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ANNIVERSARY
NARF 1970-1985

"15 years of access to
justice for America's
Native Americans."

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INDIAN GAMING

In 1981 the United States Court of Appeals for the Fifth Circuit decided a case which has had a profound impact on the ways that Indian tribes finance their tribal governments. That case was *Butterworth v. Seminole Indian Tribe* and involved the issue of who controlled high stakes bingo on an Indian reservation.

Robert Butterworth was the local sheriff of Broward County who was convinced that the Seminole Tribe was conducting an illegal bingo operation on their tribal land in Hollywood, Florida.


The sheriff knew that Florida state law allowed bingo games to be run with a number of significant restrictions. The restrictions included a maximum nightly pot of \$100, the game could be played for charitable purposes only, and could only be conducted twice a week. The Seminole Tribe bingo games met none of these conditions.

Instead, the Seminole Tribe operated its bingo games six days per week, offered a maximum prize that was often ten times higher than the state limit and used the profits for "tribal government purposes."

Based on these facts, Butterworth announced the intention to shut the Tribe's bingo game down. But, before he could act, the Seminole Tribe instituted a suit to stop him.

"The fact that the Seminole Tribe was able to exercise its sovereign authority over the Reservation in such an open and successful way irritated many Florida officials, thus prompting them to call for state action against the Tribe."

Prior to the establishment of the bingo operation, the Seminole Tribe had always been a poor one. Although surrounded by wealth, they had no particular resources to develop. They were, however, located in an area that was central to a large retirement community which had the money to spend on bingo. The Seminoles also knew that they were generally exempt from state civil regulatory control. With the help of a local management company, the Tribe obtained over \$900,000 of private financing and erected a 1,400-seat bingo hall. In order to more effectively compete with other Florida state gambling operations (including jai alai and horse and dog racing) the Tribe's game was widely advertised and a real effort was made to make non-Indians welcome on

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their Reservation. The operation was an immediate success.

The success of the bingo operation generated intense opposition from competing gambling interests. The fact that the Seminole Tribe was able to exercise its sovereign authority over the Reservation in such an open and successful way irritated many Florida officials, thus prompting them to call for state action against the Tribe.

In most states there would be no question that the state could *not* control gaming on an Indian reservation because it is well established that tribes generally retain their own internal tribal sovereignty (and immunity from state control) *unless* the tribe's sovereignty is specifically limited by an Act of Congress. In 1953, Congress passed Public Law 280 which basically allows states to exercise *limited* civil and *total* criminal jurisdiction on Indian reservations. Florida is one of twenty-one states that utilized Public Law 280.

Sheriff Butterworth and the State of Florida took the position that the state's bingo laws were criminal in nature and that his office had authority to close down the Tribe's bingo games. The United States Court of Appeals for the Fifth Circuit disagreed. The Court held that the state permitted bingo and merely regulated the conduct of such games. Since the state did not forbid bingo activity the nature of the state involvement was seen as "civil/regulatory" as opposed to "criminal/prohibitory." Having decided what bingo constituted under state law the court next held that the type of civil activity the state was trying to exercise over the Seminole Tribe was

not one of the limited civil areas that was granted to Florida under Public Law 280.

As a result of the Fifth Circuit's opinion the State of Florida was not able to enjoin the Seminole bingo operation. The gaming operation has had a tremendously positive impact on the Tribe's future. The bingo games (a second game was subsequently started on tribal land located near Tampa) generate millions of dollars of revenue for the Tribe.

The games also provide jobs, but more than that, they provide quality jobs. Tribal members with little or no employment background are provided with entry-level positions that require the development of sound work habits and the employees are able to advance to more responsible positions. The work skills acquired are easily sellable in the tribal as well as the non-Indian job market.

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After the United States Supreme Court refused to hear Florida's appeal from the Fifth Circuit's decision, other tribes began to seriously consider bingo as a method of raising badly needed tribal funding. Starting about 1983, the number of tribes which permitted gaming on their reservation quickly increased.

Although there are no totally accurate figures, the most frequently cited estimate is that about 80 of the nation's 309 tribes have set up bingo halls in some 20 states. As might be expected, given the tribes' diversity, there is no single dominant approach. Some games are wholly tribally owned and managed, while others are run by outside manage-

ment groups who operate under contract with the tribe. On a few reservations a license is issued to a tribal member who actually runs the games. The operation is then taxed by the tribe and the income used for various tribal projects.

