



BUDGET The United States
Department of the Interior
JUSTIFICATIONS

and Performance Information
Fiscal Year 2019

**NATIONAL INDIAN
GAMING COMMISSION**

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**DEPARTMENT OF THE INTERIOR
NATIONAL INDIAN GAMING COMMISSION**

FY 2019 Budget Justification

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Executive Summary



National Indian Gaming Commission (NIGC)

Executive Summary

The National Indian Gaming Commission (NIGC or “Commission”) was created by the Indian Gaming Regulatory Act of 1988 (P.L. 100-497). The purpose of the Indian Gaming Regulatory Act (IGRA) is, in part to promote tribal economic development and self-determination; support the integrity of the Indian gaming industry; and ensure that tribes are the primary beneficiaries of their gaming activities. To ensure those purposes of IGRA are carried out, IGRA created the NIGC as an “independent Federal regulatory authority for gaming on Indian lands... to meet congressional concerns regarding gaming and to protect such gaming as a means of generating tribal revenue.”¹

In addition to the NIGC, there are approximately 6,000 Tribal Gaming Regulators serving as the primary regulators of Indian gaming. Further, each of the 29 states involved in Indian gaming provides regulatory support to implement their respective responsibilities under IGRA and tribal-state compacts. Besides NIGC, tribal and state regulatory agencies, the Department of the Interior, the Department of Justice, the Federal Bureau of Investigation, the Internal Revenue Service, and the Department of the Treasury all implement and enforce laws that serve to ensure that tribes are the primary beneficiaries of Indian gaming. The NIGC coordinates closely with all of these governmental entities to fulfill the mandates of IGRA.

The NIGC’s budget is tied to the mandates of IGRA. In May 2006, Congress enacted the Native American Technical Corrections Act of 2006 (Sec. 301 of P.L. 109-221). This Act authorizes the Commission to collect up to 0.080 percent of the gross gaming revenue but it also links NIGC’s fee collections to the growth, or contraction, of the Indian gaming industry so that the agency’s funding reflects the financial status of the industry. Secondly, the Act identified training and technical assistance as an agency function. As in the past, the FY 2019 budget will continue to include expanding tribal consultation and improving intergovernmental coordination, providing training and technical assistance to tribal gaming commissions and operations, conducting a regulatory review, examining and assessing the efficiency and effectiveness of the Commission, and enhancing the information technology infrastructure.

¹ 25 U.S.C. § 2702(3).

Mission

The NIGC's mission is to (1) promote tribal economic development, self-sufficiency, and strong tribal governments; (2) maintain the integrity of the Indian gaming industry; and (3) ensure that Tribes are the primary beneficiaries of their gaming activities. To fulfill its mission and achieve compliance, the NIGC works within the framework created by the IGRA by providing sound guidance, removing unnecessary roadblocks, and sensibly regulating gaming activities conducted by sovereign Indian tribes on Indian lands without stymieing the economic development and entrepreneurial spirit of tribes.

Vision

The Commission's vision is to utilize all of its regulatory tools, including training, technical assistance, public education, and enforcement, to empower and partner with tribal governments to ensure that regulatory compliance and gaming integrity respect the capabilities and responsibilities of each sovereign tribe.

General Statement

The Indian Gaming Regulatory Act (IGRA) established the National Indian Gaming Commission as an independent federal regulatory agency within the Department of the Interior. IGRA created the NIGC to protect tribal gaming as a means of generating revenue for tribal governance and tribal communities. IGRA further provides a legal framework structured to safeguard tribes as the primary beneficiaries of their gaming operations, support the integrity of the Indian gaming industry, and assure that gaming is conducted fairly and honestly by both the operators and players.

The NIGC seeks compliance with IGRA, NIGC regulations, and tribal gaming ordinances with 499 gaming establishments owned, operated, or licensed by 246 federally-recognized tribes located within 29 states. To do so, the Commission regulates and monitors tribal gaming activity, inspects gaming premises, conducts background investigations, analyzes audits of Class II and certain aspects of Class III gaming operations, and investigates violations of IGRA. The NIGC also coordinates its regulatory responsibilities with tribal regulatory agencies through the review and approval of tribal gaming ordinances and management agreements. The NIGC further provides technical assistance, including extensive training, to tribal leaders as well as tribal gaming commissions and operators.

When technical assistance and training do not result in compliance with IGRA, NIGC regulations, and the tribal gaming ordinance, the NIGC will undertake enforcement action, which may include imposing appropriate sanctions for such violations, such as civil penalties and orders for temporary closure as well as referring criminal matters to appropriate tribal, Federal and state entities. As the NIGC fulfills these responsibilities, the Commission closely reviews any indications of corrupting influences, such as gamesmanship by non-tribal governmental entities.

IGRA authorizes the Commission to assess and collect fees on tribal gaming revenues to cover agency operating costs. The NIGC also conducts background investigations, including fingerprinting, of individuals and entities with a financial interest in, or management responsibility for, potential management contracts. These investigations are conducted to determine whether the management contracts can be approved. The Commission is reimbursed periodically by the potential contractors for performing these investigative services. The Commission is also reimbursed for fingerprint processing costs.

The Commission has unique relationships with the Indian gaming industry's stakeholders. The Commission, as an agency of the Federal government, maintains a trust relationship with Indian nations. The Commission is committed to meaningful consultation with tribes prior to making changes to regulations or policies having tribal implications. Additionally, the Commission endeavors to provide tribes, states, sister Federal agencies, and stakeholders with courteous and timely responses to issues as they arise.

