



Letter From The Chairwoman



We are very pleased to present the second Annual Report for the Arizona Indian Gaming Association. This report honors the oral tradition that tribal people share. Our history, beginning with our Creation stories, was not written but was passed down through our storytellers. In the following pages of this year's annual report, we continue that tradition by letting our industry speak for itself and tell our gaming story.

We have a wonderful story to tell. We are working hard in Arizona to meet the full intent of the Indian Gaming Regulatory Act, which is to generate gaming revenues to increase economic opportunities for Indian people so that we can improve the standard of living for Native people and ensure a better future for our children. We are accomplishing this goal by balancing the interests of the three entities that regulate tribal governmental gaming: the tribes, the state and with the federal government. Our system is considered such a success that it has been identified as a model for other states.

As tribal leaders we are faced with many challenges including a lack of infrastructure, outdated schools, inadequate health care and a serious shortage of social programs on our reservations. All of these challenges are compounded by the reality of continually decreasing federal funding. Our current problems are the result of hundreds of years of neglect when tribes did not have the resources to address, let alone meet, these needs. Since the passage of Proposition 202 in 2002, our industry is now able to provide revenues and opportunities to tribes without gaming to begin to address many of our serious problems and help our tribes move toward self-reliance.

We are also proud that revenue from tribal governmental gaming is helping the people of our state. Today the economic impact of Indian gaming is being seen throughout Arizona, in education and trauma care, wildlife conservation, tourism and through programs to prevent and treat problem gambling. Sharing with others is another tradition of Indian people, a tradition we honor through our shared revenue program.

On behalf of the 18 tribes who are members of the Arizona Indian Gaming Association, thank you for your interest in our growing industry and enjoy our story.

Sincerely,

Delia Carlyle
Chairwoman Arizona Indian Gaming Association

Letter From The Executive Director



The Arizona Indian Gaming Association had another outstanding year under the leadership of our executive board of directors. AIGA tribal leadership continues to demonstrate that it is adept at multi-tasking. Under the direction of our Executive Committee, Chairwoman Delia Carlyle; Vice Chairwoman Bernadine Burnette; Secretary Herminia Frias; and Treasurer Nora McDowell, tribal leaders in our 18-tribe membership are successfully working together to improve our industry, while working with the State of Arizona to meet the requirements of the gaming compact and complying with all federal regulations. This multi-level effort has not gone unnoticed. U.S. Senator John McCain (R-AZ) singled out our state as a model for how tribes and state governments should work together on gaming oversight.

Just as gratifying is the public acceptance of our new industry. As an entertainment/service business, our success is a reflection of customer loyalty and satisfaction. In our competitive world, loyalty is the result of excellent product, and from the record numbers of visitors to our casinos, clearly tribal governmental gaming facilities are accepted as an exciting, fun entertainment option for residents and visitors to our state. It is appropriate to remember that the passage of Proposition 202 did much more than ensure that gaming would continue in Arizona. By providing the industry with a twenty year future, Prop 202 allowed tribal leadership and casino management to plan strategically and make sound business decisions about their gaming facilities. As you will see in this report, these decisions are already paying off for tribes and for all citizens of Arizona.

Sincerely,

Sheila Morago
Executive Director Arizona Indian Gaming Association

Arizona Indian Gaming Association

The Arizona Indian Gaming Association (“AIGA”), a 501 (c) 6 non-profit organization, has a membership of 18 tribes representing 90% of the Indian people living on reservations in Arizona.

AIGA was established in November 21, 1994 by Arizona tribal leaders. The Association is committed to advancing the lives of Indian peoples—economically, socially and politically—so Indian tribes in Arizona can achieve their goal of self-reliance.

The Association is committed to protecting and promoting the general welfare of tribes striving for self-reliance by supporting tribal gaming enterprises on Arizona Indian lands. Speaking on behalf of its member tribes with one, unified voice, AIGA serves as a clearinghouse and educational, legislative and public policy resource for tribes, policymakers and the public on Indian gaming issues and tribal community development. This organization is deeply committed to maintaining and protecting Indian sovereign governmental authority.

Current membership includes: Ak-Chin Indian Community, Cocopah Tribe, Fort McDowell Yavapai Nation, Fort Mojave Tribe, Gila River Indian Community, Havasupai Tribe, Hualapai Tribe, Kaibab-Paiute Tribe, Navajo Nation, Pascua Yaqui Tribe, Quechan Tribe, Salt River Pima-Maricopa Indian Community, Tohono O’odham Nation, San Carlos Apache Tribe, Tonto Apache Tribe, White Mountain Apache Tribe, Yavapai-Apache Nation and the Zuni Tribe.

Sheila Morago is the Executive Director of the Arizona Indian Gaming Association



Tribal Governmental Gaming

What Others Say

“What do Arizona’s schools, wildlife, sexual assault victims and libraries have in common? All benefit from Indian gaming. Indeed, Arizona tribes have provided more than \$100 million to the state in the first two years of revenue sharing, funneling \$47 million to our terribly under-funded K-12 schools. The expansion of Indian casino gambling has resulted in far more money than expected, providing tribes with money not only to jump-start their economies, but all contribute to areas that benefit us all.”

From “Our Opinion: Tribal Profits Enhance Lives In All Arizona”
May 3, 2005
Tucson Citizen Editorial

“...Casino oversight by tribal gambling regulators and a parallel system in which state regulators follow the money from player to casino to tribal gaming officers to the Arizona treasury make the state an example for good regulation, an industry analyst says. Federal officials also have a regulatory role.

The three-layer oversight is standard across the country, but analysts say Arizona’s tribal-state gambling agreement, or compact, detailing how the industry is operated and regulated here is thorough and a credit to state and tribal officials who negotiated it”

From “Arizona’s tribal gaming oversight a model plan” by John Stearns
May 2, 2005
Arizona Republic



Tribal Governmental Gaming In Arizona: Helping Gaming And Non-Gaming Tribes

What Others Say

“A successful cross-promotional alliance is just beginning for Fountain Hills and Fort McDowell Yavapai Nation. A new hotel and conference center near Fort McDowell Casino and a revamped downtown Fountain Hills entertainment district are just two major projects that could draw an influx of visitors over the next several years. Fountain Hills Mayor Wally Nichols and Fort McDowell President Raphael Bear share a vision to supplement their communities with more than the current golf courses, parks and cultural venues. Both leaders have worked together, with other progressive officials, to encourage outsiders to spend vacations or weekends in Fountain Hills or Fort McDowell.”

“A Business Relationship is Built on Mutual Respect”

August 15, 2005

Arizona Republic by Michael Ferraresi

Gaming revenues provide a major source of revenue for tribal governments. These revenues enable tribes to provide services and create opportunities that are greatly benefiting tribal members. Some examples...

