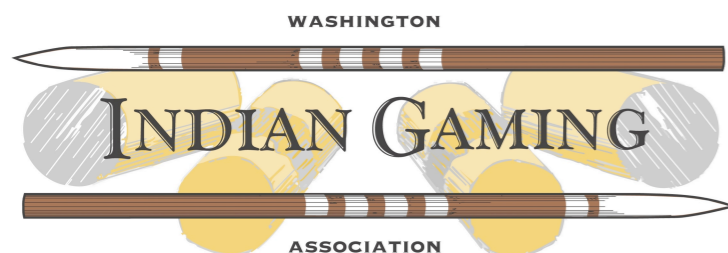


Economic & Fiscal Effects of Indian Gaming in Washington 2010

Testimony before the
Washington House
State Government &
Tribal Affairs Committee

1.18.12

Jonathan Taylor



The member tribes of the Washington Indian Gaming Association funded this study under a contract with the Taylor Policy Group, Inc. The views expressed in this document are those of the author and do not necessarily reflect those of the institutions with which he is affiliated. Unless otherwise indicated, all data herein is derived from a WIGA-administered survey.

2012



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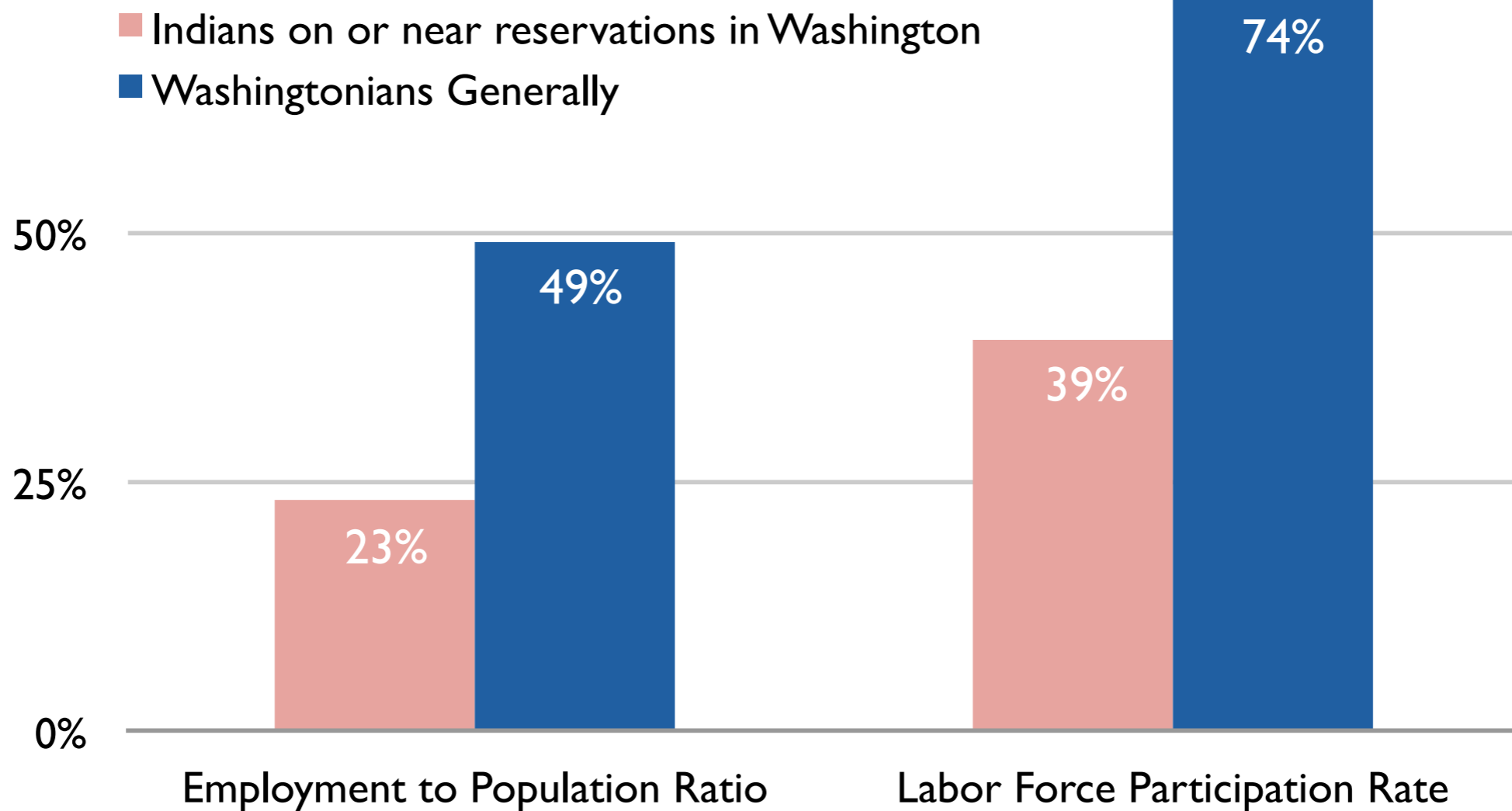
Washington Tribes

