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#### HOUSE BILL 57

## 43RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 1997

#### INTRODUCED BY

### JAMES ROGER MADALENA

FOR THE INDIAN AFFAIRS COMMITTEE

AN ACT

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RELATING TO GAMING; ESTABLISHING PROCEDURES FOR NEGOTIATION, APPROVAL AND EXECUTION OF GAMING COMPACTS BETWEEN THE STATE AND INDIAN TRIBES; DECLARING AN EMERGENCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. SHORT TITLE. -- This act may be cited as the "Gaming Compact Act".

Section 2. DEFINITIONS. -- As used in the Gaming Compact Act:

- "committee" means the joint legislative committee A. on compacts created pursuant to Section 4 of the Gaming Compact Act;
- В. "compact" means a tribal-state gaming compact entered into between a tribe and the state pursuant to IGRA and includes an ancillary agreement or proposed ancillary agreement

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related to that compact;

- C. "gaming" means "class III gaming" as defined in IGRA;
- D. "IGRA" means the federal Indian Gaming Regulatory
  Act (25 U. S. C. A. Sections 2701 et seq.); and
- E. "tribe" means an Indian nation, tribe or pueblo located in whole or in part within the state.
- Section 3. COMPACTS--NEGOTIATION--SUBMISSION TO

  LEGISLATURE BY GOVERNOR--APPROVAL OR REJECTION--ATTORNEY GENERAL

  AS LEGAL COUNSEL--COMPACT PROVISIONS--REPORT OF GOVERNOR TO

  LEGISLATURE. --
- A. A request by a tribe to negotiate a compact shall be made by the governing authority of the tribe and shall be submitted to the governor in writing.
- B. The governor may designate a representative to negotiate the terms of a compact. The designation shall be written, and a copy of the designation shall be delivered or mailed within three days of the designation to the attorney general, the speaker of the house of representatives and the president pro tempore of the senate. The governor or the governor's designated representative is authorized to negotiate the terms of a compact on behalf of the state, but neither the representative nor the governor is authorized to execute a compact on behalf of the state without legislative approval granted pursuant to the provisions of this section.

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- C. A compact negotiated pursuant to this section shall contain provisions requiring that:
- (1) the minimum age for placing bets in any gaming establishment be twenty-one years of age;
- (2) free liquor and food not be dispensed in the casino as incentives to game;
- (3) cashing a federal social security or any government assistance check be prohibited and that the prohibition be strictly enforced;
- (4) automated teller machines in close proximity to a casino be restricted from taking government assistance debit or similar government assistance cards;
- (5) the minimum average payout for winnings be equivalent to the average payout acceptable in Nevada casinos;
- (6) each casino has an on-line, on-site computer monitoring system for slot machines;
- (7) compulsive gambler identification and prevention programs be implemented by the casino;
- (8) reasonable notice be provided to tribal regulatory agencies for access by state gaming oversight officials to casinos and casino business areas;
- (9) the term of a compact be fifteen years with automatic renewals at five-year intervals, subject to renegotiation or modification;
  - (10) casino gaming operations be closed for

four hours per day on Monday through Thursday, with the exception of holidays that fall on those weekdays; and

- (11) an ancillary revenue sharing agreement be negotiated in conjunction with the compact that provides revenue to the state, in exchange for a limitation on expansion of non-Indian gaming.
- D. If a proposed compact is agreed upon through negotiations, it shall be prepared and submitted by the governor to the committee within five days of the conclusion of negotiations. The governor shall include in his submittal document his recommendation for approval of the proposed compact and any comments about or analysis of its provisions. Submittal of a proposed compact occurs when the compact and the submittal document are received for the committee by the legislative council service.
- E. The committee shall review the proposed compact and within twenty days after its receipt shall:
- (1) by written report to the legislature recommend approval of the compact as proposed; or
- (2) by written transmittal document propose specific modifications to the compact and request the governor to resume negotiations with the tribe.
- F. If the committee proposes specific modifications to the proposed compact, the governor or his designated representative shall resume negotiations with the tribe within

twenty days of receipt of the transmittal document unless within that time period either the governor or the tribe refuses to negotiate further, in which case the governor shall notify the committee immediately. If negotiations are resumed, the governor shall submit to the committee the modified proposed compact agreed to by the governor and the tribe, together with any additional analysis or recommendations. The approval process described in this section for the originally submitted proposed compact shall be followed for consideration of a proposed modified compact, except that the time limitation for review by the committee specified in Subsection D of this section is reduced to ten days.

