



### **Abstract**

*The Supreme Court ruled 5-4 in favor of Bay Mills Indian Community, dismissing the state of Michigan's lawsuit over an off-reservation casino, asserting that it is barred by tribal sovereign immunity.*

### **Case Citation**

**State of Michigan v. Bay Mills Indian Community**, 695 F.3d 406, 410 (6th Cir. 2012)

### **Overview**

In November 2010, Bay Mills Indian Community (Bay Mills) opened a Class III gaming facility off its reservation, on a plot of land it had recently purchased with funds procured from the Michigan Indian Land Claims Settlement Act.<sup>1</sup> In December 2010, the State of Michigan sued Bay Mills in a federal district court, claiming that the purchased land did not qualify as Indian lands, as required by the Indian Gaming Regulatory Act (IGRA).<sup>2</sup> The federal district court issued an injunction, ordering the closure of the Bay Mill's gaming facility in March 2011, which prompted an appeal by Bay Mills.

The U.S. Court of Appeals for the 6<sup>th</sup> Circuit reversed the district court's decision, concluding that the federal court lacked jurisdiction over the case as the Bay Mills gaming facility was not alleged to be located on 'Indian Lands', a necessary prerequisite for the federal court to have jurisdiction, and moreover the Tribe did not waive its sovereign immunity.

The State of Michigan contended the ruling. They claimed that a federal court does have jurisdiction of the case under IGRA, on the basis that Tribal officials authorized and supervised the off-reservation gaming facility from the Tribe's reservation, thus constituting as 'gaming activity' on Indian lands, despite the facility itself not being located on Indian lands. The state also advocated for the curtailment of tribal sovereignty, specifically, that tribes ought not to enjoy sovereign immunity when engaging in commercial activity on lands subject to the jurisdiction of the state.

On May 27, 2014 the Supreme Court issued a 5-4 ruling in favor of Bay Mills, upholding the decision of the U.S. Court of Appeals for the 6<sup>th</sup> Circuit.

### **Further Resources**

Additional resources can be found on the U.S. Supreme Court blog ([www.scotusblog.com](http://www.scotusblog.com)).

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<sup>1</sup> The Settlement Act directed Bay Mills to use a portion of the settlement funds to establish a land trust, with earnings from the trust to be used to improve or acquire land. The Settlement Act mandated that any such land would be held as Indian land. Thus according to Bay Mills, the land on which they built their gaming facility constituted Indian land, and was therefore in accordance with the Indian Gaming Regulatory Act (IGRA).

<sup>2</sup> The Indian Gaming Regulatory Act (IGRA) regulates gaming by Indian tribes. Specifically, Section 2710(d)(7)(A)(ii) of IGRA provides that a tribe may engage in Class III gaming on Indian lands pursuant to a compact between the state and the tribe.