AN ANALYSIS OF THE ECONOMIC IMPACT OF INDIAN GAMING IN 2005

NATIONAL INDIAN GAMING ASSOCIATION

Rebuilding Communities Through Indian Self-Reliance
TOP: Menominee College Science Lab. With Indian gaming, many young tribal people today are getting a chance to further their education. CENTER LEFT: Indian gaming revenues at the Rosebud Sioux Tribe have helped fund the Youth Wellness and Renewal Center. CENTER RIGHT: The Oneida Community Health Center provides comprehensive outpatient and inpatient medical services to Tribal members living on or near the reservation. BOTTOM: The youngest Native children benefit from Indian gaming at the Pueblo of Isleta’s (New Mexico) Head Start and Child Care program.
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Kickapoo Powwow Tribal veterans are honored at the annual powwow during Grand Entry.

Santa Ynez Band of Chumash Indians in California gaming operations have been responsible for contributing $1.5 million to the Santa Barbara County Fire Department for a firefighter/paramedic positions.

Because of gaming dollars the Confederated Tribes of the Umatilla Indian Reservation fund a summer and after school recreation program for tribal youth. Part of the activities include tribal youth learning about wildlife.
Americans understand that Indian tribes are making important gains through Indian gaming. A recent national poll commissioned by NIGA found that more than 75% of Americans agree that Indian tribes benefit from having casinos; Indian gaming provides jobs for Indians; and that Indian gaming generates essential revenues that tribes can use to provide essential services to tribal members. That’s not surprising because more than 22 million Americans visited Indian gaming facilities in 2005, and they saw first hand the progress that Indian tribes are making through Indian gaming.

In this report, NIGA releases its third economic impact study. The report documents the impact gaming had in Indian Country, as well as our neighboring communities, during 2005. The numbers, compiled from Tribes across the country, tell an exciting story of successful, responsible growth and promise.

The Economic Impact of Indian Gaming: Nationwide, 224 Indian tribes in 28 states use Indian gaming to create new jobs, fund essential government services and rebuild communities. In 2005, tribal governments generated:

- $22.6 Billion in gross revenue from Indian gaming (before wages, operating expenses, cost of goods and services, capital costs, etc. are paid);
- $2.7 Billion in gross revenue from related hospitality and entertainment services (hotels, resorts, restaurants, golf, entertainment complexes, and travel centers, etc.);
- 600,000 jobs nationwide for American Indians and our neighbors (direct and indirect jobs created by Indian gaming’s economic multiplier effect);
- $7.6 Billion in Federal taxes and revenue savings (including employer and employee social security taxes, income taxes, excise taxes, and savings on unemployment and welfare payments);
- $2.2 Billion in state taxes, revenue sharing, and regulatory payments (including state income, sales, excise taxes, regulatory payments and revenue sharing pursuant to Tribal-State compacts);
- More than $100 Million in payments to local governments.

Background: Indian Gaming and Original Indian Sovereignty. Long before Columbus arrived in America, Indian tribes were independent sovereigns. From the first days of the Republic, the United States acknowledged the sovereign authority of Indian tribes. In 1778, the first Indian treaty recognized tribal rights of self-government and the Constitution affirms the sovereign status of Indian tribes in both the Treaty and Indian Commerce Clauses. Today, Indian tribes exercise their original sovereign authority to conduct Indian gaming.

Indian Gaming and the Indian Gaming Regulatory Act: The Indian Gaming Regulatory Act (IGRA) protects Indian gaming as a means to promote “tribal economic development, self-sufficiency, and strong tribal governments.” And it’s working. Across America, schools and hospitals are being built, dirt roads are being paved, and safe drinking water flows – sometimes for the first time.

The benefits of Indian gaming are far reaching and extend in many
Across America, schools and hospitals are being built, dirt roads are being paved, and safe drinking water flows – sometimes for the first time.”

directions. For example, the Mille Lacs Band of Ojibwe in Minnesota built two schools, the Oneida Nation of Wisconsin built its Turtle School to reflect Oneida culture, and the Mescalero Apache built a new K-12 school. The Salt River Pima-Maricopa Indian Community in Arizona built a dialysis clinic, the Choctaw Nation of Oklahoma built a hospital and the Shakopee Mdewakanton Sioux Community in Minnesota built a family birthing clinic. The Pueblo of Santa Ana in New Mexico recently completed a water system to provide service to its communities and the Yankton Sioux Tribe in South Dakota built a new water tower.

Tribal governments also use gaming revenues to provide essential services, such as education, health care, police and fire protection to all tribal members from toddlers in day care to grandmothers in elder care programs. The Tohono O’odham Nation in Arizona uses gaming revenue to fund police patrols of the border and 60% of its police budget is used to protect its 75 mile stretch of border with Mexico. The Pechanga Band of Luiseno Indians in California uses gaming revenue to fund its fire department which responds to frequent wildfires in nearby communities. The Rosebud Sioux Tribe in South Dakota uses gaming revenue to provide school clothes for students who need assistance at the start of each school year.

Neighboring communities see the benefits of Indian gaming as well. Indian gaming creates hundreds of thousands of jobs for non-Indians.
By increasing state and local income tax revenues, Indian gaming provides funding for public schools, hospitals and roads in neighboring non-Indian communities.

Tribes also use Indian gaming revenue as a catalyst to spur economic growth. The Winnebago Tribe of Nebraska created Ho-Chunk, Inc., which provides more than 500 American jobs through economic diversification into grocery stores, housing construction, and high-tech communications. The Chickasaw Nation in Oklahoma has grown its workforce from 250 to more than 8,400 employees providing services both nationwide and worldwide, including banking, construction, property management, information technology, medical services, manufacturing and retail. The Seminole Tribe of Florida boosted its workforce to 17,000, with 7,000 people employed in gaming and 10,000 people employed in related tribal enterprises.

Thus, tribal governments promote sustainable communities and create new opportunities where there were little before.
Indian Gaming is a sovereign right inherent in tribal governments, a government akin to that of the federal government and the states, which chooses their own destiny in gaming. It was developed from small operations run by dedicated tribal members and their visionary foresight and has grown into resorts, hotels, and facilities that compete or partner with some of the most successful names in the resort and gaming industry.

The work we accomplish in this industry brings many benefits to communities nationwide, tribal and non-tribal. With 4.1 million people claiming American Indian ancestry in the United States, roughly 1.5 percent of the nation’s population, our responsibility to Indian Country is great. As you will see in great detail within this report, Indian gaming fuels tribal governments supporting those 4.1 million Americans, as well as neighboring governments and communities.

We are proud of the success this report demonstrates and we are anxious to reinforce that success for generations to come.

Our report is divided into the following seven sections:

1 Job creation and other forms of economic development that are being created by Indian gaming
2 Uses of Indian gaming revenue for the betterment of Indian country and surrounding non-Indian communities
3 Tax contributions from Indian gaming to local, state and federal coffers
4 Strong public support of tribes becoming more self-sufficient
5 Regulation of Indian gaming
6 Story of survival, an historical overview of where we came from
7 Continuing challenges: Indian gaming is helping, but there are many needs remaining in our communities

Provided is statistical data derived from public information, NIGA conducted surveys, and National Indian Gaming Commission information.

Even as we release these numbers, we realize we are telling a story that is constantly changing. Each and every day, tribes across this country create more jobs and fuel the economies of their states and the nation while building new schools, health clinics, housing, police and fire protection, as well as the many infrastructure needs of their communities.

We hope you find this information, gathered from 2005, useful and informative and share with others the true story of Indian gaming.

