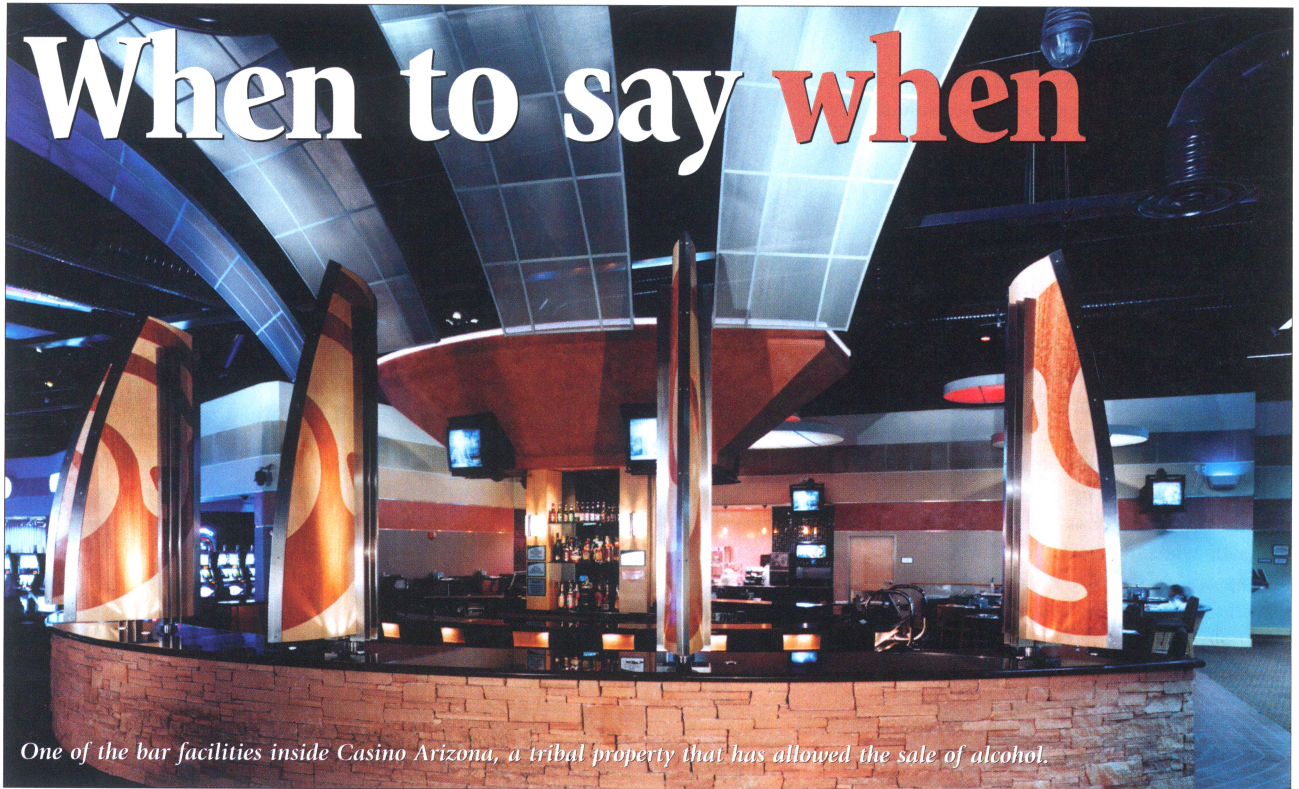


When to say **when**



One of the bar facilities inside Casino Arizona, a tribal property that has allowed the sale of alcohol.

For tribal governments and casinos, whether or not to serve alcohol can be a challenging issue — one that can often come down to business versus culture

BY ANDY HOLTMANN

Jon Jenkins, president and CEO of Casino Arizona in Scottsdale, Ariz., is well aware of the cultural debate surrounding alcohol at tribal government casinos.

About 75 percent of the 300-plus American Indian reservations in the lower 48 states ban alcohol on tribal grounds. Yet, that ban is often ignored with tribal casinos, despite the fact that alcoholism is an acute problem in Native America.

Casino Arizona, an enterprise of the Salt River Pima-Maricopa Indian Community, allows limited alcohol service, a decision Jenkins said is based on business strategy.

"We serve it on the gaming floor, in all the lounges and the showroom and the restaurants," Jenkins said. "I think it would have an impact if we did not serve alcoholic beverages. In this market, a resort market — Scottsdale is an entertainment zone — there is a certain expectation from the public as far as the level of entertainment and hospitality."

As is the case with many tribes, the Salt River Pima-Maricopa restricts the sale of alcohol to the tribe's casino, hotel and golf course locations. It is banned everywhere else on the reservation.

Arizona Indian Gaming Association Executive Director Shelia Morago said all of the state's gaming tribes serve

alcohol in their casinos — a decision made independently by each tribal council. Her tribe, the Gila River Indian Community, was one of a handful of tribes that initially opened an alcohol-free casino property in the urban Phoenix area the mid-1990s but later changed to allow alcohol.