States where bingo operations have previously been started generally came to oppose tribally run high stakes bingo. Many, notably California, instituted challenges in their federal court systems to halt bingo operations. Like the Seminole case, however, all have thus far been un-

"... The bingo games generate millions of dollars of revenue for the Tribe."

successful. The courts have so far accepted the *Butterworth* reasoning. However, it still has not completely stopped state authorities who persist on assuming jurisdiction over tribal bingo operations.

It must be noted that the states which are opposed to high stakes bingo are not necessarily against gambling. Only 4 of the 50 states do not allow gambling of any kind. Nineteen states are directly involved in lotteries and 32 states get significant revenues from horse racing, 14 have dog racing, and 43 permit bingo. One might reasonably suspect, and tribes frequently charge, that what the states are objecting to is not the gaming that occurs on reservations but that the tribal governments are the sole beneficiaries.

Earlier this year, the Oklahoma Supreme Court ruled that Oklahoma could regulate bingo games if it could show the games affect persons and entities other than the tribes involved. The lower district court was directed to hold a hearing on the impact of the bingo games on non-Indians. NARF filed an amicus curiae (friend of the court) brief in support of the tribe's petition for rehearing to the state Supreme Court because the case has broad implications for all Indian tribes.

Other cases are being filed or have recently been argued. Almost all focus on the issue of Indian sovereignty and the authority of the respective states to regulate gaming operations on Indian reservations. NARF is currently involved or has been involved in the courts in four separate gaming matters.

Recently, tribal governments have begun to expand into gaming other than high stakes bingo. The Santa Ana Pueblo, for example, intends to operate a dog racing track on its reservation lands. The State of New Mexico, where the Pueblo is located, permits pari-mutual betting although they do not permit dog racing as such. The Tribe has taken the position that since the state permits pari-mutual betting (a form of betting where the bettors proportionately share the amount bet after deduction of management expenses) then *any* form of pari-mutual betting (whether on horses or dogs or anything else) is permitted.

"... about 80 of the nation's 309 tribes have set up bingo halls in some 20 states."

The Reagan Administration, however, has not seemed supportive of the effort to expand Indian gaming into new areas. The Secretary of the Interior has recently decided *not* to approve a proposed management contract between Santa Ana Pueblo and an outside management firm, and a lease of Santa Ana's land for its dog racing facility on the theory that federal law (primarily the Assimilative Crimes Act, 18 U.S.C. 13, and the Organized Crime Control Act of 1970, 18 U.S.C. 1955) prohibits the proposed activity. In rejecting the Santa Ana Pueblo proposal, Secretary Hodel stated the enterprise would provide "badly needed funds for services to its people and economic development on the reservation so as to enable employment opportunities and improved lifestyle" yet, the Secretary said he could not approve any gaming operation that would be in



Henry Sockbeson

conflict with federal law. Secretary Hodel has referred the matter to the U.S. Justice Department.

The Gila River Indian Community in Arizona has also announced its intention to construct a jai alai arena on reservation land located just outside Phoenix. They rely upon the same theory as Santa Ana Pueblo. The Bureau of Indian Affairs Area Office in Phoenix approved the Gila River Tribe's 35-year lease and management contract before Interior Secretary Hodel came into office. Secretary Hodel recently announced he is reviewing and may rescind the jai alai contract approval. The developers of the jai alai have sued Secretary Interior Hodel, asking the courts to affirm the contracts as valid.

Federal prosecution by the United States against Indian tribes in the area of gambling has been rare. However, the United States recently sued two members of the Keweenaw Bay Chippewa Indian Community in Michigan, *United States v. Dakota*, for operating a gambling establishment which conducts casino-style gaming including blackjack and dice games. The suit also sought to bar the Keweenaw Bay Indian Tribe from issuing gambling licenses on the reservation. The federal district court in Michigan found the tribal members were operating a commercial

gambling operation in violation of the Assimilative Crimes Act and the Organized Crime Control Act. The court's opinion did not address whether tribally run gambling operations are commercial within the meaning of the Michigan statute. NARF filed an amicus curiae brief on behalf of Bay Mills Indian Community which is an entirely tribally controlled operation.

Even though the *Butterworth* decision has been generally followed it did not get reviewed by the United States Supreme Court.

