

**MINUTES**  
**of the**  
**FIRST MEETING IN 2014**  
**of the**  
**COMMITTEE ON COMPACTS**

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**January 22 and 31, 2014**  
**Room 322, State Capitol**  
**Santa Fe, New Mexico**

The first meeting in 2014 of the Committee on Compacts was called to order by Representative James Roger Madalena, chair, at 4:00 p.m. on January 22, 2014 in Room 322 of the State Capitol.

**Present**

Rep. James Roger Madalena, Chair  
Sen. George K. Munoz, Vice Chair  
Sen. Pete Campos  
Rep. Sharon Clahchischilliage  
Rep. Zachary J. Cook  
Sen. Stuart Ingle  
Rep. Larry A. Larrañaga  
Rep. Georgene Louis  
Sen. Cliff R. Pirtle  
Sen. John C. Ryan  
Rep. Nick L. Salazar  
Sen. Clemente Sanchez  
Rep. Edward C. Sandoval  
Sen. William E. Sharer  
Sen. John Arthur Smith  
Rep. Thomas C. Taylor

**Absent**

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**Advisory Members**

Rep. Alonzo Baldonado  
Sen. Carlos R. Cisneros  
Sen. Lee S. Cotter (1/22)  
Rep. Nate Gentry (1/22)  
Sen. Phil A. Griego (1/22)  
Sen. Ron Griggs (1/22)  
Rep. Sandra D. Jeff  
Rep. Tim D. Lewis (1/22)  
Sen. Richard C. Martinez (1/22)  
Rep. W. Ken Martinez  
Sen. Mary Kay Papen  
Sen. William H. Payne (1/22)

Sen. Mark Moores  
Rep. Luciano "Lucky" Varela

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Sen. John Pinto  
Rep. Jane E. Powdrell-Culbert  
Rep. Debbie A. Rodella  
Sen. Michael S. Sanchez (1/22)  
Sen. Benny Shendo, Jr.

(Attendance dates are noted for those members not present for both meeting days.)

#### **Staff**

John Yaeger, Assistant Director for Legislative Affairs, Legislative Council Service (LCS)  
Peter Kovnat, Staff Attorney, LCS  
Monica Ewing, Staff Attorney, LCS

#### **Wednesday, January 22**

Representative Madalena welcomed members of the committee and audience members. Committee members introduced themselves.

Representative Madalena said that the committee's role at this meeting would be to consider the changes made to the 2013 Tribal-State Class 3 Gaming Compact agreements between the state and the Navajo Nation, which resulted in the 2014 gaming compact, hereafter referred to as the "2014 Navajo compact". First, the committee would hear an explanation of the changes from two representatives of the New Mexico governor's team of negotiators and from Navajo Nation President Ben Shelly and Navajo Nation Council Delegate LoRenzo Bates. Next, the committee would hear comments on the changes from the public, including tribal leaders from across the state. Finally, committee members would discuss the changes and consider making a formal request to the Navajo Nation and the governor's team of negotiators to consider renegotiating specific aspects of the 2014 Navajo compact.

Representative Madalena said he would entertain motions to request further negotiations, but he would not take motions to send the 2014 Navajo compact to the house and senate floors for a vote. However, he said, he would hold another committee meeting soon, during which such a motion would be entertained. Representative Madalena then asked the panelists to begin presentations on the 2013 and 2014 Navajo compacts.

#### **Panelist Presentations**

Jessica M. Hernandez, deputy chief of staff and general counsel, Office of the Governor, provided an overview of the compact negotiation process with the Navajo Nation, including discussions that led to agreement to a new compact; presenting the agreed-upon compact to the 2013 Committee on Compacts and having the compact pass in committee but not have an associated joint resolution introduced in 2013. Then, during the 2013 interim, Ms. Hernandez said, the governor's negotiating team, along with President Shelly and Mr. Bates, made several presentations to the Indian Affairs Committee, at which legislators raised certain issues. Based

on those issues, and a request from the Navajo Nation to reconsider certain aspects of the compact, new negotiations led to the 2014 Navajo compact.

Ms. Hernandez explained the differences between the 2013 and 2014 Navajo compacts. Three changes were requested by the Navajo Nation: 1) renegotiate "free play"; 2) remove regulation of class 2 gaming; and 3) remove the requirement that resolution of outstanding issues from previous compacts between the state and the Navajo Nation must be achieved before a new compact can take effect.