Ernest L. Stevens, Jr.
(Oneida Nation of Wisconsin)
Chairman,
National Indian Gaming Association

“Each and every day, tribes across this country are creating new jobs and fueling the economies of their states while building new schools, health clinics, housing, police and fire protection, as well as the many infrastructural needs of their communities.”
CREATING JOBS AT 3 DIFFERENT LEVELS

In 2005, the total number of jobs generated by Indian gaming was more than 600,000.

The first level of employment is created by the Indian gaming facilities themselves, the ancillary businesses connected to the gaming facilities, and other tribal government and enterprise positions.

The second level of job growth is created when employees spend their income on goods and services in the local community.

The third level of employment is created when Indian gaming operations, ancillary facilities and tribal governments buy goods and services in the economy and make capital improvements.

Level One: In 2005, Indian tribes created more than 171,000 jobs in Indian gaming facilities. The continued expansion of Indian gaming facilities has in turn created more ancillary facilities, such as restaurants and hotels. These ancillary facilities have created nearly 65,000 additional jobs nationwide. Thus, primary employment created by tribes through Indian gaming totaled close to 236,000 jobs nationwide.

Level Two: The employment effect, a result of tribal employment employees spending their wages, created almost an additional 86,000 jobs. As a result, the total of primary and secondary employment effects created just over 320,000 jobs.

LEFT: The construction of new homes in Indian Country has been made possible through Indian gaming revenues. Pictured here is the Kickapoo Construction Company.
Level Three: As Indian gaming facilities, ancillary facilities and tribal governments used the purchasing power generated from Indian gaming to buy goods and services, additional jobs were created. Assuming that 75 percent of goods and services were purchased locally and 25 percent outside the region, the multiplier effect for both types of purchases created just over 262,000 more jobs. Capital construction projects created an additional 19,000 jobs.

In 2005 Indian tribes generated just under $22.6 billion in gross revenues through Indian gaming according to NIGA’s research. This is an increase of 16.1% over the $19.5 billion as reported by the NIGC in 2004.

Revenues were generated from both Class II and Class III gaming operations, while at the same time Indian tribes continue to expand tribal economies to include lodging, restaurants, convention space and entertainment facilities. Hospitality, entertainment and ancillary businesses generated an additional $2.7 billion in gross revenues in 2005.³

³ The Nez Perce tribe in Lapwai, Idaho uses gaming dollars to fund the Boys and Girls club on the reservation. Here, tribal youth enjoy the use of computers and games during the summer program.
Federal, state, and local taxes claim roughly a third of revenue generated in the United States. Increases in economic activity expand the tax base and increase government revenue. Indian gaming generated just over 600,000 jobs nationwide in 2005. The wages associated with these jobs generate federal, state, and local payroll, income, and other taxes and help reduce welfare payments and unemployment benefits, freeing up more revenue for the federal and state and local governments. Wages paid to employees of tribal governments and economic development enterprises amounted to just over $6.9 billion, and approximately $13 billion generated indirectly by Indian gaming.

The $13 billion in wages generates about $3.0 billion in federal income taxes and just under $3.1 billion in Social Security taxes. Thus, in 2005, Indian gaming increased federal tax revenues by $6.1 billion.

In addition, the federal government saved an additional $1.5 billion in reduced welfare payments and unemployment benefits. As a result, federal treasury revenues increased just over $7.6 billion in 2005 due to the increased economic activity generated by Indian gaming.

In 2005 Indian gaming generated an additional $2.1 billion in revenue for state governments through state income, payroll, sales and other taxes and direct revenue sharing payments. Indian gaming also generated an additional $100 million in local taxes and revenue through increased sales and other taxes and governmental services agreements.

Future growth and success of Indian gaming becomes ever more crucial in a world where federal funding to tribes continues to decrease.
It is important to note the $22.6 billion is a total revenue figure for tribal government gaming. This does not take into consideration that tribal governments, like all responsible American businesses, pay wages, benefits, and employer taxes from that revenue.

Before realizing net tribal government revenue, tribal governments also pay billions for goods, services, and supplies used at tribal gaming facilities, facility costs (including operation, maintenance, depreciation, utilities and debt retirement), advertising and marketing, compact costs (including regulatory expenses and aid to local government), and government services delivered to the gaming facilities.

The future growth and success of Indian gaming becomes ever more crucial in a world where federal funds to American Indian tribes continue to decrease while tribes’ costs to provide their citizens with necessary government services increases.

The Indian Gaming Regulatory Act provides that Indian tribes shall use net revenue for five general purposes: (1) to fund tribal government services, operations and programs; (2) to promote tribal general welfare; (3) to promote tribal economic development; (4) to make charitable donations; and (5) to help fund local government agencies.

The National Indian Gaming Association’s most recent review concerning the use of revenue generated by Indian gaming revealed that Indian tribes spend net government revenue as follows:

- 20% of net revenue is used for education, child and elder care, cultural preservation, charitable donations and other purposes
- 19% goes to economic development
- 17% to health care
- 17% to police and fire protection
- 16% to infrastructure
- 11% to housing
provide a Language and Culture program which integrates the Ojibwe language into the K-12 curriculum at the Nay Ah Shing Schools and offers instruction on Ojibwe cultural activities. This program was recognized in 1999 as one of the top programs of its kind in the nation.

Oneida Nation, Wisconsin As a community, the Oneida Nation places a high priority on providing quality educational opportunities to all members, from infants to elders. Educational programming includes early childhood development, Head Start, Oneida Tribal School K-12, Job Training Partnership Act, Community Education Center and Higher Education. Other educational resources include the Oneida Nation Museum and Oneida Library, as well as recreation programs, and culture, language, and repatriation programs.

Prairie Band Potawatomi Nation, Kansas At “back-to-school” time in the fall, the Nation gives each of its young tribal member students backpacks stuffed with school supplies and a computer. If needed, students also are given school uniforms, athletic uniforms, gym shoes and musical instruments. Native students in the neighboring Lawrence County are given backpacks and school supplies.

San Manuel Band of Mission Indians, California In 2003, the Band contributed $3 million to California State University/San Bernardino to create additional space for the University’s Cross Cultural Center and develop endowments to fund scholarships, internships and diversity programs.

Here, we proudly showcase a few examples of how Indian gaming is providing for education, child and elder care and cultural preservation on reservations, while also contributing widely to both Native and non-Native Americans in need through charitable contributions to a variety of causes and needs nationwide.
Santa Ynez Band of Chumash Indians, California With assistance from the Tribe’s scholarship program, a portion of school expenses are paid for any Santa Ynez Chumash student who wants to pursue a higher education (university, community college, vocational or trade school). The Tribe covers tuition, books and supplies, housing, transportation and other expenses related to obtaining a higher education.

Seminole Tribe of Florida As late as the 1990s, this Florida tribe was impoverished in more ways than one. Services to Seminole people, including education, housing and health care were sub-standard at best. Today, due to the success of the Tribe’s gaming enterprise, one of the Tribe’s many accomplishments can be seen in education. The Ahfachkee School, located on the Big Cypress Reservation south of Lake Okeechobee, is an award-winning institution with an enrollment of more than 150 Seminole young people between the grades of kindergarten and high school.

Shakopee Mdewakanton Sioux Community, Minnesota In 2005, the Shakopee Mdewakanton Sioux Community awarded more than $1.5 million in donations for education and youth.

Sycuan Band of the Kumeyaay Nation In 2005, Sycuan donated $5.5 million to San Diego State University to establish the Sycuan Institute on Tribal Gaming, the first research institute of its kind in the country where students can explore trends and issues within the industry, learn hospitality management skills and earn a bachelor’s degree.