Any of the several challenges by states could eventually be heard by the U.S. Supreme Court. If such a review were to occur there is no guarantee that the Fifth Circuit's reasoning would be accepted. Many attorneys who monitor Indian law decisions of the Supreme Court believe that a review of an Indian gaming case could be very close indeed. Some tribes believe that legislation is the only assurance that tribes have that they will be able to continue the tribal gaming that they have come to depend on.

Two versions of a legislative solution to the bingo issue have been offered in Congress this past year. The first was sponsored by Congressman Udall (H.R. 1920, introduced April 2, 1985); the second by

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Senator DeConcini (S. 702, introduced April 4, 1985). The two bills are similar except that the DeConcini bill provides that a National Indian Gaming Commission be established, the upshot being that tribal representatives would ultimately control tribal gaming. The Udall bill contains no such provision.

In contrast to the two bills mentioned above, Congressman Shum-

(continued next page)

The NARF Legal Review

HIGHLIGHTS

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Jeannette Wolfley

way introduced H.R. 2404, a much more restrictive piece of legislation. What is perhaps most indicative of Congressman Shumway's real intent is that the bill provides for *state* regulation of all tribal on-reservation gaming operations.

Tribal condemnation of the Shumway approach was universal. In short, it could portend the death of tribal sovereignty on the reservation.

The only thing that can be said about the tribal position regarding the Udall/DeConcini bill is that there is no generally accepted tribal position. The testimony ranged from flat-out opposition to any congressional

interference with on-reservation tribal sovereignty, to those who saw the Udall/DeConcini approach as a reasonable price to pay for congressional affirmation of the tribes' right to conduct on-reservation gaming free of control.

The general consensus seems to be that no bingo legislation will be enacted this year although it is probable that the House will enact the Udall bill this session. Enactment of some modified version of the Udall/DeConcini bill seems likely before the end of this Congress in December of 1986.

The Reagan administration has stated that Indian tribes must no longer look to the BIA for financial support to fund tribal government. Tribal economic development funded by private sources must be the wave of the future. As stated by the President:

"It is important to the concept of self government that tribes reduce their dependence on Federal funds by providing a greater percentage of the cost of their self-government . . . Without sound reservation economics, the concept of self-government has little meaning . . . This administration intends to remove the impediments to economic development and to encourage cooperative

efforts among the tribes, the Federal Government, and the private sector in developing reservation economics".

"One might reasonably suspect, and tribes frequently charge, that what states are objecting to is not the gaming that occurs on reservations but that the tribal governments are the sole beneficiaries."

Many tribes, by necessity, have taken this policy to heart. Gaming is one way that resource-poor tribes can generate income and improve their lot through their own initiative. For many tribes, gaming is one component of a larger economic development plan for their reservations, the larger goal being a self-sustaining reservation economy. What remains to be seen is whether Congress and the Reagan Administration will permit tribes to freely compete with states for the entertainment dollars that gaming attracts. If so, then the future of many tribes, for the first time, is indeed bright. ■

Update on Other Cases

Seminole Tribe Wins Florida Tax Case

The Florida Fourth District Court of Appeals recently upheld a decision of the lower state court that the Florida State Department of Revenue could not sue the Seminole Tribe of Florida in order to collect state sales taxes from tribally owned businesses on the reservation. The lower court had ruled that it had no jurisdiction to hear the case against the Seminole Tribe because of the Tribe's sovereign immunity, and that the state had no authority to impose such taxes. The State Appeals Court con-

curred in its opinion issued in late August, 1985 in *Department of Revenue of the State of Florida v. The Seminole Tribe of Florida*. The court cited the principle that "Indian tribes have long been recognized as possessing the common-law immunity from suit traditionally enjoyed by sovereign powers." The case was handled by Henry Sockbeson.

Supreme Court Declares Royalties Tax-Exempt

On June 3, the U.S. Supreme Court ruled that the State of Montana does not have the authority to tax the

Blackfeet Tribe's oil and gas royalties from leases made under the 1938 Indian Mineral Leasing Act (IMLA). The court held that a 1924 Act which authorizes state taxation on mineral royalties does not apply to leases made under the later 1938 Act. The



Jeanne Whiteing

case represents a significant step toward making tribal oil and gas leasing more competitive. NARF's Deputy Director, Jeanne Whiteing — herself a Blackfeet — argued the case before the U.S. Supreme Court.

