

TESTIMONY TO THE COMMITTEE ON INDIAN AFFAIRS

ERNEST L. STENSGAR, CHAIRMAN

COEUR D'ALENE TRIBE, A FEDERALLY RECOGNIZED INDIAN TRIBE

SUBMITTED JUNE 3, 1999

DEAR MR. CHAIRMAN AND COMMISSIONERS:

AS CHAIRMAN OF THE COEUR D'ALENE TRIBE AND PRESIDENT OF AFFILIATED TRIBES OF THE NORTHWEST, I REPRESENT MANY FAMILIES, THEIR OPPORTUNITIES AND THEIR FUTURE.

THE COEUR D'ALENE TRIBE IS A SMALL TRIBE IN NORTH IDAHO, ENCOMPASSING 340,000 GEOGRAPHIC ACRES UNDER OUR JURISDICTIONAL AUTHORITY. WE HAVE 1690 ENROLLED TRIBAL MEMBERS. WE HAVE A TRIBAL SCHOOL (K-8), TRIBAL COURT SYSTEM, POLICE DEPARTMENT, AND MANY PROGRAMS (SOME FEDERALLY FUNDED AND OTHER TRIBALLY SUPPORTED), TRIBAL GOVERNMENT, SOCIAL PROGRAMS, ECONOMIC DEVELOPMENT, EDUCATION, AND MANY OTHER PROGRAMS FOR THE COEUR D'ALENE TRIBE.

THE COEUR D'ALENE INDIAN TRIBE HAS ESTABLISHED NATIONAL INDIAN LOTTERY (NIL), AN AUTOMATED LOTTERY GAMING SITE ON THE INTERNET SINCE FEBRUARY OF 1997. THE AUTOMATION AND TECHNOLOGY IS ON INDIAN LAND WITHIN THE BOUNDARIES OF THE COEUR D'ALENE INDIAN RESERVATION. THE OPERATION HAS CREATED 30 JOBS IN A GROWING HIGH TECH INDUSTRY THAT REQUIRES COMPUTER OPERATORS, PROGRAMMERS, ANALYSTS, ENGINEERS AND CUSTOMER SERVICE REPRESENTATIVES.

S. 692 — THE INTERNET GAMBLING PROHIBITION ACT OF 1999 THREATENS THE CONTINUATION OF THE NATIONAL INDIAN LOTTERY. THEREFORE, THE COEUR D'ALENE TRIBE MUST IN FULL FAITH AND GOOD CONSCIENCE OPPOSE S. 692 IN ITS CURRENT FORM. SINCE STATE LOTTERIES ARE EXEMPT FROM THE PROVISIONS OF THE BILL, TRIBAL GAMING SHOULD ALSO BE EXEMPTED IN EQUAL RESPECT OF OUR TRIBAL SOVEREIGNTY, GOVERNMENTAL AUTHORITIES AND GENERAL RESPONSIBILITIES TO USE GAMING AS A TOOL TO FURTHER OUR COMMUNITY GOOD. IF SUCH LANGUAGE WERE INCLUDED, WE WOULD SUPPORT THE BILL.

WE DON'T UNDERSTAND WHY STATE LOTTERIES ARE EXEMPTED ALONG WITH HORSE RACING, OTB PARIMUTUEL WAGERING, FANTASY SPORTS AND OTHERS, WHILE TRIBAL GOVERNMENTS WITH THE MOST NOBLE OF PURPOSES ARE NOT. SINCE IT IS CLEAR THIS BILL, IF IT BECAME LAW, COULD NOT BE ENFORCED ON FOREIGN SOIL, AND BECAUSE EVERY OTHER SPONSOR OF GAMING IS EXEMPTED, IT SEEMS THAT TRIBAL GAMING IS THE ONLY ONE THAT THIS BILL AFFECTS. WE HAVE TO ASK WHY?.....SO SHOULD CONGRESS.

THE COEUR D'ALENE TRIBE INTERNET LOTTERY, THE TRANSACTION AND THE GAMING OCCURS AT OUR FACILITY WHERE THE CALL IS RECEIVED ON OUR RESERVATION, AS REQUIRED BY THE INDIAN GAMING REGULATORY ACT. THE CUSTOMER IS ONLY BUYING A LOTTERY TICKET SUBJECT TO RANDOM DRAWING AS REQUIRED BY OUR COMPACT WITH THE STATE OF IDAHO.

OUR COMPACT PROVIDES FOR THE CONDUCT OF A CLASS III LOTTERY, AMONG OTHER GAMES, INCLUDING INTERSTATE SALES. THE GOVERNOR OF

THE STATE OF IDAHO AND THE UNITED STATES GOVERNMENT THROUGH THE SECRETARY OF INTERIOR APPROVED THIS COMPACT.

