requirements for both the Band’s gaming and non-gaming businesses. ACT 13-26, §§ 257(e)-(g), 307(e)-(g). Given the Band’s recent amendments to Title 15, Chapter 4 (Tribal Employment Rights Office), I do not support any legislation that is inconsistent with that statute. The Band’s new TERO Code already remediates the problem of Band member employment at MLCV by setting clear hiring goals for both now and in the future. The new TERO Code also requires annual reporting by MLCV of efforts made to reach these hiring goals.

11. Low-Income Housing Tax Credits. The Act states that “Corporate Ventures and its subsidiaries shall not seek low-income housing tax credits without prior approval from the Band Assembly in the form of a resolution.” ACT 13-26, § 257(a). Like other provisions, this requirement leaves the Chief Executive and Secretary-Treasurer out of the decision-making process, thus diluting their status as members of the company. The Band Assembly should also not be regulating MLCV’s pursuit of low-income housing tax credit by resolution, especially given the vast influx of capital that can be obtained for economic development through these tax credits.

12. Written Demands for Information. The Act states that “[m]embers shall have an absolute right, upon written demand, to examine and copy, in person or by a legal representative, at any reasonable time, and the corporation shall make available, within three (3) days of receipt by the corporation of the written demand, any document available to the highest-ranking corporate or Band officer, official, or employee, provided the document is not directly related to pending or ongoing litigation and protected by attorney-client confidentiality.” ACT 13-26, § 1101(b)(5). This provision is overbroad and would seemingly cover many types of matters that are best left confidential, including personnel issues, personal health issues, etc. The exercise of this provision would also likely have the effect of undermining the Corporate Commissioner’s operational control and day-to-day running of the company. Although I’m not opposed to sharing important information about our businesses, the requests must be properly predicated so as not to violate an employee’s reasonable right to privacy.

13. Direct Lawsuits. The Act states that “[m]embers have a right to bring direct lawsuits and derivative lawsuits in equity in the Court of Central Jurisdiction when a director or officer of the Corporate Body Politic or its subsidiaries or affiliates breaches a duty or violates Band law or corporate bylaws or charters and causes actual injury. The respondent in such claims shall not raise the defense of sovereign immunity, nor shall they file counterclaims.” ACT 13-26, § 1101(b)(6). Since this provision would seemingly prohibit *all* counterclaims, it likely presents substantial civil rights and due process concerns. It is also important to remember that Title 16 identifies the elected officials not as shareholders of the Corporate Commission, but as members in place of shareholders.

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Therefore, even if the Band's elected officials are permitted to file lawsuits as proxies against the Corporate Commission, there is a plausible argument that we can do so only with the direct consent of the shareholders (Band members). This provision also potentially contradicts the Band's obligation to indemnify corporate officers for acts properly and lawfully carried out on behalf of the Corporate Commission (16 MLBS § 105).

14. **Corporate Veil.** As a general precaution, the more authority we as elected officials retain for ourselves to manage and operate the Corporate Commission, the more exposed the Band is to a potential "piercing the corporate veil" remedy. The Band's former elected officials intentionally designed Title 16 to establish a separation of powers to protect the Band's other assets from MLCV's liabilities. The corporate entity was invented as a legal concept to limit a shareholder's exposure when investing in a business. If the members/elected officials make decisions that are intended for the Board of Directors or officers of MLCV, then the benefits of that limited liability protection will go away. I therefore believe we should more fully consider this issue before making a final overhaul of the Corporate Commission's governing structure.

Further Conversations

I'd like to close by stating that, despite the concerns I have addressed within this letter, addressing the corporate governance of the Band's business entities is extremely important work. But it is vital that we adopt a collaborative approach. I look forward to further conversations, and—in the instance of an impasse— support submitting such questions to independent legal counsel for review.

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Virgil Wind
Chief Executive

CC:

Caleb Dogeagle, Solicitor General
Jared Miller, Legislative Counsel
Erin Anderson, Legislative Staff Attorney
Reen Reinhardt, Revisor of Statutes
Danielle Smith, Parliamentarian / Clerk of the Assembly
Mel Towle, Commissioner of Finance