CHILD & ELDER CARE

Barona Band of Mission Indians, California Barona’s elder citizens do not have to be concerned about their advancing years and having to live in nursing homes. The Band’s Senior Improvement Program provides elders each with a $20,000 grant so they can install wheelchair access to their homes, and provides for roofing, septic or any other need. Like all Barona tribal members, the elders receive free health care.

Mille Lacs Band of Ojibwe, Minnesota Through gaming revenues, the Band is able to provide elder care and assisted living units at each of the Band’s three districts in Minnesota.

Oneida Nation of Wisconsin The Oneida Nation runs its own nursing home and Elderly Services Program, which consists of many community-based services that help them maintain an independent lifestyle. Some of the services provided to elders include: congregated meals, home delivered meals, information and referrals, volunteer services, certified nursing assistant, training, benefit specialists, senior employment training programs, an Alzheimer’s support group, outreach, emergency home repairs, in-home chore workers, activities and

Indian gaming makes it possible for young Native American children from the the Bois Forte Band of Ojibwe in northern Minnesota to learn the traditional handiworks of their elders and to celebrate their heritage.
crafts, fitness center outings, senior companions/foster grandparents and transportation services.

**Prairie Band Potawatomi Nation**

Revenues from the Nation’s gaming enterprise have been able to help all tribal members, from the youngest to the oldest. Gaming dollars have helped to greatly enhance the Nation’s Boys and Girls Club, which now includes an indoor swimming pool (with a water slide and suitable for swimming laps); an indoor basketball court, library, computer room, classrooms and a game room. The Nation’s Elder Housing and Elder Center (which serves hot meals daily to the Nation’s elders) also were made possible through gaming revenues.

**Mississippi Band of Choctaw Indians**

Choctaw Residential Center is a 120-bed licensed nursing facility providing 24-hour nursing care to Tribal members and non-members.

**St. Regis Mohawk Tribe, New York**

“Tsi Tetewatatkins” – “The Place Where We Gather” – a brand new facility for the Tribe’s senior citizens is slated to open in July 2006. The new facility is 9,084 square feet and includes a dining and lounge area, rooms for a computer lab, administrative offices, exercise, crafts and space for a nutritionist and nurse. Gaming dollars were used for this $1.7 million construction project.

**Tulalip Tribes, Washington State**

In 2003, the Tulalip Tribes gave $1 million to the Boys and Girls Clubs of Snohomish County, Washington, a gift intended to benefit young people throughout the county.
**CULTURAL PRESERVATION**

Bois Forte Band of Chippewa, Minnesota The Bois Forte Reservation is located in remote reaches of northern Minnesota where lakes yield wild rice traditionally harvested by tribal members. Members of the Bois Forte Reservation place a special emphasis on educating their youth about the Ojibwe language and culture.

Immense pride is held for the Net Lake School, which stresses Ojibwe traditions through arts, language and culture classes. This special curriculum helps keep the Ojibwe language and tradition alive and well.

There is a belief, in Bois Forte, that Indian children are never too young to learn about their culture. Children as young as age three are exposed to the Ojibwe language and culture at the Head Start program the Tribe operates and finances. The program gives young students a chance for a steady transition into academic programs and teaches the Tribe’s unique language and culture so by the time they reach elementary school, many children can speak the Ojibwe language almost fluently.

The Bois Forte Band of Chippewa is also dedicated to sharing its culture and the contributions of Ojibwe people to Minnesotans and the state’s many visitors. To showcase its culture, the tribe built the Bois Forte Heritage and Cultural Center, which provides 3,000 square feet of exhibits including a mural on the migration of the band into the Great Lakes area, a Waaginogam wigwam and a fur trading post.

**Eastern Band of Cherokee, North Carolina** Revenues from the Band’s gaming enterprise have provided for an educational system that begins at the pre-school level through high school. A Cherokee language program is an important part of that program.

**Mille Lacs Band of Ojibwe, Minnesota** In 2005, the Mille Lacs Band of Ojibwe, located in north central Minnesota, donated to a multitude of local community programs, including an American Indian Festival -- the first-ever annual event celebrating the American Indian community.

**Pechanga Band of Luiseño Indians, California** Located in southern California, the Pechanga Band has developed one of the most extensive language-restoration programs in the country. The Pechanga School incorporates the Luiseño language into all of its daily lessons — from math to writing to social studies. Students also learn cultural activities such as the making of wíiwish (a paste made from acorns and a staple in the diet of Luiseño Indians), weaving, and how to grow and plant Native plants.

Additionally, a Traditional Knowledge Summer Youth Program is offered to Pechanga youth ages 12 to 17 where knowledge and skills are passed on through generations — similar to what was done in the Tribe for centuries. Students learn how to make arrowheads and arrows, baskets, pottery, cordage, tule canoes, and willow tule houses. The tribe’s Cultural Center highlights its cultural heritage through the preservation of oral histories, archival materials and objects of cultural, historical and artistic significance.

**Prairie Band Potawatomi Nation, Kansas** The carrying on of Native languages — many of them seriously endangered in the 21st century -- is important to many tribes across the country. At the Prairie Band Potawatomi Nation, language instruction is an important part of the community’s commitment to carry on their culture to future generations. As an important component of this continuing cultural revival, the Nation’s gaming dollars are used to fund an exemplary Potawatomi language program.

**San Manuel Band of Mission Indians, California** For several years, the San Manuel Band has sponsored in part the annual Native American Day Celebration – an event that was established in 1999 – the final event of the annual California Indian Cultural Awareness Conference. Hundreds of people attend the event, which is held at California State University/San Bernardino.
Smithsonian's National Museum of the American Indian, Washington, D.C. To establish the Smithsonian's National Museum of the American Indian, three tribes – the Mashantucket Pequot Tribal Nation, the Mohegan Indian Nation of Connecticut and the Oneida Nation of New York – pledged $30 million ($10 million each) to the Museum’s construction. The Museum opened on the National Mall in Washington, D.C. in September 2004 and has welcomed guests from all over the world, offering them a unique glimpse at the culture and history of Indigenous people.

CHARITABLE DONATIONS

Shakopee Mdewakanton Sioux Community, Minnesota The Shakopee Mdewakanton Sioux Community (SMSC) has a longstanding tradition of giving. In 2005, the SMSC gave $15,722,898 in charitable donations to Indian tribes, education and youth programs, and charitable organizations.

Over the past several years, the SMSC donated more than $56.5 million to charitable organizations and to Indian tribes. The tribe donated more than $15 million in 2005 alone. Their donations have funded an organic farm, a dialysis center, a school, a college dormitory, and a housing project.

Mille Lacs Band of Ojibwe, Minnesota In 2005, the Band contributed more than $260,000 to community organizations, including schools, libraries, hospitals, food shelves and many more. More than 95 percent of the Band’s gifts went to Minnesota organizations.

Morongo Band of Mission Indians, California In 2005 – in keeping with a tradition that the Morongo Band started several years ago --, the Tribe donated 6,000 turkeys to more than 40 non-profit organizations that distribute meals to needy families during the Thanksgiving holiday.

Santa Ynez Band of Chumash Indians, California Since the Band began its gaming operations, it has donated more than $10 million to the local community and enhanced the lives of many people in Santa Barbara County, California.

Sycuan Band of the Kumeyaay Nation, California In 2005, the Sycuan Band of the Kumeyaay Nation, located in southern California, gave more than $2 million in charitable contributions.

