



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

Standards for Fines and Penalties

Document No. DGR - 21

Effective October 1, 2009

I. SCOPE, AUTHORITY & DEFINITIONS

Section 1. Scope and Authority. This detailed gaming regulation is promulgated pursuant to the GRA Board's authority under 15 MLBSA § 305(16) and § 310. The determination of whether a violation has occurred is determined according to DGR 2. This DGR is intended to address solely the issue of fines and penalties.

Section 2. Definitions. For the purposes of these policies, the following definitions shall apply:

- (a) "Act" means, for the purposes of this Section, the Mille Lacs Band Gaming Regulatory Act, codified at Title 15 of Mille Lacs Band Statutes Annotated (MLBSA).
- (b) "Applicant" means an individual or entity that applies for a Band gaming license or certification.
- (c) "Band" means the Mille Lacs Band of Ojibwe.
- (d) "Compliance Determination" has the meaning given in 15 MLBSA § 308 of the Act.
- (e) "Compliance Recommendation," for the purposes of this Section, means any of the following actions by the Director:
 1. A recommendation to suspend, revoke or not to renew an existing gaming employee, gaming supplier, or vendor license;
 2. A recommendation to deny licensure to a gaming employee or gaming supplier applicant;
 3. A recommendation regarding claims made by a patron who refuses a Final Best Offer made by Gaming Enterprise Management or the Corporate Commission;

4. A recommendation regarding contract claims made by a gaming supplier or vendor who refuses a Final Best Offer made by Gaming Enterprise Management or the Corporate Commission; or
 5. A recommendation to include a person on the Exclusion list prepared pursuant to 15 MLBSA § 312.
 6. A recommendation to impose a fine on an applicant, licensee or patron for a regulatory violation.
- (f) "Corporate Commission" means the Corporate Commission of the Mille Lacs Band of Ojibwe Indians as established by 16 MLBSA section 101 et seq.
 - (g) "Corporate Commissioner," means the Mille Lacs Band Commissioner for Corporate Affairs.
 - (h) "Court of Central Jurisdiction" means the Court of Central Jurisdiction of the Mille Lacs Band of Ojibwe Indians as established by 5 MLBSA section 1 et seq.
 - (i) "Director" means the Director of the Office of Gaming Regulation and Compliance as described in 15 MLBSA § 401.
 - (j) "DGR 21a" means the approved scale of fines established by the GRA Board.
 - (k) "GRA Board" means the Gaming Regulatory Authority Board created by Title 15 of Mille Lacs Band Statutes.
 - (l) "Immediate Family Member" means persons who are the subject individual's spouse, parents, siblings, or children (either adopted or biological).
 - (m) "Regulatory Violation" means a violation of the Act, the Tribal-State



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Compact, the Indian Gaming Regulatory Act, the Detailed Gaming Regulations or Minimum Internal Control Standards.

II. IMPOSITION OF FINES

Section 1. Scope. A person or entity who is subject to a Compliance Determination which has found a regulatory violation has been committed may be fined according to DGR 21 and DGR 21a. The Board is not obligated to issue a fine for a regulatory violation.

Section 2. Intent of Proportionality. In accordance with 15 MLBSA § 310, any fines imposed shall be reasonably proportionate to the activity being punished and shall be designed to promote the goals of correction and improvement, unless the violation is such that correction and improvement are not possible.

Section 3. Amount of Fines. Fines imposed under this regulation shall be between \$25 and \$1,000 per incident. Fines may be individual or Gaming Enterprise as outlined in DGR 21a. For ongoing violations, each day of non-compliance may be considered a separate violation.

Section 4. Determination of Amount of Fine. Once a Compliance Determination has been made pursuant to DGR 2 that an individual or entity has engaged in a regulatory violation, the Board may issue a fine. The Board shall consider the following criteria when determining the amount of the fine.

