



Partnerships and Pathways: Latest Numbers Reflect Health of Indian Gaming Industry

by Jonodev Osceola Chaudhuri

This year, the National Indian Gaming Commission for the first time broadcasted its 2015 Gross Gaming Revenue (GGR) numbers live from Indian Country, in the homelands of the Cabazon Band of Mission Indians. The GGR announcement was significant – the agency announced that the GGR had grown to \$29.9 billion dollars – the highest number in the history of the Indian gaming industry. Additionally, at 5% above the previous year, the industry saw the biggest annual increase in 10 years. The 2015 GGR numbers reflect growth in all regions of Indian Country and in each of the NIGC’s seven administrative regions. The Sacramento Region, which includes California and northern Nevada, showed the highest percentage increase at 8 percent growth. The Oklahoma City and Tulsa Regions were not too far behind with 6.7 and 6.5 percent growth respectively. The NIGC’s other regions showed growth between 3 and 4 percent.

The NIGC chose to broadcast the GGR announcement from the lands of the Cabazon Band of Mission Indians because the Cabazon people, as well as other tribal nations such as the Morongo Band of Mission Indians, have had a historic role in the development of Indian gaming as we know it today. The Cabazon Band of Mission Indians, 30 years ago, argued before the United States Supreme Court that as a sovereign nation it possessed the inherent authority to regulate gambling activities within its jurisdiction. The United States Supreme Court agreed with the tribes and reaffirmed their sovereign authority to regulate their gaming activities in the watershed case, *California v. Cabazon Band of Mission Indians, et al.* The Indian Gaming Regulatory Act, the 1988 federal law that came after this historic Supreme Court case, although narrowing certain aspects of the holding in that case, was created with the express purpose of providing “a statutory basis for the operation of gaming by Indian tribes as a means of promoting tribal economic development, self-sufficiency, and strong tribal governments.” The statute charged the NIGC with protecting such gaming as a means of generating tribal revenue.

The increase in GGR reflects the progress made towards these key policy purposes of the IGRA. The NIGC has worked hard with its regulatory partners to achieve regulatory stability through consistency and predictability, important factors in any regulated industry. We also understand that Indian gaming is fundamentally different than

commercial gaming, as it directly provides resources such as social services, public works, education, housing, health care, emergency services, public safety and cultural preservation programs for Indian peoples.

There are many small and moderate-sized gaming operations that support rural economic development where little else has. Only 6.5 percent of operations can show a \$250 million dollar or more GGR. The majority of tribes, 57%, generate less than \$25 million per year in gross gaming revenue. And 20% of the total 474 tribal gaming operations produce less than \$3 million per year. These small and moderate-sized gaming operations create jobs and much needed services not just for tribal communities, but neighboring communities as well. This is why NIGC’s developed a policy initiative to increase its rural outreach.

As the industry grows, the NIGC will continue its commitment to innovate as it fulfills its statutory purpose. The NIGC has developed four important policy initiatives:

- Staying ahead of the technology curve
- Rural outreach
- Maintaining a strong workforce both internally as well as supporting the tribal regulatory workforce
- Addressing anything that amounts to gamesmanship on the backs of tribes

These initiatives are the NIGC’s promise to ensure that tribes remain the primary beneficiaries of their gaming and to support innovations in both workforce and technological capacity at the agency and among our regulatory partners. Through partnerships we can better assess where these innovations will best help to guarantee compliance and integrity that will lead to continued progress for all of Indian Country.

As federal regulators, our credibility and success relies on our partnerships with fellow regulators as well as the experience and knowledge of the NIGC’s staff. These partnerships and the NIGC’s hard work has helped strengthen Indian gaming into the important economic engine that it is today, growing to unprecedented size and showing the biggest revenue increase nationwide in the last 10 years.

The Indian gaming industry can look back on tremendous growth and advancement. In the 30 years since the Cabazon case, Indian gaming has grown into a multi-

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billion dollar industry. This is in no doubt due largely to the innovation, leadership, and reputation for excellence that the industry has cultivated since the first operations opened their doors before IGRA was passed. But that success is also due to the tireless efforts of tribal, state, and federal gaming regulators to ensure a safe, fair, and protected industry. As the industry looks forward to continued growth and success, the NIGC remains committed to working together with our regulatory partners to preserve the

integrity of Indian gaming to serve the important goals of supporting tribal self-sufficiency and strong tribal governments. ♣

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