The Indian Gaming Regulatory Act (IGRA) of 1988

In 1987, the Supreme Court affirmed the inherent sovereign authority of tribes to operate and regulate gaming facilities on Indian lands free from state regulation if the state did not prohibit gaming. *California v. Cabazon Band of Indians*, 480 U.S. 202 (1987). The following year, Congress enacted the Indian Gaming Regulatory Act. Embodied in IGRA was a compromise between state and tribal interests. The drafters “balance[d] the need for sound enforcement of gaming laws and regulations, with a strong Federal interest in preserving the sovereign rights of tribal governments to regulate activities and enforce laws on Indian lands.”² IGRA fully preserved tribal regulatory authority over Class II gaming without state intervention. However, IGRA gave the states a role in determining the scope and extent of tribal gaming by requiring tribal-state compacts for Class III gaming.

IGRA establishes the jurisdictional framework that governs Indian gaming. IGRA establishes three classes of games with a different regulatory scheme for each.

- Class I gaming is defined as traditional and social Indian gaming for minimal prizes. Regulatory authority over Class I gaming is vested exclusively in tribal governments.
- Class II gaming is defined as the game of chance commonly known as bingo (whether or not electronic, computer, or other technological aids are used in connection therewith) and (if played in the same location) pull-tabs, lotto, punchboards, tip jars, instant bingo and other games similar to bingo. Class II gaming also includes non-banked card games. IGRA specifically excludes slot machines or electronic facsimiles of any game of chance from the definition of Class II games. Tribes retain their authority to conduct, license and regulate Class II gaming as long as the state in which the tribe is located permits such gaming for any purpose, and the tribal government adopts a gaming ordinance approved by the Commission. Tribal governments are responsible for regulating Class II gaming, with Commission oversight.
- Class III is defined as all forms of gaming that are neither Class I nor Class II. Games commonly played in casinos, such as slot machines, blackjack, craps, and roulette, fall in the Class III category. Class III gaming is often referred to as full-scale casino-style gaming. As a compromise among tribal, state and Federal interests, IGRA restricts tribal authority to conduct Class III gaming. Before a tribe may lawfully conduct Class III gaming, the following conditions must be met: (1) the facility must be located in a State that permits such gaming for any purpose by any person, organization or entity; (2) the tribe and the state must have negotiated a compact that has been approved by the Secretary of the Interior, or the Secretary must have approved regulatory procedures; and (3) the tribe must

² 134 Cong. Rec. S12649 (daily ed. Sept. 15, 1988).

have adopted a tribal gaming ordinance that has been approved by the Chair of the Commission. State and tribal governments are primarily responsible for regulating Class III gaming.

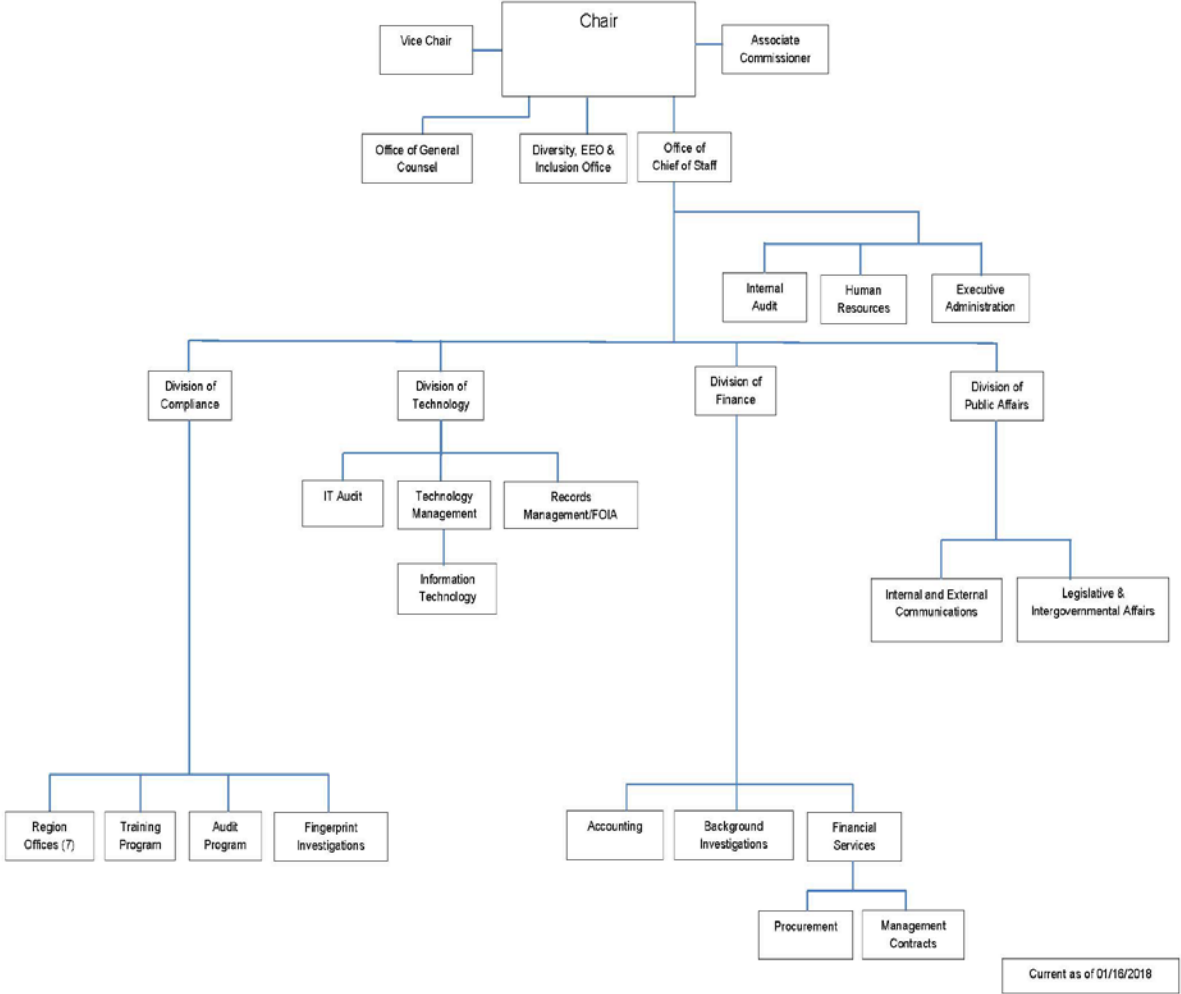
Although Congress clearly intended states to address Class III regulatory issues in tribal-state compacts, IGRA did not make this mandatory, and many states accordingly rely upon continued tribal and Federal oversight by the NIGC to address their regulatory concerns regarding Class III tribal gaming under IGRA. Additionally, IGRA tasks the NIGC with a number of specific regulatory functions, such as: approving tribal ordinances for Class II and Class III gaming; approving management contracts; ensuring tribes and management contractors comply with IGRA and Commission rules and regulations; and implementing regulations. Accordingly, the Commission plays a key role in the oversight and regulation of both Class II and Class III gaming.