"I think it's different from tribe to tribe," she said. "Each tribe makes their decisions based on both business and culture."

Yet, some tribes continue to enjoy success today despite their casinos' status as alcohol-free. An example that many in Indian County point to is the Shakopee Mdewakanton Sioux Community, which does not serve spirits at either its Mystic Lake Casino Hotel or Little Six Casino — both in the suburban Minneapolis area.

"The [Shakopee Mdewakanton Sioux] community decided it would be better off not having alcohol," said John McCarthy, executive director of the Minnesota Indian Gaming Association. "Because of the way they run their business there, it hasn't seemed to impact them. I think their current business is strong enough that it hasn't become a competitive issue."

History and responsibility

While alcohol sales can certainly be looked at as a business decision for any gaming property, the main reason why many tribes have opted against allowing them to occur on tribal grounds has far more to do with the past

than with commercial casinos.

Native Americans have endured significantly higher rates of drug and alcohol addiction than any other race or culture within the physical borders of the United States. In the book "Do All Indians Live in Tipis? — Questions and Answers from the National Museum of the American Indian," contributing writer Jennifer Erdrich noted that recent statistics found that the alcoholism death rate among American Indians and Alaska Natives is seven times greater than that of the general populous of the United States.

"In addition, alcohol is implicated in three-fourths of all traumatic American Indian deaths," Erdrich continued. "It is a major factor in the high rates of suicide, homicide, automobile accidents, crime, family abuse and fetal alcohol syndrome in Native American communities."

The book goes on to note that researchers have varied opinions as to the cause of the increased alcoholism among Native Americans. Some tie it to historical connections with laws that once made it illegal for Indians to possess or consume alcohol, which instead led to patterns of binge drinking. Others point to medical and genetic causes, arguing that American Indians do not possess or have different genes that are responsible for alcohol metabolism.

One point that most agree with is that alcohol has had an addictive hold over Native American people. At the Living Strong Wellness Conference this past summer, an event geared toward Native American audiences and hosted by Mystic Lake, keynote speaker Cecelia Fire Thunder suggested that Indian people needed to break that hold.

"Alcohol is not the problem. It is medication of choice. We're the problem. If you did your healing and understood the trauma and pain, you wouldn't need alcohol," said Fire Thunder, former president of the Oglala Sioux Nation. "It's never too late to get help. It's okay to ask for help. You owe it to yourself to live in peace and without pain for the rest of your life. Take care of your bodies. What you put into them matters."

McCarthy said that tribes' awareness of alcoholism transcends tribal culture. "I wouldn't want to stereotype it toward Indians only. Hundreds of thousands of families have been destroyed by alcoholism."

Delicate decisions

It's that awareness of the effects of alcohol on *all* people that have led to some tribes heavily restricting alcohol or banning it altogether.

In 2006, North Carolina's Eastern Band of Cherokee Indians debated whether to allow alcohol at its Harrah's Cherokee Casino, operated by Las Vegas-based Harrah's Entertainment. The property's Tribal Casino Gaming Enterprise Board wanted a referendum to put the issue of alcohol sales to a vote by all of the tribe's enrolled members. The debate pitted proponents of alcohol sales, who argued that it would attract more customers and boost revenues for the tribe, against more conservative tribal members who viewed alcohol as a detriment to their people.

The referendum was ultimately pulled from consideration and the casino property remains dry today. The tribe has debated this issue many times before. In 1992, a referendum to allow alcohol sales on the reservation was handily defeated (1,532 to 601). Despite the strong opinions against alcohol sales, the issue is expected to be back

before the tribal council for debate again in the near future.

"We felt there is quite a lot of controversy around this issue," the *Smoky Mountain News* quoted Norma Moss, a representative on the gaming board, after the 2006 decision. "With the withdrawal of this motion, it would give us an opportunity to look deeper into this."

In Minnesota, McCarthy noted that, in addition to the Mystic Lake and Little Six properties, several other tribal casinos in the state have prohibited alcohol sales. Among them: Grand Casino Mille Lacs, owned by the Mille Lacs Band of Ojibwe Indians; Red Lake Casino, owned by the Red Lake Band of Chippewa Indians; and the Palace Casino & Hotel, owned by the Leech Lake Band of Ojibwe Indians. All three tribes, however, operate multiple properties, and those other properties all have full or limited alcohol sales.

"In many instances, like Leech Lake, it was a cultural decision," McCarthy said. "The casino facility is on the same property that their powwow grounds is on ... they consider that holy ground."

But McCarthy was quick to add that it's not just cultural and historical elements playing into many of the Minnesota tribes' decisions.

