



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, D.C. 20240

JAN 22 1999

Honorable Jacob Lonetree
President, Ho-Chunk Nation
P.O. Box 667
Black River Falls, Wisconsin 54615

Dear President Lonetree:

We are in receipt of the Amendments to the Ho-Chunk Nation (Tribe) and the State of Wisconsin (State) Gaming Compact of 1992 dated December 11, 1998. We have completed our review of these Amendments and conclude that they do not violate the Indian Gaming Regulatory Act of 1988 (IGRA), Federal law, or our trust responsibility. Therefore, pursuant to Section 11(d)(8)(A) of IGRA, 25 U.S.C. § 2710(d)(8)(A) and delegated authority in 209 DM 8.1, we approve the Amendments. The Amendments shall take effect when the notice of our approval, pursuant to Section 11 (d)(3)(B) of IGRA, 25 U.S.C. § 2710(d)(3)(B), is published in the FEDERAL REGISTER.

We note that the Amendments (Section XXXIV of the Compact) memorialize that the Tribe and State agree to discuss modification of the Compact should the State enact a law which purports to impose a tax, fee, assessment or other charge directly on the Tribe's Class III gaming revenues, or a tax on winnings generated at a Class III gaming facility. Our approval of these Amendments should not be construed as, and is not, authorization for the State to impose such taxes, fees, assessments or charges.

We wish the Tribe and the State success in their economic venture.

Sincerely,

Assistant Secretary - Indian Affairs

Enclosure

Identical Letter Sent to: Honorable Tommy G. Thompson
Governor of Wisconsin
Madison, Wisconsin 53707

**AMENDMENTS TO THE WISCONSIN WINNEBAGO
TRIBE, NOW KNOWN AS THE HO-CHUNK NATION,
AND THE STATE OF WISCONSIN
GAMING COMPACT OF 1992**

This Agreement is entered into by and between the HO-CHUNK Nation ("Nation") and the State of Wisconsin ("State").

WHEREAS, Section XXXII. of the Wisconsin Winnebago Tribe and the State of Wisconsin Gaming Compact of 1992 provides that it may be amended upon the written agreement of both parties; and Whereas both parties wish the Compact to continue and believe the amendments to the Compact contained herein serve the best interest of both the State and the Nation,

The State and the Nation do hereby agree to amend the Compact as set forth below:

1. The term of the Compact shall, pursuant to Section XXVI.B. be extended for a term of five (5) years, from June 11, 1999 to June 11, 2004, subject to further extensions as provided therein. Upon delivery to the Governor of the County and/or City approvals obtained pursuant to Section XXVII., or January 1, 2000, whichever is earlier, or any time after the earlier of these two events, at the request of the Nation the State shall negotiate in good faith with the Nation for a reasonable period of time regarding whether to grant an additional extension of the Compact, or otherwise extend the duration of the Compact, and whether the Nation may engage in Class II and Class III gaming at additional ancillary sites.

2. Section V.A. of the Compact is amended by deleting the number "18" wherever it appears in this section and replacing it with the number "21." Section V.A. is further amended by adding the following sentence:

No person under the age of 21 shall be permitted access to any portion of any facility in which any Class III game is conducted, except for purposes of employment pursuant to Section V.B., or to gain access to the Nation's non-Class III gaming facilities.

The amendments to Section V.A. shall take effect on June 30, 1999.

3. Section XV.H.2. is amended by deleting the phrase "provided that the total number of games shall not exceed 400 among the two locations."

4. Section XVI.B.1. of the Compact is amended by deleting the word "two" wherever it appears in this section and replacing it with the word "three."

5. Section XXVII.B. is amended by adding the following:

The State and the Nation hereby amend Section XXVII.B. by agreeing that upon delivery to the Governor of a resolution(s) of support approved by a county, or if the site is located within a city, the city and the county, authorizing Class III gaming, the Governor shall meet and negotiate in good faith whether the site may be enumerated as a fourth location pursuant to Section XXVII. If the site is agreed to as a fourth site, the subject of the negotiations will include but not be limited to: (1) the suitability of the site for gaming, (2) the fee, if any, to be paid to the State, and (3) the number of Class III games authorized by the Compact.

