

Indigenous Gaming Regulators Inc. (IGR)

Frequently Asked Questions (FAQ's)

(Updated January 28, 2009)

General

1. How will First Nations benefit from designating IGR as the on-reserve gaming licensor & regulator?

IGR supports the collective assertion of the inherent right to self-government of First Nations. IGR was envisioned, created and mandated by the First Nations leadership in Saskatchewan. There is clearly a recognized need to have a regulatory body function and grow with the gaming industry as Saskatchewan First Nations continue to become a driving force in First Nations gaming across the country and in North America. Utilizing the First Nations centralized regulatory institution will support the collective assertion of their inherent right to self-governance and strengthen First Nations' presence in the gaming industry.

IGR will enhance the credibility for on-reserve gaming activity. Prior to the establishment of gaming activity on First Nations (and casino development), regulation of gaming activity such as on-reserve bingos, raffles and break-opens was not collectively addressed. With the continuing growth of First Nations gaming ventures, it is important that First Nations are comfortable with the operation and regulation of on-reserve First Nations gaming activity. Having consistent laws and regulations with respect to "games of chance" lends greater credibility to the gaming activity and the operators of the same.

2. What is the "Licensing Agreement"?

As provided for in the *2002 Framework Agreement* (signed between FSIN and the government of Saskatchewan) and the *SIGL Regulatory Agreement* (Article 2.01), as a first step in achieving full jurisdiction over gaming activities on-reserve, IGR, successor to Saskatchewan Indian Gaming Licensing (SIGL) and SLGA (Saskatchewan Liquor and Gaming Authority) signed the *Licensing Agreement*, which defines the scope of responsibility and level of authority that IGR will exercise in the licensing and regulation of on-reserve charitable gaming and SIGA Casino(s) table games. Attached to the *Licensing Agreement* are all applicable terms and conditions for charitable gaming schemes and casino table games, relevant policies and other pertinent documents. These attachments are appendices to the Agreement and are considered part of the *Licensing Agreement*. The *Licensing Agreement* governs the relationship between IGR and SLGA, it outlines the specific roles/responsibilities and the authority of IGR, and details requirements that licensees must abide by.

3. What is the difference between IGR and SLGA?

Both bodies are mandated to license and regulate gaming within their respective designated jurisdictions. Based on the 2002 Regulatory Agreement, IGR is the First Nations body with the authority to license and regulate charitable gaming on First Nations that have designated UGR as their regulator. SLGA is the provincial authority that conducts and manages gaming and the sale of alcohol in the province according to a statute enacted by the provincial legislature.

Gaming laws/regulations of the respective licensing and regulatory bodies do not differ to a great extent; however in developing the regulations for on-reserve charitable gaming, special consideration is given to the circumstances on reserves.

Following are general points of difference between the two bodies:

<i>Indigenous Gaming Regulators (IGR)</i>	<i>Saskatchewan Liquor & Gaming Authority (SLGA)</i>
<ul style="list-style-type: none"> • Institution of the Federation of Saskatchewan Indian Nations (FSIN). First Nations envisioned, created and mandated to regulate on-reserve gaming activities. 	<ul style="list-style-type: none"> • Treasury Crown Corporation created by provincial government statute to license, regulate and control matters related to liquor and gaming within the province of Saskatchewan.
<ul style="list-style-type: none"> • Must receive permission or a designation (in the form of Band Council Resolution or BCR) from First Nations before IGR can license and regulate on-reserve gaming activity. 	<ul style="list-style-type: none"> • Requires no designation to license and regulate the sale of liquor, or gaming within the province of Saskatchewan.
<ul style="list-style-type: none"> • Provided with a mandate to deal only with on-reserve gaming activity (games of chance, employees, suppliers). 	<ul style="list-style-type: none"> • Provided a mandate to deal with gaming activity (games of chance including electronic, employees, suppliers) within provincial boundaries as well as licensing and regulation of functions, retail outlets, etc. involved in the sale of liquor.

4. Does designating IGR as the licensing & regulatory body affect First Nations’ jurisdiction and autonomy?

No. IGR has been mandated by the FSIN Legislative Assembly to provide a service to the First Nations which shall offer centralized, uniform and impartial application of regulations related to on-reserve gaming activity.

