

- Protect the important economic benefits that Indian gaming provides to California including nearly 50,000 jobs that casinos create for Indians and non-Indians alike.
- Provide revenues for local communities near Indian casinos, gambling addiction programs and state regulatory costs.
- Provide for tribal cooperation with local governments and for tribal environmental compliance.
- Give the state a new role in the regulation of Indian gaming and put into state law regulatory procedures and health and safety standards for all Indian casinos.

If Prop 1A fails, tribal gaming in California could be shut down. This could be devastating for California Indian tribes – and bad for California taxpayers.

SOURCES: Senate Constitutional Amendment 11 (SCA 11) The Economic & Fiscal Benefits of Indian Gaming In California report prepared by Analysis Group/Economics, July, 1998

### . Why is Prop 1A needed to allow California Indians to keep the gaming they already have?

**A.** For more than a decade, Indian casinos on reservations in California have provided jobs that take thousands of Indians off welfare and provided vital funds used for education, housing and health care for tribal members. But in recent years, Nevada casinos that want to kill competition from California Indians have created a political dispute that threatens to shut down Indian gaming in our state.

This issue seemed to be settled in 1998 when voters overwhelmingly approved Proposition 5, an initiative that said California tribes could continue to have gaming on their own land. Californians passed Prop 5 by nearly a 2-to-1 margin, even though the big Nevada casinos spent millions on a negative scare campaign to try to defeat it.

Unfortunately, the Nevada casinos filed a lawsuit to block California's voter-approved Indian gaming measure from taking effect. In 1999, this lawsuit resulted in Prop 5 being overturned and ruled unconstitutional on a legal technicality.

To resolve the problem created by this legal technicality, a new Indian gaming measure has been placed on

the March 2000 state ballot — a constitutional amendment called Proposition 1A: The Indian Self-Reliance Amendment. Prop 1A has already received approval from Governor Gray Davis, the California Legislature and the vast majority of California Indian tribes. The final step needed is approval by California voters.

Voter approval of Prop 1A will make it clear — once and for all — that Indian gaming on tribal lands is legal in our state. If voters do not pass this important amendment, Indian casinos in California could be shut down and the jobs and economic benefits they provide could be lost.

SOURCES: Senate Constitutional Amendment 11 (SCA 11) Indian Gaming Regulatory Act enacted by Congress (1988) California State Supreme Court

### . Who developed Prop 1A and who supports it?

**A.** California Indian tribes worked with the Governor, the California Attorney General and the California Legislature to develop Prop 1A to finally ensure that tribes can continue to offer limited gaming and maintain their self-sufficiency. Prop 1A will carry out the mandate of California voters who had overwhelmingly passed Prop 5 and who want to see Indian gaming on tribal lands protected.

Millions of California voters as well as thousands of civic, law enforcement, academic, business and government leaders and organizations throughout the state support Indian gaming. The final step needed is approval by California voters.

The name of our coalition is Yes On 1A: Californians For Indian Self-Reliance.

SOURCES:	Senate Constitutional Amendment 11 (SCA 11)
	California State Legislature

### Q. Who opposes Proposition 1A?

**A.** Prop 1A is opposed primarily by some who are either morally opposed to gambling or specifically opposed to Indian gaming. California tribes respect the right of individuals not to gamble. In addition, the compacts the tribes negotiated with Governor Davis have dedicated revenue to help fund problem gambling programs. California tribes will continue to support both public and employee education programs on gambling addictions.

SOURCE: Senate Constitutional Amendment 11 (SCA 11)

### Item would Nevada casinos benefit if Proposition 1A is defeated?

**A.** The defeat of Prop 1A could shut down Indian gaming in California and give the Nevada casinos a virtual monopoly on money that Californians spend on recreational gaming.

Right now, Californians already spend over 7 billion dollars at Nevada casinos every year but they also spend hundreds of millions of dollars in California at Indian casinos. So if competition from Indian casinos is killed off, Nevada stands to gain hundreds of millions at the expense of California Indian tribes and our entire state.

SOURCES: BancAmerica Report On Gaming Industry, 1998 The Economic and Fiscal Benefits of Indian Gaming In California Report prepared by Analysis Group/Economics, 1998

### Image: How would Indian gaming be limited under the compacts?

**A.** Federal law and Prop 1A both limit Indian gaming to tribal lands. Under Prop1A, Indian tribes will be allowed to offer slot machines, house-banked card games, lottery games and pari-mutuel wagering.

The tribes may operate no more than 2,000 machines and may establish no more than 2 casino facilities.

### How would the number of casinos be limited under the compact and would the passage of Prop 1A allow Indian tribes to build casinos outside of tribal lands?

A There are several clear limitations: First, existing federal law strictly limits tribal gaming to Indian lands only. The Indian Gaming Regulatory Act (IGRA) passed by Congress in 1988, mandates that Indian casinos can only be located on tribal reservation lands.

Second, under the recent tribal-state compact signed by the Governor, a California tribe is specifically prohibited from operating more than two casinos on their reservation.

Third, the economic reality will continue to limit the number of Indian casinos in our state. In most areas where Indian gaming is economically viable, the local tribes already have a casino. Most non-gaming tribes are located too far from population centers, in remote areas where an Indian casino simply would not be practical. In Nevada, casinos are legal everywhere but you can drive for miles through that state without seeing a casino in non-urban areas because the market to support them does not exist.