Commission Structure

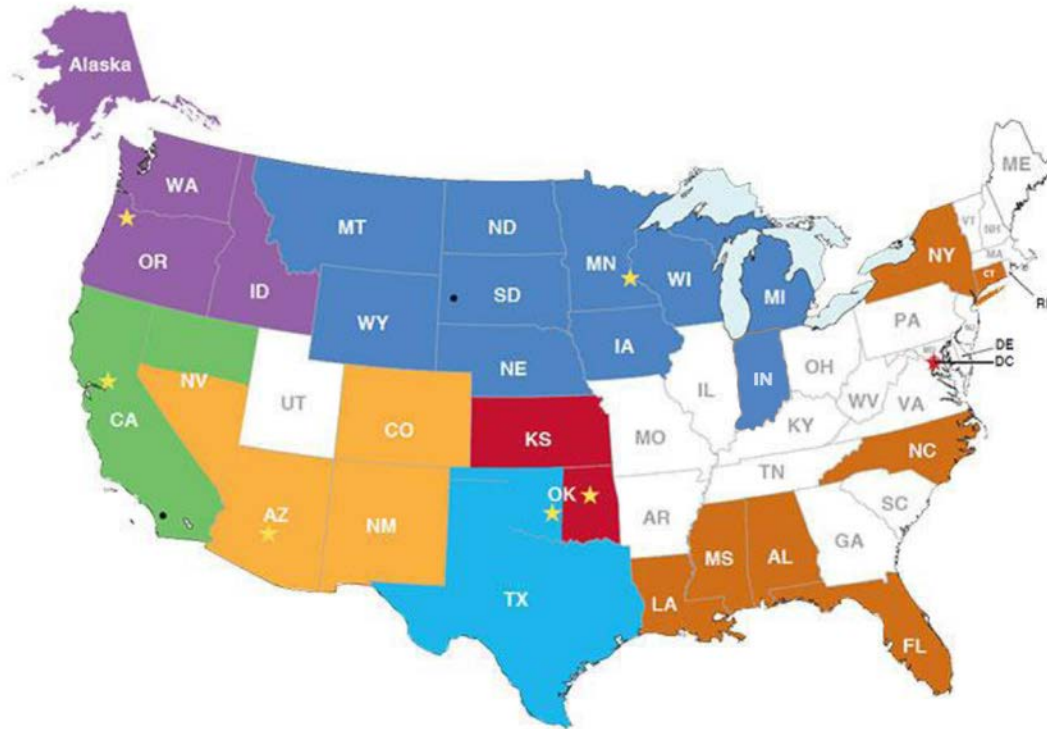
The Commission is composed of a Chair, appointed by the President and confirmed by the Senate, and two Associate Commissioners appointed by the Secretary of the Interior. The Commission selects a Vice Chair by majority vote. IGRA established the NIGC as a bipartisan agency, permitting only two of the three Commissioners to be from the same political party. In addition, at least two members of the Commission must be enrolled tribal members. The NIGC's organizational structure is composed of two main branches, the Office of General Counsel which handles legal affairs, and the Office of the Chief of Staff, which manages day-to-day activities and includes the Division of Compliance, Division of Finance, Division of Public Affairs, and the Division of Technology.

The Commission provides Federal oversight to approximately 499 tribally owned, operated or licensed gaming establishments operating in 29 states. The Commission maintains its headquarters in Washington, DC, and has seven regional offices and two satellite offices. The Commission has a combined staff of 116 full-time employees as of the end of 2017. Approximately half of the Commission staff is assigned to headquarters in Washington, DC, with the remaining staff assigned to regional offices located in Portland, Oregon; Sacramento, California; Phoenix, Arizona; St. Paul, Minnesota; Tulsa, Oklahoma; Washington, DC; and Oklahoma City, Oklahoma; and satellite offices in Rapid City, South Dakota and Temecula, California.

NATIONAL INDIAN GAMING COMMISSION ORGANIZATIONAL CHART



National Indian Gaming Commission Regions



Regional Office	Areas Served
Portland	Alaska, Washington, Oregon, and Idaho
Sacramento	California and northern Nevada
Phoenix	Arizona, New Mexico, Colorado, and southern Nevada
St. Paul	Montana, Wyoming, North Dakota, South Dakota, Nebraska, Minnesota, Iowa, Wisconsin, Michigan, and Indiana
Tulsa	Kansas and eastern Oklahoma
Oklahoma City	Texas and western Oklahoma
Washington, D.C.	Louisiana, Mississippi, Alabama, Florida, North Carolina, New York, and Connecticut

The Commission administratively established the locations of its field offices – not to reflect the distribution of gaming activity or market considerations – but to improve the level and quality of services it provides to tribes, and to enhance its ability to communicate, collaborate and interact with tribes located within each office’s geographic region. The field offices are vital to carrying out the statutory responsibilities of the Commission. By having auditors and compliance officers close to tribal gaming facilities, the Commission seeks to facilitate compliance with the Act and foster better relationships with tribal leaders, officials and regulatory personnel. In addition to auditing and investigative activities, the field staff provides technical assistance and training to promote a better understanding of gaming controls within the regulated industry, and to enhance cooperation and compliance to ensure the integrity of gaming operations.