Tribes Contribute to 2005 Hurricane Victims One of the most impressive and selfless acts of charitable giving took place following one of our nation’s worst natural disasters. In 2005, many tribes across the country mobilized to come to the aid of hurricane victims, most notably those affected by Hurricane Katrina. Among the tribes that contributed a total of more than $5 million were the Pueblo of Sandia ($1 million); the Sycuan Band of the Kumeyaay Nation ($100,000); the Shakopee Mdewakanton Sioux Community, San Manuel Band of Mission Indians ($700,000, not including service and in-kind donations); Mille Lacs Band of Ojibwe ($9,000 to United Way/Minnesota); Tunica-Biloxi Tribe (opened doors to 500 hurricane evacuees); and the Gros Ventre and Assiniboine Sioux Tribe (who donated two tons of buffalo meat). Many tribal governments across the country are doing their part to help others. Compassion and giving are core values that are embraced and flourish among Native People. The success of Indian Gaming allows many tribes to support not only their individual tribal members, but fellow native people and surrounding communities as well.
As in any economy, small business development is particularly critical in building sustainable tribal economies. Indian gaming has served as an important catalyst and American Indians are beginning to see substantial growth in small business development on reservations. Gaming revenue also gives tribes access to capital for investing in diversified enterprises both on and off reservations. All of this development helps build and secure tribal governmental and community infrastructure for generations to come.

**Chickasaw Nation, Oklahoma** Chickasaw Nation Industries’ main goal is to promote the economic development and long-term financial viability of the Chickasaw Nation. Some of the business ventures of Chickasaw Nation Industries include: Bedre Fine Chocolates; KADA Radio; seven travel plazas and trading posts; seven tobacco stores; Bank2; McSwain Theater; Chickasaw Lodge; and Community Garden.

**Four Fires, LLC** Washington, D.C., is home to the Marriott-Capitol Residence Inn owned by four tribes: Viejas Band of Kumeyaay Indians (California), Forest County Potawatomi Community (Wisconsin), the Oneida Nation (Wisconsin), and the San Manuel Band of Mission Indians (California). The four tribes came together as “Four Fires, LLC” to build this $43 million, 13-story, 233-suite hotel located in the heart of the Nation’s Capital – the most ambitious economic collaboration ever for American Indian tribal governments.

**Mississippi Band of Choctaw Indians**

Over the past 30 years, the Mississippi Band of Choctaw has developed a diversified economy that has created employment opportunities for every tribal member in the workforce. The Tribe employs approximately 8,000 people in a wide variety of industries and professions, while creating a substantial amount of revenue to provide government services for its people. The Tribe’s flexible business model has allowed it to capitalize on a number of opportunities that leverage its resources with the resources and experience of its business partners.

The Tribe is focused on self-determination, and evolved from a place known to have some of the worst economic conditions in the State to become the regional leader in economic development.

Some of their economic diversification opportunities include: A 12,000 square-foot industrial park leased by the greeting card company, American Greetings; First American Printing & Direct Mail is the largest commercial printer on the Mississippi Gulf Coast; Choctaw Electronics Enterprise supplies automotive loudspeakers to its primary clients, Ford Motor Company and Daimler-Chrysler; Choctaw Manufacturing Enterprises provides automotive wiring harness assembly, lamp sockets and connectors, non-automotive wiring and cable assemblies for commercial applications; Chahta Enterprise manufactures automotive and non-automotive wiring harnesses, producing 130 different part numbers totaling more than 11 million wiring harnesses annually; and the Choctaw Shopping Center Enterprise operates retail and residential developments on the reservation.
NIGA’s American Indian Business Network Indian Trade in the 21st Century In 2003, NIGA established the American Indian Business Network to strengthen tribally owned businesses and Indian entrepreneurs. The Business Network highlights the hard work of tribal business people, and facilitates networking between tribal leaders, gaming procurement officers, and Indian entrepreneurs and other tribal government businesses. The Network has become an important forum for businesses to showcase their products and interact with other business owners and potential customers. Many tribes have demonstrated the positive economic impact of gaming by diversifying into various business markets while also providing entrepreneur programs for their tribal members. NIGA believes it is important to give our businesses the tools and expertise they need in order to secure contracts and more business. Ultimately, the American Indian Business Network is about empowering Native-owned businesses.

Pueblo of Sandia, New Mexico The Pueblo of Sandia owns and operates several business enterprises, including Sandia Casino, Bien mur Indian Market Center, premier retailer of original Native American art, and Sandia Lakes Recreation Area. Currently, Sandia has a wastewater treatment facility under construction.

Salt River Pima-Maricopa Indian Community, Arizona The Pavilions – a 140-acre retail power center developed by Vestar, is the nation’s largest commercial development ever built on Indian land. Major retail tenants include Target, Home Depot, Best buy, Ross, Marshalls, United Artists, Cost Plus Imports, Miller’s Outpost, Circuit City, Old Navy and Toys R Us. Salt River Pima-Maricopa Indian Community implemented aggressive financing to secure Target. Also located on Community land, Wal-Mart altered its exterior design to comply with the Community’s aesthetic vision.


Shakopee Mdewakanton Sioux Community, Minnesota Throughout the years, and as a result of Indian gaming in their community, the Shakopee Mdewakanton Sioux Community has
built a strong economy for its tribal members and others. Its successful businesses include: Mystic Lake Casino Hotel; The Meadows at Mystic Lake golf course; Dakotah Sport and Fitness health club; Dakota Meadows RV Park; Dakota Meadows Mini-Storage; Playworks children’s playground; and Shakopee Dakota Convenience Store.

**Tulalip Tribes, Washington State**

Located near Marysville, Washington, the ‘Tribes’ “Quil Ceda Village” is a two-thousand-acre development that includes a business park, world-class casino, future development sites and a reserve of undeveloped land to be dedicated to parks and environmental protection. In July 2005, the “Central Plaza” opened, which houses a 2,300-seat amphitheatre and a cultural center. With easy access to Interstate 5, which runs along its eastern boundary, the Village is a popular destination for thousands of shoppers and provides a highly visible opportunity for a variety of businesses.

**Viejas Band of Kumeyaay Indians, California**

Since the Tribe began gaming in 1991, it has also diversified its economy with the Viejas Outlet Center (the first destination mall to be owned and operated by an American Indian tribe in Southern California), the Viejas Showcourt (a monumental outdoor theater that features a variety of musical performances and other forms of outdoor entertainment), two recreational vehicle parks, restaurants, and a federally-chartered financial institution (the tribe is the majority owner of Borrego Springs Bank).

Winnebago Tribe of Nebraska Ho-Chunk, Inc.’s holdings include retail outlets, gas stations, Internet companies, hotel interests and construction companies. Ho-Chunk, Inc. (the economic development arm of the tribe), has been a great success – going from an $8 million to a more than $100 million company with some 520 employees today.

In 2005, New Mexico’s tribal golf courses, found at several pueblos, were featured in a New York Times article. As a testament to the quality of courses that are being developed at tribal casino-resorts, Coeur d’Alene’s Circling Raven golf course was given a Zagat rating, one of the world’s most prestigious listings.