6. Section XXXIV. of the Compact entitled "PAYMENT TO THE STATE" is created as follows:
 - A. The Nation shall make annual payments to the State for each one (1) year period beginning June 11, 1999 through June 11, 2004, as follows. For the period June 11, 1999 through June 11, 2000 the Nation shall pay to the State \$6,500,000. For the period June 11, 2000 through June 11, 2001 the Nation shall pay to the State \$7,500,000. For the period June 11, 2001 through June 11, 2002 the Nation shall pay to the State \$7,500,000. For the period June 11, 2002 through June 11, 2003 the Nation shall pay to the State \$8,000,000. For the period June 11, 2003 through June 11, 2004 the Nation shall pay to the State \$8,000,000.
 - B. In the event a change in State law is enacted to permit the operation of electronic games of chance, or other Class III games, as defined in and authorized by this Compact, by any person, organization or entity other than a federally recognized Indian Tribe and/or Nation under the provisions of the Indian Gaming Regulatory Act, 25 U.S.C. 2701 et. seq., or the State Lottery as authorized by Ch. 565 Wis. Stats., or if the State Lottery is authorized to conduct electronic games of chance and does so operate electronic games of chance, the Nation shall be relieved of its obligations to pay these amounts.
 - C. Method of Payment. The Nation shall make the first payment required by Subsection A. on or before June 30, 2000, and each subsequent payment on June 30, 2001, June 30, 2002, June 30, 2003 and June 30, 2004 respectively.
 - D. The parties may modify this obligation to pay pursuant to a subsequent agreement.
 - E. In the event that a natural or man-made disaster renders impossible the operation of fifty (50) percent or more of the electronic games of chance operated by the Nation under this Compact for a period of fourteen (14) consecutive days or more, the payment required under this section for the year in which the disaster occurs shall be reduced by a percentage equal to the percentage decrease in the net win (total amount wagered less winnings paid) for the calendar year in which the natural disaster occurred compared with the net win for the previous calendar year, and the State and Nation shall meet to discuss additional assistance.
 - F. In the event that, after the effective date of the amendment, the State enacts any law which imposes a new tax, fee, assessment, or other charge which is assessed directly on the Nation's Class III gaming revenues, or a tax exclusively on winnings generated at the Class III gaming facilities, the State and Nation shall meet to discuss a modification to Section XXXIV. of this Compact.

7. Section XXXV. of the Compact entitled “ADDITIONAL BENEFITS TO NATION” is created as follows:

Should the State and any other compacting Tribe within Wisconsin amend a current gaming compact or adopt a new gaming compact with terms that are more favorable to the compacting Tribe or to the State than are the terms of this Compact, upon request by the Nation, the parties shall meet to negotiate the incorporation of substantially similar provisions into the Compact and, if applicable and agreeable to the parties, substantially similar provisions shall be incorporated into this Compact.