		Survey Participation
1	Confederated Tribes of the Chehalis Reservation	Full
2	Confederated Tribes of the Colville Reservation	Partial
3	Cowlitz Indian Tribe	Full
4	Lower Elwha Tribal Community of the Lower Elwha Reservation	Full
5	Hoh Indian Tribe of the Hoh Indian Reservation	Full
6	Jamestown S'Klallam Tribe of Washington	Full
7	Kalispel Indian Community of the Kalispel Reservation	Full
8	Lummi Tribe of the Lummi Reservation	Full
9	Makah Indian Tribe of the Makah Indian Reservation	Full
10	Muckleshoot Indian Tribe of the Muckleshoot Reservation	Full
11	Nisqually Indian Tribe of the Nisqually Reservation	Full
12	Nooksack Indian Tribe of Washington	Full
13	Port Gamble Indian Community of the Port Gamble Reservation	Full
14	Puyallup Tribe of the Puyallup Reservation	Full
15	Quileute Tribe of the Quileute Reservation	None
16	Quinault Tribe of the Quinault Reservation	Full
17	Samish Indian Tribe	Full
18	Sauk-Suiattle Indian Tribe of Washington	Full
19	Shoalwater Bay Tribe of the Shoalwater Bay Indian Reservation	Full
20	Skokomish Indian Tribe of the Skokomish Reservation	None
21	Snoqualmie Tribe	Full
22	Spokane Tribe of the Spokane Reservation	None
23	Squaxin Island Tribe of the Squaxin Island Reservation	Full
24	Stillaguamish Tribe of Washington	Full
25	Suquamish Indian Tribe of the Port Madison Reservation	Full
26	Swinomish Indians of the Swinomish Reservation	Full
27	Tulalip Tribes of the Tulalip Reservation	Full
28	Upper Skagit Indian Tribe of Washington	None
29	Confederated Tribes and Bands of the Yakama Nation	Partial

Participating
tribes
represent
95%
of the Indian
gaming
capacity in
the state.