**Yakama Nation, Washington State**

Yakama Nation Land Enterprise’s land development activities are sparking reservation business development beyond the core activities of agriculture, timber, and tourism. Tribal enterprises include: Heritage Inn Restaurant, Mt. Adams Furniture Factory, Production Orchards, Real Yakama Fruit Stand, Wapato Industrial Park, Yakama Forest Products, Yakama Nation Credit Enterprise, Yakama Nation Cultural Center, Yakama Nation Land Enterprise, Yakama Nation Land Enterprise, Yakama Nation Land Enterprise.
According to our report, tribes spend 17% of their net governmental revenue providing healthcare services to membership. In many places this includes comprehensive medical, dental and nursing care programs. Health care needs are vast and gaming, on many reservations, is credited for bringing the level of care from sub-standard to cutting edge in many regions.

**Chickasaw Nation, Oklahoma** The Chickasaw Nation of Oklahoma is the first tribe to build their own hospital with their own funding. The Chickasaw Nation Health Care Center is a 145,000 square foot health facility with 37 hospital beds for inpatient care and 52 exam rooms. The shining 22 million dollar hospital, complete with 6 million dollars of state-of-the-art equipment and furnishing, is located in Talihina, OK. This is the center or hub of our health care services covering the 10 1/2 counties of southeastern Oklahoma. Four outpatient clinics and a diabetes wellness center make up the spokes of their integrated system. Boasting a multi-specialty medical staff, the hospital renders medical care through both inpatient services and over 150,000 outpatient visits annually.

**Coeur d’Alene Tribe, Idaho** The Benewah Medical and Coeur d’Alene Tribal Wellness Center (BMC/WC) provides primary care, holistic healing, preventive care, and wellness promotion to all members of the community. The hospital serves many who are plagued by poverty, unemployment, and geographic isolation. The unemployment rate in that part of Idaho is typically the highest in the state. A third of the Center’s patients are 200% below of the Federal poverty guidelines and are almost equally divided between Indian and non-Indian. About one in ten is over the age of 65 and more than half of the Center's patients have no insurance. The Center serves all people in the community, regardless of their ability to pay. Since 1994, the medical center has also provided services to the medically underserved and indigent population. People in the local community who are non-Indian pay for services on a sliding fee. Services can also be provided in the home or school settings linking patients with appropriate medical, mental health, nutrition, rehabilitation, and wellness programs.

**Muckleshoot Tribe, Washington State** In the spring of 2005, the Muckleshoot Tribe, located in Washington State, opened a new state-of-the-art Tribal Health and Wellness Center. The facility provides high quality health care services that are culturally sensitive, responsive, and cost-effective. Clinical services, a pharmacy, community health programs, a diabetes program, a behavioral health program, and dental services are provided in the new facility to tribal members.

**Saginaw Chippewa Indian Tribe, Michigan** The Tribe’s gaming revenues have made it possible to provide full health insurance to each of the 3,200 tribal members.

**Santa Ynez Band of Chumash Indians, California** The Tribe’s successful gaming operation made possible a new Tribal Health Clinic (opened 2002) that more than doubled the amount of space of the old facility.

**Seminole Tribe of Florida** Comprehensive health care and state-of-the-art dental and medical facilities and services have been made possible through the Tribe’s gaming revenues.

**Shakopee Mdewakanton Sioux Community, Minnesota** In 2005, the Tribe provided social services, mental health, and dental and health care at no charge for Native Americans living in Scott County, Minnesota.

**Sycuan Band of the Kumeyaay Nation** In 2005, Sycuan contributed more than $70,000 to Children’s Hospital for the advancement of medical technologies. Sycuan also sponsored a fundraiser with the San Diego Padres to fight children’s cancer. The tribe raised more than $50,000 for the Injured Marine Semper Fi Fund.

**Tohono O’odham Tribe, Arizona** Gaming revenues fund a kidney dialysis program, a sorely needed program in this community where the diabetes rate has been a long standing health concern among the Tribe’s citizens.
Tribal government revenue dedicated to police and fire protection are designed to enhance and protect the quality of life for tribal members by patrolling reservations. Tribes spend approximately 17 percent of their income on these services which benefit hundreds of neighboring communities as well.

Mille Lacs Band of Ojibwe, Minnesota Hinckley, Minnesota The location of one of the Tribe’s two casinos – is not served by the Tribe’s police force, so the Tribe contributes $92,000 annually to the Pine County Sheriff’s office to offset law enforcement and public safety costs.

Rosebud Sioux Tribe, South Dakota For a tribe located in one of the least densely populated regions of the country, it is essential to have good fire, police and emergency services. Through Indian gaming, the Rosebud Sioux Tribe has been able to fund these essential services, providing year-round relief and protection to all of its Native and non-Native citizens. Services that the Rosebud Sioux Tribe provides include police protection, the Rosebud Sioux Tribe EMS (emergency services) and the Rosebud Sioux “Peta Kasnipi” (firefighters).

Santa Ynez Band of Chumash Indians, California Since the Chumash Tribe began its gaming operation, it has been responsible for contributing $1.5 million to the Santa Barbara County Fire Department for a firefighter/paramedic position; $36,000 to the Santa Barbara County Sheriff’s Department for a search and rescue vehicle; and $160,000 in high-tech forensic equipment for law enforcement agencies in Santa Barbara County.

Shakopee Mdewakanton Sioux Community, Minnesota In 2005, the Tribe contributed toward the Mdewakanton Emergency Services, which provides fire and ambulance services to local communities, and funds for development programs went to 15 tribal nations.

Sycuan Band of the Kumeyaay Nation In 2005, the Band’s gaming revenues helped purchase new fire apparatus and a fire and rescue helicopter for the County.
As Indian nations struggle to overcome decades of impoverishment, establishing necessary infrastructure has been one of the most costly obstacles. Clean water, suitable housing and simple utilities are common place and taken for granted by most. But these are surmountable challenges on many reservations. With 11% of tribal revenue dedicated to infrastructure costs, tribes everywhere are making giant leaps forward.

**Barona Band of Mission Indians, California** Gaming revenues have made possible a $5 million wastewater treatment facility. Additionally, $2.5 million has been spent on other infrastructure needs, such as new roads.

**Chickasaw Nation, Oklahoma** In 1997, the Chickasaw Nation took control of their housing programs. Since that time, and due to help from Indian gaming revenues, the Nation has been able to assist nearly 1,000 low-income tribal members purchase homes. Chuka Chukmasi, a tribal program that provides home loans to tribal members on and off the reservation at any income level, has helped some 357 tribal members to successfully purchase a home.

**Mandan, Hidatsa and Arikara Nation, North Dakota** Like many tribes in rural parts of the United States, the Mandan, Hidatsa and Arikara Nation in North Dakota does not benefit as much from their gaming enterprise as other tribes that are located closer to large urban centers. Regardless, the Tribe has accomplished much in terms of developing essential infrastructure for their community. For example, the Tribe built a new Head Start building for its youngest citizens, the Northern Lights Community Center, a Commodity Warehouse, an addition to Mandaree High School, White Shield Clinic, a Community Outreach and Recreation Center, and Four Bears Bridge over the Missouri River.

**Prairie Band Potawatomi Nation, Kansas** Gaming revenues have made it possible for the tribe to build a wireless tower, wiring the reservation to the rest of the world through fiber optic cable and enabling the Nation to bridge the “digital divide” that challenges so much of Indian Country.

**Sault Ste. Marie Tribe of Chippewa Indians, Michigan** The tribe contributes two percent of its slot machine earnings to support a number of local government programs and activities in Michigan’s Upper Peninsula. These include school projects, recreation services, community projects, police and fire upgrades, emergency response services and street construction.

**Shakopee Mdewakanton Sioux Community, Minnesota** In 2005, the Tribe assisted residents of Scott County, Minnesota, by providing much needed services $17.8 million bond purchase for road construction and redesign of a dangerous stretch of highway.

