

**TESTIMONY OF LEONARD FORSMAN**

**CHAIRMAN**

**SUQUAMISH TRIBE**

**BEFORE THE SENATE COMMITTEE OF INDIAN AFFAIRS**

**DOUBLING DOWN ON INDIAN GAMING: EXAMINING NEW ISSUES AND OPPORTUNITIES FOR SUCCESS IN THE NEXT 30 YEARS”**

**OCTOBER 4, 2017**

Good afternoon Chairman Hoeven, Vice Chairman Udall, and Members of the Committee. Thank you for the opportunity to testify at this important hearing.

My name is Leonard Forsman and I serve as the chairman of the Suquamish Tribe located in Washington state. The Suquamish Tribe is a signatory to the Treaty of Point Elliot of 1855 and a federally recognized Indian tribe. The Tribe has roughly 950 enrolled citizens, half of whom reside on the Tribe’s present day homeland on the Point Madison Indian Reservation, which is located just west of Seattle, WA, across Puget Sound.

I am here today to testify about how tribal governmental gaming is working. For the Suquamish Tribe, gaming has helped to revitalize our government, and enable us to invest in the Suquamish people and our future.

Our tribe still faces many challenges, but governmental gaming has brought greater tribal employment, education, economic development, and reacquisition of our reservation lands. As one of the largest employers in our region, government gaming has also given the Suquamish Tribe a seat at the table with our neighboring jurisdictions and governments to discuss shared interests and issues impacting our communities.

**Tribal Background**

The name Suquamish means “people of the clear saltwater.” We are the successor to the Suquamish and Duwamish people.

Chief Seattle signed the Treaty of Point Elliot in 1855, on behalf of the Suquamish and Duwamish—34 years before Washington became the 42<sup>nd</sup> state. Our people have engaged in commerce on the shores of the Puget Sound since time immemorial.

As is true with many tribes, before we opened our gaming operations, the Suquamish Tribe and our people had few resources and depended almost entirely on the United States to fund our governmental operations and the services we provided to our tribal citizens.

Despite our treaty, federal policies led to the early diminishment of Suquamish landholdings. Beginning in 1886, nearly three-quarters of the reservation was allotted to individual Indians—by 1904, only 36 acres remained in Suquamish tribal ownership, and by 1973, only 37% percent of the reservation remained in trust status.

### **Suquamish Gaming: Robustly Regulated, Government Gaming**

Suquamish governmental gaming is subject to a complex regulatory scheme. Unlike state-sanctioned gaming, which is subject to regulation by one government, under the Indian Gaming Regulatory Act (IGRA), Indian gaming is regulated by at least two governments, often three. This is substantially more regulation than any other gaming industry. Suquamish governmental gaming is regulated by: (1) the Suquamish Gaming Commission; (2) the National Indian Gaming Commission; and pursuant to a Class III gaming compact with the state, (3) the Washington State Gambling Commission.

In addition, other regulatory bodies regularly engage with Suquamish gaming (FinCEN, IRS, etc.). Consistent with the policy goals of IGRA, this robust regulatory regime ensures that Suquamish gaming is shielded from organized crime and other corrupting influences, that the Suquamish Tribe is the primary beneficiary of Suquamish governmental gaming, and assures that Suquamish governmental gaming is conducted fairly and honestly for both the Suquamish Tribe and consumers. Each of the three regulating governments now have decades of experience regulating Indian gaming and have largely worked harmoniously to ensure that Suquamish governmental gaming is adequately protected, fair, and honest.

### **Suquamish Government Gaming: Investment in the Future**

The Suquamish Tribe has implemented a three-prong strategy for utilizing our government gaming revenues: (1) economic security for the Suquamish Tribe and our tribal citizens through diversification, investments, and employment opportunities; (2) maintaining a strong tribal government through the provision of programs and services to tribal citizens, cultural enhancement, environmental restoration, and reservation infrastructure; and (3) investment in the reacquisition and restoration of tribal homelands.

#### Investments in Suquamish Economic Security

Suquamish government gaming is an investment in the Suquamish Tribe, our citizens, and the surrounding community. We have invested millions of gaming revenues into the diversification of Suquamish economic endeavors. Through the Tribe's business arm, Port Madison Enterprises, our economy has expanded beyond the hospitality industry to include: owning and operating a golf course, a spa, and a stand-alone historic banquet facility. This diversification also includes several retail outlets on the reservation, an 8(a) construction company, and a seafood company that is exporting our prized tribal geoduck to markets around the world.

Economic and employment opportunities on the reservation were almost nonexistent before Suquamish government gaming but now the opportunity to earn a livable wage is available to our tribal citizens as well as our neighbors. In addition, these investments also provide a pathway for career advancement, which has a cascading effect throughout the broader community.

### Investment in Strong Government

As this Committee is well aware, the federal government chronically underfunds programs that many tribal nations rely on to provide basic services to their citizens. The Suquamish Tribe uses our government gaming revenues to supplement insufficient federal funds to ensure that Suquamish tribal citizens have access to basic services. This includes funding community health representatives, mental health and wellness services, and drug and alcohol abuse services. We also invest in our elders by providing housing, meals, and health services. And last month, we launched a trial project to provide temporary “tiny homes” for tribal members who otherwise would not have it and connecting them with services provided by the Tribe. This is a more holistic approach that fits with our cultural values and provides flexibility in responding to emergency situations.

