

# VIEJAS

TRIBAL GOVERNMENT

PQ Box 908  
Alpine, CA 91903  
#1 Viejas Grade Road  
Alpine, CA 91901

Anthony R. Pico, Chairman  
Robert Cita Welch, Vice Chairman  
Anita R. Uqualla, Tribal Secretary  
Samuel Q. Brown, Tribal Treasurer  
Greybuck S. Espinoza, Councilman  
Victor E. Woods, Councilman  
Raymond "Bear" Cuero, Councilman

Phone: 6194453810  
Fax: 6194455337  
viejas.com

March 20, 2012

Speaker pro Tempore Darrell Steinberg  
The Honorable Roderick D. Wright  
California State Senate  
State Capitol  
Sacramento, CA 95814

Dear Senators Steinberg and Wright:

The Viejas Band of Kumeyaay Indians stands in opposition to SB 1463. This bill seeks to legalize Internet gaming within the State of California in a manner that would violate the California Constitution, interfere with Tribal-State Compacts, infringe upon the sovereignty of Tribal Governments, and negatively impact California. Viejas respectfully requests the withdrawal of this proposed legislation.

Article IV, Section 19(e) of the California Constitution prohibits the legislature from authorizing casinos of the style operated in Nevada and New Jersey. As approved by the California voters under Proposition 1a, Section 19(f) gave Tribes the exclusive right to operate casinos within the State, including offering slot machines, lottery games, and banking and percentage card games, pursuant to Tribal-State gaming compacts. The 1999 and subsequent Tribal-State Compacts further defined the exclusive rights of Tribes to operate casino style "Gaming Devices". SB 1463 disregards Section 19(e) by attempting to legislatively authorize Nevada and New Jersey casino style gaming over the Internet in California. It also undermines Section 19(f) by establishing a framework for the unfettered expansion of casino style gaming over the Internet in California based on the administrative discretion of the Department of Justice, rather than through a comprehensive, careful, and collaborative process involving Tribes, thereby threatening the exclusivity granted by the Constitution and interfering with the sole right of Tribes to operate "Gaming Devices" under the Tribal-State gaming compacts. SB 1463 simply cannot legislatively authorize what the Constitution prohibits and Tribal-State gaming compacts restrict.

SB 1463 is an affront to the inherent sovereignty of federally-recognized Tribes. The legislation would force Tribes to waive sovereign immunity and subordinate to the State's authority as a condition for gaming license eligibility. SB 1463 would also vest the State with regulatory oversight for Internet gaming, thereby stripping Tribes from the role of primary gaming regulators under IGRA and the Tribal-State Compacts. Tribal Gaming Agencies within the State of California are world renowned for innovation, leadership and top-level expertise in

Speaker pro Tempore Darrell Steinberg

The Honorable Roderick D. Wright

March 20, 2012

Page 2 of 2

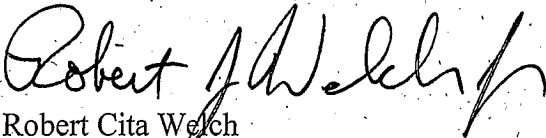
the field of gaming regulation, and their regulation of Internet gaming would be no different. Viejas is disappointed that SB 1463 seeks to impose conditions and restrictions on Tribal sovereignty and Tribal Gaming Regulation rather than treating Tribes on a government to government basis, as required under the Indian Gaming Regulatory Act (IGRA) and the Tribal-State Compacts. Such unilaterally imposed conditions and restrictions are unacceptable.

Finally, during these difficult economic times, SB 1463 would place a hazardous bet on the uncertain economic benefits to be derived from Internet gaming, while causing definite negative impacts upon Tribal gaming operations, California citizens and businesses connected to Tribal gaming operations, and the State's revenue share under Tribal-State Compacts. Many Tribes in California, like Viejas, depend upon gaming revenue to fund essential government services for Tribal citizens. The legalization of Internet gaming, and accompanying infringement upon Tribal gaming exclusivity, would erode Tribal gaming revenues and thereby diminish the quantity and quality of government services that can be provided by Tribes to their citizens. The negative impacts will also be suffered by tens of thousands of California citizens that depend upon the health and success of Tribal gaming operations for their livelihood, including employees of Tribes, vendors for Tribal gaming operations, and nearby businesses who rely on Tribal gaming operations to promote commerce in the region. Negative impacts will also be experienced by the State. As discussed above, SB 1463 would violate the terms of existing Tribal-State Compacts, would result in expensive and protracted litigation, and would authorize Tribes to withhold hundreds of millions of dollars in revenue sharing payments from the State until final resolution of the litigation.

For these reasons, Viejas strongly urges the withdrawal of SB 1463. Viejas requests meaningful consultation between the State and California Tribes regarding how to responsibly introduce Internet gaming into California in a manner that respects the Constitution, Tribal-State Compacts, and Tribal sovereignty and protects Tribal gaming operations and California jobs.

Thank you for your consideration.

Sincerely,



Robert Cita Welch  
Vice Chairman