In response to requested changes, the 2014 Navajo compact allows the Navajo Nation to deduct free play-based jackpots from net-win calculations, and all regulation of class 2 gaming was removed, as was the requirement that outstanding issues from earlier compacts be resolved.

Another change in the 2014 Navajo compact is the staggering of the building of new casinos. The Navajo Nation is still allowed to build up to five casinos, but it is not allowed to build them any sooner than at five-year intervals, Ms. Hernandez said. Also, the reporting requirement has been changed in the 2014 Navajo compact so that all documents from Navajo Nation casinos will be provided to the state. The Navajo Nation's monetary contribution to combat problem gambling increases from .25% to .5% of adjusted net win once a third Navajo Nation casino goes into operation, according to Ms. Hernandez.

Ms. Hernandez explained that the 2014 Navajo compact has the same revenue share percentage, exclusivity guarantee and expiration date as the 2007 compact, under which nine tribes in the state currently operate gaming activities. Ms. Hernandez said this is a good and responsible compact, and she had received positive feedback about it from a number of tribes.

President Shelly thanked the committee for the opportunity to make a presentation. He said the Navajo Nation worked tirelessly to reach consensus on the 2013 compact, and he is unhappy that even after the 2013 compact made it through the committee, there was still no joint resolution introduced in the 2013 legislature. However, over the course of 2013, the Navajo Nation gave presentations to the Indian Affairs Committee twice and to the Legislative Finance Committee and Revenue Stabilization and Tax Policy Committee, where concerns about a number of issues in the 2013 compact were raised. There were also issues raised in conversations between the Navajo Nation and the United States Department of the Interior, which must approve any State-Tribal Class 3 Gaming Compact before that compact can go into effect.

President Shelly said that the unemployment rate on the Navajo Nation is over 50% and the casinos are important economic and job generators. He ended his presentation by saying that the Navajo Nation and New Mexico are neighbors and must work hand-in-hand for the betterment of both the people and the sovereigns.

Next, Mr. Bates thanked the committee for the opportunity to address the committee and said that in over six years of negotiations, the Navajo Nation has maintained positions on three issues: 1) revenue sharing; 2) duration; and 3) number of facilities. He said that after going before a number of legislative committees, the Navajo Nation tried to address legislators' concerns, and the 2014 Navajo compact reflects that attempt to make the compact more amenable to the legislature.

Now, the 2014 Navajo compact's revenue sharing has been brought level with the 2007 compact; all references to internet gaming are gone; and increases in the number of casinos in existence is graduated over time. Mr. Bates said that there are currently no plans in the Navajo Nation for a new casino and that any potential casino project will be carefully vetted, based on economic factors. He also said that another change between the 2013 and 2014 compacts is an increase in regulatory costs paid to the state once a third gaming facility is in operation.

It is important to remember that money generated from casino revenue is for the good of the Navajo people, Mr. Bates said, and there are 113,000 enrolled Navajo Nation tribal members in New Mexico. However, he added, casinos are also a business, and the bills must be paid to keep the Navajo gaming enterprise going.

#### **Public Comment**

Dion Killsback, general counsel, Jicarilla Apache Nation (JAN), read a statement on behalf of JAN President Ty Vicenti expressing that while the JAN respects the sovereignty of the Navajo Nation, it still has concerns with the 2014 Navajo compact. In particular, the number of additional casinos is a concern, especially if any of the casinos are constructed on U.S. Highway 550. While gaming does not provide a large percentage of the JAN's income, the two JAN gaming facilities provide over 100 jobs for both tribal members and nonmembers.

George Rivera, governor, Pueblo of Pojoaque, said that over the course of 20 months of compact negotiations, he found that there were constant obstacles to being able to operate the pueblo's casino in the way gaming is operated everywhere else in the United States. The federal Indian Gaming Regulatory Act (IGRA) exists to allow tribes to generate revenue for tribes. However, according to Governor Rivera, revenue sharing has become a one-sided deal for the state. The revenue-sharing percentage is based on the 2007 economy, but since then the economy has not done as well, creating difficulties for the tribe. The gaming industry is barely growing and is flat in growth across the board in the United States, but the tribes are being asked to pay based on an economy that existed when gaming revenue was growing, Governor Rivera said.

The eight percent revenue share paid by the tribe to the state represents 50% of the pueblo's gaming profit. So, half the profit goes the state's general fund and the other half is used to pay employees, bond holders and creditors and to run tribal government. Governor Rivera said that there is no money to deal with the growth of the pueblo.