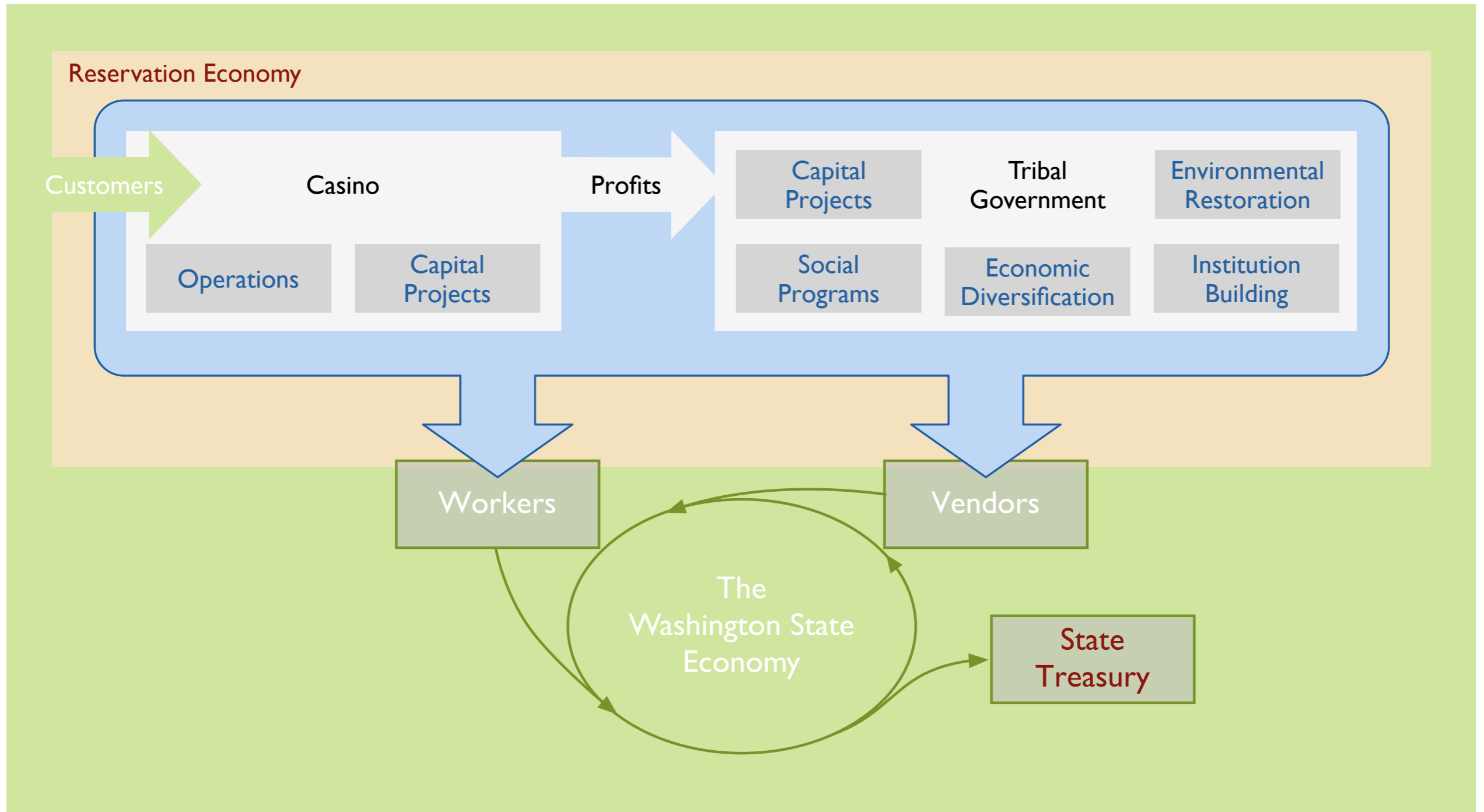
Indian Economic Need

2005



Latest available data for Indians. (BIA; Census; BLS, 2012; Washington Kids Count)