TOHONO O’ODHAM NATION
completed a \$20 million, 60-bed care facility for seniors that allows seniors to return home to their land. Before this facility was built, seniors who needed extended care had to leave the reservation and their families and friends to find this kind of service. Now, in familiar surroundings, seniors are provided with authentic food and the opportunity to belong to the community. For the first time in the history of the Nation, Chairwoman Juan-Saunders has pulled together all three

educational entities, the Bureau of Indian Affairs, BIA schools, Tribal Education and the state run school, to develop a comprehensive educational plan. Three head start facilities have been completed and five recreation centers are planned.

SALT RIVER PIMA-MARICOPA INDIAN COMMUNITY – In June the SRPMIC opened the Senior Center lounge in Lehi. Prior to the construction of this new facility, seniors in Lehi had to travel to the Salt River senior center. In December, 2005, the new Salt River Correctional facility will open and house up to 120 inmates, more than doubling the capacity for housing incarcerated inmates. The facility will add rehabilitation programs, life skill programs, diabetes awareness and health programs. They are planning on a language class, GED classes, and stress management classes for correctional staff.



YAVAPAI-APACHE NATION –

Construction started in summer, 2005, on two new community buildings. The first project is a center for Yavapai-Apache Nation elders which will also include offices for medical staff. The second project is an all-new community resource and learning center which will house education programs. Both buildings are being done in partnership with the HUD Community Development Grant and the investment of the Nation.

In March 2005, the YAVAPAI-APACHE NATION hosted a digital story-telling film festival, the first tribe to do so. Topics of the short films ranged from Indian adoptions to an Apache woman's motivation for making a white dress, and from falling in love to an elder's lifetime fighting alcoholism. The digital story-telling course was offered through the ANA Language and Media program of the Yavapai-Apache Nation.

The WHITE MOUNTAIN APACHE TRIBE was selected in 2005 as an outstanding example of conservation partnerships and gave a presentation at the White House Conference on Cooperative Conservation. The tribe started a cooperative program to preserve the Apache trout, the only trout native to the White Mountains. They established a rearing program in Fish and Wildlife Service hatcheries on tribal land.

The HUALAPAI TRIBE will expand its tourism industry by creating a glass-bottomed sky walk that juts out 70 feet from the Rim of the Grand Canyon at Grand Canyon West. The sky walk will accommodate 120 people and provide a bird's eye view of the Colorado River and the canyon it carved. The tribe is also planning to add an Indian village and Western-themed town. The project will increase tourism to the Hualapai reservation, Grand Canyon West which is part of the reservation, and in northwest Arizona.

With gaming revenues, the PASCUA YAQUI TRIBE has opened a charter high school program and is making scholarships available for members to attend college. The Tribe is also providing loans to purchase and maintain homes for tribal members. Gaming revenues have enabled the Tribe to develop a health clinic, dental clinic and diabetes program. In 2005, the Tribe celebrated the Grand Opening of Del Sol Marketplace, a new gas station and mini-market facility located on Tribal land.

Tribal Governmental Gaming In Arizona: Helping Arizona

What Others Say

“The debut this week of the Radisson resort on the Fort McDowell Yavapai Nation is a landmark moment in the northeast Valley. It marks the fruition of the Indian communities as full-blown regional players in the hospitality and tourism industry. Their influence will only grow in the 21st century.”

Scottsdale Republic “New era for northeast Valley tourism
December 3, 2005

With revenues from gaming, AIGA member tribes are reaching out and helping neighboring communities and the state. Some examples...

The YAVAPAI-APACHE NATION awarded three full-ride scholarships to non-tribal freshman college students in August 2005. The Ambassador Scholarship award is given out each year by the tribe to non-tribal member students from the Verde Valley. “The goal of the Ambassador Scholarship is to invest in our communities and future leaders,” said Lisa Sandoval the Nation’s Higher Education program manager. The scholarship both promotes education and reflects the diversity of the Verde Valley. In the past six years, the Nation has awarded 18 scholarships at up to \$12,000 per student.

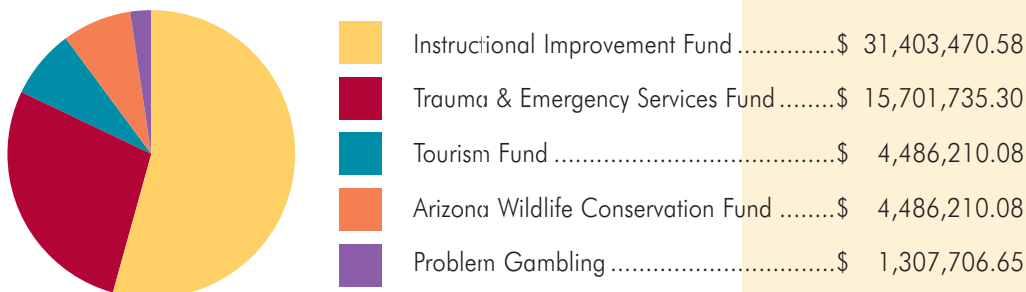
The TOHONO O’ODHAM NATION spent more than half its crime-fighting budget (nearly \$3 million) to provide border protection and security yet the Nation receives no direct funding through the National Homeland Security Reorganization Act. Among its many contributions, the Nation paid for 2,000 child car seats and thousands of books for the Tucson-Pima County Library System. It has funded a program that provided for new storage for a food bank and funded programs that tackle violence and sexual assault. It also gave \$65,000 to educational programs at the Vista Del R Resource Park, a Hohokam archaeological site on the East Side of Tucson to foster better interaction between the tribe and the neighborhood. The Nation is the 9th largest employer in Southern Arizona, paying out \$11 million in casino wages alone each year.

How Shared Revenues From Tribal Governmental Gaming Are Benefitting Arizona

With the passage of Proposition 202 in 2002, gaming tribes in Arizona committed to share a portion of shared gaming revenues with the state of Arizona and local governments to support specific state and local programs. Twelve percent (12%) of state-shared gaming revenues is directed to city, town and county governments for government services benefiting the general public such as public safety and promotion of commerce and economic development. An additional 9% of the total funds the State's regulatory expenses.

The remainder is contributed to the "Arizona Benefits Fund." After Department of Gaming administrative and regulatory costs, 88% of the Arizona Benefits Fund is dedicated helping Arizona. Fifty-six per cent (56%) of the shared revenues is directed to educational programs and needs; 28% funds emergency services and trauma centers; 8% funds wildlife and habitat conservation; 8% funds statewide tourism promotion and 2% supports the education, prevention and treatment of problem gambling.

As of October, 2005, Arizona's 22 Indian casinos generated \$1.349 billion in gaming proceeds and increased revenue 13.8 percent over the previous year. Casinos in Arizona share \$65.3 million with the state in the past fiscal year. In addition, the tribes shared 12% with cities and counties of their choice.



Update:

For the first two quarters of 2005, tribal contribution payments totaled \$44,732,429.

