

Indian Gaming and Retailers Gaming Not the Same

In this issue of *Siletz News*, I'd like to address an important issue that emerged a couple of years ago and there are indications it may crop up again. It involves an effort to persuade the state to allow retailers to increase the number of video lottery terminals (VLTs) in their establishments. At the present time, each retailer is allowed five machines. They want to increase this number and add line games.

To provide some perspective to this issue, here are a few statistics. During 2002, 2,117 retailers in the state operated 10,585 VLTs, grossing more than \$480 million and netting more than \$156 million. The average net revenue for each individual retailer was \$74,019.

Some people feel that retailers (owners of bars, taverns, clubs, and restaurants) should be allowed additional VLTs because they're forced to compete with Indian casinos on an uneven and unfair playing field.

This reasoning simply is wrong! There's no similarity whatsoever between tribes that own casinos and retailers that operate state-sponsored VLTs and other state-owned gambling equipment.

- ◆ In the first place, tribes use casino revenues for tribal government purposes in the same way the Oregon state government uses its share of lottery revenues. Both

use gaming revenues to help meet the educational, economic development, and natural resources needs of their state and tribal governments.

- ◆ In contrast, retailers – owners of bars, taverns, clubs, and restaurants – use profits from the VLTs in their establishments for their own individual, personal benefit.
- ◆ Indian tribes have invested millions of dollars in the construction, frequent remodeling, and maintenance of their casinos. These architecturally attractive, first class facilities have become the pride not only of the tribes that own them, but also of the surrounding non-Indian communities.
- ◆ On the other hand, retailers have been able to add lottery-sponsored VLT machines with very little, if any, capital expense. Generally, these retailers simply re-arrange the furnishings in their bars, taverns, clubs, and restaurants to make room for the lottery-sponsored gambling machines.
- ◆ Indian casinos have created thousands of jobs in Oregon, not only for tribal members, but also for many unemployed non-Indians, especially in economically distressed areas. These casinos also have helped stimulate the economy of the surrounding businesses.



Jessie Davis

- ◆ On the other hand, shares of lottery-generated revenue go to retailers who have not materially increased jobs, improved the local economy, nor benefited local governments.
- ◆ Tribes buy their machines at more than \$10,000 each, pay for maintaining them, and purchase new ones to replace them as necessary.
- ◆ Retailers don't purchase the gambling equipment in their establishments. The machines are loaned to them by the state lottery, which maintains them at no cost to the retailers.
- ◆ The tribes pay an enormous amount for security and surveillance to ensure that gambling within their casinos is operated according to strict federal, state, and tribal regulations.
- ◆ The Siletz Tribe alone pays more than \$2 million annually to three regulatory agencies – 1) the federal agency, the National Indian Gaming Commission; 2) the

Oregon State Police Gaming Section, according to the tribes compact with the state of Oregon; and 3) the independent Siletz Tribal Gaming Regulatory Agency, which includes a three-member hearings commission.

- ◆ Also, casino management has a compliance officer who ensures that all internal controls are being complied with. The casino also has more than 390 surveillance cameras scattered throughout the casino and a well-trained surveillance staff that monitors the cameras 24 hours a day, reporting issues of non-compliance to casino management and to the regulatory agencies.
- ◆ In contrast, retailers have no special regulatory, security, or surveillance equipment or personnel expenses.
- ◆ All Oregon gaming tribes, by their own internal tribal regulations, prohibit the use of alcohol wherever gambling is conducted in their casinos. Patrons of Indian casinos in Oregon are prohibited from drinking alcohol and gambling at the same time. In fact, although most Oregon tribal casinos have special lounge areas where alcohol is permitted, patrons are prohibited from even taking alcoholic drinks onto the casino floor. As anyone knows who has visited tribal casinos, security officers closely monitor to make sure this strict tribal regulation is enforced.

If we were to listen only to the retailers, their story would be quite slanted as to why they need more than the tribes do without adding more benefits to the economy or to local communities.

CTSI/Tenas Illahee Jobs

Position: Part-time Hearings Commissioner

Department: STGRA

Location: Lincoln City, Oregon

Salary: \$35 per hour for regulatory duties up to 40 hours per month, Tribal Council hourly rate for training and conferences

Opening date: 5/1/2003

Closing date: 5/16/2003

Position: Child Care Worker

Department: Tenas Illahee Child Care Center

Location: Siletz, Oregon

Salary: \$8.50 per hour

Opening date: 4/10/03

Closing date: Open Until Filled

Note: "Open Until Filled" vacancies may close at any time.

The tribe's Indian Preference policy will apply. Tribal government and the Tenas Illahee Board of Directors will not discriminate in selection because of race, creed, age, sex, color, national origin, physical handicap, marital status, politics, membership or non-membership in an employee organization.

CTSI Employment Job Line
541-444-8296

1-800-922-1399, ext. 296

Visit our Web site at
<http://ctsi.nsn.us>

Position Available at Sicangu Policy Institute

The GIS coordinator position, under the direction of the Sicangu Policy Institute Land and Natural Resource Program at Sinte Gleska University in Mission, S.D., is open.

E-mail an application letter, resume, university transcripts, statement of interest, and contact information for three references to James Rattling Leaf at jamesrl@sinte.edu. For more information, call 605-856-4262.