- G. Within five days of being notified that further negotiations are refused, the committee shall reconsider the proposed compact together with any changes agreed upon by the negotiating parties and submit to the legislature a written recommendation to approve the compact or a written statement expressing no recommendation on the action that should be taken by the legislature.
- H. The committee may return suggested modifications of a compact to the governor and the tribes for renegotiation no more than three times. After the third submittal for renegotiation, the committee shall submit a report in writing to the legislature making a recommendation to approve the compact or making no recommendation. The procedure for legislative

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review and approval remains the same as set forth in other subsections of this section.

- If the legislature is in session when the committee submits its recommendation, the committee within five days of the date the written recommendation is submitted shall prepare and introduce in each house a resolution approving the compact. A single resolution in each house may cover more than one compact if the terms of the compacts are identical except for the name of the tribe and the name of the person executing the compact on behalf of the tribe. A copy of the written recommendation shall be submitted with the resolution. majority of the qualified members of each house votes to adopt the resolution, the compact is approved by the legislature, and the governor shall execute it on behalf of the state.
- If the legislature is not in session when the J. recommendation of the committee is submitted, the committee shall proceed pursuant to the provisions of Subsection I of this section by no later than the third day after the legislature convenes in a regular session, if within ninety days of the submittal, or in a special session that the governor shall call for the purpose of considering a compact if more than ninety days remain before the first day of a regular session following the submittal.
- The legislature may not amend or modify a K. resolution submitted to it pursuant to the provisions of this

section, and it may not refer the resolution to a committee.

L. The attorney general shall be legal counsel for the governor or the governor's representative in compact negotiations.

M A compact negotiated pursuant to the provisions of this section shall contain a provision recognizing the right of each party to the compact to request that the compact be amended or renegotiated, including the right of the legislature by resolution to request that the compact be amended or renegotiated. This provision shall state that each party has an obligation to negotiate in good faith if a request is made. Proposed amendments to or renegotiation of a compact shall follow the same procedures as specified in this section for initial negotiation of a compact. Any amendment to a compact or renegotiated compact agreed to shall be submitted for legislative approval in the same manner as specified in Subsection I of this section.

N. If a request for negotiation of a compact is made and the proposed compact is identical to a compact previously approved by the legislature except for the name of the compacting tribe and the names of the persons to execute the compact on behalf of the tribe and on behalf of the state, the governor shall approve and sign the compact on behalf of the state without submitting the compact for approval pursuant to the provisions of this section. A compact signed by the

governor pursuant to this subsection is deemed approved by the legislature.

# Section 4. JOINT LEGISLATIVE COMMITTEE ON COMPACTS--CREATION--MEMBERSHIP--AUTHORITY.--

- A. The "joint legislative committee on compacts" is created. Once established it shall continue operating until specific action is taken by the legislature to terminate its existence.
- B. The committee shall have eight members, four from the house of representatives and four from the senate. House members shall be appointed by the speaker of the house of representatives, and senate members shall be appointed by the committees' committee of the senate or, if the senate appointments are made in the interim, by the president protempore of the senate after consultation with and agreement of a majority of the members of the committees' committee. Members shall be appointed from each house to give the two major political parties in each house equal representation on the committee. At least one member appointed from each house shall be Native American.
- C. In addition to its duty to review proposed compacts, the committee may establish and transmit to the governor proposed guidelines reflecting the public policies and state interests, as embodied in the constitution of New Mexico, state laws and case law of the state, that are consistent with

IGRA and that will be used by the committee in reviewing proposed compacts.

- D. The president pro tempore of the senate shall designate a senate member of the committee to be chairman of the committee in odd-numbered years and the vice chairman in even-numbered years. The speaker of the house of representatives shall designate a house member of the committee to be chairman of the committee in even-numbered years and the vice chairman in odd-numbered years.
- E. The committee shall meet at the call of the chairman.
- F. The committee may meet during legislative sessions as needed.
- G. Staff services for the committee shall be provided by the legislative council service.
- Section 5. ACCESS TO DOCUMENTS--LIMITATION.--Reports, records, data compilations, documents or other information received by a state agency or office from a tribe or any of its agencies, offices or enterprises pursuant to an approved compact are public records of the state and may be inspected or copied by the public, except that the following documents are confidential and shall not be made available to the public without the express consent of the tribe or except as is otherwise provided in an approved compact:
  - A. reports containing results of background

investigations of individuals employed at tribal gaming enterprises, vendors, contractors and management officials and any other documents pertaining to those investigations;

- B. documents showing income and expenses of tribal gaming facilities;
- C. documents pertaining to complaints or allegations of violations of applicable laws or compact provisions and investigations into those complaints or allegations;
- D. documents pertaining to licensing of or investigation into gaming devices and documents containing proprietary information concerning the devices, including information concerning payouts of individual gaming devices; and
- E. documents pertaining to security and surveillance systems, operations and procedures at gaming facilities.
- Section 6. EMERGENCY.--It is necessary for the public peace, health and safety that this act take effect immediately.

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