The Pueblo of Pojoaque funds facilities and services that are provided to both tribal and nontribal members, but it cannot afford to continue to do so. Simply put, the Pueblo of Pojoaque cannot pay the same percentage of revenue sharing that other facilities that are closer to urban areas can. The Pueblo of Pojoaque is at a competitive disadvantage, Governor Rivera noted.

According to Governor Rivera, as the casino gaming industry has developed, some of the prohibitions on New Mexico casinos have proved to be antiquated and troublesome. That is why other states do not have those same prohibitions as New Mexico. For example, the restriction on the number of facilities should be removed completely. Also, the child support issue has nothing to do with gaming, is not addressed by the IGRA and may contravene sovereignty. If the state wants to ask the tribe to help enforce the state's responsibility regarding enforcement of child support payments, the two entities should enter into a memorandum of understanding instead of trying to address the issue in the gaming compact, Governor Rivera said.

Fred S. Vallo, Sr., governor, Pueblo of Acoma, said that the Acoma casino enterprise pays for tribal government and the Pueblo of Acoma employs 600 people, which makes it the largest employer in Cibola County, except for, perhaps, the school district, and hires many Native Americans and non-Native Americans. Governor Vallo said that the intent of the IGRA should be the force behind every compact, and any new casino on Interstate 40 would have huge negative impact on the Pueblo of Acoma's gaming enterprise.

Richard B. Luarkie, governor, Pueblo of Laguna, thanked everyone for all of the hard work that they have put into this process. He stressed the importance of not pitting one tribe against another and said that, with revenue growth in gaming for the past five years being less than one percent, an increase in the number of casino facilities, as allowed under the 2014 Navajo compact, would do just that. The market is already saturated, and more casinos just means more cannibalism. Governor Luarkie said that it is important to remember that this additional competition not only takes money from other tribal enterprises but also takes revenue from many small businesses. He then said that the 2014 Navajo compact should let the Navajo Nation class 2 casino evolve into a class 3 casino and should limit new casinos.

Joseph E. Sandoval, governor, Pueblo of San Felipe, said the San Felipe casino, Casino Hollywood, is part of the Albuquerque market. It is a small facility, and three more casinos, especially if one is added to the Albuquerque area, would make it impossible for the Pueblo of San Felipe's current enterprises to survive. He said the pueblo has 3,500 tribal members, and the number of casinos should not be based on population.

Mark Martinez, councilman, Pueblo of Zuni, said the governor and tribal council need time to consider the 2014 Navajo compact and asked the committee to table the issue before it takes action. He then said that the Pueblo of Zuni has started the official process of considering gaming enterprises by the pueblo.

Representative Madalena said that the committee will not be taking action to vote on the 2014 Navajo compact at this meeting.

Harold Wanika, former delegate, Navajo Nation Council, said he was part of the group that originally approved gaming on the Navajo Nation, and this effort was about jobs and economic growth. The 2014 Navajo compact needs the support of the legislators. People in 50 communities will benefit from the compact, as will everyone in New Mexico. The revenue to the tribes and to the state are immense, and benefits include support for firefighters, police, public safety, schools, elder care and child care. Mr. Wanika said that there should be no more negotiations, and the 2014 Navajo compact should be passed as is.

Next, employees of Northern Edge Navajo Casino in the Upper Fruitland Chapter of the Navajo Nation urged the committee to approve the 2014 Navajo compact. Diane Jones, information technology manager, said she got her first job out of college with the Navajo gaming enterprise and that it offers a really great opportunity. Now, she said, she has the great pleasure of mentoring others. Cassandra Namoki is one of Ms. Jones' mentees and said that she loves her job. Duane Gruber said the steady paycheck is critical to him and to other employees, and provides stability in their lives and the lives of their families. Jackson Hanley said he really appreciates his job.

Employees of Fire Rock Navajo Casino in the Church Rock Chapter of the Navajo Nation said that gaming is critical to the Navajo Nation economy and the committee should support the 2014 Navajo gaming compact. Michelle Andiviso has spent 11 years in the gaming industry in Nevada, Arizona and New Mexico and understands the issue of market saturation. Nevertheless, she said, this compact is important for the Navajo Nation. There are a lot of Navajo people that want to move home to work, but there are no jobs available. Rhonda Ray, marketing manager, has been involved in opening many Navajo casinos, and she said that she is a big advocate of the 2014 Navajo compact. Lisa Gilson, employed in security, said that Fire Rock Navajo Casino provides not only jobs, but job training, education and counseling for those who need it. The casino is of critical importance to the community, Ms. Gilson said. Derrick Yazzie asked committee members to listen to the comments from all of the people at the meeting and then pass the compact or, in the alternative, committee members should tell the 24 people who work under him that they no longer have jobs.

