

Politics DAN WALTERS

Dan Walters: Tribes want it both ways; they're sovereign when it suits them

By Dan Walters -- Bee Columnist
Published 2:15 am PDT Friday, May 6, 2005
Story appeared on Page A3 of The Bee

Real life is replete with reminders that we can't have it both ways. We can't consume 1,000-calorie fast-food hamburgers each day without gaining weight or exercising vigorously; we can't drive 100 mph on a crowded freeway without endangering lives; we can't acquire everything we may desire without paying the bills, declaring bankruptcy or going to jail; we cannot jump off a cliff without smashing into the ground.

Politics, however, is not real life. Indeed, it often seems as though politicians spend their waking moments trying to figure out ways to defy the natural laws of human action - promising their constituents expanded services and benefits without raising taxes, for example. The state's enormous, ever-growing budget deficits testify to the infinite capacity of politicians to evade reality, or even deny its existence.



save 5%
on
Wednesday
deliveries

Albertsons.com
You Click. We Deliver. Easy.SM

go to albertsons.com for details

California's casino-owning Indian tribes are a striking example of trying to have it both ways, so far successfully. The legal foundation of the multibillion-dollar Indian gambling monopoly in California is the tribes' assertion that they are sovereign governments, legally entitled to conduct activities that are denied to everyone else by state gambling laws. The tribes claim sovereignty, however, only when it is economically or politically advantageous for them to do so.

They claim the right to participate fully in California politics, having spent tens, and perhaps hundreds, of millions of dollars to secure the passage of monopoly-enhancing ballot measures, become very influential players in legislative politics through campaign contributions and lobbying, and play significant roles in elections for governor and other statewide officials.

No other governments can legally make campaign contributions, however, which would indicate that while the tribes say they are governments, they want to function politically as if they were private corporations. At the same time, some tribes contend that the state cannot compel them to report campaign contributions because they are sovereign governments and therefore exempt from state political regulations. And they resist taxing and regulation of gambling activities and labor union organizing on the same grounds.

A bill making its way through the Legislature with strong bipartisan support testifies to both the gambling tribes' political clout and their desire to have it both ways.

The legislation, Senate Bill 995, carried by Sen. Dean Florez, D-Shafter, would allow federally recognized tribes to join state and local governments in issuing tax-exempt bonds to finance their construction projects, thus potentially removing a cloud over the tax-free local government bonds that some tribes have tapped by arrangement with city

sacbee

[PEST CONT](#)
[Tech wants](#)

[PHARMACY](#)
[PHARMACY](#)

[PHARMACY](#)
[INSTRUCT](#)

[PHOTOGRA](#)
[needs: Pho](#)

[PLANS EXA](#)
[CARSON C](#)
[Applicants](#)

[PLUMBER](#)
[experience](#)

[PLUMBERS](#)
[For condo](#)

[PRINTING](#)
[LETTERPRE](#)
[OPERATOR](#)

...

[Property M](#)
[COMMUNIT](#)

...

[Property M](#)
[HOA MANA](#)

[PROPERTY](#)
[comm'l dev](#)

[Real Estate](#)
[Home Build](#)

[RECEPTION](#)

[Seeking ...](#)

[RECEPTION](#)
[Touch Int](#)

[RECEPTION](#)
[Communica](#)

[RECEPTION](#)
[exp rea'd,](#)

[RESTAURA](#)
[is Hiring ...](#)

[RESTAURA](#)
[COYOTES /](#)

[RESTAURA](#)
[Prep Host/I](#)

[RESTAURA](#)
[Restaurant](#)

[ROOFING I](#)
[roofing ...](#)

[SALES AG](#)
[Appreciatio](#)

The chief beneficiary, at least immediately, would be the Cabazon Band of Mission Indians, which operates a large casino-resort complex in Southern California. The city of Banning, in return for a \$1 million fee, provided "conduit financing" for expansion of the Cabazon complex from a municipal bond issue, but the Internal Revenue Service is looking askance at the deal. Last month, the IRS issued a "preliminary adverse determination" that the Cabazon-Banning bonds do not serve "an essential government purpose" as the law requires.

SB 995 whipped through the Senate Revenue and Taxation Committee the other day on a bipartisan 6-0 vote and seems destined to land on Gov. Arnold Schwarzenegger's desk. Its ultimate fate is in doubt, however, because the governor vetoed a similar measure last year, saying he wanted a more comprehensive examination of Indian casino projects and their financing.

Schwarzenegger has forged gambling compacts with some tribes but has a touchy political relationship with others, especially those in Southern California. The Southern California tribes, including the Cabazon Band, contributed heavily against the recall of former Gov. Gray Davis and for Schwarzenegger's chief rival in the 2003 recall election, Lt. Gov. Cruz Bustamante.

Although they claim sovereignty, and thus exemption from many state laws, the tribes want to use tax-exempt (and therefore taxpayer-subsidized) financing for their resorts. That's really trying to have it both ways.

ABOUT THE WRITER:

Reach Dan Walters at (916) 321-1195 or dwalters@sacbee.com. Back columns: www.sacbee.com/walters.

TheSacramentoBee - Get the whole story every day - **[SUBSCRIBE NOW!](#)**

[Hiring for ...](#)

[SALES Ben Bridge Jeweler Downtown ...](#)

[Sales COUNTER SALES & OUTSIDE ...](#)

[SALES EXECUTIVE KCBC Radio. EEO. ...](#)

[View All Top Jobs](#)

FAIR USE NOTICE

This site contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available in our efforts to advance understanding of environmental, political, human rights, economic, democracy, scientific, and social justice issues, etc. We believe this constitutes a 'fair use' of any such copyrighted material as provided for in section 107 of the US Copyright Law. In accordance with Title 17 U.S.C. Section 107, the material on this site is distributed without profit to those who have expressed a prior interest in receiving the included information for research and educational purposes. For more information go to: <http://www.law.cornell.edu/uscode/17/107.shtml>. If you wish to use copyrighted material from this site for purposes of your own that go beyond 'fair use', you must obtain permission from the copyright owner.