Suquamish government gaming revenue has contributed to our longstanding commitment to protecting our treaty resources. This includes operation of our hatcheries, habitat restoration and protection, fin and shellfish monitoring, and other environmental stewardship activities. These investments benefit the Suquamish Tribe and the entire Puget Sound ecosystem.

Suquamish government gaming dollars also helps the Tribe meet our commitment to Suquamish youth. In 2006 the Tribe used our gaming revenues to partially fund the Marion Forsman-Bouchie Early Learning center, which provides early childhood education and child care in a culturally responsive environment for Suquamish and non-tribal community children. We also operate Chief Kitsap Academy, a culturally-centered middle and high school on the reservation. And we are proud that this year more than 50 Suquamish students have enrolled in our higher education assistance programs, which provide aid for students seeking university and technical college degrees and certifications.

Suquamish government gaming revenue helps to continue our connection to Suquamish history, language, and culture. We have been able to fund the construction of a new Suquamish Museum and the House of Awakened Culture, which is a community meeting facility on the shores of Puget Sound. Last year, we opened a community recreation center to foster our community and encourage healthy lifestyles. Suquamish government gaming revenues helped facilitate the return of the Old Man House property to the Tribe (the center of the Suquamish winter village on Agate Pass and Chief Seattle’s home that was burned by the United States). In addition, government gaming revenues have helped fund other cultural activities like the annual canoe journey, repatriation of Suquamish remains, and other cultural education and preservation activities

### Investment in Suquamish Homeland Restoration

Suquamish government gaming has given the Tribe the opportunity to begin to restore our checkerboarded homelands. Since 1999, the Tribe has worked to consolidate our jurisdiction through acquisition of reservation fee parcels and securing trust status for those parcels (as well as acquiring fractional trust interests from willing sellers). The Tribe now owns undivided interest in 1,331 acres in tribal trust or 17% of the reservation. Total trust ownership is 3,893 acres or just over 50% of the reservation.

## **Suquamish Governmental Gaming Has Improved the Surrounding Community**

In addition to bolstering the economic outlook for the Suquamish Tribe and our people, Suquamish governmental gaming has proven to be a valuable contributor to the local economy. After Naval Base Kitsap, the Suquamish Tribe is the second largest employer in Kitsap County. The Tribe and our enterprises employ almost 1,400 people. Over 70% of those employees are non-tribal and live off the reservation. The Suquamish Tribe provides our employees with generous wages and benefits.

In addition, the Suquamish Tribe and our economic development agency annually give hundreds of thousands of dollars to non-profit organizations in the region. Over time this equates to millions of dollars into local causes and charities.

### Fostering Inter-Governmental Relationships

Prior to Suquamish government gaming, we often were ignored or excluded from decision-making in the region. I am proud that today we have taken our place at the table among the family of governments. The Suquamish Tribe now regularly engages in regional and state-wide partnerships to improve the lives of people living in our communities.

### Tribal-State Relationships have Improved and Strengthened

When Indian gaming began in Washington state, the tribes and the State were just emerging from years of litigation—and sometimes violence—over tribal treaty fishing rights. IGRA prompted the Suquamish Tribe and the State to engage on gaming issues on a government-to-government basis.

In 1989, Washington and the tribes further improved their relationship with the inking of the Centennial Accord. Now codified into Washington law, the Accord sought to improve State-Tribal relationships by providing a framework for government-to-government interaction, including how state agencies, like the Washington State Gambling Commission, engage with the tribes.

The improved relationship is also evident in the evolution of the tribal gaming compacts with the State. Despite the fact that IGRA intended for the tribes to be the “primary regulators” of gaming on their lands, early compacts took a “one size fits all” approach which often led to tension between the tribes and state regulators due to overlapping regulations. By the late 1990s, the State took a new approach to regulation that respected the distinct strengths and goals of each sovereign, and many of the gaming compacts were amended to reflect a changing approach to regulation.

This transition to mutual respect in regulation has laid the foundation for strengthened government-to-government collaboration—in gaming as well as other areas of mutual interest. For example, the gaming compacts have laid the ground work in Washington for other government-to-government agreements on areas where there had been conflict, such as cigarettes, liquor, and fuel.

One thing we can all likely agree on is that Indian government gaming has provided a strong and consistent source of revenue for tribes to fund their governments and immense community needs.

Over time, the State has come to understand that what is good for Indian gaming is good for the State of Washington. According to a 2010 Taylor Policy Group study, Washington Tribes (1) contribute more than \$3.5 billion to Washington's gross state product, (2) employ more than 27,000 Washingtonians in tribal casinos and tribal enterprises, including 18,000 non-tribal employees, and (3) generate \$255 million in tax revenue for the State and local governments with taxes paid by suppliers and employees.

**Indian Government Gaming is an American Success Story**

Indian government gaming is working for the Suquamish Tribe and is benefiting our neighbors in Washington state. The Tribe is making significant contributions to Washington's economy and our businesses are eminently local. The Suquamish Tribe will not pick up and leave for other states—we have always been here. There is no immediate need to change IGRA or how it operates. While gaming remains a cornerstone of Suquamish's economic revival, we continue to diversify our economic footprint in the Puget Sound region. The next thirty years are as unpredictable as the last thirty years since IGRA became law. But at Suquamish, we are building a sustainable, successful economy where our people, and the surrounding community have the opportunity to thrive.