Ricky Abeyta, member of the Navajo Nation and a United States Army veteran, said the 2014 Navajo compact provides for Navajo self-sufficiency and that is very important.

Kate Roback from Santa Fe asked how much each tribe contributes to the state, based on free play. She is concerned that the requirement in the 2014 Navajo compact is that records be kept for five years, and she believes that records should be kept longer. She also said that any arbitration that occurs pursuant to the compact should be open to the public and that casinos should not be allowed to operate 24 hours a day.

Dr. Guy Clark, chair of Stop Predatory Gambling New Mexico, said that he is opposed to the 2014 Navajo compact and all other compacts for the most part on moral grounds. Dr. Clark said that slot machines are very addictive and that he is surprised there are not Navajo people at the meeting who are opposed to the compact. Gambling causes a slew of social ills, and he is opposed to the expansion of gambling in any form. Dr. Clark disputes the idea that gambling in any shape or manner provides economic development.

A committee member asked Derek Watchman, chief executive officer, Navajo Nation Gaming Enterprise (NNGE), to introduce his employees who were in attendance, which he did. The NNGE has over 900 employees, more than 85% of whom are Navajo, of which they are very proud.

A committee member said that the main concerns presented at the meeting involve location of casinos and competition among casinos. The members said that the Navajo Nation and the governor's compact negotiation team have been very patient with the legislature, and the member asked the committee to push this compact agreement through as soon as possible. The Navajo Nation feels it is being overregulated by the state and the federal Department of the Interior, and it has every right to be upset, but, instead, it has been extremely professional and deserves kudos. Mr. Bates, too, deserves kudos for his willingness to work through the obstacles that have been presented, the committee member noted.

Another committee member said that if the 2014 Navajo compact is not approved, the casinos will close and over 800 people will lose their jobs. In addition, the money from revenue sharing helps the entire state economy. The member urged the committee to vote on the 2014 Navajo compact as soon as possible.

Another committee member noted that each tribe is unique, and although the committee member is Navajo, the member supports all of the member's Native American brothers and sisters. The committee member said that the Navajo Nation really wants this compact to be approved and that the majority of the member's constituents are Navajo. The member asked the committee that the 2014 Navajo compact continue to progress, but that some language needs to be added to clarify that this compact has nothing to do with other tribes' compacts.

Out of respect, a committee member requested that a date be set for the next meeting. Representative Madalena said that he will call another meeting after the weekend, to give members a chance to consider the 2014 Navajo compact. The committee recessed at 6:40 p.m.

### **Friday, January 31**

Representative Madalena called the second day of the meeting to order at 2:45 p.m. on January 31, 2014. Representative Madalena welcomed members of the committee and the audience, and committee members introduced themselves.

Representative Madalena explained that at this continuation of the meeting begun January 22, he would entertain motions to request further negotiations, but he would not take motions to send the compact to the house and senate floors for a vote. However, he said, he would hold another meeting soon at which such a motion would be entertained.

Representative Madalena then asked Navajo Nation President Shelly, Mr. Bates, Ms. Hernandez and Jeremiah Ritchie, legislative liaison and assistant general counsel, Office of the Governor, to sit at the presenters' table and invited President Shelly to respond to the comments from other tribes made at the January 22 meeting.

President Shelly thanked the committee. He then addressed other tribes' requests to restrict the future location of Navajo casinos. The Navajo Nation will not agree to geographic limitations for three reasons. First, it is up to the Navajo Nation to decide how to develop its land. Second, there is economic despair on the Navajo Nation, and it must not be limited in how to address that on Navajo land. Third, the United States Department of the Interior will not accept a compact with geographic limitations.

Responding to the assertion that matching certain industry standards is necessary for New Mexico tribes to compete with out-of-state gaming such as Las Vegas casinos, President Shelly said that the 2014 Navajo compact is what the Navajo Nation negotiated and that each tribe can negotiate with the state according to its needs.