Budget Priorities

The Commission will continue its positive trend of improving services to tribal governments and tribal gaming commissions while finding a stable balance in its fee rate collections. Technology in the gaming industry continues to evolve, resulting in both greater efficiencies and new challenges. In order to keep pace with changes in technology, financial resources will be directed to providing technical training to the Commission staff. In addition, the agency will continue to provide up to date technical training to tribal gaming operators and regulators to assure their ability to regulate and safeguard the integrity of Indian gaming. Strategic flexibility will ensure that adequate resources are available to meet the growing needs for technical assistance and training in Indian gaming enterprises large and small.

Background

Prior to 1997, the Commission was legislatively prohibited from collecting fees in excess of \$1.5 million annually. The 1998 Interior Appropriations Act (P.L. 105-83) expanded the fee base to include Class III (casino style) gaming and raised the limitation on annual fee collections to \$8 million. In the 2003, 2004, 2005, and 2006 Interior Appropriations Acts, the Congress enacted a general provision raising this limitation to \$12 million for fiscal years 2004, 2005, 2006, and 2007 respectively. On May 12, 2006, Congress enacted the Native American Technical Corrections Act of 2006 (P.L. 109-221) providing a new basis for determining the fee limitation to no more than 0.080 percent of the gross gaming revenues of all gaming operations.³

This amendment allowed the Commission to maintain a fee collection level in proportion to the size of the industry it oversees. With fees now capped at 0.080% of the industry's gross revenue, the Commission's funding expands or contracts in proportion to the growth or contraction of the Indian gaming industry.

Another legislative change included in Public Law 109-221 was the requirement that the Commission, like other Federal agencies, be subject to the Government Performance and Results Act of 1993 (GPRA), and that any plan instituted in compliance with GPRA include technical assistance to tribal gaming operations.⁴ The NIGC strategic plan is posted on the NIGC website.

³ 25 U.S.C. 2717(a)(2)(B).

⁴ 25 U.S.C. 2706(d)(1)-(2).

Annual Fees for Operations

The Commission assesses annual fees on tribal gaming revenues in accordance with procedures set forth in 25 C.F.R. Part 514. In 2012, the Commission promulgated changes to these regulations that became effective on October 1, 2012. Per the new regulation, on or before March 1, the Commission will publish a preliminary fee rate. If necessary, changes to the fee rate will be published no later than June 1 of that year. The rate must be sufficient to generate income to fund the annual operation of the Commission, and to maintain a transition balance for the upcoming year's operation. Each gaming operation must submit quarterly payments for fees assessed by three, six, nine, and twelve months after the end of their fiscal year.⁵

Maintenance of the transition balance is essential to the fiscal integrity of the Commission because the unique statutory provisions governing the Commission's funding subject it to significant cash flow variations. Unlike other Federal agencies, the Commission's authorizing legislation does not provide for full funding at the beginning of each fiscal year. Instead, the Commission receives quarterly payments equal to approximately 1/4 of each gaming operation's projected annual fee assessment. The carryover transition balance is necessary to cover the first and second quarter of operation until the fees are actually received and credited to the operating account. For example, fees collected on or before the December 31, 2018 due date will provide the operational capital for the first three months of calendar year 2019. The Commission attempts to maintain a transition balance to fund the first two quarters of the new year in order to absorb any cash flow variations that may occur.

⁵ The NIGC recently consulted on, and enacted an update to 25 C.F.R. Part 514. Under the updated regulations, the Commission will make one fee announcement on November 1st of each year, rather than a preliminary and final rate in March and June of each year. The rule also defines the fiscal year used in calculating the required annual fee so that the fee rate is applied consistently to a gaming operation's gross revenues for one fiscal year. Finally, among other clarifying revisions to the fee regulations, the rule describes the fees and statements required of gaming operations that cease operations.

FY 2019 Budget

**DEPARTMENT OF THE INTERIOR
NATIONAL INDIAN GAMING COMMISSION**

Narrative Summary Statement

The Indian Gaming Regulatory Act (P. L. 100-497) established the National Indian Gaming Commission as an independent regulatory agency within the Department of the Interior. The Commission monitors and regulates gaming activities conducted on Indian lands. The Commission fosters the economic development of Indian tribes by ensuring the integrity of Indian gaming on Indian Lands and ensuring that the tribes are the primary beneficiaries of their gaming revenues. Operating costs of the Commission are financed through annual assessments of gaming operations regulated by the Commission consistent with provisions of the Native American Technical Corrections Act of 2006 (P. L. 109-221).

Summary of the Fiscal Year 2019 Budget

Permanent Appropriation

The Indian Gaming Regulatory Act, as amended, established the National Indian Gaming Commission to monitor and participate in the regulation of gaming conducted on Indian lands. The NIGC's operational costs are financed through annual assessments of gaming operations regulated by the Commission.

All costs associated with the Commission's operation during fiscal year 2019 will be derived from fees assessed on, and collected from, the regulated Indian gaming industry. The Commission will continue its consultation with the affected tribes and evaluate their input prior to implementing the proposed budget. The revenue to be collected in 2019 will assure funding to address the full-year impact of new hires. The Commission will continue to maintain a carryover balance sufficient to assure that cash flow variations do not impact ongoing operations. Fees are paid quarterly, based on each gaming operation's assessable gross revenue. This system often results in cash flow variations, and therefore a transition balance, derived from prior year funds carried forward to the new fiscal year, is essential for continuity of operations.

