



GOVERNOR ARNOLD SCHWARZENEGGER

March 30, 2007

The Honorable Byron Dorgan
Chairman
Senate Committee on Indian Affairs
838 Hart Senate Office Building
Washington, DC 20510

The Honorable Craig Thomas
Ranking Member
Senate Committee on Indian Affairs
838 Hart Senate Office Building
Washington, DC 20510

Re: NIGC Class III Gaming Authority, Minimum Internal Control Standards

Dear Chairman Dorgan and Senator Thomas,

As you are aware, the Court of Appeals for the District of Columbia recently ruled in *Colorado River Indian Tribes v. National Indian Gaming Commission*, that the National Indian Gaming Commission does not have authority to enforce Minimum Internal Control Standards (MICS) for class III gaming. This ruling has the potential to greatly impact California, and I would support federal legislation that would confirm the NIGC's authority to establish and enforce the MICS for class III gaming.

California has over 100 federally-recognized Indian tribes. Currently, 66 of those tribes have tribal-state gaming compacts. There are 56 tribal casinos in operation in California and several more in the planning and development stage. Our gaming compacts require tribes to adopt and comply with rules and regulations governing various internal control areas and to provide for significant state regulatory oversight. Our approach with the compacts and state oversight of internal controls has been to complement, rather than duplicate, NIGC's activities. This has worked well for California. I believe that strong state, federal and tribal regulation and oversight of class III gaming best serves the public interest and furthers the goals of the Indian Gaming Regulatory Act.

I encourage and support efforts at the federal level to confirm and clarify the NIGC's authority.

Sincerely,



Arnold Schwarzenegger

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NATIONAL INDIAN
GAMING COMMISSION

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