President Shelly urged the committee not to delay this process any longer. After six years of good faith negotiations with two different governors of New Mexico, it is time to approve this compact. The 2014 Navajo compact reflects a commitment to hearing and incorporating issues raised by both the New Mexico Legislature and the U.S. Department of the Interior. Respectfully, President Shelly said, the Navajo Nation cannot wait any longer and wants to get this done.

In response to a question, Mr. Ritchie said that the 2014 Navajo compact allows one casino per 15,000 Navajo tribal members residing in New Mexico, up to a maximum of five casinos. He clarified that tribal members need not live on Navajo land but just be enrolled and counted by the Navajo Nation Tribal Enrollment Office and live in the State of New Mexico. The number 15,000 was negotiated.

Ms. Hernandez explained that some earlier decisions by the U.S. Department of the Interior revealed that geographic restrictions would not be acceptable and that certain provisions in compacts that restrict some gaming activities have not been perceived as violative of the federal fair trading laws. When asked to clarify, Ms. Hernandez said that, in conversation, representatives from the U.S. Department of the Interior said geographic restrictions will not be allowed, but there has not been an official opinion released on the 2014 Navajo compact.

Mr. Bates said the 2001 compacting tribes in New Mexico have the ability to construct an unlimited number of casinos, so limiting that number to five is already a major compromise. He said it is also worth noting that the Pueblo of Pojoaque currently operates four gaming facilities. Also, the addition of new Navajo casinos would have to be staggered in, and new facilities will only be built when the market can support them.

Mr. Ritchie said there are at least three other tribes that are operating at least three facilities in the state currently and that the state is trying to avoid so-called convenience gaming, i.e., gaming in gas stations and fast food restaurants, because it is much more conducive to problem gaming.

A legislator asked about Section 8, page 21, of the 2014 Navajo compact and the reason for replacing "such persons" with "visitors". Mr. Ritchie said that it is not a substantive change, but a point of negotiations. Another legislator said that this is a big point because it brings up the issue of third-party liability. It is important to say "person" rather than "visitor" to ensure that there is protection for those who are hurt by someone who is overserved at a gaming facility; e.g., the question whether the facility could be sued if a visitor gets drunk at the gaming facility and kills someone on the highway.

Mr. Ritchie said that the visitor is protected, and the third party is not covered, which is consistent with tribal law. Mr. Bates explained that Navajo law already covers third-party liability and that such a scenario could be addressed under the Navajo judicial system. Karis Begaye, attorney, Navajo Nation Department of Justice, said that the Navajo Nation has sovereign immunity and that a court claim could be filed in tribal court but there would still be an option to go to another court of competent jurisdiction.

A legislator said that would be a problem for other tribes, which would not be able to offer this same kind of protection for third parties because they do not have as robust a judicial system as the Navajo Nation. Mr. Ritchie said that this was negotiated at length, that it is an issue of tribal sovereignty and that this compact was negotiated with the Navajo Nation.

Ms. Hernandez noted that the IGRA allows states to negotiate only those things related to gaming and that the further a compact strays, the less likely the U.S. Department of the Interior is to ratify it.

Responding to a query about what other tribes would qualify for five casinos under the provision for one casino per 15,000 enrolled tribal members, Mr. Ritchie said none would qualify.

Committee members expressed concern that this compact would not work for any other tribe and that, historically, one compact is negotiated and other tribes opt in. Mr. Ritchie said that the 2014 Navajo compact was negotiated exclusively with the Navajo Nation. While under

state law, other tribes could join this compact, that is up to each tribe. Under this compact, other tribes would be eligible for more casinos as they grow.

When concerns were raised about the delinquent child support provision in the 2014 Navajo compact having nothing to do with gaming and therefore beyond the scope of the IGRA, Ms. Begaye said that this is not the first time this has been in a gaming compact and that the Navajo Nation is forwarding a delinquent person's winnings from jackpots to the state for the state to enforce its laws.

A member asked if alcohol is sold at the state's racinos, and, if so, if alcohol is allowed where gaming happens or in the stands. Ms. Hernandez said the same limitations on alcohol exist at the casinos and the racinos.

### **Motions for Recommendation for Renegotiation**

Senator Clemente Sanchez made a motion, seconded by Representative Louis, with objection by Representatives Taylor and Clahchischilliage, that the governor's compact negotiation team and the Navajo Nation negotiation team renegotiate the 2014 Navajo compact to allow the Navajo Nation to operate three and only three gaming facilities in the current locations of the current Navajo class 2 and class 3 casinos. By a vote of nine for and five against, the motion passed.