For fiscal quarter starting July 1 through September 30, 2005 gaming tribes contributed \$22,818,817 to the state, up 20% from the \$18,732,960 2004 contribution for that same quarter.

The numbers are impressive, but the stories are even more compelling.

EDUCATION

Shared revenues from Indian gaming add 10%- 20% additional dollars to the Classroom Site fund, money that is enabling school districts throughout the state to reduce class sizes, add needed teacher staff, invest in teacher development and generally work toward overall improvement of the education system in this state.

How Shared Revenues are helping two school districts...

"We have four different programs that we are either doing or planning to implement because of the additional funds that Prop 202 adds to our classroom site fund. Last year we hired a new teacher for the first grade to reduce class size. We are also going to pay for tuition for teachers at the primary and secondary level to attend the Northern Arizona Writing Project. Hosted by NAU, the program teaches writing across the curriculum. We know that writing should not be limited to English classes so this will be an opportunity to move writing into other classes. Just as an aside, when I taught chemistry, I always corrected my students' lab reports for punctuation and grammar as well as for chemistry. The kids would ask, 'Why are you correcting my writing in a chemistry class?"

The additional funding also is allowing us to send 20 teachers to attend the two full week writing program in the summer and another week spread out through the school year. And we are bringing in a program for the entire district staff called '20 Keys to Success.' This is a program to help our entire staff look at how they approach our students and learn how to change their way of working with students to a more positive-based approach. This program has had great success where it has been introduced, and our teachers are very excited about having the opportunity to learn it. The program is introduced with three full days of training and follow up sessions are provided throughout the year. Our staff of 340 full time employees will participate in the training in groups of 40 to 50.

Finally, with additional dollars that have been made available through the Arizona Benefits Fund,



we set up a series of mini grants. Our teachers can apply for grants for staff development, either individually or as a group. We are also asking them to explain how they will bring the information back to the classroom and share it with their colleagues to maximize the experience for our staff."

Mike Aylstock
Superintendent
Blue Ridge Unified School District
Lakeside, Arizona, Navajo County

"We're using Indian gaming dollars to help keep our students engaged through better teaching strategies. We are a small district. We work with a diverse population with a high poverty rate and many second language learners. We have earmarked our funds for teachers' salaries, teacher training, and drop out prevention programs because we know that teacher training goes hand in hand with drop out prevention. Our challenge is to help teachers learn how to actively engage students in the classroom. When students are actively engaged, they don't turn off and we have a better chance of keeping them in school.

We're part of the Yuma PLAN (Professional Learning And Networking). The program was started in Yuma four years ago. Every March a team of 50 trained observers spends two weeks going into every classroom in the district to look at teaching strategies, classroom instruction and to gather performance data. Through this massive process, we can determine what our training needs are for the next year. Then we target specific goals such as working on use of vocabulary, which is critical for second language learners, and maximizing instruction to engage students. Our goal is to get away from the "stand and deliver" teaching model. The program is showing real promise. It is helping teachers learn more effective ways to engage and work with students, specifically second language learners."

Bob Klee
Superintendent
Antelope Union High School District
Wellton, Arizona Yuma County





TRAUMA CARE

“We are fully committed to maintaining our trauma program but we would really struggle without Indian gaming dollars,” said Eileen Whalen, Vice President University Medical Center (UMC) in Tucson. When Tucson Medical Center (TMC) dropped out as a trauma center in 2003, the University Medical Center became the only trauma center in southern Arizona.

Trauma centers fight the enemy of time in a life-threatening emergency. It is critical to treat bleeding and shock immediately – within what is known as the “golden hour” – because a patient in shock for an hour or more is less likely to survive. “If a patient receives proper medical care within that first hour, the chances of survival triple, and the possibility of severe complications is significantly decreased,” said John M. Porter, M.D., chief trauma surgeon at University Medical Center.

Defined as a highly organized hospital program for the immediate treatment of the seriously injured, hospitals that are designated as trauma centers must meet stringent requirements. They must have available an extensive team of players that includes anesthesiologists, clinical laboratories, critical care medicine, emergency medicine physicians, neurologists, neurosurgeons, orthopedic surgeons, pharmacists, plastic surgeons,

radiology, scrub technicians, specialty therapists, social workers, trauma nurses and vascular surgeons.

“We get trauma patients transferred from all of southern Arizona, New Mexico and Sonora, Mexico,” continued Whalen. “When Tucson Medical Center closed, our patient caseload more than doubled to 4,600 trauma patients a year. To keep our trauma center staffed, we have gone from three to five trauma surgeons and now have two trauma orthopedists.” Whalen noted that in FY04 and 05, UMC received about \$3 million from shared revenues from Indian gaming. “Without this additional funding, we would have had to pay for our trauma center out of our operational budget, a move that would have negatively impacted other programs.”

By any measure UMC ranks No. 1 among academic trauma centers in the critical areas of patient survival rate, low cost and short length of stay. Funding the UMC trauma center is yet another way that gaming tribes are investing in Arizona.



TOURISM:

The additional revenues from Prop 202 enabled the Arizona Office of Tourism to greatly increase its marketing efforts to promote Arizona as a destination of choice for domestic and international visitors. In 2005, these new funds helped the Agency achieve nearly 235, 264,000 Gross Impressions. Each Gross Impression represents a potential visitor who may bring valuable revenue to Arizona.

As a research-driven agency, AOT targets its paid and earned media messages to specific audiences and markets, which are indicated as being the most lucrative for the state. These are called “Target Cities”. Over the last three years, the Agency has conducted “Targeted Cities” campaigns that have proven to be very successful. This year, with increased funding from Proposition 202, the Agency was able to expand this effort to extend the reach and frequency in its identified markets and therefore maximize exposure in all designated cities.

In 2005, revenues from gaming were used to support the Target Cities campaigns in Denver, Dallas, Chicago, Minneapolis/St. Paul and Portland. As in the past, AOT conducted an aggressive one-month, layered media and marketing blitz that featured print, radio and television advertising. In addition the Agency publicized its Arizona message on billboards and on coffee wraps. However, with additional dollars from Prop 202, AOT was able to carry this campaign to the next level and increase the reach (where the ads appeared) of the Agency’s ad campaign as well



as the frequency (the numbers of times these messages were seen). In the pre and post awareness study in the Portland market, for example, the enhanced advertising effort resulted in a gain of nine points in awareness of Arizona as a travel destination.

Prop 202 funding allowed AOT to further amplify its message by making available to other organizations opportunities to advertise in national publications. In 2005, the Greater Phoenix and Scottsdale Convention & Visitors Bureaus worked with AOT on a high-impact, eight-page insert in *Gourmet* and *The New Yorker*. Prop 202 funds also were used to support “Girlfriend Getaways”, a targeted and aggressive campaign designed to reach a lucrative niche market. This campaign was promoted with a special collateral piece that appeared in *Oprah*, *Shape* and *More* magazines. Prop 202 funding also supported a Direct Response Television campaign that promoted Arizona in the Agency’s Target Cities.