The agency's actual employee count was 116 at the end of 2017 (113 total compensable full-time equivalents) and projected to be 132 at the end of 2018 and 2019. NIGC is forecasting full-year obligation for its gaming activity of \$24 million for both fiscal year 2018 and 2019. This will allow the Commission to hire additional local and field personnel to implement its responsibilities under the Act. These funds will also be used to upgrade and improve the NIGC's information management system, and expand technical assistance and training.

Reimbursable Expenses

The NIGC conducts background investigations of individuals and entities with a financial interest in, or management responsibility for, potential management contracts. Pursuant to 25 U.S.C § 2711(e), these investigations are conducted to determine whether the contracts can be approved. In accordance with § 2711(i), the Commission is reimbursed from the potential contractors to conduct these background investigations and also for fingerprint processing costs.

Fee Regulation

The regulations implementing the legislative provisions governing the collection of fees allow the Commission to collect the statutory maximum allowed by Congress:

§514.14 Annual Fees

- (a) The total amount of all fees imposed during any fiscal year shall not exceed the statutory maximum imposed by Congress. The Commission shall credit pro-rata any fees collected in excess of this amount against amounts otherwise due according to §514.4.

Additionally, in 2012, NIGC regulations were amended to specifically address the collection of fees for fingerprint processing:

§ 514.15 May tribes submit fingerprint cards to the NIGC for processing?

Tribes may submit fingerprint cards to the Commission for processing by the Federal Bureau of Investigation (FBI) and the Commission may charge a fee to process fingerprint cards on behalf of the tribes.

§ 514.16 How does the Commission adopt the fingerprint processing fee?

(a) The Commission shall review annually the costs involved in processing fingerprint cards and, by a vote of not less than two of its members, shall adopt preliminary rates for each calendar year no later than March 1st of that year, and, if considered necessary, shall modify those rates no later than June 1st of that year.⁶

(b) The fingerprint fee charge shall be based on fees charged by the Federal Bureau of Investigation and costs incurred by the Commission. Commission costs include Commission personnel, supplies, equipment costs, and postage to submit the results to the requesting tribe.

§ 514.17 How are fingerprint processing fees collected by the Commission?

(a) Fees for processing fingerprint cards will be billed monthly to each Tribe for cards processed during the prior month. Tribes shall pay the amount billed within forty-five (45) days of the date of the bill.

(b) The Chair may suspend fingerprint card processing for a tribe that has a bill remaining unpaid for more than forty-five (45) days.

⁶ The NIGC recently consulted on, and enacted an update to 25 C.F.R. Part 514. Under the updated regulations, the Commission will make one fee announcement on November 1st of each year, rather than a preliminary and final rate in March and June of each year.

(c) Fingerprint fees shall be sent to the following address: Finance, National Indian Gaming Commission, 1849 C Street, N.W., Mail Stop #1621, Washington, DC 20240. Checks should be made payable to the National Indian Gaming Commission (do not remit cash).

Authorization:

Indian Gaming Regulatory Act, Public Law 100-497, as amended.

Objectives:

To regulate and monitor gaming conducted on Indian lands and to protect Indian gaming as a means of generating tribal revenues.

Program Activities:

The Commission's mission is to work within the framework created by the Indian Gaming Regulatory Act (IGRA) for the regulation of gaming activities conducted by sovereign Indian tribes on Indian lands to fully realize IGRA's goals: (1) promoting tribal economic development, self-sufficiency and strong tribal governments; (2) maintaining the integrity of the Indian gaming industry; and (3) ensuring that tribes are the primary beneficiaries of their gaming activities. To effect these goals, the Commission is authorized to conduct investigations; undertake enforcement actions, including the issuance of notices of violation, assessment of civil fines, and issuance of closure orders; approve management contracts; and issue such regulations as necessary to meet its responsibilities under the Act.

The Act grants broad authority to the Commission and provides authority to the Chair to:

- issue temporary closure orders⁷
- levy civil fines, of up to \$51,302 per violation per day, against a tribe, management contractor, or individual operator for violation of the Act, the regulations or a tribal gaming ordinance⁸
- approve tribal gaming ordinances⁹
- approve gaming management contracts¹⁰
- appoint and supervise staff¹¹

⁷ 25 U.S.C. 2705(a)(1).

⁸ 25 U.S.C. § 2705(a)(2). Pursuant to the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 (Sec. 701 of P. L. 114-74), the original civil penalty amount of \$25,000 is adjusted annually.

⁹ 25 U.S.C. § 2705(a)(3).

¹⁰ 25 U.S.C. § 2705(a)(4).

¹¹ 25 U.S.C. § 2707.

The Commission as a whole is empowered to:

- monitor gaming activities¹²
- inspect gaming premises¹³
- conduct background investigations¹⁴
- inspect records relating to gaming¹⁵
- approve the annual budget¹⁶
- adopt regulations for the assessment and collection of civil fines¹⁷
- adopt a schedule of annual fees¹⁸
- issue permanent closure orders¹⁹
- adopt regulations as deemed appropriate to implement the provisions of IGRA²⁰

In carrying out its responsibilities, the Commission also:

- maintains and enhances relationships with other Federal agencies and partner governments
- provides education, training and technical assistance regarding applicable regulatory requirements
- assists tribes with background investigations and fingerprint processing
- receives and processes appeals²¹
- conducts formal and informal hearings
- consults with Indian tribes
- engages with states and the regulated community
- defends against lawsuits challenging the Commission's actions
- issues advice and guidance through bulletins, advisory opinions and other publications
- provides audits and other evaluative services

¹² 25 U.S.C. § 2706(b)(1).

¹³ 25 U.S.C. § 2706(b)(2).

¹⁴ 25 U.S.C. § 2706(b)(3).

¹⁵ 25 U.S.C. § 2706(b)(4).

¹⁶ 25 U.S.C. § 2706(a)(1).

¹⁷ 25 U.S.C. § 2706(a)(2).

¹⁸ 25 U.S.C. § 2706(a)(3).

¹⁹ 25 U.S.C. § 2706(a)(5).