- a. The extent to which the violator obtained an economic benefit from the noncompliance.
- b. The violator's history of regulatory violations, if any.
- c. Whether the health or safety of others was endangered by the violation.
- d. The extent to which the violator cooperated with the investigation.

- e. The extent to which the violator shows remorse for the violation.
- f. The extent to which the violator corrected the violation.
- g. The number of violations involved.
- h. Whether violence or coercion was involved.
- i. Whether the violation was intentional or due to negligence or inattention.
- j. The seriousness of the violation as determined by:
 - i. The dollar amount involved;
 - ii. The amount of assets at risk due to the violation;
 - iii. Whether the violation was pre-meditated;
 - iv. How many individuals were involved;
 - v. Whether the violator solicited the assistance of others in order to commit the violation.

Section 5. Basis for Fine Amount Shall be Included in the GRA Record.

The GRA Board shall explain its reasoning for the amount of the fine on the record or in its written decision. If a factor listed in Section 4 is not used, it means the factor was inapplicable. The Board's explanation shall be included in the GRA Record and subject to appeal as described in DGR 2.

Section 6. Enforcement. Violators shall be given 60 days from the date of issuance to pay a fine. Paid fines shall be deposited into the Band's general fund. Violators who do not pay within 60 days shall be subject to all available legal means collection of fines including wage garnishment, attachment, liens and other permissible methods. Licensed violators that are employed with a Gaming Enterprise may choose to have their imposed fines deducted by payroll deduction. Other methods of payment (i.e. cash



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or money order) made directly to the office of OGR&C shall be acceptable. Personal checks or credit/debit card payments will not be acceptable. The Board is authorized to take such reasonable and legal steps as needed to collect fines.

III. IMPOSITION OF OTHER PENALTIES

Section 1. Authority. Pursuant to 15 MLBSA § 305(16), the Board has the authority to impose other penalties for violations of the Act, Band gaming laws, the Indian Gaming Regulatory Act, the Tribal-State Compact and other applicable law.

Section 2. Other Penalties. In addition to or in lieu of fines issued under Part II, the Board may also impose the following penalties:

- a. Remedial training;
- b. Temporary prohibition on certain activities by licensee narrowly tailored to prevent the violation from occurring again;
- c. Exclusion from Gaming Properties in accordance with DGR 6;
- d. Suspend a licensee's license for up to 1 year;
- e. Revoke a licensee's license.

IV. EFFECTIVE DATE OF FINES AND PENALTIES

Section 1. There shall be an 18 months grace period from the Effective Date of DGR 21 and 21a. The 18 month grace period from the Effective Date will allow ample time for each existing licensed employee or entity to learn, adopt, and comply with each regulation. After the initial 18 month grace period, all newly licensed and existing employees and entities will be expected to comply with the Act, Band gaming laws, the Indian Gaming Regulatory

Act, the Tribal-State Compact and other applicable law.

Section 2. During the 18 month grace period the Director of the OGR&C shall issue warning citations on violations of the Act, Band gaming laws, the Indian Gaming Regulatory Act, the Tribal-State Compact and other applicable law. Such warning citations shall include a description of the violation, the severity of the violation based on DGR 21a, and the recommended correction to the violation. The purpose of these warning citations will be to educate licensed employees or the Gaming Enterprise prior to levying fines. After the 18 month grace period, such warning citations will no longer be given but shall be replaced with compliance recommendations which may result in fines as described in DGR 21a or other penalties as described in III Sec.2 of this regulation.

Section 3. All new licensed associates or rehires who have been absent from working at a Gaming Enterprise for longer than one year will be granted a grace period of sixty days or when receipt of training certification is received pursuant to DGR 25 II(d) whichever is longer. During this time licensed associates will only be issued warning citations for any violations of the Act, Band gaming laws, the Indian Gaming Regulatory Act, the Tribal-State Compact and other applicable law.

History. Approved by the Gaming Regulatory Authority Board on July 30, 2009. **Effective Date: October 1, 2009**