



California Association of Tribal Governments

CALIFORNIA ASSOCIATION OF TRIBAL GOVERNMENT TESTIMONY
TO THE
SENATE GOVERNMENTAL ORGANIZATION COMMITTEE
FEBRUARY 9, 2010

Walpust. My name is Matthew Franklin. I serve the California Association of Tribal Governments ("CATG") as Chairman of its Board of Directors. I am Chairman of the Lone Band of Miwok Indians in and near Lone, California. My thanks to Chairman Roderick Wright and Vice Chair Tom Harman, as well as the members of the Senate Governmental Organization Committee, for this opportunity to testify on behalf of the member tribes of CATG about the public policy and fiscal implications that the authorization of intrastate Internet poker in California, referred to as iPoker, may have on CATG member tribes.

CATG's mission is to promote the understanding of tribal sovereignty, self-determination and economic needs of tribal governments, and amplify California tribal government voices so we can be heard by federal, state and local governments. Established in 2008, CATG is the largest inter-tribal organization in the State. CATG's services are offered to all tribes in the State. A list of CATG's member tribes is attached to my testimony.

CATG's member tribes are diverse. While a minority are gaming tribes, the majority of our membership consists of tribes whose primary source of revenue is the Revenue Sharing Trust Fund. The establishment of this Fund was a central element of the Proposition 1A campaign in 2000, when the people of California gave tribes the exclusive right to operate casino style gaming. The RSTF provides each non-gaming tribe and tribes operating less than 350 gaming devices \$1.1 million annually.

RSTF revenues are fees paid for tribal gaming device licenses issued by the California Gambling Control Commission. Because annual RSTF revenues are insufficient to make full payment of \$1.1 million to each of the non-gaming tribes, another fund, the Special Distribution Fund, provides the funds necessary to backfill the RSTF shortfall. The SDF was originally created to mitigate the impacts of tribal government gaming, such as regulatory costs, problem gambling programs, and local community grants. Once the RSTF shortfall was recognized, the Legislature to make the priority use of the SDF the backfill the RSTF shortfall. Of the 108 federally recognized tribes in the state, 71 tribes receive RSTF payments. Of these 71 tribes, only seven tribes operate small casinos with less than 350 gaming devices, and 64 tribes offer no gaming.



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Despite these facts, many continue to view all California tribes narrowly as “gaming” interests, rather than as tribal governments with broad responsibilities. As governments, tribes have to address issues similar to those this Legislature faces on a daily basis: water, roads, public safety, land use, communications, social services, health care, environment, revenue and taxation. In addition, tribal governments have interests that are unique, such as preserving and protecting tribal sovereignty, cultural resources, sacred sites, gathering and hunting and fishing rights. CATG intends to bring the focus back to these types of issues tribes are facing, and improve relations with federal, state, local and other tribal governments. An understanding of tribal sovereignty, self-determination and the economic needs of tribal governments is at the top of CATG’s priorities.

Tribal government gaming has provided tribes with a much needed revenue stream to fund their government programs and begin non-gaming economic development. In addition, tribes in remote locations who operate small casinos have been able to create jobs for their tribal members and their local communities.

Non-gaming tribes have strengthened their tribal governments through the revenue sharing provisions of the California compacts. California tribes were the first in the nation to share gaming revenues with non-gaming tribes. The great majority of tribes in California are unable to establish a gaming enterprise because of their remote location or lack of a land base. These revenue sharing funds represent an important means to strengthen tribal governments. As such, all California tribes have an interest in preserving and protecting tribal government gaming.

The purpose of today’s informational hearing is to examine the public policy and fiscal implications that the authorization of iPoker in California may have on its citizenry and its economy. CATG has not taken a position with respect to iPoker or a proposal championed by a CATG-member Tribe, the Morongo Band of Mission Indians. CATG has provided relevant information to its member tribes and forums where they can discuss these and other such proposals.

CATG believes that any form of iPoker should serve the public policy established when the people of California gave tribal governments the exclusive rights to offer casino style gaming through their overwhelming approval of Proposition 1A. Should iPoker become a reality, we believe it must be offered in a way that protects the public policy mandate to



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benefit all California tribes: not only gaming tribes, but also non-gaming tribes who are reliant upon payments from the Revenue Sharing Trust Fund.

In the past, decisions have been made which have had impacts upon the interests of all tribes, even though all tribes were not involved in the decision making process. This is why CATG must have a seat at the table when the question of iPoker is being discussed and decided. CATG is mindful that as these iPoker discussions proceed, our interests may be impacted in ways that may not be apparent today; therefore, CATG will continue to remain at the table to actively participate in the dialogue and decision making process.

In conclusion, the California Association of Tribal Governments will continue to provide engage with all tribes, the Legislature and the Governor in these issues of great importance. I thank Chairman Roderick Wright and Vice-Chair Tom Harman and the members of the Senate Governmental Organization Committee for this opportunity to speak on behalf of the California Association of Tribal Governments. We stand ready to work cooperatively with the Committee on this important issue. Good day.