Overall, the additional revenues from Prop 202 are greatly benefiting all Arizonans. By raising our visibility and helping us get our message out more effectively, Prop 202 revenues are driving more visitors to our museums and cultural centers, restaurants, hotels, golf courses, spas and casinos throughout the state. With Prop 202 funds, AOT is able to attract more targeted visitors to experience Arizona’s natural wonders, Indian lands and many manmade attractions.





WILDLIFE CONSERVATION

In 2004, shared revenues from Indian gaming provided the Arizona Game and Fish department with \$4.5 million. These revenues, designated as the Department's "Wildlife Conservation Fund", are used to conserve wildlife, fund projects including fish and game management, forest restoration research, wildlife disease monitoring, public access improvements, water development initiatives, and support for shooting ranges and the shooting sports.

In 2004 and 2005, programs funded with Prop 202 dollars helped the Arizona Game and Fish department develop and improve wildlife waters at five times the previous rate. The department improved stocking operations in the Flagstaff and Williams areas to expand and extend fishing opportunities for catchable catfish, and provided funding for a fish barrier on Bear Wallow, a small recovery stream that is being used to restore the federally threatened Apache trout. Funds support weed-harvesting in lakes around the state, Walleye stocking in Apache Lake and habitat assessment on Tonto Creek. With gaming dollars, Arizona Game and Fish is conducting statewide research for predator management,



which includes a plan for better management of mountain lions that occur near urban areas.

With Prop 202 monies, the Department is also studying wildlife health and identifying and managing diseases that can affect wildlife and promote forest health. Other projects include restoring grasslands, creating a plan to control invasive species, and providing public access to public land through private or state-owned property that might otherwise be closed to the public. Gaming revenues are also enabling the Department to study and track big game such as Arizona deer, bighorn sheep and javelina. And these funds are enabling the Arizona Game & Fish department to restore the once-native Gould's turkey to the state. Additionally, Prop 202 revenues are building self-esteem for more than 400 youth, by teaching shotgun safety and skills through the department's Scholastic Clay Target Program.

PREVENTING AND TREATING PROBLEM GAMBLING

In Arizona, three distinct but complementary approaches are in place to prevent and treat problem gambling. These include the efforts of the Arizona Office of Problem Gambling, the Arizona Council on Compulsive Gambling and training and education programs at all of Arizona's tribal governmental gaming casinos. AIGA directly and indirectly supports all three efforts.

Arizona Office of Problem Gambling

In 2005, Tribal contributions to the Arizona Office of Problem Gambling totaled \$1,307,706.65. The program includes treatment and counseling; Gamblers Anonymous; help for families, and a self ban program. The anonymously completed "Client Satisfaction" survey sent to clients after completion of their treatment found that, of those surveys returned, 93% of clients were pleased with the results of their treatment program and would recommend it to others.

What the clients said: (from the Arizona Department of Gaming web site)

"This was a life changing experience. If everyone could go through it, the world would be a better place."

"Treatment for myself (non-gambler) was incredibly instrumental not only with my recovery but also my wife's success in her recovery, the health of our marriage and the future of our kid's mental health."

"I feel that this program has saved my life, and I would recommend it to others who have a gambling addiction."

"This was one of the most enlightening experiences of my life. My family has

changed so much for the better once I completed my program. My counselors are so knowledgeable and can help you get down to the core of the problem and deal with the issues. I am forever indebted to both of them. They saved my life and family."

"This has been the most effective program I have ever been in."

"It was a whole new level of therapy. I feel that I walked away with many new skills to cope with everything that comes my way."

Arizona Council on Compulsive Gambling

The Arizona Council on Compulsive Gambling provides grass roots, immediate hotline help for problem gamblers and their families. This program is staffed by local men and women who are recovering gamblers and have been trained to work with gamblers in crises. Arizona Indian tribes have a long history of supporting this organization.

Arizona Casinos

Arizona Tribal Casinos aggressively support prevention and treatment of problem gambling through in-house programs. Casinos disseminate information on problem gambling to customers and to their staff. They provide training for employees to recognize problem gamblers and learn basic intervention techniques. Arizona casinos also support an Employer Assistance Program designed to help casino employees and their families cope with and find effective treatment for problem gambling.



BRIEF TIMELINE: Indian Gaming In the U.S. and Arizona

1987 U.S. Supreme Court ruling in *California vs. Cabazon*

- Tribes could engage in forms of gambling that were not expressly prohibited by the state in which the tribe is located.
- If a state regulates gaming, in any form, then gaming falls under civil law for which Indian tribes cannot be prosecuted and the state is obligated under federal law to enter into compact negotiations with a tribe.
- If a form of gambling sought by a tribe is expressly prohibited by the state under criminal law, then the state can refuse negotiations for particular games on that basis.

1988 Indian Gaming Regulatory Act, IGRA

- In response to *California vs. Cabazon* ruling, IGRA was passed to create a balance between the tribe's right to conduct gaming on their reservation and the public interest of the states in which the tribes are located.
- IGRA provided for the conduct of Class III gaming on Indian lands if tribal-state compacts are entered into and only if similar games are offered in that state.
- Stipulates that if a state refuses to negotiate in good faith with a tribe, the tribe can sue the state.
- Stipulates that the Secretary of the Interior can offer alternative compacting if regulations are in place and a state refuses to negotiate in good faith with a tribe.
- Identifies the ways in which Indian gaming revenues can be spent.
- Identifies three regulatory systems: the tribal regulatory office, State Department of Gaming, and the National Indian Gaming Commission.

1992 Negotiations begin between the state of Arizona and the tribes

- Governor Fife Symington was granted legislative authority (H.B. 2352) for negotiating and signing compacts.
- First compact signed with Yavapai Prescott awarding them 250 slot machines.
- U.S. Attorney's office begins to seize Arizona Indian reservation slot machines. May 12, 1992, Fort McDowell refuses to turn over machines and a stand off begins.

1993 Chief Justice Frank Gordon rules slot machines are permitted in Arizona

- Tribes must have a compact with the state of Arizona.
- Eight tribes sign compacts with the state of Arizona.
- Eight more sign compacts with the State.

1994 *Rumsey Indian Rancheria of Wintum Indian v. Wilson*

- Ninth Circuit Court of Appeals rules that "a state need only allow Indian tribes to operate games that others can operate, but need not give tribes what others cannot have."
- Governor Symington refuses to sign 17th tribal compact with Salt River Pima-Maricopa Indian Community, claiming that *Rumsey* prohibits him from signing.

1996 Seminole Tribe of Florida vs. the state of Florida

- Seminole tribe of Florida is denied a tribal state gaming compact from the state of Florida. The state refuses to negotiate in good faith and the lawsuit goes up to the U.S. Supreme Court. The Court rules that if a state refuses to negotiate in good faith, the tribe **cannot sue** the state.