School District Ordered to Allow Indian On Ballot

In May, NARF filed suit on behalf of Emery Williams, a member of the Seneca Tribe, against the Gowanda Central School District, because the School District refused to put Williams' name on the election ballot for school board elections. The District's refusal was based on a New York state law which required school board members to be residents of the District. The Seneca Reservation is not considered part of the school district, even though Indian children from the reservation attend school in the Gowanda District.

Preliminary relief was granted by the court which ordered Williams' name to be placed on the ballot. The election was held in May. Unfortunately, Williams was unsuccessful

in his attempt to win a seat on the school board. Shortly afterward, the New York legislature amended its residency requirement for school board elections to include reservations as a part of the districts. Attorney Henry Sockbeson handled the matter.

Court Halts Forest Service Construction and Harvesting

In June, the Ninth Circuit Court of Appeals ruled that the U.S. Forest Service could not harvest timber and construct a road in an area used by Indians for religious purposes and considered sacred for that reason. The Court found that the federal government's proposed actions would seriously interfere with or impair Indian religious practices. NARF filed an amicus brief in the case on behalf of several organizations and tribes.

In the case, *Northwest Indian Cemetery Protective Association v. Peterson*, the Indians alleged that the proposed activities would violate their rights under the First Amendment and the American Indian Religious Freedom Act of 1978. The government argued that protection of the area would create a government-managed "religious shrine" which is prohibited by the U.S. Constitution. But the court disagreed, saying that the management of the national forest in a manner which does not burden Indian religion evidences a policy of *neutrality* rather than an endorsement of the religion. The court also found the Forest Service's plans violated certain environmental laws.

Supreme Court To Hear Catawba Land Claim

The U.S. Supreme Court will review the Fourth Circuit Court of Appeals' decision in *Catawba Indian Tribe v. South Carolina*, which upheld the right of the Catawba Tribe to pursue its claim to 144,000 acres of land in South Carolina. The Fourth

Circuit had held that the land claim was not extinguished by the Catawba Termination Act which ended the government-to-government relationship between the Tribe and the federal government, and was not barred by the state's statute of limitations. South Carolina requested the Supreme Court to review the Fourth Circuit's decision; the Court will hear the case during the 1985-86 season. Don Miller, NARF staff attorney, has handled the case in the past and will argue the matter to the Court. ■

Lots of corporations support NARF. However, we'd like to express an extra special thank you to the GREYHOUND CORPORATION, a contributor to NARF for years. During 1985, due in large part to the efforts of GREYHOUND Executive Joe Black, the Company increased its support to us 50% over the previous year's donation. From all of us at NARF:

"Thanks, Joe! And thank you, GREYHOUND!"

Congratulations Marilyn!



Marilyn Pourier, NARF's planned giving coordinator, has agreed to serve on the National Planned Giving Institute Reference and Advisory Committee for Robert F. Sharpe and Company, Inc. A graduate of the Institute, Marilyn will be available to assist and advise other prospective candidates to the training.

NARF Donor Survey Reveals Widespread Support of Multiple Indian Issues

Earlier this year a membership survey was sent to our donors regarding their interests and concerns. Following is a report of the survey returns.

The vast majority of the respondents indicated they felt documentary films and newspaper articles would be helpful to educate Americans on Native American issues. Slightly more than a third felt Congressional testimony as well as radio spots would be helpful. Donors felt much less strongly about the relevance of newsprint ads and mailings to individual citizens as a means to educate more people. Other suggested methods included television spots, "organized public relation efforts," and educational programs in elementary school.

