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Tribe Says NM Targeted Vendors In Gambling Pact Row

By **Matt Sharp**

Law360, New York (September 29, 2015, 4:11 PM ET) -- The Pueblo of Pojoaque on Monday urged a New Mexico federal judge to set an immediate hearing on its request for a temporary restraining order in a expired gambling compact dispute with state authorities, seeking to stop state actions allegedly linked to a vendor's refusal to service machines.

The tribe, which has been operating its casinos under an expired deal with New Mexico, said that vendor Scientific Games Inc. has refused to provide software and servicing to its gambling machines — a shift in position that the tribe linked to letters sent by the New Mexico Gaming Control Board.

"This latest action by SGI has caused several gaming machines to be shut down immediately, and is likely to cause many more to be shut down, such that the loss of gaming and governmental revenue is immediate and the thresholds for further irreparable harm set forth in the Pueblo's initial motion are more imminent," the tribe said.

The NMGCB's letters claim that the tribe is conducting illegal gambling operations, detailed alleged violations of state law and told vendors that they are being audited by the agency, according to the tribe. It also sought communications and business records between vendors and the tribe.

The tribe initially filed its request for a restraining order on Sep. 25, but argued on Monday that the situation has escalated. The Pueblo urged U.S. District Judge Robert C. Brack to consider the request as soon as possible. The hearing is set for Friday morning, according to the tribe's counsel, Scott Crowell of Crowell Law Offices.

"Counsel for the defendants has been duly notified of the motion and, accordingly, is aware of the Pueblo's request for a TRO," the tribe said. "The events of last Friday and the likely escalation of harm that has occurred over the weekend require that the TRO be issued at the court's earliest convenience."

The tribe **sued in July** to force New Mexico to strike a new gambling compact for its casinos, seeking hundreds of millions of dollars in damages. The tribe claims that a new compact is needed to ensure funding for the tribe's \$43 million budget and some 1,500 employees.

According to the Pueblo, the state has demanded an improper tax on its gross gambling revenue and attempted to shoehorn provisions into the compact that aren't directly related to Class III gambling, among other alleged demands that violate the Indian Gaming Regulatory Act and the tribe's sovereignty.

After the compact expired on June 30, the tribe **reached an agreement** with the U.S. attorney's office for the District of New Mexico to continue operating its Buffalo Thunder Resort & Casino and Cities of Gold Casino Hotel under the same terms as its previous gambling compact from 2001.

But in its bid to force the state back to the negotiating table, the tribe seeks at least \$500 million in punitive damages against New Mexico Gov. Susana Martinez and several other state officials for allegedly violating tribe members' civil rights by illegally attempting to assert state control over tribal business.

A representative for Martinez did not immediately respond to a request for comment on Tuesday.

The Pueblo of Pojoaque are represented by Carrie A. Frias of the Pueblo of Pojoaque Legal Department, Scott Crowell of Crowell Law Offices Tribal Advocacy Group and Steffani A. Cochran.

Counsel information for the state was not immediately available.

The case is Pueblo of Pojoaque, et al. v. State of New Mexico, et al., case number 1:15-cv-00625, in the U.S. District Court for the District of New Mexico.

--Additional reporting by [Caroline Simson](#). Editing by Kelly Duncan.

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