

June 8, 2020

Senate Committee on Appropriations

RE: SCA 6 (Dodd) Gambling: sports wagering.

Position: OPPOSE

The **Southwest Riverside County Association of Realtors**® represents more than 4,500 Realtor® members throughout the region with offices in Murrieta, Menifee, Lake Elsinore and Hemet. The Association is dedicated to promoting homeownership opportunities and preserving the private property rights of citizens across the region, the state and the country. We strive to work with our members to help their businesses grow, provide jobs for our local communities and to advocate on policies that will impact that mission.

SRCAR must strongly **OPPOSE SCA 6 (Dodd).** As amended on May 28, 2020, SCA 6 would severely impact our tribal government partners by infringing on their constitutional gaming rights and subsequently their ability to provide for their tribes and surrounding communities.

The development of tribal gaming has been one of the most important drivers of economic growth in Riverside County in the last two decades. Tribal governments throughout the county have made substantial investments and expanded their resort gaming facilities, adding new recreational opportunities and reaching out to draw new audiences and tourist dollars to the Inland Empire. In terms of local employment, a recent economic impact analysis by Beacon Economics for TASIN (tribes in Riverside, San Bernardino, and Santa Barbara Counties) shows that just five tribes had a direct payroll of almost \$700 million.

The Pechanga Band of Luiseño Indians alone were responsible for the creation of 5,500 jobs pre-COVID-19. Since its opening in 2002, Pechanga Resort Casino has been a staple in the Temecula Valley, attracting tourists to their facility, Southern California Wine Country, and other local businesses. We simply cannot support a measure that would undermine the Tribe's ability to promote economic development and self-sufficiency, while also creating local jobs and generating revenues at a time when we need it the most. What's more, this measure breaks an agreement between tribes and the state through the passage of Proposition 1A in 2000 with 65% of the vote.

SCA 6, if passed, would effectively repeal exclusive tribal gaming rights in favor of California cardrooms. The California cardroom industry has some of the worst actors in the entire gaming industry. California cardrooms illicitly operate Nevada-style banked games in violation of clear law (which SCA 6 seeks to remedy) and have a significant history of violating other criminal laws, including money laundering, resulting in millions in fines. The California cardroom industry does not deserve increased gaming rights at all, let alone at the expense of tribal governments that have operated their rural casinos responsibly and with integrity for decades, and contributed far more to the California economy.

Further, as amended, SCA 6 is replete with flaws, rendering it vulnerable to legal challenge. For example, the measure purports to give tribes the right to participate in a form of gaming that may be legally unavailable to them, specifically 'online' sports wagering, which would involve betting by patrons off Indian lands. There is some doubt under existing precedent as to whether tribes can even participate in such activities without violating federal law.

For these and other reasons, the Southwest Riverside County AOR must strongly OPPOSE SCA 6 (Dodd), and ask for your 'NO' vote when it comes before you for consideration.

Respectfully,

Gene Wunderlich, V.P. Government Affairs gad@srcar.org

CC:

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|------------------------------------|--------------|--------------|
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