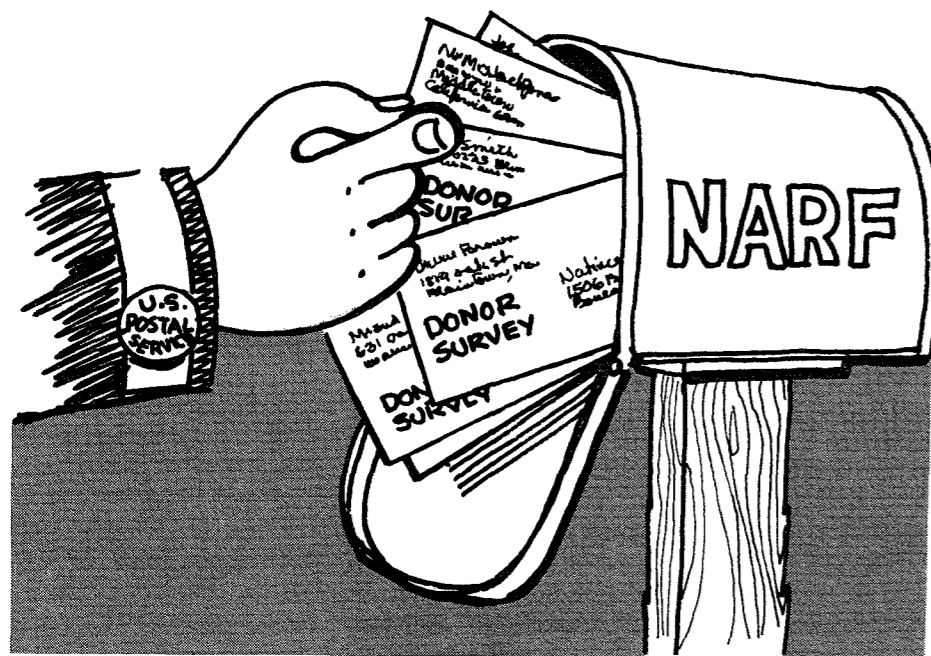
On the question of which NARF issue was of greatest concern to the respondents, the survey returns indicated that all the concerns were important. None of the categories drew less than a 50% response. Education and land rights were ranked highest.

When asked to state a geographical area of greatest interest and/or concern, three-quarters of the respondents indicated no special preference. "Everywhere" was a common, write-in comment.

And on the fourth and final question pertaining to which area was perceived to require greater dissemination of information, the following ranked highest: health care needs of Indian peoples, federal and state government response to Indian rights, educational opportunities and recognition and sovereignty issues.

We appreciate the write-in comments, including those critical as well as praiseworthy. Donors commented that it is difficult to rank priorities ("They're all important!"), indicated they felt we were doing a good job and that they want as much of every donation as possible to be used to benefit Native Americans.

To all of you who took the time to respond to our survey, thank you. It is impossible for any one organization to address all the issues raised. It does help us, however, to have a better understanding on how American people view Indian issues. Your help is appreciated! ■



August Telemarketing Campaign Puts NARF Within Reach Of 1985 Budget Goal

After careful program and budget planning, NARF opened a third office in Anchorage, Alaska, in October of 1984. Alaska Native issues were considered so urgent and in need of our immediate attention that we felt we had to open an office in that area to best serve the people.

As NARF's fiscal year progressed, it became clear several financial sources had not materialized as planned. In June emergency plans were put in place to launch a first-time telemarketing campaign to raise the funds necessary to support our new effort. The aggressive fundraising goal was \$118,000.

To date, it appears we will be able to meet that target figure through this special campaign. The opportunity to talk personally to our donors was very positive. So many of you were extremely encouraging to us, well-informed on our complicated issues and understanding of our need for generous support. Some donors did not like our calling them and we appreciate that, too.

Thank you from all of us at NARF for your overwhelming response to our plea for help. As of this writing, we expect we will be able to close our 1985 books in the black.



Proposed Tax Law Changes Would Cause Gifts to Plummet — Part II

In our spring "Highlights" edition we featured an article about the projected negative impacts to charities if the Administration's tax simplification plan goes through. Under the proposed changes, it is estimated charitable giving would decline \$11 billion a year, according to a study by INDEPENDENT SECTOR (IS), a national coalition of charities.

The battle to prevent those changes as they impact charitable giving continues. Following is a

message from IS President, Brian O'Connell, dated July 12, 1985:

In testimony this week before both the House Ways and Means and Senate Finance Committees, we pointed out that even with improvements made from Secretary Regan's original recommendations, contributions in 1986 would still be reduced by about 17% or \$11 billion. Most (10%) of this would result from repeal of the Charitable Contributions Law which now allows all taxpayers to deduct their contributions.