Representative Louis made a motion, seconded by Representative Madalena, to resume negotiation to reconsider and strike the child support provisions from the 2014 Navajo compact. By a vote of six for and eight against, the motion failed.

Representative Louis made a motion, seconded by Senator Clemente Sanchez, to resume negotiation to consider striking the business-industry-standard prohibitions in Section 4B(10) concerning IOUs, Section 4B(15) concerning alcohol on the gaming floor and Section 4B(18) concerning low- or no-cost drinks, food or lodging. By a vote of two for and 12 against, the motion failed. Senator Clemente Sanchez explained his vote against the motion by saying that he respects the Navajo Nation's sovereignty but requests that the 2014 Navajo compact not be used as a template for other tribes' compacts.

A committee member asked to hear from the other tribes before making motions for renegotiation. Representative Madalena said that the other tribes would be allowed to speak at the end of the meeting and then more requests for renegotiations could be made at the next meeting.

Other committee members said they were opposed to drawing this out and asked the committee to respect the tribal sovereignty of the Navajo Nation. If other tribes want other things in their compacts, they can negotiate those things on their own behalf.

Representative Madalena, upon seeing that there were no more motions to request renegotiation, thanked the presenters and offered representatives from other New Mexico tribes an opportunity to provide comments on the 2014 Navajo compact.

### **Tribal Representatives**

Former Governor Charlie Dorame, Pueblo of Tesuque, said the pueblo has a population of 520, and basing the number of gaming facilities on population sets a terrible precedent and jeopardizes smaller tribes' ability to carry out the purposes of the IGRA. Public Law 93-638, the federal Indian Self-Determination and Education Assistance Act, helps larger tribes because the benefits it confers are based on per capita tribal membership. That hurts the Pueblo of Tesuque, so it looked to gaming for new sources of revenue. Now, the same thing is happening in the gaming industry.

Ben Martinez, tribal council, Mescalero Apache Tribe, said that one size does not fit all and that negotiating to allow industry standards are the hallmark of the Mescalero Apache Tribe's compact negotiations with the state. He also clarified that one can take drinks to the betting window at the racinos. He said that the tribe's gaming facilities earn 80 percent of their revenue from Memorial Day to Labor Day. That is money from out of state being attracted into New Mexico. Consider, for example, that a tourist from Lubbock has to decide between Mescalero and gaming in Oklahoma. Without the ability to offer alcohol on the gaming floor, he said, Mescalero is at a serious competitive disadvantage.

Mr. Martinez said that the 2014 Navajo compact will set the benchmark for future compacts, and that is a concern. If some assurance existed that it would not be a template, there would be no problem. The state has been silent in negotiations with the Mescalero Apache Tribe for the past two months, which shows that this is likely to be used as a template.

Joseph M. Talachy, lieutenant governor, Pueblo of Pojoaque, said Pojoaque has 478 enrolled tribal members. While the pueblo is not against the 2014 Navajo compact, there is concern about its impact. In 2007, the economy was growing, but it is not anymore. Every other industry got a break, but Indian gaming did not. He urged renegotiation based on today's economy, not the 2007 economy. The state knows that any tribe can sign on to any compact, so the state has no incentive to negotiate different compacts when tribes can always join the most favorable one.

Mark Martinez, councilman, Pueblo of Zuni, said that the pueblo sent a proposal to the governor of New Mexico in December 2013 to start gaming. The Pueblo of Zuni chose to be a non-gaming tribe in the past, but circumstances have changed and the pueblo needs economic development and job creation. The Pueblo of Zuni has concerns with the 2014 Navajo compact, but it respects Navajo sovereignty. The pueblo is opposed to any geographic limits, but also does not like the idea of five facilities. Councilman Martinez said that each tribal entity should be able to negotiate its own compact.

Richard B. Luarkie, governor, Pueblo of Laguna, said Indian gaming in New Mexico is an industry and should be treated as such. The compacts need to provide for, or at least allow, long-term economic viability for the tribes and the state. Also, it is a bad idea to treat tribes differently based on size. Governor Luarkie said the Pueblo of Laguna seeks consistency and fairness for the industry. In addition, the pueblo wants a market protection clause for the Albuquerque market. If the legislature does not want to ask for renegotiations based on that, so be it, but it should be clear that such a clause is not illegal or improper in a compact. In the Pueblo of Laguna compact itself, there is a geographic limitation.

There being no further business, the committee adjourned at 5:50 p.m.

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