

# Indian gaming options face conflicts, deadline

■ Legislature adjourns Friday, but a federal order would close tribes' casinos next month without action

By Brendan Riley

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SACRAMENTO — All bets were off Tuesday on the final form of Indian gambling legislation as lawmakers touted rival proposals, tribal leaders disagreed on key issues, and critics sniped at the entire process.

Gov. Gray Davis, whose plan includes slot-machine limits strongly opposed by some tribes, said negotiations were progressing. But he was cautious about "a few hurdles to overcome."

"Whether we can get done between now and the end of Friday remains to be seen," Davis said.

The Legislature adjourns for the year Friday. If there's no compact with the tribes by then, some Indian casinos could be shut down by Oct. 13 under a federal court order, the governor warned.

That would be fine with critics of Indian gambling, including a group called Stand Up for California that called Tuesday for a federal grand jury probe into tribal campaign contributions to state lawmakers.

Indian leaders called the critics tools of Nevada casino interests who would love to see tribal casinos close.

Representatives of more than 50 tribes returned here to try for a deal with the governor and lawmakers. But some also moved ahead with their own ballot proposal to counter last month's state Supreme Court decision striking down Proposition 5, a 1998 voter-approved measure that allowed a major expansion of Indian-run gambling.

The justices said the initiative was unconstitutional because it sought to permit the type of Nevada-style gambling prohibited by a 1984 amend-

ment to the state constitution.

The Indians' new ballot proposal would change the constitution to allow such games at tribal casinos. It is pushed by Richard Milanovich, chairman of the Agua Caliente Band, which has a big casino in Palm Springs.

Boxes of signatures were turned in to the voter registrar in Los Angeles to start qualifying the plan for the March ballot — despite Davis' efforts to scrap that proposal and go with one of two ballot questions moving through the Legislature.

Mark Macarro, tribal chairman of the Pechanga Band in Temecula, said a deal with the governor would be best. That would include a compact with Davis plus another ballot proposal by Senate leader John Burton, D-San Francisco.

Burton's proposed constitutional amendment would give tribes a monopoly on casinos and roughly double the number of slot machines to more than 30,000.

Macarro said there's a need for "some semblance of certainty" that the Indian casinos can stay open pending the outcome of March balloting.

"I know that a compact with the governor, together with Burton's (plan), provides us that semblance," said Macarro, adding that another proposal presented Tuesday to the tribes by Sen. Richard Polanco, D-Los Angeles, "does not provide the certainty we need."

Polanco's proposal, like the tribes' ballot initiative, would rewrite Prop. 5 to get around the constitutional challenges.

Milanovich said Burton's proposal is tied to an objectionable compact proposed by Burton and Davis that would limit slot machines, let casino workers unionize and require tribes to share gambling revenue with the state and with tribes that did not have casinos.

"I'm not saying we should go with Polanco," he said. "But it has a better



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**CHERYL SCHMIT, left, of Stand Up for California, and Penny LeD show a request for a federal investigation into political contributor by California Indian tribes to state legislators.**

likelihood of addressing the immediate needs and concerns of the tribes."

Milanovich was also critical of the negotiations with the Davis administration and lawmakers.

"What negotiations?" he said when asked about the talks, adding that Davis has been unyielding in his push for limits on Indian casino expansion.

While tribes are divided on slot limits, Milanovich said most oppose a Davis effort to mandate protection for unions in any compact.

Burton questioned whether Polanco's late-emerging ballot proposal would get very far, saying, "The governor doesn't want it, and as I un-

derstand it the tribes 32 to 1 end the governor's language, so I see the need to do anything diffe

Polanco said he realized his faces an uphill battle, but added it's designed to get around the conflicts that may doom Burton's proposal.

He also said the incremental of signatures for the Indians lot plan — about 300,000 or roughly 700,000 needed — was a smart maneuver. The tribes would lose all negotiating power by putting that plan before the week in Polanco said. And if there's no agreement this week, the Indians' plan be on the March ballot.