In oral summary, I said: "The Administration says we must all do our share, but as nearly as we can see we were the only ones to respond to their similar appeal four years ago when, in recognition of the deficit, we agreed to a slow phase-in

of the nonitemizer deduction. Now having responded with agonizing restraint, we are the ones being asked to give it all up. That's not fair . . . The Government pushed the workload on us and we accepted, the Government asked us to set an example of restraint in the face of national deficits and we accepted. Four years later, after being the ones to carry forward the voluntary spirit heralded by the Administration and Congress, we were the ones being asked to accept a loss of almost 10% of our income at the same time we

are being asked to expand our services to make up for cuts in the Government's own programs. That's not fair. *We are rather proud to be known as soft hearted but rather angered to be treated as soft headed.*"

As an independent charity and through our participation as a member to INDEPENDENT SECTOR, NARF is urging elected officials to hold in place those tax incentives which have promoted greater participation by all individuals in support of charitable institutions. We highly encourage you to contact your local congress person, expressing your concern that incentives for charitable giving be kept intact. ■

"We are rather proud to be known as soft hearted, but rather angered to be treated as soft headed."

NARF 15th Anniversary Cause to Celebrate (Twice)

As most of you are aware, NARF is celebrating its 15th anniversary this year. Several months ago a special commemoration newsletter was sent to our donors. Its feature essay "Indian Law in the Modern Era," a major analysis of Indian law during the modern era by Indian law scholar Charles Wilkinson, was written to serve as an overview and discussion point for the Native American and legal advocate communities. The Gannet Foundation and the National Committee on Indians of the Episcopal Church provided funding for the special newsletter.

During this 15th year, NARF also completed production of a 10-minute, narrated presentation about the organization. The promofilm was funded in part by IBM-Boulder and will be used for educational and funding purposes.

Finally, two receptions have been held to commemorate NARF's 15th anniversary, one in Boulder, because it is our national headquarters, and the other in Los Angeles. California has more individual donors contributing to NARF than any other state and we started in that state as a pilot project in 1970.

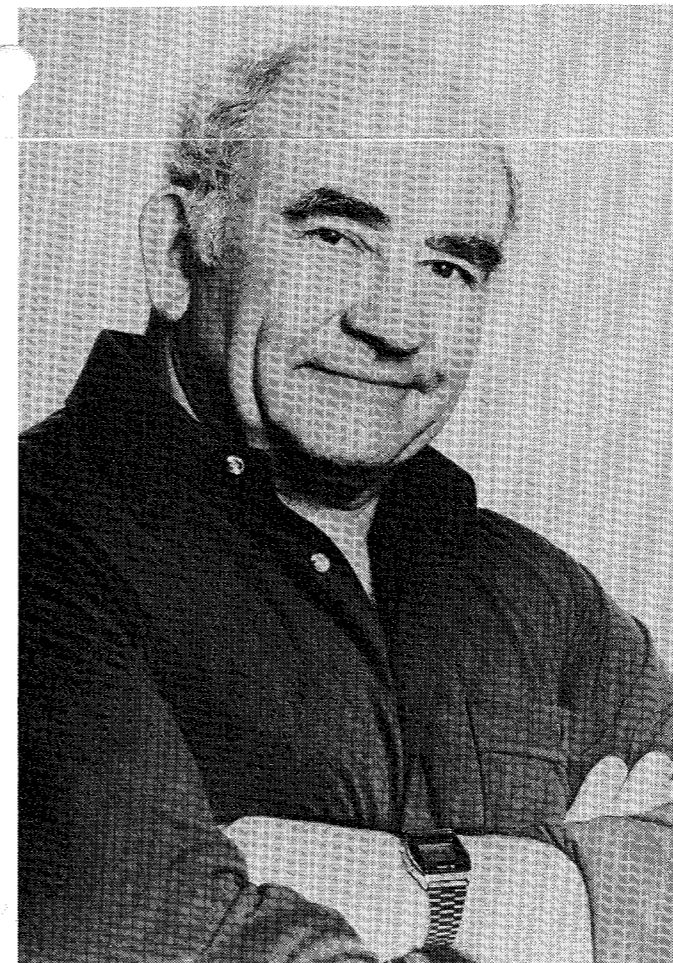
Our very special thanks to the Adolph Coors Company, especially Nancy Williams, for sponsoring the Boulder reception and to the Atlantic Richfield Company, Jerry Bathke, for hosting the Los Angeles celebration. The two memorable events were extremely important for NARF both to mark the occasion and to let our donors know how important they are to our efforts on behalf of Native Americans. ■

John E. Echobawk with:
top, left to right:

