



Internet Gaming

Guiding Principles California Internet Gambling Legislation

Purpose: The purpose of these guiding principles on California Internet Gambling Legislation are to promote and protect tribal government gaming and to protect the inherent sovereign rights of California's tribal governments. Therefore;

Any Internet Gambling Authorization ("Authorization") must provide for the following:

1. Tribal Exclusivity for Class III Gaming

The State Constitution clearly provides that the "Legislature has no power to authorize, and shall prohibit, casinos of the type currently operating in Nevada and New Jersey."

- a. Limitation of authorized game solely to the game commonly known as Poker.
- b. Prohibit variations of poker that provide for, percentage games and banked gaming (whether it be house banked or player banked gaming) including but not limited to "jackpot poker" (meaning the ability of players already engaged in a game to pay additional consideration to be eligible for prizes other than winning the pot based on particular poker hands) and "video poker" (house banked game where player plays against machine).
- c. Prohibit authorized Internet gambling from having the look and feel of slot machines. Require that authorized Poker games must be played according to the same lawful rules and methods of compensation as apply to live play poker games conducted within a California-licensed gambling establishment. Require that the look and feel of Internet Poker must not include additional slot machine type graphics, or other casino games.
- d. Exclusivity provisions of the California Constitution – slot machines and banked and percentage games, must not be violated.
- e. Exclusivity provisions of the individual tribal-state gaming compacts – Class III gaming - must not be violated.

2. Enforcement and Regulation

Protecting the sovereign right of California tribes to operate gaming on their lands.



- a. Provide significant criminal penalties for violations of the law. Allow the State to take action against persons and entities, and their assets, located both inside and outside of California.
- b. Allow the State to seize illegal gambling assets and proceeds of illegal gambling when conducting enforcement measures. Proceeds derived therefrom would then be used to fund State enforcement efforts, and to the extent that there are surplus funds after funding enforcement and regulation, for such other purposes as the Legislature may deem appropriate.
- c. Include an effective regulatory regime which is no less stringent than that which applies to existing gaming establishments in the State.
- d. Assuming that Internet poker legislation could bring thousands of virtual tables online, it is not unreasonable to require explanation and development of the regulatory measures that will be employed to prohibit cheating by other players (whether by collusion or the use of “bots”), manipulation of games by game operators and prohibition of underage players and players located outside California from participating in Internet poker. There are two levels of regulation and enforcement that we must be concerned about: (1) Participation in game operations by unsuitable persons or entities; and (2) Protection of the players. We need both deterrents to infiltration by unsuitable participants and real-time protection for players and vulnerable populations.

3. No Expansion of the Number of Gaming Facilities in Off-Reservation Areas

Prohibit “functional casinos” from operating in private and public establishments, including bars, restaurants, unauthorized card rooms and internet cafes.

4. Meaningful Tribal Participation and Benefit

- a. Indian tribes are sovereign governments with a right to operate, regulate, tax, and license Internet gaming on their lands, and those rights must not be subordinated to any non-federal authority.
- b. Inclusion of an opportunity for federally recognized Indian tribes to participate as a matter of right in any Internet gambling authorized within the State.

Protecting the sovereign right of California tribes to operate gaming on their lands.



- c. Require that the economics of any proposed legislation must result in a net benefit to all federally recognized Indian tribes in California who choose to participate, even after considering the potential effects of cannibalization of our individual gaming markets.

Adopted by membership

June 23, 2011

Re-affirmed by a unanimous vote October 20, 2016