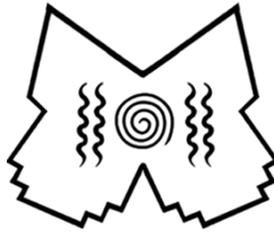


GOVERNOR
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TRIBAL SECRETARY
Stephanie J. Crosby



LIEUTENANT GOVERNOR
Joseph M. Talachy

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PUEBLO OF POJOAQUE

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September 24, 2013

Honorable John Pinto, Co-Chairman
New Mexico House of Representatives
509 W. Morgan Avenue
Gallup, New Mexico 87301

Honorable Sandra D. Jeff, Co-Chairwoman,
New Mexico Senate
P.O. Box 631
Crownpoint, New Mexico 87313

*Re: Indian Affairs Committee Meeting of September 24-27 – Statement of the
Pueblo of Pojoaque – Indian Gaming Compact Negotiations*

Representative Pinto and Senator Jeff,

On behalf of the Pueblo of Pojoaque, thank you for the invitation to testify on the issue of Tribal Government Gaming and Compact Negotiations as required under the Indian Gaming Regulatory Act (“IGRA”). The last time the Pueblo appeared before the Committee on this issue in December 2012, I expressed that the Tribes in New Mexico were very concerned about the progress of the compact negotiations and the overall state of the gaming industry. The Pueblo’s concerns remain unchanged.

As you are aware, the Pueblo of Pojoaque currently operates under the 2001 Tribal-State Gaming Compact and is in the process of negotiating a new compact with the State of New Mexico prior to its expiration in June 2015. The negotiation process was initiated by the Pueblo through a letter addressed to New Mexico Governor Susana Martinez in May 2011. In response, Governor Martinez honored our request nearly one year later on April 23, 2012 by appointing Jessica Hernandez, and Jeremiah Ritchie to negotiate on behalf of the State. Since then the Pueblo, along with the Pueblo of Acoma and the Mescalero and Jicarilla Apache Tribes, have been faithfully participating in discussions with the State’s representatives.

The Pueblo of Pojoaque's position throughout the past 17 months is that any new compact must provide the Pueblo with the tools necessary to support and stimulate its economic development activities. Tribal Government Gaming provides essential revenue to create jobs, build communities and fund essential governmental services, thereby promoting the Pueblo's self-sufficiency as envisioned under IGRA. In return, the Pueblo of Pojoaque not only strengthens the tribal community, but contributes back into the Pojoaque Valley, including Santa Fe County, and ultimately the State of New Mexico, all which have a direct effect on the quality of many lives.

The Pueblo of Pojoaque is the largest private employer north of Santa Fe and provides 1,500 residents with employment and benefits. The Pueblo also realizes the value of investing in our future workforce and has made education a top priority funding higher education and private schooling for Tribal Members. Gaming revenues fully fund our Education Program and also fund several other essential governmental services that benefit the entire Pojoaque Valley Community, such as law enforcement; fire and other emergency services; utility and infrastructure development; and health and wellness through such entities as our Wellness Center, Healing Arts Program, library, Boys & Girls Club, Teen Center and Farmer's Market. These are all open to the general public and, in fact, the participants/membership is primarily non-Indian residents from the Valley Community. The total cost for these programs alone is approximately \$4 million annually to the Pueblo. The Pueblo spends an additional \$3.5 million on Tribal Member early childhood development, our Senior Citizen Center, Social Services, Health Services (CHR), and culture revitalization programs. Tribal Government Gaming also has a multiplier effect. A significant amount of in-state jobs are directly attributable to tribal casino operations, and those operations directly and indirectly generate millions in economic activity within the State of New Mexico. Additionally, the Pueblo has contributed nearly \$70 million in construction related jobs within the last ten years and millions more to New Mexico companies that we have business relationships with.

As Governor, I cannot accept or recommend to our Tribal Council gaming compact terms that are damaging to the overall health and well-being of the Pueblo's economy. We agree with Governor Martinez that New Mexico must be competitive with surrounding states in today's economic climate. This must also include Tribal Government Gaming. This Administration cannot continue an assault on our industry in an effort to replenish the State's general fund on the backs of the tribes. Our industry must be able to grow and compete – not be stymied by unnecessary and outdated restrictions initiated under the 2001 Compact and perpetuated in the 2007 Compact. The Pueblo will continue to advocate that restrictions be removed and that we bring the negotiations back to the legislative roots of the IGRA. We are looking for meaningful concessions in exchange for the State's demands. The compact must first and foremost promote tribal self-sufficiency and strong tribal governments. The State cannot continue to pursue efforts to fund its fiscal decisions and downturns on the backs of Tribal governments.