Designating the responsibility to a centralized and uniform First Nations institution to perform a function on behalf of the First Nation does not impact on the collective inherent, Aboriginal or treaty rights. The First Nations’ right to self-government as well as the right to make laws pertaining to their lands remain intact and unaffected by an administrative designation made by the leadership.

5. Some First Nations view the requirement to license on-reserve gaming activity as being “forced” to make a choice that they do not necessarily want to make. How does this “not infringe” on the right of First Nations to govern their own affairs?

First Nations have a choice in designating their regulator of gaming activity. They may choose IGR, the provincial government (SLGA) or a First Nations or Tribal Council Authority. However, the licensing authority must have the capacity to regulate and be a duly recognized licensing authority. IGR has received permission from 70 First Nations out of the 73 First Nations who conduct gaming on their First Nations lands. Responsible management systems at IGR assist First Nations and their charities with the exercise of their rights and increased responsibilities.

An infringement occurs when legislation conflicts with and causes inability to practice a right. First Nations are practicing the right to govern their own affairs by choosing the First Nations regulator mandated by the FSIN Legislative Assembly. This is an assertion of the right to self-government rather than an infringement on it.

6. Why IGR and not a Tribal Council or local First Nation licensor and regulator?

According to Part 10 of the 2002 *Framework Agreement* titled 'Licensing of Charitable Lotteries on Reserves', the Government of Saskatchewan agrees to recommend to the Lieutenant Governor in Council each Gaming Licensing Authority that meets the necessary requirements, pursuant to subsection 207(1) (b) of the *Criminal Code*, as an exclusive authority to issue licences to charitable and religious organizations to conduct and manage charitable lotteries on reserve in Saskatchewan, provided the proceeds are used for charitable or religious objects or purposes. However, IGR shall be the only Gaming Licensing Authority entitled to license and regulate table games at SIGA casinos.

Prior to the Government's recommendation to the Lieutenant Governor in Council, the Government and each Gaming Licensing Authority shall enter into a *capacity building* process related to the performance of the roles and responsibilities of a regulator; enter into a *licensing and regulatory agreement with SLGA* regarding the terms and conditions that shall apply to licences issued by the Gaming Licensing Authority; and *obtain the necessary resolutions to designate a Gaming Licensing Authority* as an authority to issue licences to charitable or religious organization to conduct and manage charitable lottery schemes on reserves.

The capacity building process and licensing and regulatory agreements with SLGA shall be substantially similar for each Gaming Licensing Authority. A Tribal Council may undertake this process; however, the Tribal Council will have to negotiate with the province and enter into a Licensing Agreement.

7. What is IGR's role?

- IGR provides independent licensing and regulatory standards & services for on-reserve charitable gaming.
- IGR provides uniform, impartial and fair application of on-reserve gaming regulations across Saskatchewan to participating First Nations. This lends IGR credibility in the eyes of the First Nations and the general public.
- IGR trains its staff to be able to assist each participating First Nations charity with gaming events on-reserve.
- IGR will provide the participating Chief & Council, if requested to do so, with the information regarding amounts of gaming revenues raised on the reserve and the manner in which the revenues were used.
- IGR will assist the Chief & Council with any requested information as to whether the on-reserve gaming activities are being conducted in a fair, credible and responsible manner.
- IGR will register on-reserve gaming employees, on behalf of the participating First Nations through its licensing process. The registration process will ensure that all gaming employees meet the standards to be registered.
- IGR will make sure, on behalf of the participating First Nation, that all gaming suppliers are credible and operating in the best interests of the community.

- IGR reflects the first step toward the exercise of full First Nations jurisdiction over gaming on-reserve.

Licensing – General

8. Why do First Nations have to obtain licences given that this was not a requirement before?

After signing the Gaming Framework Agreement in 1995, First Nations leaders entered into other gaming related agreement(s) with the province of Saskatchewan. Prior to these agreements, there was very little ‘licensed’ charitable gaming activity on reserves. Unlicensed gaming is contrary to the *Criminal Code of Canada*, and conducting lottery schemes or any game of chance without a licence is an offense under the *Criminal Code*.

Saskatchewan First Nations partnership with the province in the area of gaming started with the First Nations owned and operated Casinos. IGR and SLGA agreed to work together to develop and present to the Government of Canada proposals which would recognize First Nations’ full jurisdiction in relation to all forms of gaming on reserves which includes bingos, breakopen, raffles, Texas Hold’em Poker tournaments, Monte Carlo events and SIGA casino table games.