8. Section XXXVI. of the Compact is created as follows:

- A. In the event that the amendments contained herein are disapproved, in whole or in part, by the Secretary of the Interior, either party may serve on the other a demand for renegotiation of such portion of the Compact amendments of December 1998 as are impacted. The parties shall meet to negotiate revisions to address such objection as may be raised. If a mutually satisfactory solution is not achieved within thirty (30) days of the Secretary’s action, either party may during the sixty (60) day period thereafter serve upon the other a notice of nonrenewal of Compact. The Compact shall then expire 180 days after service of a notice of nonrenewal of Compact pursuant to this section, subject to the provisions of Section XXVI.D-E.
- B. In the event that a court of competent jurisdiction holds any or all of the amendments to the Compact contained herein to be unenforceable or invalid within six (6) months of the execution of said amendments, either party may serve on the other a demand for renegotiation of such portion of the Compact amendments of December 1998 as are impacted. The parties shall meet to negotiate revisions to address such objection as may be raised. If a mutually satisfactory solution is not achieved within thirty (30) days of the court’s holding, either party may during the sixty (60) day period thereafter serve upon the other a notice of nonrenewal of Compact. The Compact shall then expire 180 days after service of a notice of nonrenewal of Compact pursuant to this section, subject to the provisions of Section XXVI.D-E.
- C. In the event that a court of competent jurisdiction holds any or all of the amendments to the Compact contained herein to be unenforceable or invalid later than six (6) months after the execution of these Compact amendments, the parties shall meet to negotiate terms to replace those affected by the decision of the court. If a mutually satisfactory solution is not achieved within thirty (30) days of the court’s holding, either party may during the sixty (60) day period thereafter serve upon the other a notice of nonrenewal of Compact. The Compact shall then expire 180 days after service of a notice of nonrenewal of Compact pursuant to this section, subject to the provisions of Section XXVI.D-E.

9. The Nation has proposed the development of a plan for the creation of a Tribal revolving loan fund program to promote economic development and enhance employment opportunities. The purpose of the program shall be to make low interest loans to Nations and other eligible Tribal entities that would not otherwise be able to secure said loans. The Nation shall offer to work with the other Wisconsin Nations to establish the program guidelines and eligibility criteria. The program shall not require the Nation to make more than one (1) monetary contribution to finance the program. The program guidelines shall be developed by the Nation and submitted to the State on or before March 31, 1999.

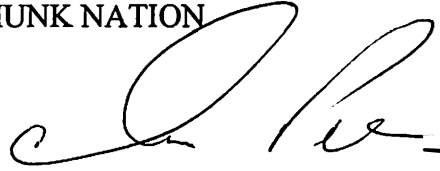
10. Section XXXVII. of the Compact is created as follows:

By July 1, 1999 the Nation shall have made reasonable offers to enter into written agreements with all units of local governments that provide services to a Class III gaming facility of the Nation, to fully reimburse those units of local governments for such services actually provided to said facilities.


11. Section XXXVIII. of the Compact is created to read:

If a subsequent agreement or amendment thereof regarding Class III gaming causes a substantial reduction of the Nation's Class III gaming revenues, the State and the Nation shall meet to negotiate whether the reduction in the Nation's Class III gaming revenues was caused by the subsequent agreement and if so, negotiate a reduction of the amount required pursuant to Section XXXIV. As express and unique consideration for this promise made by the State, the Nation waives its rights to conduct Class II gaming, and agrees not to conduct Class II gaming, at all locations in the State except for the locations at which the Nation is currently conducting Class II gaming as identified in the records of the Department of Administration, Division of Gaming, and two counties in the State to be determined by the Nation.

12. The State and Nation agree to execute contemporaneous with the execution of these Compact Amendments a document entitled Memorandum of Understanding Regarding Technical Matters, which document is incorporated herein by reference.

HO CHUNK NATION

By: _____ By
Clarence Pettibone
Vice-President

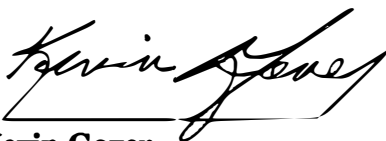
Date Signed: 12 11 98

STATE OF WISCONSIN

Tommy G. Thompson
Governor

Date Signed: December 11, 1998

Consistent with 25 U.S.C.A. Sec. 2710 (d)(8), the Amendments to the Tribal-State Compact for Class III Gaming between the Ho-Chunk Nation and the State of Wisconsin dated December 11, 1998, is hereby approved on this 22nd day of January, 1999, by the Assistant Secretary - Indian Affairs, United States Department of the Interior.

UNITED STATES DEPARTMENT OF THE INTERIOR

A handwritten signature in cursive script that reads "Kevin Gover". The signature is written in black ink and is positioned above the printed name and title.

Kevin Gover
Assistant Secretary - Indian Affairs