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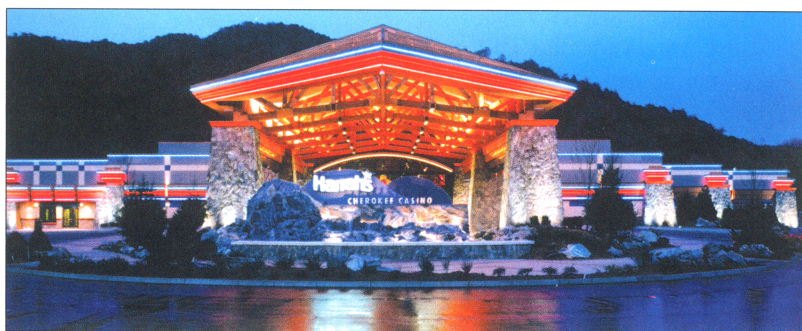
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The Mystic Lake Casino Hotel in Minnesota (left) and Harrah's Cherokee Casino in North Carolina (right) have both opted for alcohol-free operations.

"I've heard from some of the management and tribal leaders that the no alcohol rule saves them a lot of money. [Properties are] not having to replace their carpets as often, they're not having to patch holes in the wall, etc. There are some business benefits to it," he said. "And in fairness, there are a lot of people who would rather go to a casino that doesn't serve alcohol. In Minnesota, we have such stringent DWI laws, and there is consideration to move the blood alcohol level down from .08. There are significant penalties, and people are very

aware of that. I bet if you looked back 20 years ago you couldn't fathom a casino without alcohol, but here, today, it has worked."

In a more recent debate that has generated controversy, the Navajo Nation Council earlier this year narrowly approved limited regulations for sales, consumption and transportation of alcohol at tribal casinos. The Navajo is looking to build several casino properties, including a gaming resort near Flagstaff, Ariz. The 38-36 vote does not allow liquor on other areas of the Navajo reservation. Navajo Gaming

Enterprise Director Robert Winter told the council that the alcohol sales would be strictly limited — only sold with food, by single drink and not allowed on the tribal casinos' gaming floors.

"There will be no freestanding bar," Winter was quoted by the *Navajo Times*. No one will be able to have liquor unless they have already ordered food ... I understand and recognize this is a very serious issue for the Navajo people, but it is necessary for competitive business."

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ALCOHOL AND TRIBES

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But not everyone agrees. Navajo Council Delegate Edmund Yazzie has been one of the most vocal critics of the move.

"Are we ready for this?" he asked. "Is there anything positive that can come out of alcohol sales?"

Hope MacDonald-Lone Tree, chair of the tribe's Public Safety Committee, told the *Navajo Times* she was very disappointed with the legislation's passage. "This is not something to be taken lightly," she said, noting figures from the U.S. Attorney's Office in Arizona showing that 90 percent of violent crime on the Navajo Nation was alcohol related.

Protective measures

For tribes that have chosen to allow alcohol sales, there is an added weight of responsibility. That's why many have gone out of their way to ensure that rules are followed and that the health and safety of tribal casino employees and customers alike are looked after.

Morago noted that her organization and Arizona's tribes have put effective

employee assistance plans in place to help tribal members with personal problems or needs. She also pointed to enhanced training that helps casino employees deal with issues like compulsive gambling.

"We also have The Office of Problem Gambling that's within the Arizona Department of Gaming, which is funded through the revenue sharing money from the casinos here. That office specifically makes sure there is a lot of advertising so that people know where to get help. They also certify and train clinicians and have readily available facilities for treatment," she said.

With regard to alcohol, one thing you won't find at many tribal casinos is free drinks like those traditionally served on casino floors of Las Vegas gaming resorts.

"We don't give away free drinks," Casino Arizona's Jenkins said. "We just felt it would be a better business aim to charge for the liquor, and it better meets the intent of Arizona state laws to charge for liquor."

In Oklahoma, Attorney General Drew Edmondson issued an opinion in February that tribal casinos that serve alcoholic beverages cannot offer free drinks or "happy hours."

Edmondson said that tribes entering into compacts with the state had to comply with state, federal and tribal laws regarding the sale of alcohol.

Casino Arizona is building a new \$400 million resort-casino — set to open by New Year's 2009 — that will feature 500 expansive hotel rooms and a host of new amenities like fine dining, a showroom and entertainment facilities. But Jenkins said things like in-room mini-bars, a luxury one would find at many upscale Las Vegas properties, is a seemingly small issue that will likely be heavily debated. "We probably wouldn't allow customers to bring alcohol into the hotel, but then, how can you always stop them?" he asked.

Jenkins said Casino Arizona already does a lot to curb alcohol abuse and protect its customers.

"We have five limousines here, and we offer free transportation. We offer a free ride home program for anyone who has had too much to drink, whether they notice it or we notice it," he said. "All of our employees in departments [connected with alcohol] are trained regularly on alcohol abuse awareness. We've been doing these things for 10 years." **CJ**

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