

**Statement by
Commissioner Robert W. Loescher
Of the National Gambling Impact Study Commission**

**Presented to
The United States Senate Committee on Indian Affairs,
June 23, 1999**

**Regarding the
National Gambling Impact Study Commission Report**

My name is Robert W. Loescher. I am the President and Chief Executive Officer of Sealaska Corporation representing 16,000 shareholders and tribal members originating from the communities of Southeastern Alaska. My Tlingit name is Kah Toosh Tu'. I am a member of the Tlingit Nation, the Eagle Tribe and the Chookaneidi clan, the people of Glacier Bay and Hoonah, Alaska. I am of the Ice House. Our clan crests are the bear and the porpoise.

President Clinton appointed me to serve as the only Native American on the National Gambling Impact Study Commission. The Commission was charged by Congress to study, among other things, the status of tribal governmental sponsored gaming in the United States. The Commission came to realize that this was a complex task and appointed a Tribal Gambling Subcommittee. The Subcommittee had six field hearings in addition to the full Commission hearings. It sought the views of tribal leaders throughout Indian Country. Over 100 tribal leaders came to testify at their own expense and their views influenced the tone and texture of the final report.

In further recognition of the importance and complexity of the task, the Subcommittee sought and received concurrence by the Commission to have its own separate chapter in the final report. The report on Indian gaming is simply a snapshot of the status of Indian gaming in America today. The Commission concluded that the right of tribal governments to operate gaming is deeply entrenched in the tribes' special relationship with the Federal government in the United States Constitution. And this distinguishes Indian tribal governmental gaming from all other gaming in the United States. Congress created a second critical distinguishing attribute of Indian gaming in the Indian Gaming Regulatory Act (IGRA) of 1988 - the revenues from Indian gaming must be used for the social and economic benefit of tribal members who desperately need it. In my view, the benefits from Indian gaming are just a tiny downpayment on the deficit of stupendous social and economic needs facing the vast majority of Native American citizens. The Commission record strongly supports the conclusion that the economic benefits under IGRA are being realized.

Indian gaming furthers Indian Self Determination through tribal ownership and control of its gaming operations. It provides economic benefit to the surrounding communities by employing at least 100,000 people regardless of race color or creed.

Tribal governments were among the first to recognize that gaming has social costs, and they did something about it. The Commission's record shows that tribal governments made the first real financial commitments to help identify and alleviate problem and pathological gambling.

I was very disappointed that the Commission declined to include a narrative that objectively and clearly described the structure, operation and implementation of the regulation of Indian gaming. Despite early weaknesses, Indian gaming is increasingly well regulated by a partnership of the tribal, State and Federal governments. The National Indian Gaming Commission (established by IGRA) has ordered the implementation of Minimum Internal Control Standards (MICS) that provide a uniform standard of Indian gaming regulation throughout the United States. The Commissioners indicated that Indian gaming regulation was extremely complex and legalistic, and they wouldn't deal with it. At the same time, it is my view that Indian gaming is increasingly viewed as a threat and a viable competitor to commercial gaming. The severe criticism of the Indian Gaming Regulation was one way to slow it down. In my view, the Commission was obligated to objectively describe the status of Indian gaming regulation, and it did not do so. Two of the most contentious issues between tribes and states are the scope of gaming, and the compacting procedures. The Commission's report has not shed any new light on these issues. I strongly object to limiting tribal gaming rights under existing law, as suggested by the second recommendation on scope of gaming.

My goal as a Commissioner was to review all aspects of gaming in America, with strong emphasis on Indian gaming. The overall report is weighted heavily to a small percentage of the American public that is burdened with very real problem and pathological gambling. The report does little to acknowledge the fact that millions of Americans participate in and enjoy gaming as entertainment, without any problems. This report and recommendations should help educate the American public about the positive role tribal governmental gaming has played in Indian Country. It has given hope and provided new economic resources to help alleviate long neglected social and economic problems. It also suggests positive recommendations to improve Indian gaming regulation.

In pursuing gaming, tribal leaders have done the best that they could do with very limited resources and opportunities, and at this point in history, I believe they should be commended for what they have accomplished.

I have attached a copy of Chapter 6 of the National Gambling Impact study Commission Report, entitled Native American Tribal Gambling, as part of my remarks. Mr. Chairman, I thank you for the invitation to speak before this Committee. I am available to answer any questions you may have on this topic.

Thank you.