²⁰ 25 U.S.C. § 2706(b)(10).

²¹ 25 U.S.C. §§ 2705(a),2706(a)(5),2713(a)(2).

**DEPARTMENT OF THE INTERIOR
NATIONAL INDIAN GAMING COMMISSION
Special Fund Receipt/Expenditure Account
Gaming Activity Fees
(in millions of dollars)**

Identification code 14-5141-0-2-806	2017 Actual	2018 Estimate	2019 Estimate
01.00 Balance, start of year.....	1	1	1
Receipts:			
Current law			
11.10 NIGC, Gaming activity fees.....	18	19	20
02.00 NIGC, Total Balances and receipts.....	19	20	21
Current law			
21.01 NIGC, Gaming activity fees.....	-18	-19	-20
21.00 Appropriation (previously unavailable).....	-1	-1	-1
21.32 Appropriations and/or unobligated balance of appropriations temporarily reduced.....	1	1	
21.99 Total current law appropriations.....	-18	-19	-21
29.99 Total appropriations.....	-18	-19	-21
50.99 Balance, end of year.....	1	1	
Program and Financing (in millions of dollars)			
Obligations by program activity:			
00.01 Direct Program Activity	21	24	24
09.00 Total new obligations.....	21	24	24
Budgetary Resources:			
Unobligated balance:			
10.00 Unobligated balance brought forward, Oct 1.....	15	14	9
10.21 Recoveries of prior year unpaid obligations.....	2		
10.50 Unobligated balance (total)	17	14	9
Budget Authority			
Appropriations mandatory:			
12.01 Appropriation (special or trust fund).....	18	19	20
12.03 Appropriation (previously unavailable).....	1	1	1
12.32 Appropriations and/or unobligated balance of appropriations temporarily reduced.....	-1	-1	
12.60 Appropriations, mandatory (total).....	18	19	21
19.30 Total budgetary resources available.....	35	33	30
Memorandum (non-add) entries:			
19.41 Unexpired unobligated balance, end of year.....	14	9	6
Change in obligated balance:			
Unpaid obligations:			
30.00 Unpaid obligations, brought forward, Oct 1.....	3	2	2
30.10 Obligations incurred, unexpired accounts.....	21	24	24
30.20 Outlays (gross).....	-20	-24	-24
30.40 Recoveries of prior year unpaid obligations.....	-2		
Obligated balance, end of year (net):			
30.50 Unpaid obligations, end of year	2	2	2
Memorandum (non-add) entries.....			
31.00 Obligated balance, start of year.....	3	2	2
32.00 Obligated balance, end of year	2	2	2
Budget authority and outlays, net:			
Mandatory:			
40.90 Budget authority, gross.....	18	19	21
Outlays, gross:			
41.00 Outlays from new mandatory authority.....	5	10	10
41.01 Outlays from mandatory balances.....	15	14	14
41.10 Outlays, gross (total).....	20	24	24
41.60 Budget authority, net (mandatory).....	18	19	21
41.70 Outlays, net (mandatory).....	20	24	24
41.80 Budget authority, net (total).....	18	19	21
41.90 Outlays, net (total).....	20	24	24

**DEPARTMENT OF THE INTERIOR
NATIONAL INDIAN GAMING COMMISSION
Special Fund Receipt/Expenditure Account
Gaming Activity Fees**

Object Classification (in millions of dollars)

Identification code 14-5141-0-2-806	2017 Actual	2018 Estimate	2019 Estimate
Direct obligations			
11.11 Personnel compensation: Full-time permanent.....	12	13	13
11.21 Civilian personnel benefits.....	4	4	4
12.10 Travel and transportation of persons.....	1	1	1
12.31 Rental payments to GSA.....	2	3	3
12.52 Other Services.....	2	3	3
19.90 Subtotal, direct obligations.....	21	24	24
99.95 Below reporting threshold.....	---	---	---
99.99 Total new obligations.....	21	24	24
Personnel Summary			
Total compensable workyears			
Full-time equivalent employment	113	129	132

DEPARTMENT OF THE INTERIOR
NATIONAL INDIAN GAMING COMMISSION
Reimbursable Activity
(in millions of dollars)

Program and Financing

Identification code 14-0118-0-2-806		2017	2018	2019
		Actual	Estimate	Estimate
Obligations by program activity:				
08.01	Reimbursable Program Activity	2	2	2
09.00	Total new obligations.....	2	2	2
Budgetary resources:				
Unobligated balance:				
10.00	Unobligated balance brought forward, Oct 1.....	3	3	3
Budget authority:				
Spending authority from offsetting collections, discretionary				
17.00	Collected.....	2	2	2
17.50	Spending authority from offsetting collections, disc (total)	2	2	2
19.30	Total budgetary resources available.....	5	5	5
Memorandum (non-add) entries:.....				
19.41	Unexpired unobligated balance, end of year.....	3	3	3
Change in obligated balance:.....				
Unpaid obligations:				
30.00	Unpaid obligations, brought forward, Oct 1 (gross).....	0	1	1
30.10	Obligations incurred, unexpired accounts.....	2	2	2
30.20	Outlays (gross).....	-1	-2	-3
30.50	Unpaid obligations, end of year	1	1	0
Memorandum (non-add) entries:.....				
31.00	Obligated balance, start of year:.....	0	1	1
32.00	Obligated balance, end of year:.....	1	1	0
Budget authority and outlays, net:				
Discretionary				
40.00	Budget authority, gross.....	2	2	2
Outlays, gross:				
40.10	Outlays from new discretionary authority.....	1	1	1
40.11	Outlays from discretionary balances.....	0	1	1
40.20	Outlays, gross (total).....	1	2	2
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:.....				
40.33	Non-federal sources.....	-2	-2	-2
41.80	Budget authority, net (discretionary).....	---	---	---
41.90	Outlays, net (discretionary)	-1	---	1