THE NIL HAS BUILT IN PROTECTIONS THAT PROHIBIT CUSTOMERS FROM SPENDING MORE THAN \$500.00 PER MONTH, PROHIBIT UNDER-AGED CHILDREN FROM ACCESSING OUR SITE, AND DONATE MONEY TO OTHER NON-GAMING TRIBES.

CUSTOMERS ACCESSING OUR SITE ON THE WORLD WIDE WEB, DIAL INTO OUR GAMES. WE RESTRICT VIA CREDIT CARD ANY PURCHASES OVER \$500.00 PER MONTH. IT IS CONCEIVABLE THAT PERSONS WITH MORE THAN ONE CREDIT CARD COULD OPEN MULTIPLE ACCOUNTS, SO OUR SYSTEM VIA SOCIAL SECURITY NUMBER BLOCKS ANYONE ATTEMPTING TO OPEN MORE THAN ONE ACCOUNT. ALTHOUGH THE SYSTEM WILL ACCEPT HUSBAND AND WIFE USING TWO SEPARATE CREDIT CARDS UNDER TWO SEPARATE SOCIAL SECURITY NUMBERS, NO ONE UNDER 18 YEARS OF AGE IS ALLOWED TO PLAY. WE HAVE NOT HAD ANYONE UNDER 18 YEARS OF AGE ACTUALLY PLAY. ALTHOUGH THERE IS NO CLEAR LEGAL REASON NOT TO, WE RESPECT THOSE STATES WHO DO NOT PROVIDE FOR LOTTERIES. THOSE STATES ARE BLOCKED OUT. IN OTHER WORDS, IF UTAH, FOR EXAMPLE, DOES NOT ALLOW LOTTERIES WITHIN THE CONFINES OF ITS BOUNDARIES, UTAH IS BLOCKED OUT AND PROSPECTIVE PLAYERS FROM UTAH CANNOT ACCESS THE SYSTEM.

SINCE BEGINNING INDIAN GAMING, WE HAVE DONATED OVER \$1 MILLION DOLLARS TO THE LOCAL PUBLIC SCHOOLS. WE UNDERSTAND THAT COMPUTER LABS HAVE BEEN ADDED AS A RESULT OF MONIES DONATED FROM INDIAN

GAMING. WE HAVE COMMITTED 10% OF ALL LOTTERY NET PROFITS BE SHARED WITH TOWARD NON-GAMING TRIBES NATION-WIDE.

USING MODERN TECHNOLOGY WE ARE ON THE CUTTING EDGE OF THE LOTTERY INDUSTRY PROVIDING LOTTERY TICKETS VIA THE INTERNET IN A SYSTEM COMPARABLE TO ATM BANKING WHICH ALLOWS YOU TO ACCESS YOUR ACCOUNT FROM ANOTHER STATE. THIS KIND OF TECHNOLOGY AND SHOPPING OR ENTERTAINMENT IS BECOMING MORE AND MORE A PART OF AMERICAN LIFESTYLE: INTERNET SHOPPING, QVC TYPE CABLE TELEVISION STORES, MASS MARKETING PRODUCTS AND CONDUCTING SALES USING 800 NUMBERS AND CREDIT CARDS, INTERSTATE BANKING TRANSACTIONS. IT HAS ALREADY BEEN ACCEPTED THAT ALL THESE TYPES OF PURCHASES OR TRANSACTIONS OCCUR WHERE THE CALL IS RECEIVED. AT THE BANK WHERE YOUR ACCOUNT IS (NOT IN THE STATE YOU MAY BE PHYSICALLY IN WHILE ACCESSING YOUR ACCOUNT) OR AT THE STORE, BUSINESS OR WAREHOUSE WHERE YOUR CALL IS RECEIVED.

S.692 THREATENS THE CONTINUATION OF THE NIL. THEREFORE, WE RESPECTFULLY ASK YOU, AS MEMBERS OF THE SENATE COMMITTEE ON INDIAN AFFAIRS TO SUPPORT OUR EFFORTS TO SECURE ECONOMIC DEVELOPMENT ON OUR RESERVATION. WE HAVE OUR OWN AMERICAN DREAM. WE INTEND TO SHARE IT WITH OUR NEIGHBORS AND REGION.

WE ARE ON THE VERGE OF RESTORING OUR SELF-SUFFICIENCY. IT EXISTED FOR MANY THOUSANDS OF YEARS BEFORE THE LOSS OF OUR LAND BASE. WE WILL DO IT FOR OURSELVES. WE WILL DO IT FOR OUR REGION. WE WILL DO IT TO BENEFIT ALL THOSE INDIAN AND NON-INDIAN NEIGHBORS WHO

APPRECIATE THE OPPORTUNITIES WE CREATE.

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THANK YOU MR. CHAIRMAN.