1996 Salt River Pima-Maricopa Indian Community places Proposition 201 – the Fairness Initiative – on the statewide ballot and sues the State of Arizona

- Initiative allows the five remaining tribes (Navajo, Hopi, Havasupai, San Juan Southern Paiute and Salt River Pima-Maricopa Indian Community) to have a gaming compact if they want one.
- Prop 201 wins by 64% of the vote.

1998 The Arizona Supreme Court rules in favor of Salt River Indian Community

- A lawsuit is filed against Salt River and Governor Fife Symington prohibiting the provision of Prop 201 from being implemented, even though Symington signs 201 into law. The State Supreme Court rules in favor of Salt River.
- June 1998, Governor Jane Hull signs a compact with the Salt River Pima-Maricopa Indian Community.

2002 17 Tribes in Arizona place Proposition 202 on statewide ballot

- Initiative placed on ballot after two and one-half years of negotiation
- Initiative represents more than 90% of all Indians living on reservations in Arizona and more than 240,000 Arizona citizens who signed petitions to place it on the state ballot.

November 5, 2002

- Voters approve Prop 202.
- Ensures that gaming on Indian land continues providing jobs and generating vitally needed funding for such basic services such as education, housing and health care;
- Provides a mechanism for non-gaming tribes located in more remote areas of the state to benefit from gaming revenues;
- Shares a portion of gaming revenues with the State of Arizona and local governments. Initiative stipulates that 12% of state-shared gaming revenues are earmarked for city, town and county government services. After Department of Gaming administrative and regulatory costs, eighty-eight percent (88%) of the Arizona Benefits Fund is dedicated to local school districts for statewide dropout prevention programs, school readiness and reading programs, and classroom reduction programs; emergency services and trauma centers, wildlife and habitat conservation, tourism promotion and education, prevention and treatment of problem gambling.
- Provides additional regulatory oversight by the Arizona Department of Gaming;
- Allows gaming tribes to continue to make voluntary donations to local charities, community programs and the state university system. To date, these contributions have totaled millions of dollars each year.

FACTS ABOUT NATIVE AMERICA

- ▶ By all statistical measures, American Indians are among the poorest people in the country.
- ▶ Despite the historic trust status with the U.S. government, tribal governments struggle to provide health, education, housing and related programs for their people.
- ▶ There are 2 million American Indians living in America today and 557 federally recognized tribes.
- ▶ Arizona has 22 federally recognized American Indian tribes.
- ▶ 38 percent of Indians, 6 to 11 years old, live below the poverty level, more than twice the number of the average U.S. citizen.
- ▶ 16 percent of Indian males and 13 percent of Indian females 16 years and older are unemployed as compared to 6 percent for average Americans.
- ▶ The suicide rate for 15 to 24 year-old Indians is more than twice that of any other American or ethnic group.
- ▶ Indians die younger than any other segment of the population. 13 percent of Indian deaths are under the age of 25. This compares to 4 percent of the U.S. population.
- ▶ The alcoholism death rate for Indians age 15-24 years old is more than 17 times the comparable rate for other Americans.
- ▶ Homicide is the second leading cause of death among Indians 14 years old and younger and the third leading cause of death for Indians 15-24 years old.
- ▶ Before World War I, Indians living on Arizona reservations were not legal U.S. citizens.
- ▶ Although Indians were exempt from the draft when the country entered the war in 1917, more than 8,000 Indian men and women voluntarily served in the Armed Forces.
- ▶ Congress passed the Indian Citizenship Act in 1924. Despite their being made U.S. citizens, Indians were not eligible to vote in Arizona.
- ▶ Facing World War II and the need for a universal draft, Congress again affirmed the citizenship of all Indian people “on or off reservation” in the Nationality Act of 1940.
- ▶ More than 25,000 Indian men and women served in the armed forces in World War II. But in Arizona, Indians were still not allowed to vote.
- ▶ After a lawsuit filed by two Yavapai men, Frank Harrison and Harry Austin, the Supreme Court of Arizona ruled on July 15, 1948, that Indians had the right to vote.

U.S. Snapshot of Indian Gaming

562 federally recognized tribal governments, located in 35 states.

Represent about 2.3 million tribal members.

224 Tribal Governments engaged in gaming (Class II or Class III)

354 Tribal Governmental gaming operations

28 states with Tribal Governmental gaming (Class II or Class III)

249 Tribal-State gaming compacts

400,000 plus jobs created – 75% held by non-Indians (In areas of high employment, 80% of some Tribal governmental gaming employees are non-Indian).

TRIBAL LANDS



Ak-Chin Indian Community <i>Harrah's Ak-Chin Casino</i>	Havasupai Tribe	San Juan Southern Paiute Tribe*
Cocopah Tribe <i>Cocopah Casino</i>	Hualapai Tribe	Tohono O'odham Nation <i>Desert Diamond Casino I & II and Golden Ha'San Casino</i>
Colorado River Indian Tribes* <i>Blue Water Casino</i>	Hopi Tribe*	Tonto Apache Tribe <i>Mazatzal Casino</i>
Fort McDowell Yavapai Nation <i>Fort McDowell Casino</i>	Kaibab-Paiute Tribe	White Mountain Apache Tribe <i>Hon Dah Casino</i>
Fort Mojave Indian Tribe <i>Spirit Mountain Casino Valley, Avi Resort Casino</i>	Navajo Nation	Yavapai-Apache Nation <i>Cliff Castle Casino</i>
Fort Yuma-Quechan Tribe <i>Paradise Casino</i>	Pascua Yaqui Tribe <i>Casino of the Sun Casino Del Sol</i>	Yavapai Prescott Tribe* <i>Yavapai Gaming Center & Bucky's Casino</i>
Gila River Indian Community <i>Gila River Casinos at Wild Horse Pass, Lone Butte and Vee Quiva</i>	Salt River Pima-Maricopa Indian Community <i>Casino Arizona at Salt River Casino Arizona at Talking Stick</i>	Zuni Tribe
	San Carlos Apache Tribe <i>Apache Gold Casino</i>	

*Not a member of AIGA

A SNAPSHOT: INDIAN GAMING IN ARIZONA 2005

- ▶ 21 tribes have compacts.
- ▶ 15 have gaming facilities.
- ▶ Arizona has 12,127 slot machines.
- ▶ Arizona has 441 table games.
- ▶ Every tribe except one operates its own casino operation.
- ▶ Only the small Ak-Chin Indian Community employs a management company.
- ▶ Indian gaming created 10,000 plus first tier jobs.
- ▶ 43% of these jobs are filled by Native Americans.
- ▶ Tribal governmental gaming generated \$31 million in payroll taxes.
- ▶ Tribal governmental gaming contributed \$110 million in employee benefits.
- ▶ Approximately \$240 million was spent on in-state vendors for food, merchandise and services.
- ▶ Arizona tribes and the state spent more than \$35 million in oversight.
- ▶ Arizona tribes spent more than \$25 million for tribal regulation.
- ▶ Arizona Tribes contributed \$8 million of the \$10 million annual budget of the Arizona Department of Gaming.
- ▶ Arizona has 567 regulatory employees which equates to one regulatory employee for every 21 games. In contrast, Atlantic City has 34,225 games in play, has one regulatory employee for every 95 games; and Nevada, which has 211,760 games in play, has one regulatory employee for every 492 games.
- ▶ Arizona spends roughly \$3,000 per year per game for regulation, while Atlantic City, with an industry three times the size, spends \$672 per game per year and Nevada, with nearly twenty times the games, spends \$118 per game per year.