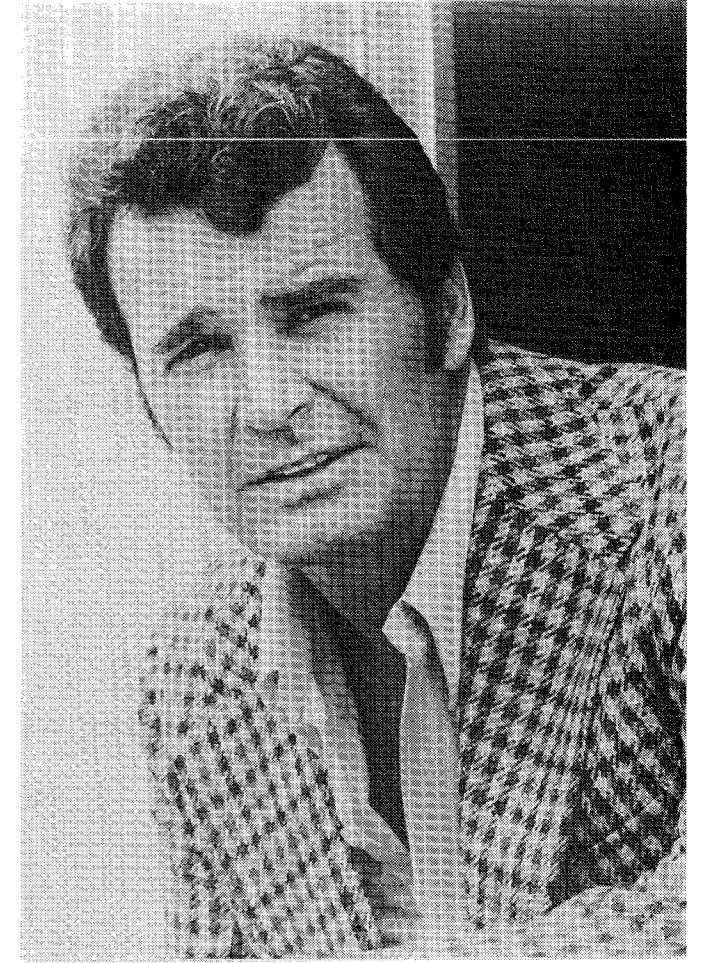
Tenaya Torres - NSC Member
Patricia Nelson - Representative,
Santa Ysabel Band of Indians (Client)

bottom, left to right:

Iron Eyes Cody - NSC Member
Jerry and Mrs. Bathke -
Atlantic Richfield Co. (Public Affairs)



Ed Asner



James Garner

Asner and Garner join NSC

We are pleased to announce that James Garner and Edward Asner have recently joined our National Support Committee. The NSC now has a membership of 23 nationally and internationally known people from the fields of arts, politics, literature, and other areas of public service. Members provide invaluable assistance to NARF in its fund raising and visibility efforts.

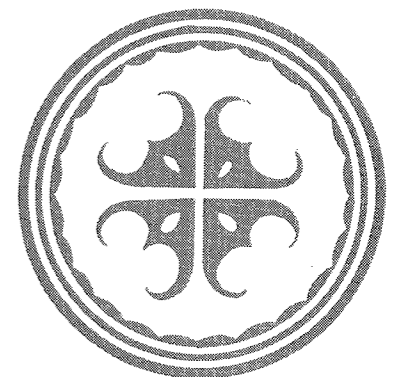
Ed Asner was elected the 18th President of the Screen Actors Guild in 1981, a position he still holds. He divides his time between Guild duties, dramatic projects, and political and charitable causes. Mr. Asner is perhaps most widely recognized as newsman Lou Grant. He is presently

starring in the TV series "Off the Rack." Asner has received numerous awards for his acting roles in "The Mary Tyler Moore Show," "Rich Man, Poor Man," "Roots," and "Lou Grant." He has also received the Flame of Truth Award from the Fund for Higher Education; the Woody Guthrie Humanitarian Award from the Southern California Alliance for Survival; the Tom Paine Award from the National Civil Liberties; the SANE Peace Award; and the (California) Governor's Committee for Employment of the Disabled Award.

James Garner, television star, became one of the industry's top attractions as the star of "Maverick." This series was followed by "Nicholas," and most recently, "The Rockford Files," top-rated for six straight seasons. Mr. Garner has appeared in more than 35 major motion pictures

including "The Children's Hour," "The Great Escape," "Grand Prix," "Victor/Victoria," and "Murphy's Romance."

