



Via Electronic Delivery

The Hon. Charles McCall, Speaker of the Oklahoma House of Representatives  
The Hon. Greg Treat, President Pro Tempore of the Oklahoma Senate

**RE:** Approval of gaming compact between the State of Oklahoma and the Kialegee Tribal Town

Mr. Speaker, Mr. President Pro Tempore, and Members of the Joint Committee on State-Tribal Relations:

We submit for your approval a gaming compact, which has been negotiated and entered into by the Kialegee Tribal Town and the Governor of the state of Oklahoma. As you will see, the exclusivity fees associated with Class III gaming through the first two years after occupancy of the casino are 12%, and then, for years three through 2035, such exclusivity fees are 13% for the first \$300,000,000, 14% for the next \$200,000,000, and 15% for \$500,000,000 and above. For card games and table games, the fee to the state is 18% of adjusted net win. You will note that these rates are significantly less than others in the region, such as in Arkansas where the tax rate on casino gaming is 13% of the first \$150,000,000 of net casino gaming receipts and 20% on receipts above \$150,000,000.<sup>1</sup> The terms—which derived from an arms-length transaction—are, however, far more favorable than terms applicable to other tribes' gaming operations in Oklahoma.

Although we maintain that the compact is valid as a matter of federal law following its publication in the Federal Register by the Secretary of the Department of Interior, in *Treat, et al. v. Stitt*, 2021 OK 3, the Oklahoma Supreme Court held that the compact, after having been negotiated and entered into by the Governor, must be submitted to the Joint Committee in accordance with 74 O.S. § 1221(C)(1) because the compact contains certain terms different than the Model Tribal Gaming Compact outlined in 3A O.S. § 281. To that end and as soon as practicable, we urge the Joint Committee to convene and endorse the compact.<sup>2</sup>

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<sup>1</sup> Notably, certain tribes based in Oklahoma supported those rates.

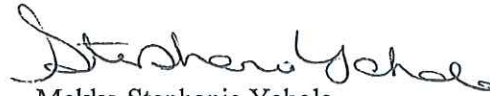
<sup>2</sup> By this submission, neither the Kialegee Tribal Town nor the Governor waive any argument made or position taken in *The Cherokee Nation, et al. v. United States Department of Interior, et al.*, United States District Court for the District of Columbia, case number 1:20-cv-2167.

If you have questions or would like to further discuss, please do not hesitate to contact Trevor Pemberton, Governor Stitt's general counsel.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kevin Stitt', written in a cursive style.

Kevin Stitt,  
Governor of the State of Oklahoma

A handwritten signature in black ink, appearing to read 'Mekko Stephanie Yahola', written in a cursive style.

Mekko Stephanie Yahola,  
Kialegee Tribal Town

Enclosure