The State Of Indian Gaming In Arizona



Ak-Chin Indian Community

Location: Santa Cruz Valley, 35 miles south of Phoenix

Reservation: 21,840 acres; created in May 1912
Peoples: Papago and Pima
Population: 742

Enterprises: Agriculture, 109-acre industrial park
Attractions: Him-Dak Museum displays tribal crafts and photos of the Ak-Chin people and a tribute to the Community's Veterans

Gaming:
Harrah's Ak-Chin Casino
www.harrahs.com/our_casinos/ako/



Cocopah Tribe

Location: Approximately 13 miles south of Yuma and bounded by the Colorado River

Reservation: 7,772 acres; created in 1917
Peoples: Cocopah
Population: 901

Enterprises: Farmland leases, convenience store, gas station and smoke shop
Attractions: Tribal museum and tribal cultural center, golf course, swimming, tennis, Cocopah RV Park

Gaming:
Cocopah Casino
www.cocopahresort.com



Fort McDowell Yavapai Nation

Location: 45 miles northeast of Phoenix on Hwy 87
Population: 960

Reservation: 24,000 acres; created in 1903
Enterprises: Fort McDowell Farms, Fort McDowell Adventures, Yavapai Materials, Baja Gas Station, We-Ko-Pa Golf Course, Asah Gweh Oou-o RV Park and coming soon Radisson Hotel/Convention Center

Attractions: The Verde River, Fort McDowell Adventures and majestic view of Red Mountains

Gaming:
Fort McDowell Casino, "The Fort"
www.fortmcdowellcasino.com



Fort Mojave Indian Tribe

Location: Along the banks of the Colorado River, in both Arizona and Nevada

Reservation: 22,820 acres in Arizona; 3,862 acres in Nevada, and 6,298 acres in California
Peoples: Ft. Mojave Population: 1,120

Enterprises: Agriculture
Attractions: Water activities; hiking, rock hounding and hunting in the Black Mountain Range east of the reservation

Gaming:
Spirit Mountain Casino
Avi Resort Casino
www.avicasino.com

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Fort Yuma-Quechan Tribe

Location: Along both sides of the Colorado River near Yuma.

Reservation: 43,958 acres total; 2,381 acres in Arizona; created in 1884
Peoples: Quechan
Population: 2,831

Enterprises: Tourism, agriculture (leased farm), sand and gravel (lease), utility company, and Quechan Market
Attractions: Five trailer and RV parks, museum, bingo hall, water sports along the Colorado River

Gaming:
Paradise Casino
www.paradise-casinos.com



Gila River Indian Community

Located: Just south of metro Phoenix, bordering Phoenix, Mesa, Gilbert, Coolidge, Casa Grande, Avondale and others
Reservation: 373,365 acres; created in 1859.

Peoples: Pima-Maricopa
Population: 16,500 (estimated)
Enterprises: Agriculture, Health Care, Industrial Parks, Resorts, Golf and Entertainment, Telecommunications and others

Attractions: Sheraton Wild Horse Pass Resort and Spa, Whirlwind Golf Club, Toka Sticks Golf Course, Gila River Arts and Crafts Center, HuHugam Heritage Center, Firebird International Raceway, Bondurant School of High Performance Driving and Casa Grande Ruins National Monument

Gaming:
Gila River Casinos at Wild Horse Pass, Lone Butte and Vee Quiva
www.winglariver.com



Havasupai Tribe

Location: Southwest corner of Grand Canyon National Park.

Reservation: 185,516 acres, created in 1880
Peoples: Havasupai
Population: 650
Enterprises: Government, packing and farming

Attractions: Four waterfalls with turquoise blue waters: the Navajo, Havasu, Mooney and Beaver, ranging from 1.8 miles to 8 miles from the village. Havasupai Tribal Museum offers tribal crafts
www.itcaonline.com



Hualapai Tribe

Location: Along 108 miles of the Colorado River and the Grand Canyon
Reservation: 992,463 acres, created in 1883

Peoples: Hualapai
Population: 2,210

Enterprises: Tourism, cattle ranching, timber sales and arts and crafts
Attractions: Hunting, fishing, camping, river running
www.itcaonline.com



Kaibab-Paiute Tribe

Location: On the Utah border

Reservation: 120,413 acres: created in 1934
Peoples: Paiute
Population: 231
Enterprises: Tourism, livestock, agriculture, fruit orchard, trailer park and campground

Attractions: Pipe Springs National Monument, Steamboat Rock, North Rim of Grand Canyon, Lake Powell, Glen Canyon all within easy touring distance
www.itcaonline.com



Navajo Nation

Location: Approximately the size of West Virginia, it spans Arizona, New Mexico and Utah
Reservation: 17,686,465 acres total; 11,601,856 in Arizona; created in 1868

Peoples: Navajo
Population: approximately 180,462
Enterprises: Housing, utilities, arts & crafts business, lodging, radio, energy, retail centers, transit, engineering and construction.

Attractions: Monument Valley, Canyon de Chelly, Navajo National Monument, Chaco Culture National Historic Park, the Navajo Nation Fair, Navajo Tribal Museum, Four Corner's Monument Hubble Trading Post
www.navajo.org



Pascua Yaqui Tribe

Location: Pasqua Village in Tucson and Guadalupe near Phoenix.

Reservation: 892 acres total. A 222-acre reservation was created in 1964 in south-eastern Arizona. In 1978, the Pascua Yaquis attained the same status as all other federally recognized U.S. Tribes. Additional acres were acquired in 1982.

Peoples: Pascua Yaqui
Population: 12,918
Enterprises: Gaming – Casino of the Sun and Casino Del Sol, AAA Pet Lodge, Del Sol Marketplace which includes a gas station, mini market and smoke shop.