On behalf of the Steering Committee and staff we would like to thank Mr. Asner and Mr. Garner for joining the National Support Committee of the Native American Rights Fund. ■



Benefit Art Show Set for November

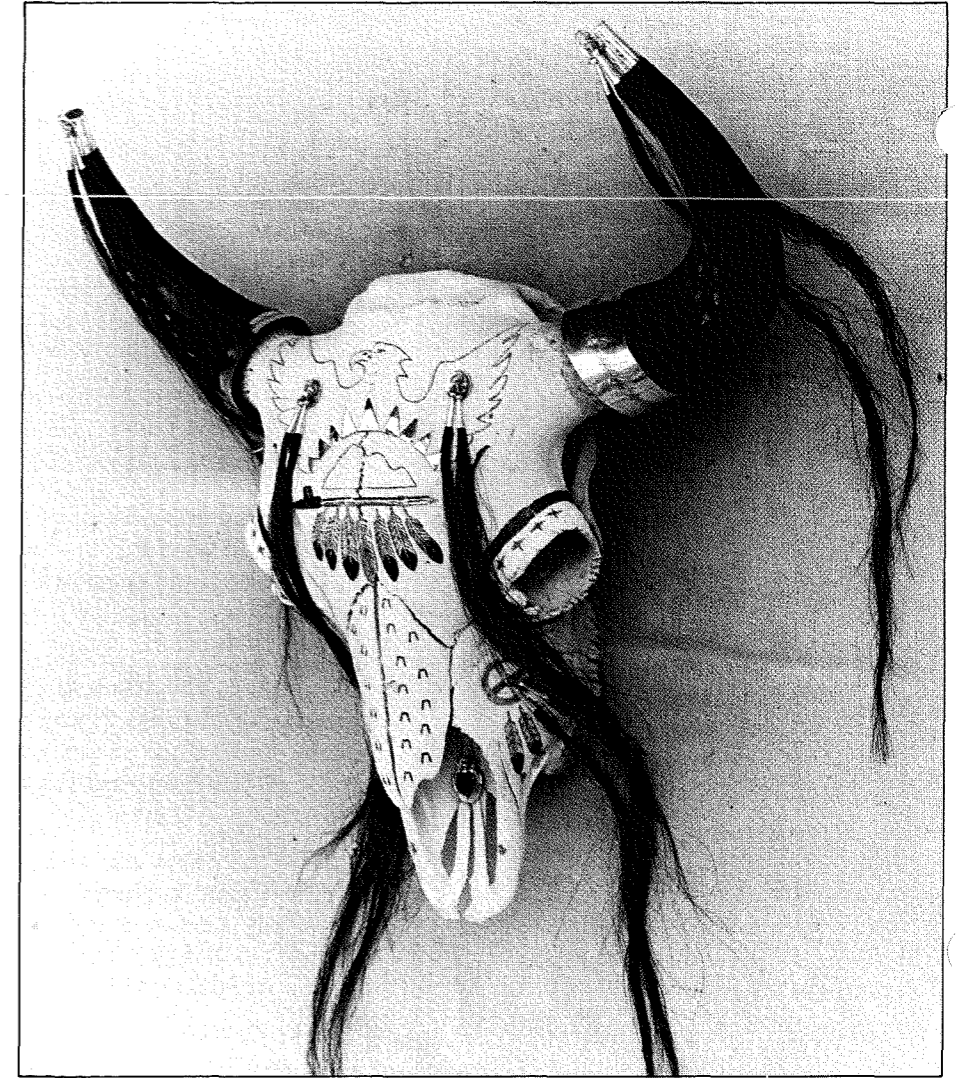
The 1985 "Visions of the Earth" Indian art show will be held November 15, 16 and 17, 1985 at the Native American Rights Fund (NARF), 1506 Broadway, Boulder, Colorado. The week-end art show is a benefit for NARF. On Thursday, November 14 a \$15-per-person preshow reception will be held with all ticket proceeds going toward NARF's legal efforts on behalf of Native Americans.

The art show will feature the Lakota Artists' Guild of Rapid City, SD.

The week-end show is open to the public. Times are scheduled at 6-9 p.m. Friday, and 10 a.m.-5 p.m. Saturday and Sunday. Thursday's preshow celebration is to ticket holders only.

Items for sale will include paintings, prints, sculptures, pottery, clothing items, and all types of crafts. A fashion show is scheduled Saturday, November 16. There is no charge for admission.

For more information, contact The Native American Rights Fund, 1506 Broadway, Boulder, CO 80302, (303/447-8760).



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