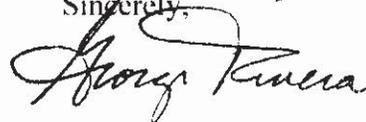
We note the inequitable treatment the Tribes and Pueblos receive from the State of New Mexico in terms of tax breaks, credits and incentives for economic development activities. Governor Martinez says her vision is to make New Mexico more economically competitive and to that end she has supported targeted tax breaks as a key component for State job growth in order to keep up with the rates of our neighboring states. Yet her Administration has offered tax breaks and incentives to nearly every industry in the State *except* Tribal Government Gaming. As we engage in discussions with the Administration, we will firmly oppose negotiating provisions that restrict the

use of legitimate business incentives, impose greater burdens upon the Pueblo and that represent an overall increase in the share of earnings Tribal casinos pay the State's general fund. Growth in Tribal Government Gaming in New Mexico has leveled off since 2008. Inflexibility or increasing demands of the State neither stimulates job growth nor keeps up with the success of neighboring states that offer gaming like Oklahoma, Colorado, Arizona and Nevada.

In New Mexico, 14 Tribes generated a total of \$68,149,908 in revenue sharing and regulatory fees in FY 2012. Perhaps Tribes seem an easy target because we cannot move our gaming operations out of State in pursuit of more lucrative economic incentives as in the private sector. But such a view dismisses the fact that unlike any other commercial industry in the State of New Mexico, the economic independence and revenue growth that gaming generates allows Tribal governments to play a significant civic role in benefitting all New Mexicans. This Administration's approach to negotiations is damaging not only to the industry but to job growth, and the potential growth in a rural area where creating and sustaining new jobs is nearly impossible. The Tribes' dual role reduces the burden on state-sponsored funding for similar efforts and is independent of the taxes already paid to the State through our compacts. Despite that Tribes continue to fulfill the vision of Congress through the IGRA, this Administration seeks an agreement that would not only further restrict Indian gaming but would limit its expansion and impose additional taxes. How can this serve to make New Mexico more economically competitive? The Pueblo of Pojoaque has invested heavily in New Mexico and has been a stable force of employment. We want to work with the State in a positive direction, not in a way that forces job reduction and cuts in essential governmental services to fund the State's coffers.

The Pueblo of Pojoaque remains committed to the negotiation process in hopes of reaching an agreement that reflects the sovereign-to-sovereign relationship between the Pueblo and the State, that is reasonable, fair, and beneficial to both the Pueblo and the State of New Mexico, and that reflects the purpose of Tribal Governmental Gaming as envisioned by Congress in enacting the IGRA. On behalf of the Pueblo, thank you for the time you spend serving on this Committee and your sincere interest in issues affecting Tribes throughout New Mexico. We look forward to having the next Indian Affairs Committee meeting at the Buffalo Thunder Resort and Casino in the Pueblo of Pojoaque.

Sincerely,

A handwritten signature in cursive script that reads "George Rivera". The signature is written in black ink and is positioned above the printed name and title.

GEORGE RIVERA
Governor

September 24, 2013

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Cc: Members of the Indian Affairs Committee, specifically:
Representative Eliseo Lee Alcon, Member
Representative Alonzo Baldonado, Member
Representative Sharon Clahchischilliage, Member
Representative Patricia A. Lundstrom, Member
Representative James Roger Madalena, Member
Representative Jane E. Powdrell-Culbert, Member
Senator Richard C. Martinez, Member
Senator Cliff R. Pirtle, Member
Senator Nancy Rodriguez, Member
Senator John C. Ryan, Member
Senator Benny Shendo, Jr., Member
Senator William P. Soules, Member

Advisory Members of the Indian Affairs Committee, specifically:
Representative Ernest H. Chavez, Advisory
Representative Zachary J. Cook, Advisory
Representative Georgene Louis, Advisory
Representative Antonio "Moe" Maestas, Advisory
Representative Debbie Rodella, Advisory
Representative Patricia Roybal Caballero, Advisory
Representative Nick L. Salazar, Advisory
Senator Carlos R. Cisneros, Advisory
Senator Stuart Ingle, Advisory
Senator, Daniel A. Ivey-Soto, Advisory
Senator Clemente Sanchez, Advisory

Gregg P. Shutiva, Governor, Pueblo of Acoma
Ty Vicenti, President, Jicarilla Apache Nation
Sandra Platero, Acting President, Mescalero Apache Tribe
Steffani A. Cochran, General Counsel, Pueblo of Pojoaque
Jessica Hernandez, Deputy Chief of Staff/General Counsel, Governor Martinez