

FOR IMMEDIATE RELEASE

MEDIA CONTACT:
Tiffany Moffatt
(916) 837-0643
tiffany@elevatepublicaffairs.com

Organizations Representing Over 80 California Cities and Local Elected Officials Announce Opposition to the Eligible Tribal Gaming Initiative

*Measure will Cause \$5.5 Billion in Lost Economic Activity
for California Communities and \$500 Million in Lost Tax Revenue*

SACRAMENTO, Calif. (March 23, 2022) – Organizations representing more than 80 California cities and local elected officials today announced their opposition to the qualified tribal gaming initiative – the only sports betting measure being contemplated for the November 2022 ballot that harms local communities.

The initiative proposes to amend the State Constitution to guarantee tribal casinos a near-monopoly on all gaming in California – adding exclusivity over roulette, craps and sports wagering to their current monopoly on slot machines — while weaponizing the Private Attorneys General Act (PAGA) so it can be used against tribal casino operators' legally-operating competition.

Specifically, this change in the State Constitution allows tribal casinos to hire private trial lawyers and replace the role of the Attorney General to sue their non-tribal competitors. As a result, the measure puts more than 32,000 jobs, \$1.6 billion in wages and \$5.5 billion in total economic impact at risk. Cities rely on this revenue for resident services such as public safety, housing and homeless programs.

"The California Contract Cities Association overwhelmingly voted to oppose the qualified tribal gaming initiative as it will not benefit our residents or communities. The proposed initiative also exploits the Private Attorneys General Act, opening the floodgates for frivolous lawsuits that will harm city revenues that fund vital city services such as roads, schools, homelessness services and fire protection." **Marcel Rodarte, Executive Director, California Contract Cities Association**

"Cities across California oppose the qualified tribal gaming initiative because it is the only sports wagering measure that will cause direct harm to our ability to fund the services and opportunities our residents rely on – from parks and recreation to police and fire. During the pandemic, California cities that depend on the revenues generated through legal gaming at cardrooms have seen the devastating impacts cardroom closures have had on municipal budgets and the vital services they fund. Hundreds of millions of dollars in local revenues are on the line, money needed to invest in the safety and well-being of our residents." **Leonard Mendoza, Mayor, City of Commerce**

"This is the only measure that removes opportunity from cities to generate revenue from expanded gaming and sports betting. This is unfair to our residents with little benefit, even causing harm to many of our cities' non-profits who also rely on charitable contributions from the local cardroom to support their work serving disadvantaged communities." **Garrett Gatewood, Councilmember and former Mayor, City of Rancho Cordova**

The qualified tribal gaming measure is strongly opposed across the state, including:

LOCAL GOVERNMENTS AND ELECTED OFFICIALS:

- California Contract Cities Association - representing 74 cities
- Gateway Cities Council of Government
- South Bay Cities Council of Government
- City of Bell Gardens
- City of Commerce
- City of Cudahy
- City of Hawaiian Gardens
- Cities for Self-Reliance Joint Powers Authority
- Amy Shuklian, County Supervisor, Tulare County
- Tom Patti, County Supervisor, San Joaquin County
- Benjamin Cantu, Mayor, City of Manteca

- Leonard Mendoza, Mayor, City of Commerce
- Oralia Rebollo, Mayor Pro Tem, City of Commerce
- Jose Gonzalez, Vice Mayor, City of Cudahy
- Andrew Mendez, Councilmember, City of Azusa
- Andrew Sarega, Councilmember, City of LA Mirada
- Bernadette Suarez, Councilmember, City of Lawndale
- Bret Daniels, Councilmember, City of Citrus Heights
- Brian Raymond, Councilmember, City of Atwater
- Hugo Argumedo, Councilmember, City of Commerce
- Ivan Altamirano, Councilmember, City of Commerce
- Joel Angel Zamora, Councilmember, Santa Fe Springs
- John Soria, Councilmember, City of Commerce
- Oliver Baines, Former Councilmember, City of Fresno
- Yong Mouanoutoua, Councilmember, City of Clovis
- Jan Averill, Former Board Member, Lowell Joint School District
- Sandra Suarez, Former Board Member, Centinela Valley Union High School District

BACKGROUND ON THE MEASURE:

It threatens to destroy local jobs. The eligible tribal gaming measure changes the Constitution and sets a dangerous precedent that could result in the loss of tens of thousands of quality jobs in minority communities. Tribal casinos have a history of unsuccessfully challenging the legality of local cardrooms. Now, they're taking it a step too far by exploiting the Private Attorneys General Act (PAGA) that was originally meant to protect workers. The measure expands PAGA into new territory by allowing tribal casinos to sue their competitors — forcing cardrooms out of business with unlimited, meritless lawsuits. Local communities will lose more than 32,000 good-paying jobs that generate \$1.6 billion in wages annually.

It deprives local governments of revenue for vital services. The eligible tribal gaming measure contains a poison pill for local cardrooms, which are a significant source of tax revenue and economic activity for many local governments. The measure will force cardrooms out of business and result in a loss of \$500 million in local tax revenue statewide — meaning fewer funds for public health, homelessness services, senior centers, and after-school programs. California and local communities will lose \$5.6 billion in economic output generated by cardrooms. The measure prohibits online or mobile gaming options that exist in other states — depriving California of hundreds of millions in new tax revenue each year that could go toward local programs.

For more information to stop the tribal gaming monopoly, go to www.stopmonopolies.org.

###

Ad paid for by Taxpayers Against Special Interest Monopolies.

A committee sponsored by licensed card clubs

Committee major funding from

California Commerce Club

Hawaiian Gardens Casino

Park West Casinos

Funding details at www.fppc.ca.gov