



March 21, 2019

Speaker Tina Kotek
Oregon State Capitol
900 Court Street NE
Salem, Oregon 97301

Dear Speaker Kotek:

We hope this letter finds you well. The Oregon Tribal Gaming Alliance (“OTGA”) is extremely concerned about the passage of SB 212A in the Oregon Senate. The portion of the bill relating to language from SB 194 is a significant problem for Oregon tribes.

This legislation will have a larger impact on Oregon tribes than the Senate Committee on Finance and Revenue considered prior to SB 194 being “gut and stuffed” into SB 212A, a tax bill relating to education costs. OTGA requests that the Legislature slow down and take a look at what the true impacts of SB 212A will be on our casino patrons, and ultimately Oregon tribes. Taxing a player’s winnings without crediting his or her losses will drastically increase how much a player is out of pocket. This will reduce the player’s future play and consequently tribal revenue. The impact on tribal communities will be significant.

The results of this legislation are not as black and white as what was messaged by Senate Democrats during the floor debate. Through players clubs, tribal casino’s track information for our customers. These reports show that a significant tax liability will be shouldered by our players. We were not consulted or asked to share any of this information with the Legislature while SB 212A was being considered in Committee. We would like to meet with you to share this information now.

The Senate’s action on SB 194 and SB 212A violates the government-to-government relationship between the tribes and state. Tribes were not consulted during the interim, nor did the Chairman of the Senate Committee on Finance and Revenue or the Legislative Revenue Office ask us about potential impacts during the 2019 Legislative Session. Tribal representatives attended the hearing on SB 194, and expressed their opposition to the Committee Chairman. Unfortunately, our concerns were ignored by the Senate Democratic Caucus and the bill passed



along party lines. We are hopeful that you as a champion of the government-to-government process will listen and look closely at our concerns before moving forward, and consider alternative ways to separate SB 194 from SB 212A.

We see SB 212A as essentially a pass-through tax that takes revenue away from tribes, affecting tribes ability to provide essential governmental services. All of Oregon's tribes continue working towards self-sufficiency, including funding programs such as health care, housing, education, natural & cultural resources, and public safety. Tribal gaming revenue is key to Oregon's rural economy.

Thank you for all that you have done to build strong relationships with Oregon's tribes, we look forward to meeting with you discuss SB 212A this as soon as possible.

Sincerely,

Gary E. George, Chair
Oregon Tribal Gaming Alliance

CC: OTGA Members
House Revenue Committee