DEPARTMENT OF THE INTERIOR
NATIONAL INDIAN GAMING COMMISSION
General and Special Funds: Salaries and Expenses

Object Classification (in millions of dollars)

Identification code 14-0118-0-4-806	2017	2018	2019
	Actual	Estimate	Estimate
Reimbursable obligations			
Other services from non-Federal			
22.52 sources.....	2	2	2

**DEPARTMENT OF THE INTERIOR
NATIONAL INDIAN GAMING COMMISSION
EMPLOYEE COUNT BY GRADE OR GRADE EQUIVALENT**

	2017 Actual	2018 Estimate	2019 Estimate
EX-IV	1	1	1
EX-V	2	2	2
AD-00	0	0	0
ES-4	0	0	0
ES-3	0	0	0
ES-1	0	0	0
GS-15	16	18	18
GS-14	18	23	23
GS-13	40	50	50
GS-12	21	20	20
GS-11	4	4	4
GS-10	4	3	3
GS-09	0	0	0
GS-08	0	0	0
GS-07	2	2	2
GS-06	5	6	6
GS-05	3	3	3
Total Employee Count	116	132	132

In accordance with the Act, appointments are made without regard to the provisions of Title 5, U.S. Code governing appointments in the competitive services.

GPR Information

Government Performance and Results Act Information

In 2006, Congress amended the Indian Gaming Regulatory Act, 25 U.S.C. §§ 2701 – 2721, Pub. L. 100-497, and for the first time made the National Indian Gaming Commission subject to the Government Performance and Results Act of 1993 (GPRA), Pub. L. 103-62. That obligation is set out at 25 U.S.C. § 2706(d)(1), which states: “In carrying out any action under this chapter, the Commission shall be subject to the Government Performance and Results Act of 1993.”

GRPA requires that an agency’s “strategic plan shall be updated and revised at least every four years.” 5 U.S.C. § 306(b). Consistent with this obligation and the Commission’s vision of adhering to principles of good government including transparency to promote agency accountability and fiscal responsibility, the NIGC followed the consultation requirements set forth in the GPRA, Executive Order 13175 “Consultation and Coordination with Indian Tribal Governments,” the National Indian Gaming Commission Policy on Consultation with Indian Tribes, and guidance from the Office of Management and Budget (OMB). The NIGC recognizes the importance of tribal consultation in formulating policy and maintaining the government-to-government relationship with tribal nations. To engage with tribal leaders in formulating the strategic plan, the NIGC sent written notice of the availability of the draft strategic plan and held a webinar to present and hear comments on it, followed by a comment period of more than a month. In addition, tribal input received during preceding consultation sessions related to the subject matter was taken into consideration. The NIGC also engaged with the public by posting the draft strategic plan for comment to the NIGC website. All relevant comments and feedback received during the webinar, in-person tribal consultations sessions, and from the public were taken into consideration in the strategic plan. The strategic plan for fiscal years 2018-2022 will be published in February 2018.

Summary and Highlights of Commission Activities

During FY 2017, the Commission's four primary initiatives arising from its 2014 Strategic Plan consisted of consulting and building relationships with tribal governments, providing technical assistance and training, continuing its regulatory review, and reviewing its internal operations. As such, during the past fiscal year, the Commission accomplished the following goals and tasks.

- The Commission continued its emphasis on working with tribal, state, and Federal regulators to ensure effective coordination in the regulation of Indian gaming, working with tribes to ensure compliance with IGRA, and taking enforcement action for violations of IGRA when necessary.
- The Commission completed six consultations with tribes on seven important topics in FY 2017 including: Rural Outreach, Developing a Strong Tribal Workforce through Training, Management Contract Regulations and Procedures, Technical Standards for Mobile Gaming Devices, Regulatory Changes to Fees, and Class III MICS guidance, and 25 C.F.R. Part 547 Grandfathered Class II Gaming Systems.
- The agency increased its focus on rural outreach and protecting against gamesmanship on the backs of tribes.
- Implemented appropriate steps to address employee engagement. Based on the Federal Employee Viewpoint Survey results, 38 areas were identified as strengths and 0 areas as challenges, however, the agency has identified opportunities to improve such as cross department communication, job growth, use of the FEVS survey as a means to communicate openly and stronger leadership within the agency. Despite these areas, the 2017 results when compared with previous results do show that the agency is continuing to trend towards employee satisfaction.
- Met NARA standards for electronic record management and is on schedule to meet records management priorities.
- The Office of General Counsel advised the Chair and Commission on management contracts, tribal ordinance submissions, and litigation. Additionally, the Office of General Counsel assisted and brought stability to the tribal gaming industry by offering opinions on a variety of matters including game classifications, Indian land status, and whether financing or other agreements implicate management or sole proprietary interest concerns.
- Commission staff continued to offer training and technical assistance to gaming tribes regarding regulatory changes.
- The Commission continued the process of targeting its training activities and agency resources by identifying partnerships, improving training offerings, and utilizing technology to more effectively reach target audiences.
- Commission auditors performed seven internal control assessments (MICS audits), eight onsite Internal Audit/ NIGC fee reviews, and 484 reviews on audited financial

statements. The audit findings were included in reports delivered to the audited tribes. The Commission will offer technical assistance to the tribes in identifying and implementing remedial action.

- Commission staff continued to diligently review management contracts. Two management contracts and six amendments to management contracts were approved by the Chairman in FY 2017.
- The Commission continued to conduct financial background investigations on persons and entities associated with management contractors. The Commission received 49 applications for background investigations in FY 2017.
- The Commission processed approximately 315,385 actions including dissemination of fingerprint cards to and from the FBI and name checks for tribal gaming commissions.
- The Commission, through its Compliance Division, addressed potential non-compliance through its standardized regulatory processes, analyzed tribal gaming facilities and created a compliance plan that in part ensured at least one site visit was completed at all tribal gaming facilities. The Compliance Division completed 561 site visits, 155 surveillance reviews, 290 licensing on site reviews and completed 49 trainings events to 2,664 participants.
- The Commission, through its Technology Division, completed 20 Information Technology Vulnerability Assessments in FY 2017 and realigned its records management and retention schedules.

