

HIGH STAKES BINGO AND SLOTS “SYMBOLIC SIGNIFICANCE” A DOUBLE STANDARD

High Stakes Bingo and Slot machines are not new to the Penobscot Nation. The Penobscot Nation first began playing High Stakes Bingo and supplementing the game with slots back in 1974. The Penobscot Nation was the first in the Country to start a High Stakes Bingo Game that brought in players not only from other States (mostly New England) but Canada as well. They were very successful in bringing in much needed revenue for our Tribal government. Much like the State's dependency on its gaming revenue from lotteries, scratch tickets and off track betting, we have developed a financial dependency on the revenue generated from our gaming.

Penobscot High Stakes Bingo allowed the Penobscot Nation an economic resource that was not derived from the State or the federal government. For the first time since colonization we were able to provide for ourselves. We no longer had to beg government for grants or funds. We had a brief glimpse of what economic self-sufficiency was like. But, the games were a source of contention to the State of Maine not so much because of the gaming aspect but because in 1974 when we started High Stakes Bingo we did so after we had become federally recognized. This gave the tribes a liberating status that removed us from total control of the State of Maine. The state did not want the tribes profiting from an enterprise they could not control. The colonial mantra had always been to keep the tribes economically dependent thus easier controlled. The Penobscot Nation and Passamaquoddy tribes had agreed in the Settlement Act to abide by state law. After the Land Claims Settlement Act was signed into law, the Penobscot Nation felt that it still had the right to continue its High

Stakes Bingo as the proceeds supported tribal government. The Penobscot Nation felt it should be considered an "Internal Tribal Matter" thus under complete tribal jurisdiction. A court battle ensued. The Penobscot Nation stopped playing High Stakes Bingo in 1983 after the United States Supreme Court let stand a Maine Supreme Court decision that (to no ones surprise) found in favor of the State of Maine.

Four years after the decision not to hear our case, the United States Supreme Court did rule in a California case that "state and local government may not regulate high stakes bingo games and other gambling operations on Indian reservations." This was reported in a newspaper article written by the Associated Press titled "Tierney: Penobscots may benefit". The article further stated "... since after the refusal by the US Supreme Court to hear their case the Penobscots have repeatedly pressed for legislation that would allow the games to resume."... The Tierney article was dated February 26th 1987. The title of the article is significant because the day before the article was printed the US Supreme Court ruled on the California case. It was obvious to then attorney general Tierney that this ruling did not legally bind Maine because of language in the Settlement Act that placed the tribes under Maine law. However Attorney General Tierney felt there was a fairness issue here. He stated the ruling had a "symbolic significance" for the effort to restore the High Stakes Bingo games on the reservation on Indian Island. He went on to say that if he was still in the legislature that he would vote in favor of the bill to allow High Stakes to be played. The Penobscot Nation has been pressing legislation to regain its full operational status since 1983 for twenty-four years, almost a quarter of a century.

In 1992 the legislature voted to allow High Stakes Bingo to be played on all Federally recognized Indian reservations in Maine. High Stakes Bingo was allowed but we were not allowed to resume full operations. Slot machines were prohibited. We

resumed our High Stakes Bingo games under very specific laws that limited the number of weekends played and prize money awarded. We also had to pay a fee. The fee was a license fee of \$50,000 a year to the State.

We reluctantly accepted the ruling and were actually able to sustain our Tribal Governmental services such as fire, ambulance, public safety, and health services until this past year when Hollywood slots started its operation. The High Stakes Bingo operation brought in between \$200,000 and \$250,000 dollars a year for tribal government operation. This past year we have seen our revenue drop from \$200,000 plus to \$3,800 dollars. We cannot survive with that kind of loss. We need to have our full operation back so that we can at least compete on some small level.

I have submitted a bill for four hundred slots to be allowed on Indian Island. The four hundred is a truly desired goal but we are willing to consider and accept less. The other significant factor is that we are also willing to "share the wealth". We will be amending the bill to give a percentage of the net profit to organized Veteran's bingos who are also experiencing a loss in revenue. We will also share with the Community College and University systems, business development centers, and with Old Town. We are not trying to be greedy, we simply want to level the economic playing field. We too are Maine citizens and would like to keep the money we earn circulating within our community, the surrounding communities and within the State of Maine.

I echo the words of former Attorney General James Tierney. There is a "Symbolic Significance" existing in the State of Maine now. There is indeed a fairness issue. Since 1983 Maine has legalized Maine State Lottery, Power Ball, Off Track Betting, many variations of Scratch Tickets, Harness Racing and finally a Racino, Hollywood Slots in Bangor located just ten miles from our Penobscot High Stakes Bingo site.

The State of Maine has become just as dependent on gaming revenue as we have. I once asked former Governor King, why if he was so against gambling, hadn't he submitted a bill to get rid of it. He simply said "we can't we're addicted to it. We can't afford to get rid of it" The **"Symbolic Significance"** here is a double standard, one where the State makes millions and we make nothing. It's plain to see the economic injustice that currently exists.

Testimony before the Joint Standing Committee on Legal
and Veterans Affairs
April 9th 2007

LD 701 “An Act to Authorize the Operation of Slot
Machines on Indian Island in Old town”

Good afternoon Senator Marrache, Representative Patrick and members of the Joint Standing Committee on Legal and Veterans Affairs.