Indian Gaming Finance



Demand for Goods, Services, Labor

2010 dollars in millions

	Purchasing	Wages & Benefits
Annually Recurring	2,442	1,291
2010 Construction	259	

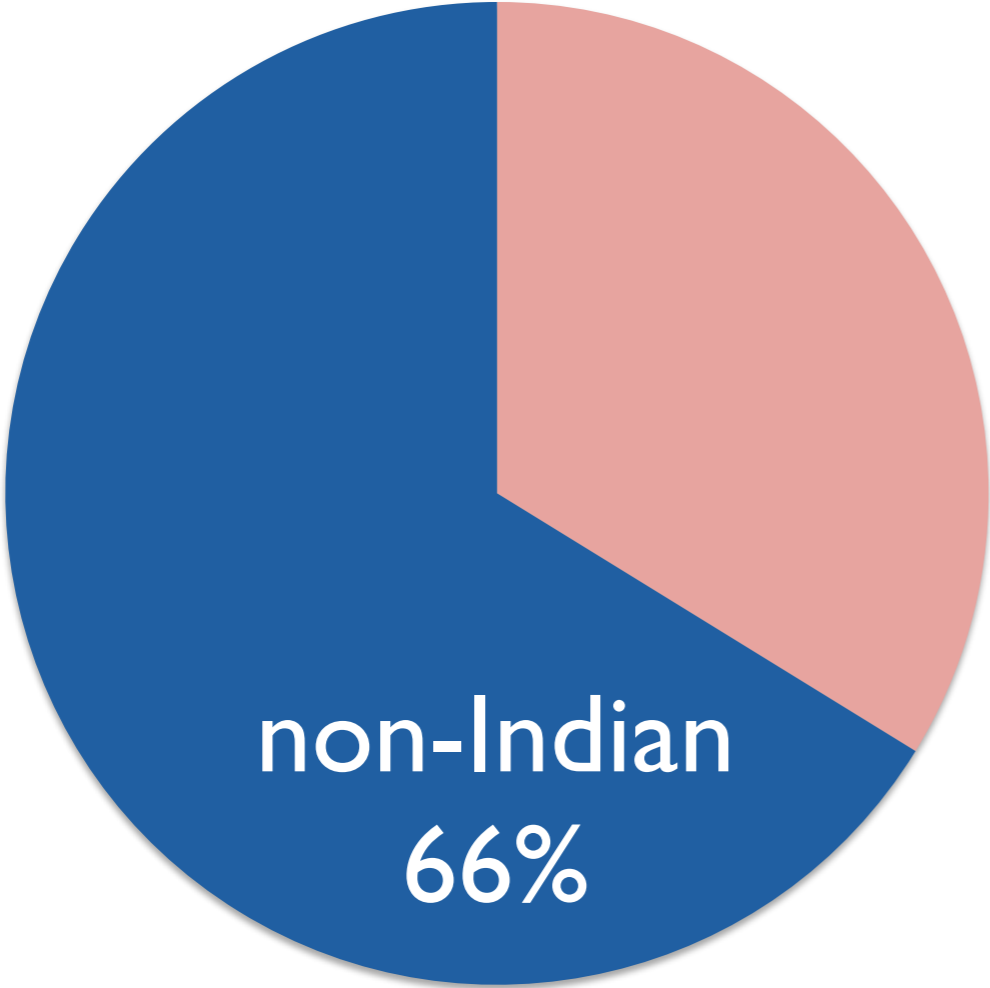
From twenty-five responding Washington tribes. Does not include Indian-owned businesses not owned by tribes or on-reservation non-Indian business.

