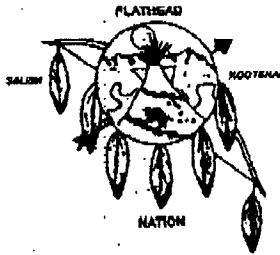


THE CONFEDERATED SALISH AND KOOTENAI TRIBES
OF THE FLATHEAD NATION

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October 5, 2004

Hon. Philip Hogen, Chairman
National Indian Gaming Commission
1441 L Street, N.W.
Washington, D.C. 20005

Re: Class II Technical Standards

Dear Chairman Hogen:

On behalf of the Confederated Salish and Kootenai Tribes, I write to express our concern about the NIGC process for the development of Class II technical standards. We are concerned about both substance and process. In regard to substance, we think it is very important to have stability in the legal foundation for Class II gaming and it is crucial to leave tribal governments the flexibility to use new technologies. In regard to process, NIGC must work hard to consult with tribal governments at every stage of its efforts - including during the tribal advisory committee meetings.

Over the years, tribal governments have worked very hard to establish Class II Indian gaming as a viable means of generating governmental revenue for essential services, community infrastructure, and economic development. Despite opposition from the Federal government, the Federal courts have established that tribal governments may use technologic aids to facilitate Class II Indian gaming, including bingo, games similar to bingo and pull-tabs. In June 2002, the National Indian Gaming Commission changed its old regulations on Class II gaming, which had been repudiated by the Federal courts, and issued a new Class II definition regulation to conform to the court decisions. At that time, tribal governments were concerned that some members of the NIGC staff opposed the Commission's actions, so tribal governments sought a direction from Congress that the NIGC should consult with Tribes concerning the implementation of the regulation to promote stability in this area. Congress issued that direction. We view the June 2002 definition regulation as the foundation for any discussion of Class II technologic aids and we oppose any effort to restrict that definition of Class II gaming or technologic aids.

For example, we understand that there has been some discussion with the tribal advisory committee concerning new restrictions on the definition of bingo and games similar to bingo. In addition, we understand that there has been some discussion of about

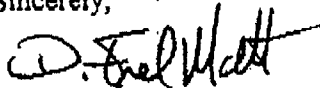
adopting a more restrictive definition of the term "house banked" based on California state law. We oppose such restrictions because they are contrary to NIGC's June 2002 regulation and the letter and spirit of the Indian Gaming Regulatory Act.

We are also concerned about the process. We applaud the National Indian Gaming Commission for issuing its tribal consultation policy, and we encourage the use of tribal advisory committees. Yet, tribal advisory committees cannot substitute for government-to-government dialogue with tribal leaders, and every tribal advisory committee meeting should include time for comment and discussion with tribal leaders and representatives who take the time and trouble to attend tribal advisory committee meetings. If NIGC fails to do so, it is taking a step back from the prior Commission's work on the Minimum Internal Control Standards regulations.

Also, we are deeply concerned that NIGC seems to stress the use of the tribal consultation policy, but failed to include sufficient representation from tribes that rely on class II gaming when forming the NIGC Advisory Committee. There needs to be more outreach to tribes when this type of process or forming of committees is initiated in order to bring a good representation to the committees. We are not in anyway saying the current members are not qualified to do a good job, we would just like to see other tribal representation from tribes that rely on class II gaming included. Therefore, we are asking that the Commission consider adding another member from a Montana Tribe to the Advisory Committee.

We understand that you have a difficult task ahead of you, but we are confident that you have the background and understanding to work with tribal governments on the basis of government-to-government relations throughout your work on the Class II technical standards. Thank you for your thoughtful consideration of our views on this important matter.

Sincerely,



Chairman D. Fred Matt

CC: Senator Ben Nighthorse Campbell
Senator Daniel K. Inouye