SOURCE:

Senate Constitutional Amendment 11 (SCA 11) The California Tribal-State Gaming Compact, 1999 The Indian Gaming Regulatory Act, enacted by Congress (1988)

### How would Indian gaming be regulated with the passage of Prop 1A?

**A.** Tribal gaming is already regulated by the U.S. Department of Interior and the National Indian Gaming Commission, and numerous other agencies have jurisdiction over Indian gaming, including the FBI and the IRS. This is all in addition to the direct oversight by tribal governments.

In addition, with the passage of Prop 1A, the state of California will have new regulatory authority over tribal gaming and will be overseen by the state gambling commission. The state will have the right to inspect tribal gaming facilities and their financial records and the right to certify or object to the suitability of workers at Indian casinos.

In addition, the tribal-state compacts ratified under Prop 1A mandate strict gaming, environmental, health and safety standards for casinos and tribes will be required to provide workers with the protections and benefits comparable to those mandated in workplaces subject to state jurisdiction. Under the compact signed with the Governor, tribal governments will also reimburse state agencies for regulatory costs so there is no cost to California taxpayers.

Existing state criminal laws are already enforced on tribal lands by state and local law enforcement agencies. For example, if someone steals or cheats at an Indian casino, that person has committed a crime under existing state law and may be arrested, prosecuted and punished. In addition, tribal governments and casinos are subject to federal laws governing workplace, health, safety and fair labor standards.

SOURCES: Senate Constitutional Amendment 11 (SCA 11)

Indian Gaming Regulatory Act 18 U.S.C. Section 1162

# • What state and local tax revenues will be generated by Indian gaming with the passage of Prop 1A?

A. Tribal gaming is already regulated by the U.S. Department of Interior and the National Indian Gaming Commission, and numerous other agencies have jurisdiction over Indian gaming, including the FBI and the IRS. This is all in addition to the direct oversight by tribal governments.

Customers at Indian casinos are required to pay state and federal income taxes on their winnings. All tribal members pay state and local sales taxes on goods and services purchased off the reservation. All of the more than 13,000 employees at tribal casinos who are not tribal members living on the reservation pay state and federal income taxes on their wages and tribal members who live on the reservation pay federal income taxes.

Indian gaming also indirectly supports more than 33,000 California jobs at companies that provide goods and services to tribal gaming facilities and these jobs generate millions of dollars in state and local tax revenues each year. Moreover, Indian gaming in California generates over \$270 million in taxable

expenditures by gaming patrons at neighboring non-casino businesses.

SOURCES: Senate Constitutional Amendment 11 (SCA 11) The Economic and Fiscal Benefits of Indian Gaming In California Report prepared by Analysis Group/Economics, 1998

### . Will Indian gaming be exempt from state and local taxes under the compacts and Prop 1A?

A. No. The only tax exemptions for tribal government gaming are provided under existing federal law, not by Prop 1A. Under existing law, Indian tribes are sovereign nations and operate as governments. Just as the California state government does not pay taxes on state lottery revenues, tribal governments do not pay taxes on the revenues from tribal gaming facilities. Under federal law, gaming revenues must be used to provide economic development, tribal government operation and health and welfare support programs and services to tribal members. The self-reliance that Indian tribes have achieved through gaming has also saved the state of California more than \$50 million annually in payments no longer made for welfare assistance.

SOURCES: Senate Constitutional Amendment 11 (SCA 11)

The Economic and Fiscal Benefits of Indian Gaming In California Report prepared by Analysis Group/Economics, 1998 Sales and Use Tax and Employer's Quarterly Returns

### Q. What type of worker protections are provided for under the compacts and Prop 1A?

**A.** Under tribal-state compacts ratified under Prop 1A, employees working in most non-management jobs at Indian casinos will be allowed to join unions if they so choose. In addition the compacts have specific requirements for tribal casinos to provide workers with the health and safety protections and benefits comparable to those mandated in workplaces subject to state jurisdiction.

A number of casinos have already entered into agreements for union representation of their workers.

The protection of tribal gaming is supported by unions throughout the state including, the Communications Workers of America and the Laborers International Union of North America.

SOURCES: Senate Constitutional Amendment 11 (SCA 11) Sacramento Bee San Diego Union-Tribune California Federation of Labor

## . Why do Californians support Prop 1A?

**A** Many times in the past, the federal and state government used their power to take away the land, resources, rights and even lives of California Indians. As a result, California Indian tribes were forced to live in a world of extreme poverty, welfare dependency and despair for most of the last century.

In recent years, tribal gaming has provided jobs that take Indians off welfare and gaming revenues have allowed California tribes to provide better education, housing and health care for their members at no cost to California taxpayers.

Last year, big Nevada casinos waged an anti-Indian campaign to defeat Proposition 5 and to prevent California tribes from keeping the gaming they had on their own tribal lands. Even though millions of Californians voted overwhelmingly to pass Proposition 5, Nevada casinos were successful in filing lawsuits to stop Prop 5.

Now Prop 1A will resolve this issue once and for all.

### Q. What can I do to help?

**A.** You may join our committee: YES ON 1A, Californians For Indian Self-Reliance by calling 800-248-2652, or visiting our website <u>www.yeson1A.net</u>

Most importantly, on March 7, 2000 be sure to Vote YES ON 1A.

please email all questions to staff@yeson1a.net

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