

Big tribes' gambling pacts get swift Senate OK

Assembly critics vow to block casino deals

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SACRAMENTO – New gambling agreements for five of California's richest tribes sailed through the state Senate yesterday, setting up a showdown in the Assembly, which has refused to approve the deals that could bring another major wave of casino expansion.

Moments after the votes, a prominent Assembly Democrat said the compacts' rapid run through the Senate had done nothing to soften opposition on the other side of the Capitol.

"I hope the tribes don't conclude that simply because the Senate ratified the compacts, that somehow gives them momentum or makes me or the speaker change our minds," said Assemblyman Alberto Torrico, D-Fremont. "If anything, we're more entrenched in our position."

Torrico, who is chairman of the Governmental Organization Committee, has been Assembly Speaker Fabian Núñez's point man on the compacts. Both legislators have been outspoken critics of the new deals for Sycuan of El Cajon, Pechanga of Temecula and three other big gaming tribes.

"Those five compacts . . . do not have the votes to be ratified in the G.O. committee or on the floor of the Assembly," Torrico declared. "I'm certain of that."

Nonetheless, Gov. Arnold Schwarzenegger urged the Assembly to act quickly on the pacts, which his administration said could generate billions of dollars for the state before they would expire in 2030.

"Every additional day of delay costs the state millions of dollars for critical services that Californians rely upon," the Republican governor said in a statement.

Assembly Democrats blocked the compacts last summer, refusing to ratify the complex, long-term agreements that had been sent to the Legislature in the waning days of a two-year session. Labor unions were staunchly opposed, saying the agreements would make it difficult if not impossible for workers to organize.

The standoff has become a compelling political saga that pits one of the state's new political powers – big gaming tribes – against one of its rising political stars – Núñez – and an established political force critical to Democrats – organized labor.

The compacts would enable the five tribes – Sycuan, Pechanga, Agua Caliente of Palm Springs, San Manuel of San Bernardino County and Morongo of east Riverside County – to operate some of the biggest casinos in the world.

Under existing compacts, each tribe is limited to 2,000 slot machines.

The new deals would more than triple the tribes' authorized slot machines. That means that with their existing slots, Pechanga, San Manuel and Morongo – already three of the nation's most successful gaming tribes – could have a total of 7,500 slots each in up to two casinos.

Sycuan and Agua Caliente could have a total of 5,000 slots each. Sycuan could have two casinos, and Agua Caliente, which already has two, could open a third casino.

In return, the state would receive a larger cut of casino revenue, as much as an additional \$506 million a year and potentially \$22.7 billion over the life of the agreements, according to the administration. The nonpartisan Legislative Analyst's Office has dismissed those projections as unrealistic.

The governor is counting on that revenue to help balance his budget for fiscal 2007-08.

Schwarzenegger also secured stronger environmental, patron and employee protections in the agreements. But he failed to deliver stronger collective-bargaining language that was included in many of his earlier compacts.

“This is good for the state. It's good for the tribe,” Morongo Chairman Robert Martin said after the Senate vote. “As we prosper, the state is going to prosper.”

With almost no debate, the Senate approved all five compacts with votes to spare. Several likely supporters also were absent, making the margins appear closer than they were. The tightest vote was 22-10 – just one more than the minimum needed for approval – on Sycuan's compact.

A sixth compact, authorizing 99 slots for the state's biggest and one of its poorest tribes – the 5,000-member Yurok tribe of Del Norte and Humboldt counties – also was approved yesterday on a 33-0 vote.

Senate President Pro Tempore Don Perata, D-Oakland, had signaled that the compacts would move quickly through his house. Agua Caliente, Morongo, Pechanga and San Manuel each contributed \$100,000 to a committee Perata set up to finance last November's campaign for a series of infrastructure bonds.

Sen. Denise Ducheny, a San Diego Democrat who carried the bills to ratify the Sycuan and Morongo compacts, said the agreements had been thoroughly aired in public hearings since last summer.

In addition, she said, the slot machine limits were designed to accommodate growth at each reservation over the 23-year life of the deals.

“This does not mean they will have 7,500 machines tomorrow,” Ducheny said of Morongo.

Martin, Morongo's chairman, said the tribe could add up to 3,000 more slots as soon as manufacturers can deliver them. Pechanga has indicated it would add as many as 2,000 slots fairly quickly. Sycuan Chairman Danny Tucker said his tribe would add perhaps 1,000 slots to its existing casino.

Sen. Sheila Kuehl, D-Santa Monica, voted against all five of the big tribes' compacts yesterday. She opposed Agua Caliente's compact last year, when it was the only one approved by the Senate. All the agreements were shelved by opposition in the Assembly.

Kuehl said she only reluctantly supported tribal gaming in the past as a means to lift impoverished tribes. Sycuan and the other big tribes no longer need any help, she said.

“I can't vote for an expansion of gambling,” Kuehl said. “I can't vote for organizations that now refuse to take care of their workers in any fair way that we require of virtually everyone else in the state.”

In a pointed swipe at Pechanga, which has dis-enrolled more than 100 members, Kuehl said she also could not support compacts “for tribes that aren't even sharing with all of their own members.”

The tribes remain convinced that the compacts are being blocked at the behest of labor, which wants “card-check neutrality” – the ability to organize by simply signing up a majority of workers without employer interference.

But Torrico said Assembly Democrats believe the governor retreated on several fronts, including required participation in the workers' compensation system, compliance with Cal-OSHA worker safety protections, and independent audits of casinos revenues.

“It's my strong suspicion that the governor – although he raised all these issues with a small tribe like Yurok and has raised them in negotiations subsequent to his re-election – never raised any of these important public policy considerations with these tribes,” he said.

Torrico expressed optimism about “ongoing” discussions with the tribes, but said he doubted the compacts would be heard in the Assembly before a new state budget is approved, probably sometime in June.

“We'd like these compacts to be model compacts . . . that protect Californians, protect workers, that protect local communities impacted by an expansion of gambling,” Torrico said.