**Sycuan Band of the Kumeyaay Nation** The Band’s community improvements includes widening roads and the installation of flashing yellow lights in front of the Dehesa Elementary School.

Staff from the Shakopee Mdewakanton Sioux Community Land and Environmental Resources Department regularly check the water quality and health of all the water bodies on the reservation.
In tribal areas, 6.9 percent of homes are overcrowded compared to a national rate of 3.1 percent. Additionally, 2.6 percent of homes in tribal areas lack complete plumbing facilities compared with .42 percent nationwide. As a result, tribal governments spend 11 percent of their revenue on housing, and are helping members finance new homes, offering affordable loans, and constructing low-income housing.

**Barona Band of Mission Indians, California** The Band has been able to finance construction of new family homes for tribal members. Tribal members are also entitled to interest-free loans for home renovations. The threat of fire is ever present in southern California; and in 2003 40 tribal homes were destroyed by blazes. Within four months, the Band began helping families to rebuild their homes.

**Morongo Band of Mission Indians, California** Housing is one of the greatest needs for California’s urban Indian communities, and in 2005, the Morongo Band donated 14 tons of home construction materials to the Greater Los Angeles Habitat for Humanity. In 2004, the Tribe donated $1 million to the San Diego chapter of Habitat for Humanity.

**Prairie Band Potawatomi Nation, Kansas** The Nation has over the past several years, constructed what are called “clusters” of tribal housing on the reservation. New homes for all income levels have been provided through the Nation’s gaming revenues.

**Sault Ste. Marie Tribe of Chippewa Indians, Michigan** Providing affordable housing is a priority for the Sault Ste. Marie Tribe, and the Tribe has been steadily building and purchasing homes for its members. Several years ago, the Tribe purchased 275 homes for tribal housing when the U.S. Air Force closed K.I. Sawyer Air Force Base near Marquette, Michigan. Today, the site includes a day care center and a grocery store.

**Siletz Tribe, Oregon** Throughout Indian Country, adequate housing continues to be a largely unmet need with many Native Americans still living in sub-standard homes, some without running water and electricity. Among other critical infrastructure needs that exist for many tribes, the majority of tribes consider adequate housing for their tribal members to be a priority for their gaming revenues. In Oregon, the Confederated Tribes of Siletz have greatly expanded all of their social service offerings for its people, including better housing options for its tribal members.

**St. Regis Mohawk Tribe, New York** The winter months are brutal times in Upstate New York and many lower income Native families don’t have the resources to properly heat their homes. In 2005, the St. Regis Mohawk Tribe’s Akwesasne Mohawk Casino and the Mohawk Bingo Palace provided a total of $360,000 ($180,000 each) to help low income families in Akwesasne community with home heating costs.
A nationwide poll of 1,000 U.S. residents conducted in October 2005 by Fairbank, Maslin, Maullin & Associates found that 67% of the public supports Indian gaming. Regardless of the respondents’ personal feelings about gaming, the vast majority of the American public agrees that Indian gaming provides revenues that tribes need to provide essential government services to tribal members. Twenty-one states have entered into tribal-state compacts for Class III, casino-style gaming. Indian tribes in seven other states operate Class II, bingo-style gaming. Indian tribes in two states operate gaming pursuant to specific tribal settlement acts. Voters in Arizona, California, Idaho and New Mexico have approved Indian gaming through initiatives and referenda.

More than 22.5 million Americans visited Indian gaming facilities in 28 states across the United States in 2005. On average, each patron made over six visits to an Indian gaming facility for a total of more than 137 million visits nationwide.

TOP: In early 2002, the U.S. Army Corps of Engineers approved the Mohegan Tribe’s request to establish shellfish beds along a section of the southeastern Connecticut shoreline. Pictured here are tribal shellfish workers. CENTER: The kitchen staff at the Mille Lacs Band of Ojibwe’s Shaw Bash Kung Elderly Center, Onamia, Minnesota. BOTTOM: Indian gaming revenues allow the Morongo Tribe in California to contribute generously to both local and national charities, such as the Habitat for Humanity.
**REGULATION**

No one has a greater interest in the integrity of Indian gaming than Tribal Governments. Today, Indian gaming is the Native American success story. Tribal governments use their net gaming revenues to fund essential government services – education, health care, police and fire protection, water and sewer service, transportation, child and elder care – and to build basic community infrastructure, schools, hospitals, water systems, and roads. Indian gaming generates $6.1 billion in federal revenue and $1.5 billion in federal revenue savings through reduced welfare and unemployment payments. It generates $2.1 billion in state revenue and an additional $100 million in local government revenue. And, tribal governments give generously to charitable causes – over $150 million annually.

Tribal Governments are keenly aware of the need to protect the integrity and honesty of its tribal gaming facilities because they are the revenue generator for Tribal essential governmental functions.

Tribal gaming operations are regulated at three distinct levels:

1. Indian Nations (Tribal Government Gaming Regulatory Commissions)
2. State Gaming Agencies
3. The National Indian Gaming Commission and federal government agencies, including the U.S. Justice Department, the U.S. Treasury Department and the Department of the Interior.

As a result of this three tier system, Indian gaming is subject to more stringent regulation and security controls than any other type of gaming in the United States.

In 2005 Tribal governments spent a total of $323 million to fund regulation of their industry which provided over 600,000 jobs nationwide. Of the $323 million, Tribal governments spent $245 million to fund regulation of their gaming facilities. Tribal governments also provided $66 million to States to fund regulation. The National Indian Gaming Commission was provided $12 million to assist with Federal oversight. Tribal Governments have established their own gaming commissions and developed tribal police forces and court systems to combat crimes. They have invested heavily in high-tech surveillance equipment and utilize new “state of the art” electronic equipment and machines to ensure the reliability of gaming. Tribal Governments have adopted Casino Industry Standards and Internal Controls and as of August 1, 1996, Tribal Governments must comply with the Title 31 (Bank Secrecy Act). Additionally, Indian Nations have created extensive security and surveillance networking systems to exchange intelligence and monitor casinos.

Federal Agencies with oversight relationships to Indian gaming including the FBI, the IRS, the U.S. Attorneys, the U.S. Marshals, Attorneys General, Secret Service and the Bureau of Indian Affairs.

State-Tribal Gaming Compacts provide the states with regulatory power in Indian gaming, though IGRA recognizes that the federal government has primary responsibility for government-to-government relations with sovereign Indian Nations. Most states have a state gaming office providing for the regulation of gaming in the state. The degree of state regulation varies from state to state according to each state-tribal government compact.

Counting each individual at all three regulatory levels (Federal, Tribal, and State) the Tribes have far more personnel regulating tribal casinos than those that regulate Nevada and New Jersey casinos combined.
THE FBI, U.S. ATTORNEYS, AND DEPARTMENT OF JUSTICE

In contrast to State lotteries, horse racing and other commercial gaming, Congress provided for FBI investigation and Federal prosecution of any theft, cheating, fraud or embezzlement from Indian gaming facilities. Title 18 U.S.C. § 1167 prohibits theft from gaming establishments on Indian lands:

“Whoever abstracts, burloins, willfully misapplies, or takes and carries away with intent to steal, any money, funds, or other property of a value in excess of $1,000 belonging to a gaming establishment operated by … an Indian tribe … shall be fined not more than $250,000, or imprisoned for not more than ten years, or both.”

THE DEPARTMENT OF TREASURY: FINANCIAL CRIMES ENFORCEMENT NETWORK (FINCEN)

The Department of Treasury’s Financial Crimes Enforcement Network is charged with preventing money-laundering under the Bank Secrecy Act. Indian gaming facilities (and other gaming establishments) generating over $1 million in gross revenues annually are subject to the BSA.