9. Will there be an umbrella licence for the First Nation, or will each charity need to obtain its own licences?

First Nations governments (Chief and Council) cannot apply for a licence. Only charitable or religious organizations are eligible for licensing as defined in the *Criminal Code of Canada*. First Nations charities are separate and distinct from the Chief and Council or other Government groups. In addition, there could be a number of charities within each community. Each charity needs to apply for a separate licence based on the type of gaming activity it wishes to conduct.

10. What will the annual fee be to obtain a charitable gaming licence?

There will not be any licensing application fees.

11. How will designating IGR affect First Nation fund raising off-reserve?

IGR can only license and regulate gaming activity on-reserve or gaming activity that originates and has the charity address on a reserve i.e. raffles, break-opens. Any fundraising and/or gaming activities that occur off reserve must be licensed by SLGA.

12. Is IGR willing to assist First Nations charities in completing the licence application process and required information?

Yes. IGR staff members are available to the First Nations charities for assistance. However, IGR staff cannot act on behalf of or act as an agent of the charity in dealing with IGR or SLGA.

13. Can a non-First Nation charity be licensed by IGR?

Yes. IGR may issue licences to the non-First Nations charities provided the events are conducted on reserve. A Class A bingo hall on a reserve may have sponsor groups (Class B Charities) that are non-First Nations i.e. Kinsmen, Knights of Columbus. In these cases, the Kinsmen or the Knights of Columbus charities would have to be licensed by IGR if they want to conduct bingos in the Class A hall located on a reserve.

14. Can IGR license VLT's on a First Nation?

No. IGR does not have the authority to license or regulate VLT's. VLT's are a form of electronic gaming that is specifically governed by Section 207 1(a) of the *Criminal Code* and can only be licensed by SLGA.

15. Can a First Nation have more than one licensor or regulator on-reserve?

Yes. An instance might occur where a First Nation has designated IGR through a Band Council Resolution (BCR) to license and regulate on-reserve gaming activity (bingos, raffles, break-opens, SIGA table games, Texas Hold'em Poker tournaments and Monte Carlo events). The First Nation is also operating gaming activity governed by Section 207 1(a) that only SLGA can regulate, like VLT's. In such a case there may be two regulators on the First Nation.

16. If IGR revokes a licence, who are they revoking it from? Is there an appeal process in place?

The licence is revoked from the charity or the bingo hall not from the First Nation, a licence can only be issued to a charity. A licence could be revoked under circumstances of serious non-compliance with the terms and conditions of the licence.

The *Licensing Agreement* allows for creation of a First Nations appeals body as per the *2002 Framework Agreement*. For the interim, appeals pertaining to IGR decisions will be heard by the Saskatchewan Liquor and Gaming Licensing Commission (SLGLC), which is an independent quasi-judicial body that reviews SLGA decisions with respect to licensing, registration, cancellation, and suspension issues.

The Federation of Saskatchewan Indian Nations (FSIN) is currently drafting the *FSIN Gaming Appeals Act*, which shall be the appeal mechanism for IGR and its licensees to appeal licensing and regulatory decisions and other related matters as established by section 10.6 of the *2002 Framework Agreement*.

17. When were the terms and conditions of the licensing agreement finalized?

The terms and conditions of the licensing agreement were negotiated between IGR and SLGA. Out of these negotiations came an Agreement-in-Principle that has been endorsed by the IGR Board of Directors. The Agreement-in-Principle was then ratified by the members of the FSIN Legislative Assembly before it became official. The FSIN Legislative Assembly voted on the Licensing Agreement at the Fall 2006 session.

Bingos

18. Can a First Nation charity participate in a non-First Nation bingo hall?

Yes. The First Nation charity must be licensed by the appropriate licensing and regulatory body which at this time is SLGA (for all off-reserve gaming activity).

Likewise, if a non-First Nation charity wishes to participate in raising funds via bingo on a reserve, that non-First Nation charity will require a licence from the licensing and regulating body designated by the First Nation.

19. Can a First Nation set up a Class “A” Bingo Hall in or near an urban centre?

Decisions to approve a Class ‘A’ Bingo hall in or close to an urban centre will be made jointly by IGR and SLGA. If a First Nation charity applies for a licence for a Class “A” Bingo Hall in or near a urban centre, various factors will be considered in deciding whether a licence should be issued or not. Most of these factors would be related to the market conditions in and around that city as established by Article 12 of the *Licensing Agreement*.

