

BENEFITS of INDIAN GAMING COMPACTS PRESENT and FUTURE

PRESENTED to the STATE of NEW MEXICO
INDIAN AFFAIRS COMMITTEE
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Sandia Resort & Casino
Sandia Pueblo, New Mexico

Good morning Mr. Chairman and Honorable Members of the Indian Affairs Committee. My name is Charlie Dorame, I am presently the Chairman of the New Mexico Indian Gaming Association, Inc. I am also a Former Governor from the Pueblo of Tesuque and serve as a lifetime councilman on the Tribal Council for my Pueblo. I was invited today to come before you to present the benefits of Indian Gaming Compacts-present and future. Before I do that, I would like to give you an overview of how compacts with the State of New Mexico became an intricate part of Indian Gaming here in New Mexico.

Indian Gaming ultimately was the result of high stakes bingo operating on Indian reservation lands during the early 1980s. The Tribes realized the potential for making money from bingo so they could eventually recover from funding deficits imposed by the Federal Government, for much needed programs. Thusly, high stakes bingo gave way to gaming machines that eventually generated more money for jobs and income for not only tribal members but also for other people here in the State.

Of course, along with gaming came the thought of crime and how tribes could be shielded from influences that could corrupt tribal gaming here in New Mexico and across the nation. This is why Congress enacted the Indian Gaming Regulatory Act. I will refer to this act throughout my presentation by it's acronym know to us all in gaming as IGRA.

IGRA, also referred to as Public Law 100-497-Section 2701, was enacted on October 17, 1988, by the 100th Congress. It's purpose is to regulate the conduct of gaming on Indian Lands, establishes the National Indian Gaming Commission, and also creates a regulatory structure for Indian gaming in the United States.

In addition, as part of the IGRA Section 2710-Tribal Gaming Ordinances Paragraph 3 (A) (B) (C) makes reference to Class III gaming activities which would include the need to have Tribal-State compacts. It reads that any Indian tribe having jurisdiction over the Indian Lands upon which a Class III gaming activity is being conducted, or is to be conducted, shall request the State in which such lands are located to enter into negotiations for the purpose of entering into a Tribal-State compact governing the conduct of the gaming activity. Upon receiving such a request, the State shall negotiate with the Indian tribe in good faith to enter into such a compact. (B) refers to approval by the Secretary of the Interior and (C) refers to provisions that may be included in compact negotiations.

In 1999 the State Legislature enacted SB 737, as 1999 N.M. Laws, ch. 252, known as the "Compact Negotiation Act," creating a process whereby the State and the Tribes have engaged in negotiations leading to these Compacts, with review by a joint legislative committee, and with final approval by a majority vote in each house of the legislature.

Present and Future Benefits

It is important to note that in 2006, tribal leaders opted to limit the primary discussion of the amendment negotiations to length of term and defining exclusivity in New Mexico terms. This set a new tone with the State, which as is the case in most all tribal-state negotiations, wanted more revenue sharing. We weighed the options of paying more revenue sharing in the near term with a slight increase on the length of the compacts with benefits of a long term agreement and determining, once and for all, the landscape of non-tribal gaming in New Mexico.

Overall, our Compact amendments and approval in 2007 provided Tribes with the following benefits;

- An additional 30 years, which meant that we would be able to operate our casinos up to 2037.
- A firm tie to revenue sharing payments for exclusivity by capping the number of racinos to a maximum total of 6 here in the State and limiting them to 600 machines and 18 hour days.
- Racinos can lease 150 machines from another racino for a total of 750 machines at some tracks, but the total number of machines in the State would be capped at 3600.
- Reconfirmation of tribal governments as the primary regulators of tribal governmental gaming in New Mexico.
- Player Clubs were clearly defined to the benefit of the tribes.
- Hours of operations were increased to 24 hours, 5 days per week.
- There was a reduction in liability insurance requirements from \$50 million to \$10 million making it more reflective of nationwide trends.
- Finally, these compacts provided more transparency for compulsive gambling funds.

Now I will focus on direct benefits, not only for tribal government operations, but also to it's members.

There are 5 general purposes that tribal governments have used net revenues from tribal government gaming. These are:

1. to fund tribal government services, operations and programs.
2. to promote tribal general welfare.
3. to promote tribal economic development.
4. to make charitable donations.
5. to help fund local government agencies.

Our people have benefitted directly from educational programs and scholarships, to public safety, water and wastewater management, to the preservation and protection of land. Gaming revenues have also helped pay for environmental programs, health and health education, housing repair and development, care for the elderly, tribal court systems, programs for drug and alcohol abuse, cultural and language preservation programs and capital improvement programs.

In closing, Mr. Chairman and members of the committee, one only needs to visit our casinos and the many venues that we have to offer to our customers in order to realize how successful tribal government gaming has been here in New Mexico and across the Nation. I cannot predict what the future holds for gaming in the State, I can only say that tribes will continue to nurture it's good will and cooperative spirit with the State as evident in our continued development of an effective government-to-government relationship. We all have and will continue to benefit from this relationship. I am confident that we both will honor, preserve and protect these compacts.

Thank you for giving me the opportunity to come before you, Mr. Chairman and honorable members of this committee. It has certainly been an honor and a privilege to address you. I now stand for any questions you may have.