The Department of Treasury noted: “There are extensive requirements for financial institutions, and additional ones for casinos. For casinos, important requirements concern deposit of funds, accounts opened, or credit extended. The casino must secure and maintain the name, permanent address, and social security number of each person having a financial interest in an account.” To comply with the BSA, Indian gaming facilities are required to have a plan to enforce BSA requirements, including:

- A system of internal controls to assure ongoing compliance.
- Training of casino personnel in BSA requirements.
- An individual or individuals to assure day-to-day compliance.
- Procedures for using all available information to determine, when required, accurate customer identity, suspicious or unusual activity; and whether record keeping requirements are met.

STATE REGULATIONS

State-Tribal gaming compacts address such issues as security, facility infrastructure, protection, and where necessary, the increased costs to local and state entities (i.e. Water, Fire, Police). The enforcement provisions of these compacts often include extensive background checks for employees and management personnel as well as strict cash handling procedures. The amount of actual direct regulatory control by the states varies according to each state’s compact entered into with the tribes. However, State gam-
ing agencies usually work collaboratively with Tribal gaming regulators in the monitoring and compliance with compact procedures.

**REGULATORY STRUCTURE OF INDIAN GAMING**

**TRIBAL GOVERNMENT**
- Establishes Tribal Gaming Commission
- Provides front-line regulation of tribal gaming, including security and surveillance measures
- Compliance with Title 31 (Bank Secrecy Act)
- Manages tribal gaming operations
- Adopts ordinances and issues licenses for gaming operations and employees, performs background investigations
- Negotiates compacts with state for Class III gaming
- Provides protection and law enforcement
- Criminal enforcement through Tribal Court System
- Network - security surveillance with all other casinos

**DEPARTMENT OF INTERIOR**
- Regulates land-into-trust issues related to gaming
- Regulates allocation of tribal gaming revenues
- Tribal-state compacts
- Gaming advisory opinions

**NATIONAL INDIAN GAMING COMMISSION**
- Approves management contracts
- Regulates gaming facilities
- Conducts background checks and reviews terms of employee contracts
- Authority to enforce civil penalties and impose fines up to $25,000 per day and to issue closure orders
- Approves tribal gaming ordinances

**DEPARTMENT OF JUSTICE**
- Investigates and prosecutes violations of Federal gaming law (18 U.S.C. §1167)
- Conducts fingerprint and background checks of key gaming employees as requested by NIGC
- Seeks civil enforcement of Federal gaming law

**DEPARTMENT OF TREASURY**
- IRS monitors compliance with FinCEN (31 U.S.C. §5312); IRS Form 8362, Currency Transaction Report by Casinos, must be filed by gaming enterprises for single or multiple transactions over $10,000. IRS Form 8300, Reports of Cash Payments Over $10,000 Received in a Trade or Business
- Federal Income Tax Compliance and Reporting of Tip Income
- Secret Service-Counterfeit Investigations

**STATE GOVERNMENT**
- Negotiates gaming compacts with tribes that address
  a. Security, protection
  b. Infrastructure
  c. Costs related to state/local government infrastructure support
- Enforces provisions of compact, which often include background checks of employees and management company personnel
- Varies per state policy and compact

This year the Nations of Sycuan, Viejas and Barona have donated over 4.1 million dollars to various Life Safety programs in the County of San Diego.
Genocidal government policies in the 1800s devastated Indian tribes. General Sherman expressed his deep disappointment over the fact that, if it were not for ‘civilian interference,’ his army would have ‘gotten rid of them all’ and killed every last Indian in the U.S.  

The Indian population in the United States plunged from more than 110 million before Columbus to only 250,000 by the end of the Indian wars at the close of the 19th Century. Despite U.S. treaty pledges to protect Indian reservations, from 1886 to 1934 Indian tribes lost more than 90 million acres of land.

By the beginning of the 20th Century, Indian tribes held only 48 million acres in the lower 48 states, much of it unproductive desert or arid land.

During the 19th Century, the United States destroyed traditional Indian economies through war, removal, land theft and destruction of Native species.

With little or no economy or tax base, Indian tribes in the late 1960s and early 1970s turned to Indian gaming to generate government revenue. The Supreme Court in California v. Cabazon ruled that Indian gaming was crucial to tribal self-determination and self-governance because it provided Indian tribes with the means to generate government revenue needed to fund essential services and provide employment for tribal members. In 1988, Congress enacted the Indian Gaming Regulatory Act, 25 U.S.C. secs. 2701 et seq, affirming tribal government authority to use Indian gaming “to promote tribal economic development, tribal self-sufficiency and strong tribal government.”

Tradition—and the passing on of tradition through the elder members of the community—is important to the Santa Ynez Band of Chumash Indians in California. Indian gaming revenues have helped to save many aspects of endangered tribal traditions.

The Mashantucket Pequot Tribal Nation’s Museum and Research Center in Mashantucket, Connecticut. Indian gaming revenues have allowed many tribes across the country to build museums to showcase their cultures.
Government revenues from tribal gaming operations are being used to build schools, hospitals, police and fire stations, housing, roads, water, sewer and sanitation facilities.

Across the country, 221 tribes in the lower 48 and two Alaska Native villages operate 413 Indian gaming facilities, including 286 casino operations and 127 bingo halls, travel plazas and pull tab operations. (As a comparison, 78 percent of the 50 states and the District of Columbia use state lotteries to generate government revenue.) In 2005, Tribal government gaming generated $22.6 billion in gross tribal government revenues and created more than 600,000 jobs.
For many Indian tribes, gaming generates essential governmental revenue, provides for services and pays for infrastructure, creates jobs and increases tribal members’ self-sufficiency through employment. Without question, Indian gaming is creating new economic opportunities in Indian country, where there were few before. In short, Indian gaming has succeeded where federal programs have failed. For decades, the federal government tried with little support to spur economic growth on Indian reservations. Congress stated:

that it should help tribes to be self-sufficient so they will enjoy a standard of living from their own productive efforts comparable to that enjoyed by non-Indians in neighboring communities.\(^{15}\)

Invariably, these federal efforts met with little success because federal funding did not follow the policy declarations. In fact, measured on a per capita basis, federal funding for American Indians has been decreasing since 1985.

Recently, the U.S. Commission on Civil Rights reported that: “There persists a large deficit in funding Native American programs that needs to be paid to eliminate the backlog of unmet Native American needs, an essential predicate to raising their standard of living to that of other Americans. Native Americans living on tribal lands do not have access to the same services and programs available to other Americans, even though the government has a binding trust obligation to provide them.”

Thus, even as tribal governments increase efforts to generate revenue through Indian gaming, federal funding has declined. In addition, Indian tribes struggle to overcome many difficult social, health and community problems created by the United States’ legacy of genocide and dispossession of American Indians.

While gaming dollars have made a marked difference in the lives of many Indian families, the federal government’s responsibilities cannot be ignored if we are truly going to end the cycle of poverty in Indian Country.

The following statistics were taken from government or non-governmental organization websites and help provide a snapshot of some of the ongoing problems that Indian tribes are dealing with:

**Poverty and Unemployment:**\(^{16}\)

- The average median income for American Indian households in 2005 was $33,627 compared to the national average median household income of $46,037. The average household income of American Indians is 73 percent of the national average income.

- The poverty rate among American Indians is 25.3 percent compared with the national poverty rate of 12.6 percent.