Break-Opens

20. Can a charity sell their break-opens on a different First Nation?

Yes. However within the break-open licence application, the charity must disclose the locations where they intend to sell the break-opens. This may also be done by getting an addendum to the licence. The charity wishing to sell Breakopens on another First Nation must also obtain written permission from the Chief and Council of that First Nation.

21. Can a First Nation charity sell break-opens off-reserve?

No. Article 5 of the Licensing Agreement stipulates that the authority to issue Breakopen licences will be determined by the location where the sale of breakopens is conducted. If a First Nations charity plans to sell Breakopens off-reserve, the application must be made to SLGA.

22. Can a First Nation charity sell raffles off-reserve?

Yes. In the case of Raffles, the location of the charity that is organizing the raffle must be on-reserve and sale of tickets must occur within the province of Saskatchewan.

Texas Hold’em Poker Tournaments

23. Does IGR regulate Texas Hold’em Poker Tournaments on First Nations?

Yes. As of July 1, 2006, Texas Hold’em Poker Tournaments are part of charitable gaming in Saskatchewan. All other variations of Poker are only available through licensed casinos. IGR will be licensing and regulating on-reserve Texas Hold’em Poker Tournaments and assisting First Nations charities in understanding the requirements of this type of gaming that is new to Saskatchewan. This will ensure that charities comply with the Terms and Condition associated with this type of gaming while maximizing their fund raising opportunities.

Monte Carlo Events

24. Does IGR regulate Monte Carlo Events on First Nations?

Yes. Like Texas Hold’em Poker Tournaments, this is a new form of charitable gaming in Saskatchewan as of July 1, 2006. IGR licenses and regulates Monte Carlo events. IGR staff will be available to assist First Nations charities in understanding the requirements of operating Monte Carlo fund raising events.

Charitable Gaming Grants

25. What is a Charitable gaming Grant? Who is eligible to receive this grant and what does a charity have to do to get this grant?

Charitable gaming grants are an extra source of income available to charities licensed by IGR or SLGA that conduct bingos, raffles, breakopens, Texas Hold'em and/or Monte Carlo events. All charities that have submitted up-to-date reporting of their licensed gaming events will be issued quarterly disbursements equal to 25% of the net proceeds from licensed gaming activities. Charities with multiple events will receive one lump-sum payment quarterly. This is an incentive for the charities that provide valuable services to the communities they operate in.

26. Can the Chief, Council or operators of the bingo hall, raffles or break-opens participate in the gaming activity?

In answering this question, the most important factor for consideration is 'conflict of interest'. Essentially, a conflict occurs where the organizers of an event or activity benefit from that same event or activity. For example, a council member on the board of a charity should not participate (purchase tickets) in a raffle conducted by that particular charity. This would not prevent the same individual from winning a raffle conducted by a charity (s)he has no involvement with.

The Terms and Conditions for each form of Gaming describe more clearly the expectations pertaining to conflict of interest.

IGR Achievements

27. What has IGR accomplished in the last few years?

The significant achievements IGR has made in the last few years are outlined in the Annual Reports. Briefly they include:

- First Nations support in the form of BCR's – 70 out of 73 (96%) Saskatchewan First Nations have illustrated their support for IGR. IGR staff members continue to meet with Chiefs and Councils with presentations regarding gaming licensing and benefits of a regulatory body. IGR requires a 'designation' BCR before it can assume licensing and regulatory functions on respective First Nations.
- Charitable Gaming Workshops – On-going public education forums directed at charities, band members and the Chiefs/Councils, stakeholders and interest groups regarding laws and regulations of charitable gaming.
- IGR Corporate Image – change of corporate name and logo intended to assist in renewal and revitalization of our First Nations' gaming regulatory body.
- Development of a three-year strategic plan – IGR is presently in a rapidly growing stage with the impending responsibilities of regulating on-reserve gaming and in preparation for the implementation of First Nations jurisdiction over all forms of gaming on-reserve.
- Implementation of IGR Communications Strategy which includes more community involvement, public relations, updating of print and educational materials, presentations and forums.
- Successful completion of a one-year operational assessment.
- IGR's website - Visit us at www.igr.ca