Gaming:
Casino of the Sun
Casino Del Sol
www.casinodelsol.com



Salt River Pima-Maricopa Indian Community

Location: 15 miles northeast of Phoenix; bordered by Scottsdale, Mesa, Tempe and Fountain Hills
Reservation: 53,000 acres; created in 1879

Peoples: Pima and Maricopa
Population: Membership 7,300+
Enterprises: Salt River Materials Group, Red Mountain Trap & Skeet, Salt River Landfill, Cypress Golf Course, Talking Stick Golf Course, Saddleback Communication, Salt River Devco, Gaming Enterprise

Attractions: Hoo-Hoogam Ki Museum, Pavilions Shopping Center; Talking Stick Golf Club and Casino Arizona-Native art collection

Gaming:
Casino Arizona at Salt River
Casino Arizona at Talking Stick
www.casinoaz.com



San Carlos Apache Tribe

Location: Spans Gila, Graham and Pinal counties in southeastern Arizona.

Reservation: 1,826,541 acres; created in 1871
Peoples: Apache
Population: 11,328
Enterprises: government, cattle ranching, gaming

Attractions: San Carlos Lake, Talkahai Lake, Seneca Lake, Point of Pines Lake, World Record Elk Harvest, hunting and fishing. The Culture Center in Peridot is one of two places in the world where peridot is mined.

Gaming:
Apache Gold Casino
www.apachegoldcasinoresort.com



Tohono O'odham Nation

Location: Comparable in size to Connecticut, in south central Arizona and into Mexico, includes 12 communities.
Reservation: 2,854,881 acres approximately 5,000 square miles; created in

1874. Incorporates the 71,095-acre San Xavier reservation, the 10,409-acre Gila Bend Reservation and the 20-acre Florence Village
Peoples: Tohono O'odham
Population: 27,500
Attractions: San Xavier Mission Del Bac

(the White Dove of the Desert), Kitt Peak National Observatory, arts and crafts market, Baboquivari Mountain Park
Enterprises: Papago Farms, San Xavier Industrial Park, Nursing Home, Tohono O'odham Community College, KOHN-FM Radio Station

Gaming:
Desert Diamond Casino I and II and Golden Ha'San Casino
www.DesertDiamondCasino.com



Tonto Apache Tribe

Location: Next to Payson, AZ
Reservation: 85 acres; created in 1972

Peoples: Tonto Apache
Population: 110
Enterprises: Gaming, Lodging, Retail and Government

Attractions: The reservation is surrounded by the Mazatzal Mountains, the Sierra Ancha Mountains, and the Mogollon Rim

Gaming:
Mazatzal Casino
www.777Play.com



White Mountain Apache Tribe

Location: East central Arizona
Reservation: 1,664,984 acres; created in 1891

Peoples: White Mountain Apache
Population: 13,500+
Enterprises: Livestock, agriculture, tourism, ski resort, timber mill, re-manufacturing plant

Attractions: Sunrise Ski Resort, elk hunting, fishing

Gaming:
Hon Dah Casino
www.Hon-Dah.com



Yavapai-Apache Nation

Location: Central Yavapai County
Reservation: 644 acres

Peoples: Yavapai-Apache
Population: 1,638
Enterprises: Storytellers Steakhouse, the Gallery Restaurant, Johnny Rockets restaurant, Shake Rattle & Bowl – Bowling Alley, Cliff Castle Lodge and Conference Center,

the Gathering Restaurant, Native Visions Tours, Yavapai-Apache Farm and Ranch & Yavapai-Apache Sand and Gravel

Gaming:
Cliff Castle Casino
www.cliffcastlecasino.net



Zuni Tribe

Location: Northeastern Arizona
Reservation: Over 12,000 acres (established in 1984)
Peoples: Zuni (Ashiwi)
Population: Over 10,000 tribal members

Enterprises: Zuni Furniture Enterprise, Pueblo of Zuni Arts & Crafts Enterprise, Zuni Forest Products & Services Enterprise
Attraction: The Arizona portion of the Zuni Reservation is undergoing environmental restoration and is not open for tourist activi-

ties. The New Mexico portion of the Reservation (located on the Arizona/New Mexico border) has many world-class jewelry shops and is a popular destination for outdoor activities.
www.nativeamericans.com

AIGA In Action 2005

JANUARY

Tribal leaders attend inauguration for George W. Bush in Washington, D.C.

Arizona Indian Nations and Tribes Legislative Day held at the Arizona State Capitol. Chairman Dallas Massey, Sr., Chairwoman Kathy Kitcheyan and Chairwoman Herminia Frias address the 10th annual event.

Tribal leaders host a breakfast with Governor Janet Napolitano.

Bernadine Burnette elected Vice Chair and Herminia Frias elected Secretary of AIGA.

FEBRUARY

First joint Southwest Indian Gaming Association trade show held in Albuquerque, New Mexico with AIGA partnering with New Mexico Indian Gaming Association.

Tribal leaders attend NIGA Winter Legislative Summit in Washington, D.C.

MARCH

Tribal leaders attend NCAI Executive Council winter session.

AIGA sponsors Western Governors Association Summit on Indian Gaming in Denver, Colorado. Larry Landry is a guest speaker.

APRIL

Tribal leaders attend NIGA annual convention in San Diego.

Tribal leaders attend Arizona Impact Week in Washington, D.C.

MAY

Sheila Morago is a guest speaker on Indian gaming at Mesa Community College.

Sheila Morago is a guest speaker at Arizona State University on the economic impact of Indian gaming.

Sheila Morago addresses the Fort McDowell Yavapai Nation at the 13th Annual Sovereignty Day.

JUNE

Chairwoman Delia Carlyle and Sheila Morago attend the Western Governors Association annual meeting in Breckenridge, Colorado.

Tribal leaders attend NCAI mid-year conference in Oneida, Wisconsin.

Chairwoman Vivian Juan-Saunders and Chairman Dallas Massey, Sr. testify in Washington, D.C. before the Senate Committee on Indian Affairs hearing on regulation of Indian gaming.

JULY

Tribal leaders attend NIGA Legislative Summit in Washington, D.C.

Sheila Morago is a guest speaker at Native American Youth Entrepreneur Camp at the University of Arizona.

AUGUST

Tribal leaders attend the Native Women in Leadership Conference at Hon-Dah Casino, in White River, Arizona.

Tribal leaders meet with Senator John McCain (R-AZ) in Phoenix.

Sheila Morago meets with the Arizona Republic Editorial Board.

SEPTEMBER

Tribal leaders host a panel on domestic violence in Indian Country at the National Foundation of Women Legislators 67th annual conference, in Phoenix.

Tribal leaders attend Global Gaming Expo in Las Vegas. Sheila Morago is a guest speaker on the relationship of tribal and state governments.

First AIGA legislative workshop held in Sedona.

OCTOBER

Tribal leaders attend NIGA Tribal Leaders meeting in Washington, D.C.

Sheila Morago is a guest speaker at Native American Youth Conference, Arizona State University West.

Tribal leaders attend NCAI 62nd annual convention in Tulsa, Oklahoma.

NOVEMBER

Tribal leaders attend NIGA mid-year meeting in Ft. Lauderdale, Florida.

AIGA hosted the staff of the Senate Committee on Indian Affairs to tour tribal governmental gaming regulatory operations in Arizona.