- Unemployment among American Indians is 9.3 percent compared with 5.1 percent nationwide.

**Violent Crime Victimization:**\(^{17}\)

- American Indians are victimized by violent crime at a rate almost two and one-half times higher than the rate of violent victimization among Americans nationwide.

- The rate of death by homicide is 32 percent higher among American Indians than the national rate.
Health:¹⁸

- Infant mortality is 25 percent higher among American Indians than the national rate.
- Life expectancy among American Indians is more than 2.4 years lower than the national average.
- The rate of death from alcoholism is 510 percent greater among American Indians than the national rate.
- The incidence of diabetes is 189 percent greater among American Indians than the national rate.
- The rate of death by suicide is 62 percent greater among American Indians than the national rate.

Housing:¹⁹

- In tribal areas, 6.9 percent of homes are overcrowded compared to a national rate of 3.1 percent.
- 2.6 percent of homes in tribal areas lack complete plumbing facilities compared with .42 percent nationwide.

Education:²⁰

- The high school drop out rate is 50.6 percent higher among American Indians than the national rate.
- Only 13.6 percent of American Indians have attained a bachelor’s degree or higher compared with 27.2 percent of the general public.

As a result of Indian gaming and the economic development Indian country and its neighbors have opportunities that previously were non-existent. However, many tribes continue to deal with huge economic and social problems that are the vestiges of years of poverty. We are moving forward in business, education, and in efforts to preserve our cultures. But many tribes remain in need, and much remains to be done. It is important that Indian gaming be allowed to continue to provide jobs, build communities, and give hope.
TOP LEFT: Using gaming dollars, the Nez Perce Tribe in Lapwai, Idaho uses gaming dollars to fund the Boys and Girls club. TOP RIGHT: Kickapoo Nation School Graduation 2006, KNS School Board, Kickapoo Tribal Council, Guest Speaker, NIGA Chairman Ernest L. Stevens and Jeremy Hale, graduate of the Class of 2006. Kickapoo Nations School in Powhattan, KS is one of the tribal programs that has funding from our Gaming Revenue.

MIDDLE RIGHT: Gila River Indian Community Court House, Through Indian gaming revenues the Akimel O’odham people have been able to build new buildings to house their important government services. BOTTOM: Indian gaming revenues go to support Boys and Girls Clubs across Indian Country. Shown here is K. Darnell, Director of the Kickapoo Boys And Girls Club.
“2005 was a successful and accomplished year for Indian gaming and NIGA congratulates all tribes throughout Indian Country for their dedication and perseverance. But, even as we celebrate our accomplishments, we should stay ever mindful of what we, as Native peoples, must continue to do.

Our solidarity as Native peoples demands that we reach out to those less fortunate – both Native and non-Native. We must preserve our past and honor our elders. In so doing, I believe we can show all Americans the value of our truly American culture. We must continue to ask the federal government to make good on its promises to us. And we must continue to train our eyes on the future. Gaming has provided us with many opportunities. It is up to us to make the most of them and create the vision for Indian Country that provides for the future while honoring our past.

Thank you for your support of our efforts in this past year. I pledge to you that NIGA and I will endeavor to forward all of your causes, your dreams and your ideas.”

Chairman Ernest L. Stevens, Jr.
Endnotes


2 The multipliers used in this report were developed by IMPLAN Professional Software, Analysis, and Data.

Job creation is a principal indicator of what Indian gaming means to the United States economy. There are three types of employment effects. First are the jobs created directly by casinos, ancillary facilities, and other tribal enterprises, which we'll call primary jobs. Second, are the jobs that are created via income generated from these primary jobs. These secondary jobs create another round of economic activity as Indian gaming workers spend their income on other goods and services. For example, an individual hired when an Indian casino opened a hotel might use his/her first paycheck to buy a new tire for his/her automobile. The owner and employees of the local service station, in turn, are likely to spend a part of their additional income at the local restaurant, supermarket or movie theatre. At the end of the day, benefits to the local economy are far greater than the one new job at that Indian casino. The third type of employment effect is the jobs created as casinos, ancillary facilities, and other tribal enterprises purchase goods and services as part of their normal operations.

3 Hospitality revenues were estimated at 12 percent of total gaming revenues based on NIGA estimates and on analysis of Native American Casinos representing 21 state jurisdictions in “The 2005 Indian Gaming Cost of Doing Business Report,” by Joseph Eve & Company, a CPA firm that performs audits for a large number of tribes in the United States.


6 In Washington, a referendum on Indian gaming failed but tribal-state gaming compacts have been approved by the Governor and State Legislature. In Maine, a referendum on a gaming proposal by two Indian tribes failed, but that was outside the scope of the Indian Gaming Regulatory Act.

7 Indian Casinos represent 43 percent of the national casino industry. NIGA methodology multiplied total national casino visits of 322 million from Harrah’s Survey 2006, “Profile of the American Casino Gambler.” (43 x 322 Million – 137.6 million Indian Casino Visits). National per visit average of 6.1

8 Based on information on file at the National Indian Gaming Association (NIGA) and from surveys of NIGA Member Tribes, press releases and press reports, NIGA estimates that in 2005 tribal governments gave more than $150 million to community and national charities.

9 Based on “The National Survey of Indian Gaming Regulation,” July 2001. We assume tribes in 2005 spent the same percentages of total tribal government gaming revenues for tribal government regulation and state gaming regulation. The $12 million figure for Federal regulation comes from NIGC budget information.


12 U.S. Department of Interior, Bureau of Indian Affairs, Federal Register: December 5, 2003 (Volume 68, Number 234)

13 National Indian Gaming Commission.

14 The 16.3 percent increase for 2005 reflects our consideration of revised actuals for 2004 gross gaming revenues of over $19.5 billion. In 2001, 2002 and 2003 NIGC has revised its gross gaming revenues upward. We believe this trend will continue and want to reflect it in our forecast.


16 U.S. Census Bureau-Income, Poverty and Health Insurance Coverage in the United States: 2005. Because of the relatively small populations of American Indians and Alaska Natives and Native Hawaiians and other Pacific Islanders, the sampling variability of their income data is larger than for the other racial groups and may cause single-year estimates to fluctuate more widely. To moderate these fluctuations in income, the Census Bureau uses 3-year-average medians when comparing the incomes of the American Indian and Alaska Native and the Native Hawaiian and other Pacific Islander populations with other racial groups.


ABOUT NIGA  The National Indian Gaming Association (NIGA), established in 1985, is a non-profit organization of 168 Indian Nations with other non-voting associate members representing organizations, tribes and businesses engaged in tribal gaming enterprises from around the country. The common commitment and purpose of NIGA is to advance the lives of Indian peoples - economically, socially and politically. NIGA operates as a clearinghouse and educational, legislative and public policy resource for tribes, policymakers and the public on Indian gaming issues and tribal community development.

OUR MISSION  The mission of NIGA is to protect and preserve the general welfare of tribes striving for self-sufficiency through gaming enterprises in Indian Country. To fulfill its mission, NIGA works with the Federal government and Congress to develop sound policies and practices and to provide technical assistance and advocacy on gaming-related issues. In addition, NIGA seeks to maintain and protect Indian sovereign governmental authority in Indian Country.

NIGA EXECUTIVE COMMITTEE
Chairman: Ernest L. Stevens, Jr.  
Onida Nation of Wisconsin  
Vice Chairman: Kevin Leecy  
Boise Fort Band of the Minnesota Chippewa Tribe  
Secretary: Lynn “Nay” Valbuena  
San Manuel Band of Mission Indians  
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