



# United States Department of the Interior

OFFICE OF THE SECRETARY

Washington, DC 20240

DEC 22 2017

The Honorable Bill Sterud  
Chairman, Puyallup Tribe of the Puyallup Reservation  
3009 E. Portland Avenue  
Tacoma, Washington 98404

Dear Chairman Sterud:

On November 7, 2017, we received from the Puyallup Tribe of the Puyallup Reservation (Tribe) and the State of Washington (State) the Fifth Amendment to the Tribal-State Compact (Amendment) for Class III Gaming between the Puyallup Indian Tribe (Tribe) and the State of Washington.

## Decision

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). This 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).

The Amendment is approved. A similar letter will be sent to Jay Inslee, Governor of State of Washington.

Sincerely,

John Tahsuda  
Principal Deputy Assistant Secretary-  
Indian Affairs  
Exercising the Authority of the Assistant  
Secretary-Indian Affairs

**FIFTH AMENDMENT TO THE TRIBAL-STATE COMPACT  
FOR CLASS III GAMING BETWEEN  
THE PUYALLUP TRIBE OF INDIANS AND THE STATE OF WASHINGTON**

**INTRODUCTION**

The PUYALLUP TRIBE OF INDIANS (hereafter "Tribe") and the STATE OF WASHINGTON (hereafter "State") entered into a Class III gaming compact (hereafter "Compact") on May 28, 1996, and have subsequently amended the Compact by mutual agreement pursuant to the Indian Gaming Regulatory Act of 1988 (hereafter "IGRA"). At the request of the Tribe, the Tribe and the State entered into negotiations for further amendment of the Compact. The parties have reached an agreement on the Compact amendment as set forth in this document.

**1. Section II DEFINITIONS is amended to add new sections S and T as follows:**

**COMPACT AMENDMENT**

- S. "Gaming Operation" or "gaming operation" means the commerce, industry or business conducted on Puyallup Tribal Lands for the purpose of providing any form of Class III gaming in any gaming facility.
- T. "Tribe" means the Puyallup Tribe of Indians, its authorized officials, agents, and representatives, or any corporation wholly owned by the Puyallup Tribe of Indians and chartered and incorporated under Puyallup Tribal law to carry out Gaming Operations.

**2. Add Compact Section III.**

- T. Acceptance of Electronic Benefits Cards from the State of Washington.  
The Tribe shall ensure that all cash dispensing outlets, including without limitation, automated teller machines (ATM) and point of sale machines located within the Tribe's Gaming Facility or Facilities, shall not accept Electronic Benefits Cards.

**3. Amend Appendix X2, Section 12.1 to:**

- 12.1 Allocation. The Tribe shall be entitled to an Allocation of, and may operate or transfer the ability to operate, up to 1075 Player Terminals ("Allocation").

**4. Amend Appendix X2, Section 13.4, Sub-Sections 13.4.1 to 13.4.5 to:**

- 13.4.1.1 First Year Regulatory Fees. Upon commencement of operations of a Gaming Operation, the SGA shall make a good faith estimate of the cost of regulating the Tribe's activities under this Appendix for the remainder of the calendar year.

- 13.4.2 Cost Allocation. Notwithstanding anything in the Compact to the contrary, the Regulatory Fees for all class III activities under the Compact, including those applicable to the activities described in this Appendix (except for the first year fees set by estimate as provided in Sections 13.4.1), shall be set by determining the cost of regulating the Tribe's class III activities using the State's cost allocation model currently in use as of the effective date of this Amendment.
- 13.4.3 Billing and Payment. The SGA shall notify the Tribe of the forthcoming Regulatory Fee at least 45 days prior to its becoming due. Regulatory Fees may be paid for an entire year in advance of the date on which the billing year commences (calendar year) or in no more than 12 equal monthly installments, each of which shall be due on the first day of each month, which monthly payments shall commence on the first day of the first month of the billing year, or within 45 days following notification of the amount of the forthcoming year's Regulatory Fee, whichever is later.
- 13.4.4 Audit. The SGA shall send the Tribe an annual audited accounting of actual costs on or before April 30<sup>th</sup> of the following year.
- 13.4.5 Revisions to State's Cost Allocation Model. The State may revise its cost allocation model, which shall become effective upon 90 days' notice to the Tribe. If the Tribe disputes the revised model, the State and Tribe shall meet and confer in an attempt to resolve the matter within 30 days. If the parties cannot resolve the dispute, the dispute resolution provisions set forth in section 13.5 shall apply.

**5. Amend Appendix X2, Sections 14.4 and 14.5 to:**

- 14.4 Problem Gambling. Thirteen one-hundredths of one percent (0.13%) of the net win derived from all Class III gaming activities, determined on an annual basis, shall be dedicated to problem gambling education, awareness, and treatment in the State of Washington. Contributions shall be made to governmental, charitable and/or non-profit organizations, which may include the Department of Social and Health Services' Division of Alcohol and Substance Abuse (DSHS/DASA), that are directly related to helping to reduce problem gambling. The 0.13 percent of net win shall be paid annually, commencing with the conclusion of the Tribe's first full fiscal year following the date upon which this Appendix becomes effective and shall be paid annually within one year of the close of the Tribe's fiscal year.
- 14.5 Smoking Cessation and Prevention. Thirteen one-hundredths of one percent (0.13%) of the net win derived from Tribal Lottery System activities, determined on an annual basis, shall be dedicated to smoking cessation, prevention, education, awareness, and treatment in the State of Washington. Contributions shall be made to governmental, charitable and/or nonprofit organizations that have as a purpose the discouragement of the use of tobacco. However, if the Tribe operates any of its Class III gaming facilities as entirely smoke-free, the Tribe's smoking cessation contribution shall be

reduced proportionally based upon the pro rata number of Tribal Lottery System machines in that non-smoking facility compared to the total number of Tribal Lottery System machines operated by the Tribe. Additionally, it is also agreed that if the Tribe completely prohibits the sale and use of alcohol in all of its Class III gaming facilities, the Tribe shall be entirely excused from making the smoking cessation contribution required by this subsection for as long as the prohibition on the sale and use of alcohol remains in effect. The 0.13 percent of net win shall be paid annually, commencing with the conclusion of the Tribe's first full fiscal year following the date upon which this Appendix becomes effective and shall be paid annually within one year of the close of the Tribe's fiscal year as set forth in section 14.6.3.

**6. Incorporate by reference as a fully enforceable part of the Compact:**

Appendix X2 Addendum Tribal Lottery System Terminal Allocations, in the form attached hereto.

This Amendment shall take effect upon publication of notice of approval by the United States Secretary of the Interior in the Federal Register in accordance with 25 U.S.C. § 2710(d)(3) (B).

IN WITNESS WHEREOF, the Puyallup Tribe of Indians and the State of Washington have executed this Fifth Amendment to the Compact.

THE PUYALLUP TRIBE OF INDIANS

BY: Bill Sterud  
Bill Sterud, Chairman

DATED: 10/24/17

STATE OF WASHINGTON

BY: Jay Inslee  
Jay Inslee, Governor

DATED: 10/30/17