Employment

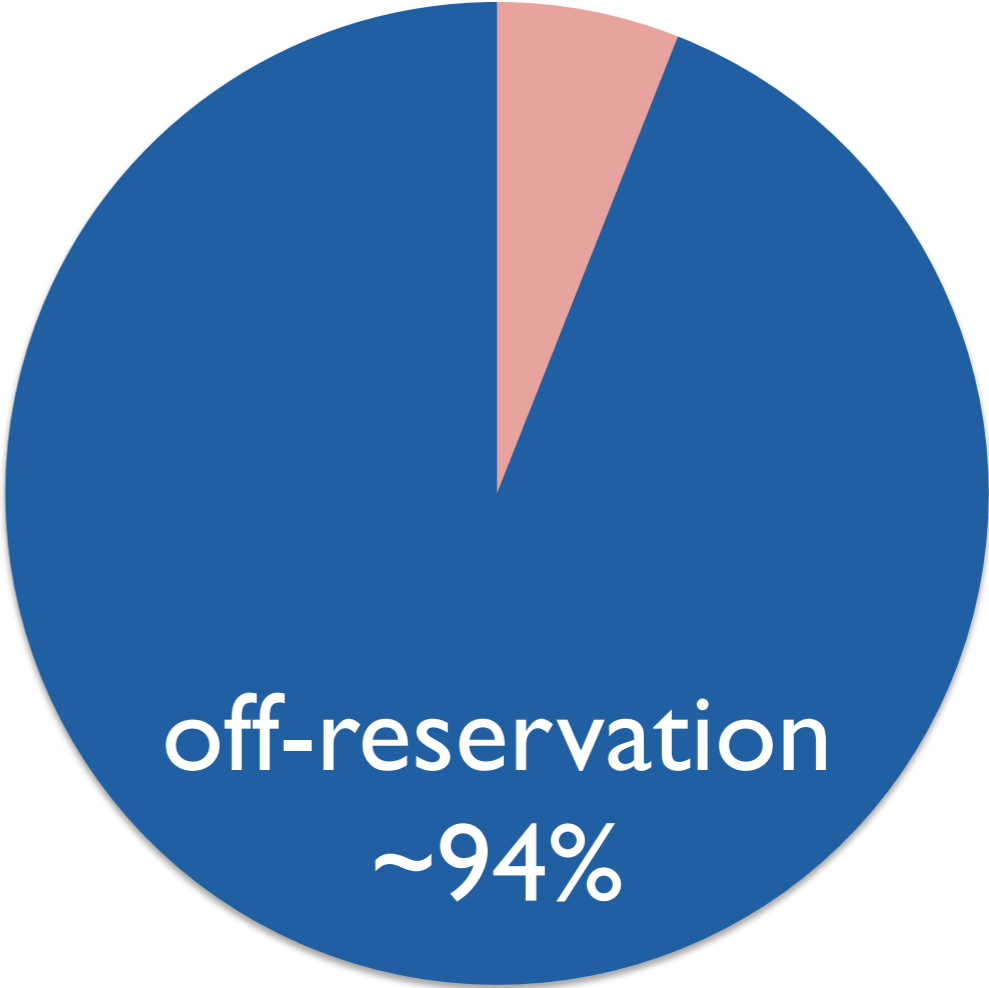
	Indian	non-Indian	Total
Gaming	2,913	12,474	15,387
Other Enterprises	2,015	2,145	4,160
Government	4,322	3,507	7,829
TOTAL:	9,250	18,126	27,376

From twenty-five responding Washington tribes. Does not include Indian-owned businesses not owned by tribes or on-reservation non-Indian business.

Employment



Purchasing



From twenty-five responding Washington tribes. Does not include Indian-owned businesses not owned by tribes or on-reservation non-Indian business. (Purchasing data from Taylor, 2006)

Impact on the Economy

2010 dollars in millions

	Total Value-Added	Tax Impact
Annually Recurring	\$3,263	\$255
2010 Construction	\$270	\$12
TOTAL	\$3,533	\$268

From twenty-five responding Washington tribes. Does not include Indian-owned businesses not owned by tribes or on-reservation non-Indian business. (IMPLAN)

