



## THE MOHEGAN TRIBAL GAMING COMMISSION

One Mohegan Sun Boulevard • Uncasville, CT 06382

Telephone (860) 862-7378 • Fax (860) 862-7392

US Senate Indian Affairs Committee – July 28, 2011  
Oversight Hearing on Enforcing the Indian Gaming Regulatory Act –  
The Role of the National Indian Gaming Commission  
and Tribes as Regulators

Testimony of John B. Meskill  
Director of the Mohegan Tribal Gaming Commission

Good afternoon Chairman Akaka, Vice Chairman Barasso and Members of the Committee and staff. My name is John Meskill; I have been the Director of the Mohegan Tribal Gaming Commission since April of 2001. Prior to my employment with the Mohegan Tribe I served as the executive director of the Mashantucket Pequot Tribal Gaming Commission and before that I served for four and one-half years as the executive director of the State of Connecticut's gaming regulatory agency, the Division of Special Revenue. I was also a member of the NIGC's Minimum Internal Control Standards (MICS) Advisory Committee in 2004 and 2005.

I appreciate this opportunity to testify today regarding the role of tribal regulators as the primary regulatory authority of Tribal gaming operations. In my 19 plus years as a gaming regulator I have seen firsthand the serious commitment that Tribes have to protect the integrity of their gaming operations. This commitment involves considerable resources expended by Tribes. For example in fiscal 2011 the Mohegan Tribe will spend over \$26 million dollars on regulatory costs for its own employees, including police, public safety and compliance personnel, plus outside auditors and an additional \$6.8 million dollars for costs assessed by the State of Connecticut for regulatory services the State provides related to Mohegan Sun. Detail on these regulatory services and expenses are set forth in Schedule A attached to my testimony.

Under the Mohegan Tribe's compact with the State of Connecticut I work closely with the State Gaming Agency in administering a comprehensive regulatory frame work that is closely tailored to the types of games and scope of gaming which are enjoyed and under constant development at Mohegan Sun. Under our Tribal-State Compact, which was first signed and approved in 1994, the State Gaming Agency and the Commission I oversee jointly regulate all aspects of Class III gaming on the Mohegan Reservation through Standards of Operation and Management. Each proposed change to the Standards of Operation, and changes

are necessarily frequent, is required to be sent to the State Gaming Agency for its review and comment and, in certain sensitive areas such as cage operations and technical standards for slot machines, state approval is required before such standards may be implemented. This process, which often includes outside certification, for example of new gaming equipment, can be lengthy and detailed, so my agency appreciates that the NIGC is a valuable resource when it comes to developing and enhancing standards. However, we also appreciate that the Commission's role for Class III gaming does not extend a third layer of review and regulation over these Standards of Operation, which of necessity need to be flexible and adaptable to the needs of a particular Tribal gaming jurisdiction. By Compact the State Gaming Agency also licenses the Mohegan Tribe's gaming employees after a background investigation for each employee has been completed by the Connecticut State Police. While we don't always agree with the State on all regulatory issues, we are usually able to reach common ground in resolving our differences. In the fifteen years the Mohegan Tribes has operated its casino the State has never alleged that the Tribe has failed to comply with the provisions of the State Gaming Compact.

Over the years I have also worked closely with the NIGC and have a great deal of respect for the wide range of expertise that has been assembled in that agency.

While the CRIT decision has altered the mission of the agency, the NIGC continues to be a valuable resource for Tribal regulators when we seek advice on accounting and auditing issues, questions about gaming technology that they have reviewed in other jurisdictions and best practices for internal controls. I have always found the staff at NIGC to be informative and responsive.

In closing, I want to also thank the Committee for scheduling this hearing to coincide with the NIGC consultation which I am also attending with the Vice Chairman of the Mohegan Tribe, James Gessner. I know that the Mohegan Tribe appreciates this Committee's long-standing respect for the government-to-government relationships between Tribes and the federal government and also appreciates the NIGC's renewed efforts to consult with Tribes in all aspects of their regulatory roles and rulemaking.

Again, I would like to thank the Chairman, Vice-Chairman and Members of the Committee for the opportunity to testify today.

# Schedule A

## MOHEGAN TRIBE/MTGA: Regulatory Expenses (2011 Budget)

Department	Other Departments		Full-time Equivalents	Per FTE Cost
	Direct Payroll and Fringes	Costs		
Gaming Commission	\$2,605,930	\$130,000	40	\$68,398
Police	\$1,289,802	\$145,500	19	\$75,542
Public Safety, including Surveillance	\$2,508,968	\$159,250	41	\$65,078
Protective Services	\$2,398,430	\$30,000	69	\$35,195
Corporate Governance	\$802,941	\$311,850	14	\$79,628
Audft fees		\$869,283	0	
Inside Security	\$14,525,100	\$288,000	336	\$44,087
<b>Total Regulation Expenses</b>	<b>\$24,131,171</b>	<b>\$1,933,883</b>	<b>519</b>	<b>\$50,222</b>
State Regulatory Assessment	\$5,613,291	\$1,157,112	35.5	\$190,716
<b>Total Mohegan Regulatory Costs</b>	<b>\$29,744,462</b>	<b>\$3,090,995</b>	<b>554.5</b>	<b>\$59,216</b>