



CALIFORNIA TRIBAL
BUSINESS ALLIANCE

April 5, 2012

The Honorable Roderick Wright
Chairman, Senate Committee on Governmental Organization
5064 State Capitol
Sacramento, California 95814

The Honorable Darrell Steinberg
President Pro-Tempore, California State Senate
205 State Capitol
Sacramento, California 95814

RE: Opposition to SB 1463

Dear Senators:

The California Tribal Business Alliance (CTBA) is opposed to your SB 1463, a measure that would authorize intrastate Internet gaming in California. CTBA believes that the enactment of SB 1463, as written, would violate state and federal Indian laws, undermine the premises upon which agreements among state, local and tribal governments were made, and result in an overall loss of hundreds of millions of dollars to the state each year.

CTBA understands that the purpose of the bill is to provide a regulated environment for the play of real-money games online, keep the wagers of real-money online gamers from going illegally to offshore operators, and to generate revenues for the State of California. These are admirable policy goals. However, under the current construct of the bill, these goals will not be realized. Instead, the legislation may create a substandard regulatory regime, allow hundreds of millions of dollars in online gaming revenues to legally leave the state, and cost the State of California hundreds of millions of dollars in lost revenue sharing from tribal governments.



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CTBA is not opposed to the authorization of online gaming. CTBA believes that online gaming has the potential to benefit the state, local communities and enhance tribal economies. For this to occur, the legislation must be methodically crafted, fair, in the best interests of the state and gaming tribes, and contain stringent safeguards to protect the integrity of gaming, as a whole. At this point in time, the Member Tribes of CTBA do not believe the legislation will achieve the desired benefits.

CTBA has drafted a set of principles (attached) which we believe must be met for any online gaming bill to be successful for the state, tribes, and other stakeholders. Until these principles are reflected in the legislation, CTBA must remain opposed to the bill.

Thank you for your time and consideration of this letter. Please do not hesitate to contact me, CTBA's Political Director David Quintana, or CTBA's Executive Officer Chris Lindstrom, if you have any questions or comments in this regard.

Respectfully,

A handwritten signature in cursive script, appearing to read "Leslie Lohse".

LESLIE LOHSE
Chairwoman