Tribes & Gaming

The Basics

Tribes have a right to conduct gaming.

As sovereign governments, tribes have always had the right to conduct all governmental activities, including gaming. Indian gaming is a right of Indian Nations, derived from sovereignty recognized by the Supreme Court and Congress. In 1987, the U.S. Supreme Court recognized Indian people's right to run gaming on Indian land if such gaming is permitted outside the reservation for any other purpose. Congress established the legal basis for this right when it passed the Indian Gaming Regulatory Act ("IGRA") in 1988.

The Indian Gaming Regulatory Act provides the statutory foundation.

A major purpose for the Indian Gaming Regulatory Act (IGRA) was "to provide a statutory foundation for Indian gambling operations as a means of promoting economic development, self-sufficiency and strong tribal government." Therefore IGRA established an economic rationale for Indian gaming on reservations. IGRA created three classifications of Indian gaming, Class I, II and III, and corresponding regulatory and gaming standards. And IGRA requires states to negotiate in good faith with Indian tribes that seek to enter Tribal-State compacts to conduct Class III gaming.

Gaming is part of Indian culture.

IGRA did not create Indian gaming. Gaming has always played a large role in the culture and traditions of many tribes. Gaming on Indian lands for both non-Indians and Indians began in the late 1970s when several tribes began operating commercial bingo and poker games on their reservations. This occurred at the same time that state lotteries were proliferating throughout the country.

IGRA actually eroded tribal rights.

Before IGRA, tribes did not have to consult states about their decision to have gaming on their lands. With IGRA, tribes were forced to negotiate with states in order to open casinos.

Indian gaming is the first and only tool for self-sufficiency that has ever worked for tribes.

Indian tribes are governments and like city and state governments must provide services for their citizens. But unlike other governments, tribes do not have a tax base to provide revenue for services. Gaming has enabled tribes to have a dependable source of revenue to meet critical needs. In 2004 tribes in Arizona used gaming revenues to improve infrastructure, deliver healthcare, upgrade education and create new housing. Moreover, tribal governments are using gaming revenues to diversify and conduct other economic enterprises.

Arizona Gaming Tribes Are Helping Each Other.

With the passage of Prop 202 in 2002, Arizona Tribes that are too remote to have casinos benefit from Indian gaming by receiving funds through intertribal transfer agreements of gaming devices with gaming tribes.

Indian Gaming & Regulation

Indian gaming is regulated by the tribes, the state and the federal government.

These are three separate and distinct levels.

Tribes provide the first and primary level of regulation.

The Indian Gaming Regulatory Act (IGRA) mandates that Tribes establish a regulatory body (tribal regulators and commissions) to ensure that operations are in compliance with local ordinances and Tribal/State compacts. Tribes are responsible for the on-site operation and management of all gaming facilities.

Name	No. of Slot Machines	Poker Tables	Black Jack Tables	Date Opened
Apache Gold	467	5	6	May-94
Casino Arizona at Salt River	998	0	50	August-98
Casino Arizona at Talking Stick	532	45	36	March-99
Casino Del Sol	998	13	30	October -01
Casino of the Sun	507	0	6	March-94
Cliff Castle Casino	565	7	10	May-95
Cocopah Casino	475	0	8	November-92
Desert Diamond Casino	902	18	21	October-93
Desert Diamond II	498	0	15	July-01
Fort McDowell Gaming Center	775	30	18	January-93
Golden Hassan	0	0	0	February-99
Harrah's Ak-Chin Casino	902	8	16	December-94
Hon Dah Casino	598	3	4	December-93
Lone Butte Casino	450	0	6	January-02
Mazatzal Casino	368	1	6	September-93
Paradise Casino	475	0	0	August-96
Spirit Mountain Casino	200	0	0	April-95
Vee Quiva Casino	675	10	10	December-97
Wild Horse Pass Casino	750	14	19	November-97

The Arizona Department of Gaming (ADOG) serves as the second level of regulation.

ADOG is responsible for enforcing Tribal/State compacts. The Department's regulatory responsibilities include certification of individuals and businesses and regulation of gaming operations to ensure compliance with compact provisions.

The National Indian Gaming Commission is the third level.

NIGC oversees regulation of Indian Gaming nationally. Other Federal agencies responsible for enforcing laws relating to Indian gaming include the Interior Department, the Justice Department, the FBI, the IRS, the Secret Service and the Treasury Department's Financial Crimes and Enforcement Network.

Tribal Governments and Sovereignty

The U.S. Constitution recognizes Indian tribes as sovereign nations with self-governing powers.

Tribes have the same status as states and foreign nations. The U.S. Supreme Court has consistently upheld this view.

The U.S. Constitution gives primary authority over tribes to Congress, not to states.

Tribal governments are not subservient to state governments; by law, tribes regulate their own civil affairs.

Sovereignty is the right to govern yourself.

When tribes gave up their lands in treaties with the U.S., they retained the right to continue governing themselves as they had for centuries. Like states, tribal governments make and enforce their own laws; provide services for citizens; raise and spend revenues; regulate commerce; establish citizenship rules and negotiate with other governments.

Tribes set their own citizenship criteria, just as states do.

Most require proof of blood quantum or lineal ancestry.

Taxes and Land

Indian tribes and Communities are sovereign governments. Sovereign governments do not tax one another.

If they could, one government unit could seize power by taxing another out of existence.

Tribal casinos are tax-exempt because they are government operations.

They are not private, for-profit businesses. Congress intended tribal gaming to be a source of revenue for tribal governments, not a revenue source for states. Revenue from tribal governmental gaming acts in lieu of a tax base for tribal governments, almost all of which have few other resources.

In 2004 tribal government gaming nation-wide generated \$5.5 billion in federal taxes, \$1.8 billion in state government revenue and more than \$100 million for local governments. In Arizona, in 2005, tribal governmental gaming generated approximately \$31 million in payroll taxes.

All Indians pay federal income tax on all income, including on per capita payments.

All Indian people pay FICA taxes, social security taxes, sales and other excise taxes. Only Indians who live and work on their own federally recognized reservations – not unlike soldiers and their families living on military bases– are exempt from paying state income and property taxes.

Indians do not receive regular payments from the federal government.

Federal aid is directed to tribal governments, not to individuals. In rare cases, individual tribal members may receive direct payments as part of negotiated or court ordered settlement of land, treaty, mineral rights or other claims.

Land has great spiritual and cultural significance to tribes.

Even in modern times, activities like hunting, fishing, logging and farming provide a vital connection to Indian culture and traditions. Most tribes, therefore, do not view land as a commodity to be sold or “used”, but rather as a long-term cultural asset to be preserved.

OFFICERS AND STAFF OF AIGA

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VICE CHAIR Bernadine Burnette
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CREATING STRONG ECONOMIES • EMPOWERING INDIAN COMMUNITIES