My name is Donna Loring and I am the Penobscot Nation’s Representative to the State Legislature.

I come before you this afternoon to present LD 701 “An Act to Authorize the Operation of Slot Machines on Indian Island in Old Town.

The Penobscot Nation is requesting to be allowed to operate slot machines during its Bingo games. The slot machines we are requesting are within existing law. We are not a new facility and we are not asking for slots beyond the amount allowed by law.

As you know we have been operating **High Stakes** Bingo since the legislature approved our operation in 1992. The reason for legislative approval was to allow the Penobscot Nation to support its emergency services, fire, public safety, ambulance etc. ~~The Penobscot Nation has played Bingo or Beano for many years. We have a history of playing Beano or Bingo to meet our immediate economic needs. I have been reading a book titled “For Love of Mercy” written by Sister Mary Raymond Higgins. Her book is based on the experience of the Sisters of Mercy on~~

Indian Island, Pleasant point and Indian Township. Sister Higgins mentions the Beano fundraisers back in the early fifties. If there was a real and immediate need the tribe would sponsor a Bingo game and donate the proceeds to the Church to help pay for oil or food when the Sisters pantry was low. The tribe would also donate Bingo proceeds to the children for Christmas gifts and to families who suffered the loss of everything when their homes burnt. Bingo has been a successful economic tool through the years for the Penobscot Nation. It is our fall back, an emergency resource. We are in danger of losing that resource.

We are asking to be allowed to operate slot machines for the same reasons we requested the High Stakes Bingo fee be eliminated. Since Hollywood Slots start up we have seen a marked loss of our revenue. There will be others from the Penobscot Nation who will testify in greater detail about the effect of those losses on our community. We simply need to be able to compete with Hollywood Slots.

A few weeks ago I listened to veterans groups testify before your committee and heard how they are losing revenue as less people are playing Bingo at their facilities. The Penobscot Nation is willing to discuss an amendment to our bill, which would increase the distribution of slot machine percentage to address other non-profit organizations that are losing ability to provide services to their constituents. Organizations such as Veterans Organizations, Community College and Incubator Centers in Rural Areas. We would work with the Bingo non-profits to provide High stakes packages as prizes in their games. This could be done by working with the State Police to

change the Bingo laws. If we work together with the Bingo non-profits we may revive interest in Bingo and help other non-profits provide the services that their people depend on.

~~We are simply asking to be granted the same economic opportunity that Hollywood slots has been given.~~

~~Our community is in immediate need. If we are not allowed to operate slot machines then we cannot compete.~~

~~We cannot afford to lose the economic resource we have depended on for so many years. I ask you to help us sustain our community.~~

Thank you

High Stakes Bingo a Penobscot Perspective

I thought it might be helpful to understand the High Stakes Bingo issue from the Penobscot Nation's perspective.

Penobscot High Stakes Bingo was legalized in 1992 by a vote of the State Legislature. Representative Priscilla Attean was the Nation's representative at that time. The game was allowed because the tribes needed a resource to support they're tribal governments. The profits from the games would be put into the general fund and be allocated to Fire, Ambulance, Police and Safety, Human Services etc. to help maintain our tribal government infrastructure. The profits from this game have helped tribal government substantially contributing approximately \$150,000 or more to our general fund. We've been operating High Stakes bingo now for the past 15 years and have found that it is more profitable to operate only seven times a year as opposed to twenty-seven times a year, as many customers are repeat customers and more games just splits the attendance substantially increasing the cost in labor and prizes. We have had to adjust our marketing strategy and over the years have been able to be successful in attracting a customer base from outside of Maine. Chief Kirk Francis has said "Our people work extremely hard marketing this game and we are second to none." The Penobscot High Stakes Bingo is the only free standing High Stakes Bingo game left in the country. This means there are no slots or other attractions to supplement it. We are competing against big casinos such as Foxwoods in Connecticut that offer many amenities.

~~Every weekend that we conduct High Stakes Bingo it benefits the whole area economy. We hire 70 part-time workers who use their salaries to supplement their incomes.~~

We bus in a minimum of twenty-five buses for the weekends. Bus companies earn around \$2,000 dollars per bus. Seven weekends a year X twenty-five buses a@\$2,000 equals \$350,000 dollars.

The hotels in the area profit as well 400 to 700 room for one, two or three night stays seven times a year comes to an approximate value of \$420,000 dollars a year. Restaurants profit as well at one, two, or three dinners a person a minimum of \$15.00 dollars amounts to \$168,000 dollars. Shopping at local Malls and Convenience stores Estimates around \$140,000 dollars not to mention advertising on TV, radio and newspapers at \$9,000 dollars a weekend times seven. Local printers average \$6,500 per weekend and then there's postage at \$7,900 per game weekend. It all adds up. This has been Penobscot High Stakes Bingos contribution to the area economy for the past 14 years. This past year has proven disastrous due to the introduction of Hollywood Slots. Our customers tend to spend less money less money in that they choose to play Bingo only and will not buy the pull tabs instead they save their pull tab money to play the slots at Hollywood Slots located only ten miles away.

High Stakes Bingo use to attract around