

United States Department of the Interior

OFFICE OF THE SECRETARY Washington, DC 20240

JUL 01 2020

The Honorable Joseph Wildcat, Sr. President, Lac du Flambeau Band of Lake Superior Chippewa Indians P.O. Box 67
Lac du Flambeau, Wisconsin 54538

Dear President Wildcat:

On June 9, 2020, the Lac du Flambeau Band of Lake Superior Chippewa Indians of the Lac du Flambeau Reservation of Wisconsin (Tribe) and the State of Wisconsin (State) submitted the 2020 Amendment to the Lac du Flambeau Band of Lake Superior Chippewa Indians and State of Wisconsin Gaming Compact of 1992 (Amendment) providing for the conduct of class III gaming activities by the Tribe.

We have completed our review of the Amendment and conclude that it does not violate the Indian Gaming Regulatory Act (IGRA), any other provision of Federal law that does not relate to jurisdiction over gaming on Indian lands, or the trust obligations of the United States to Indians. See 25 U.S.C. § 2710(d)(8)(B). Therefore, pursuant to my delegated authority and Section 11 of IGRA, I approve the Amendment. See 25 U.S.C. § 2710(d)(8)(A). The Amendment shall take effect when the notice of this approval is published in the Federal Register. See 25 U.S.C. § 2710(d)(3)(B).

A similar letter is being sent to the Honorable Tony Evers, Governor of Wisconsin.

Sincerely,

Tara Sweeney

Assistant Secretary - Indian Affairs

Enclosure

2020 AMENDMENT TO THE LAC DU FLAMBEAU BAND OF LAKE SUPERIOR CHIPPEWA INDIANS and STATE OF WISCONSIN GAMING COMPACT OF 1992

WHEREAS, Section XXX. of the Lac Du Flambeau Band of Lake Superior Chippewa Indians and the State of Wisconsin Gaming Compact of 1992, as amended, (the Compact to be amended upon mutual agreement of the parties, and

WHEREAS, the Tribe and the State recognize that the Tribe's provision of governmental services to both Tribal members and nonmembers provides an effective mechanism to provide necessary services to those citizens of Wisconsin, and

WHEREAS, the Tribe and the State have determined it is in their mutual best interests to expand the services which the Tribe is able to provide to these Wisconsin residents,

THEREFORE, the Tribe and the State mutually agree as follows:

1. Section VII.B. of the Compact shall be amended by deleting "\$25,000" and replacing it with "\$100,000" so that Section now reads:

The Tribe shall not enter or maintain a gaming related contract involving total consideration exceeding \$100,000 in any year with any person unless that person holds a Certificate issued by the Lottery Board under this section.

2. Section XXXI.A.4 of the Compact shall be amended by deleting the last paragraph and transferring it to a new subsection XXXI.A.5, which now reads

XXXI. PAYMENT TO THE STATE.

A. Payments

- 5. Credits Against Payments for Provision of Governmental Services to Wisconsin Residents.
- a. Water and Sewer Services. Beginning in 2009 and in each year thereafter, the Annual Payment shall be reduced by an amount paid by the Tribe in the immediately preceding fiscal year for governmental programs consistent with those traditionally provided by state or local governments, which provide a public benefit, and which serve both Tribal members and non-Tribal residents, up to a maximum reduction of \$300,000 per year. For the payment made on June 30, 2009 the maximum reduction shall be \$400,000. The parties agree that funds paid by the Tribe to subsidize the provision of water and sewer services to both members and non-members on the reservation is an example of such a program. If the Tribes does not

utilize the \$300,000 available credit for provision of water and sewer services, any amount not used for water and sewer services up to \$300,000 may be utilized as a credit but only if the proposed expenditures of the funds receive approval as a Qualified Expenditure pursuant to subsection XXXI. A.5.b.5. To establish the amount of the credit the Tribe shall provide to the State documents evidencing the level of Tribal funds appropriated by the Tribe in its annual budget to fund the provision of water and sewer services, copies of the Tribal general ledger recording the appropriation to the water and sewer department, and documents from the Tribal general ledger recording the expenditures for the water and sewer services.

- b. Expenditures for Additional Governmental Services of General Public Benefit. Beginning on the dates set out below and in each year thereafter the Annual Payment shall be reduced by an amount paid by the Tribe in the immediately preceding fiscal year for governmental programs consistent with those traditionally provided by state or local governments, which provide a public benefit, and which serve both Tribal members and non-Tribal residents, which are for asset purchases, capital investments or new programs/services, and which have been approved pursuant to the procedures set out in subsec. XXXI.A.5.b.5.
- 1. \$100,000 additional credit (\$400,000 total credit) from the Annual Payment due June 30, 2022.
- 2. \$100,000 additional credit (\$500,000 total credit) from the Annual Payment due June 30, 2023.
- 3. \$100,000 additional credit (\$600,000 total credit) from the Annual Payment due June 30, 2024.
- 4. \$100,000 additional credit (\$700,000 total credit) from the Annual Payment due June 30, 2025, and each year thereafter.
- 5. In order to qualify for a deduction from the Annual Payment under subsec. XXXI.A.5.b an expenditure (Qualifying Expenditure) must be agreed upon pursuant to the following procedures. Every year, commencing July 1, 2020, the State and Tribe shall meet to designate which expenditures may be Qualifying Expenditures to be made in the following fiscal year.

Agreement of the State may not be unreasonably withheld. In the event the State believes the Tribe has deducted an amount which is not a Qualifying Expenditure it may initiate an arbitration proceeding under the Dispute Resolution procedures of the Compact. If the arbitration determines any or all of a deduction was not a Qualifying Expenditure the Tribe shall promptly pay that amount to the State with a reasonable interest as determined by the

arbitration.

To establish the amount of the credit the Tribe shall provide to the State documents evidencing the level of Tribal funds appropriated by the Tribe in its annual budget for Qualifying Expenditures, copies of the Tribal general ledger recording the appropriation to the Qualifying Expenditures, and documents from the Tribal general ledger recording Qualifying Expenditures.

Lac du Flambeau Band of Lake Superior Chippewa Indians

Joseph Wildcat Sr.,

President

DATE: 6-3-2020

State of Wisconsin

Tony Evers, Governor

DATE: 5/27/2020