During FY 2018, the Commission will continue its four primary initiatives by working on the following goals and tasks.

- The Commission will continue its efforts on consultations in FY 2018 with focus on three important topics including: Proposed Changes to Management Contract Process, Audit Submissions, and Management and Sole Proprietary Definition.
- The Commission continues its initiative to offer technical assistance, and enforcement when necessary, to help facilitate compliance throughout all regions.
- The Commission continues to build upon relationships with tribal, Federal, and state regulatory and/or law enforcement agencies.
- Rural outreach and protecting against gamesmanship on the backs of tribes continue to be the focused priorities of the agency.
- The Commission continues to review and update its regulations to maintain the integrity of Indian gaming. The Commission will continue to consult with tribes as part of its regulatory review.
- The Office of General Counsel continues to advise the Chair and Commission on management contracts, tribal ordinance submissions, and litigation. Additionally, the Office of General Counsel continues to assist and bring stability to the tribal gaming industry by offering opinions on a variety of matters including game classifications,

Indian land status, and whether financing or other agreements implicate management or sole proprietary interest concerns.

- The Commission continues to work on drafting (or revising) and adopting additional internal agency policies.
- The Commission continues to respond to requests from tribes for technical assistance, and increase both the amount and breadth of technical assistance provided. It utilizes all forms of training forums and locations to better reach targeted audiences being mindful of Commission and tribal financial resources. The Commission continues to provide training to tribes within all seven NIGC regions. The Commission continues to update the training catalog as necessary.
- The Commission is continuing efforts to modernize the NIGC IT network to improve and maintain reliability and manageability. This includes continuing to update the website to provide the end user with ease of navigation and searchability of NIGC resources.
- The Commission continues to improve operational efficiency through enhanced records management that includes the electronic conversion of documents, forms and manuals.
- The Commission will continue to track technological developments in the industry to ensure the Commission provides up-to-date technical assistance, maintains current regulations, meets its oversight responsibilities, and otherwise performs its statutory mandates.
- The Commission continues to work on its everyday tasks, including:
 - performing internal control assessments specific to Class II gaming operations.
 - performing IT vulnerability assessments as a service for tribal gaming operations to protect against IT threats.
 - responding to requests from tribal gaming operators and regulators for IGRA and gaming related training and technical assistance.
 - working with tribes on the Tribal Access Portal (TAP), a database that enables tribal gaming regulators who are engaged in issuing gaming licenses to check whether a license applicant has a licensing history with any other gaming tribe. Along with information provided by the NIGC/FBI fingerprint submission service, the TAP system assists tribes to complete their own comprehensive background investigation of prospective license applicants.
 - updating its database with accumulated financial data from the gaming operations' audited financial statements and Agreed Upon Procedures (AUP) report filings. The Commission establishes a preliminary and final rate utilizing this data.
 - performing internal audits of NIGC departments to increase the Commission's efficiency, effectiveness, and compliance with Federal regulations.

- reviewing management contracts and amendments to management contracts.
- processing fingerprint cards for tribal gaming employees as they are submitted by the tribal gaming commissions and tracking payment for fingerprint processing.
- continuing to respond to technical assistance requests from tribal governments and tribal regulators, in particular, assisting tribes that are considering entering the Indian gaming arena or have recently opened a new Indian gaming facility.

As part of its program objectives for FY 2019, the Commission plans to:

- Enhance relationships with partner governments and sister agencies.
- Continue to take steps to achieve the NIGC High Priority Performance Goals as identified in the Strategic Plan.
- Continue rural outreach and protecting against gamesmanship on the backs of tribes as the focused priorities of the agency.
- Continue efforts to modernize the NIGC IT network to improve and maintain reliability and manageability. This includes increasing cyber security protocols to protect agency data.
- Monitor strategic plan performance measures.
- Continue its regulatory review, which it began during FY 2011, and implement its new and/or revised regulations, and to provide training to tribes on compliance with any new requirements.
- Continue to review management contracts and tribal ordinance submissions.
- Continue, through its Office of General Counsel, to offer opinions on a variety of matters including game classifications, Indian land status, and whether financing or other agreements implicate management or sole proprietary interest concerns.
- Continue the development of the Commission's internal administrative and personnel manual, and develop and implement corresponding training programs.
- Continue to inform the public about the Commission's activities through various media and training resources.
- Coordinate and provide training events to tribal entities in each of the seven regions.
- Continue to respond to requests from tribes for technical assistance, and increase both the amount and breadth of technical assistance provided, updating the training catalog as necessary.
- Utilize all forms of training forums and locations to better reach targeted audiences and save Commission and tribal financial resources.
- Continue to perform and grow knowledge reviews to examine how effective the agency's training program is to achieve compliance.

- Continue to perform internal control assessments, IT vulnerability assessments, and other types of compliance reviews to maintain the integrity of gaming industry.
- Continue to implement the requirements of GPRA, including the adoption of the 2018 – 2022 strategic plan.
- Continue to update information systems to ensure compliance with the receipt of personal identifiable information.
- Maintain a consistently high level of compliance for the submission of gaming activity fees and external year-end audits through continued monitoring and contact with gaming tribes, with an emphasis on voluntary compliance.
- Continue to enhance internal records management. Monitor the training and employee development program in order to attract and retain highly-qualified personnel. The agency will annually assess the skills of its employees and provide necessary training.
- Continue to track technological developments in the industry to ensure the Commission provides up-to-date technical assistance, maintains current regulations, meets its oversight responsibilities, and otherwise performs its statutory mandates.
- Promote the self-determination goals of IGRA through administration and promotion of the law's self-regulation provisions.