Change in Impacts

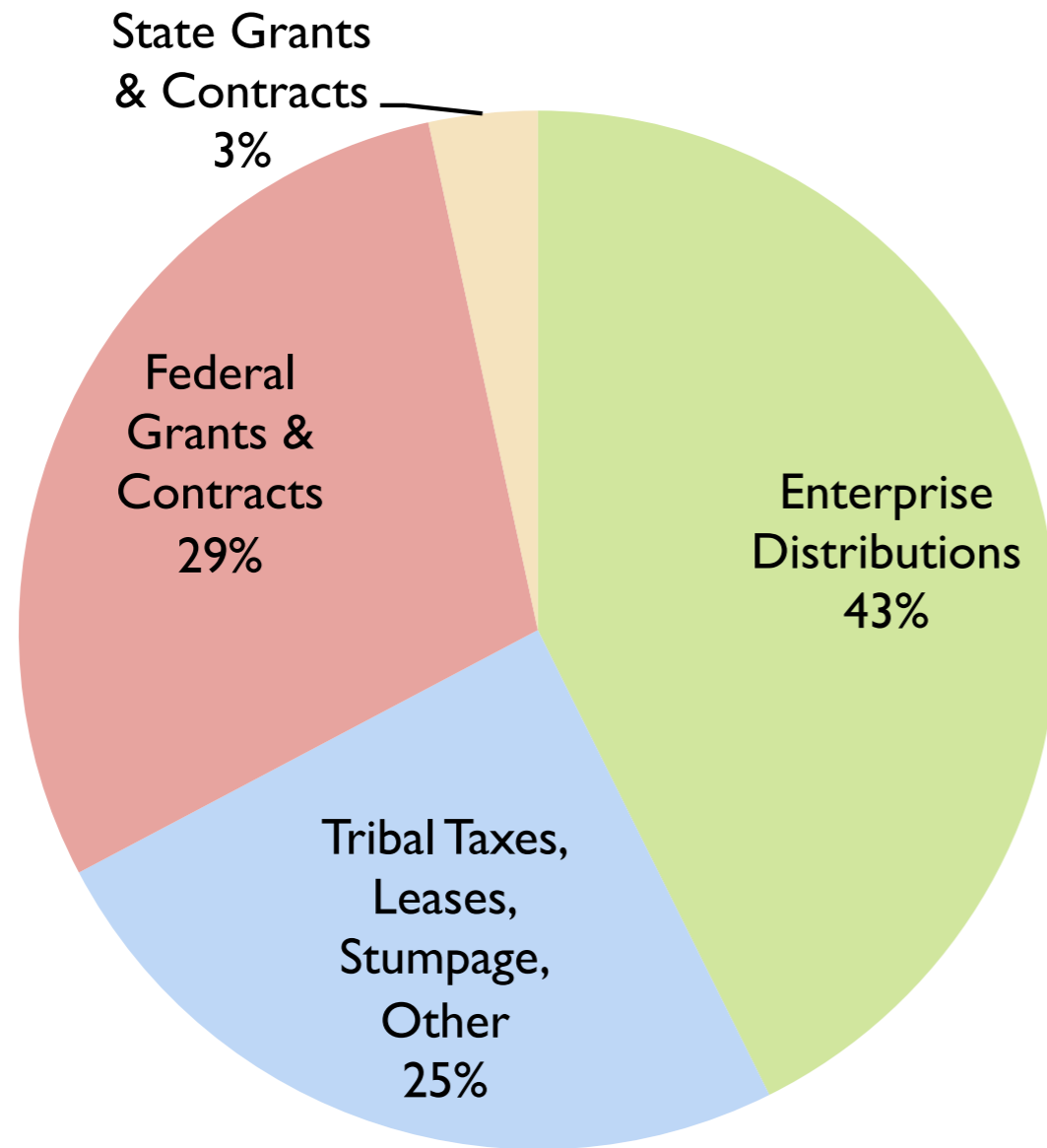
2010 dollars in millions

	2004	2010	change
Jobs	17,573	27,376	+56%
Gross State Product	\$2,566	\$3,263	+27%
Taxes	\$162	\$255	+57%

From twenty-five responding Washington tribes. Does not include Indian-owned businesses not owned by tribes or on-reservation non-Indian business. (BLS, 2011; IMPLAN; Taylor 2006)

Tribal Government Revenue

2010



68% of tribal government revenue comes from self-determined economic activity

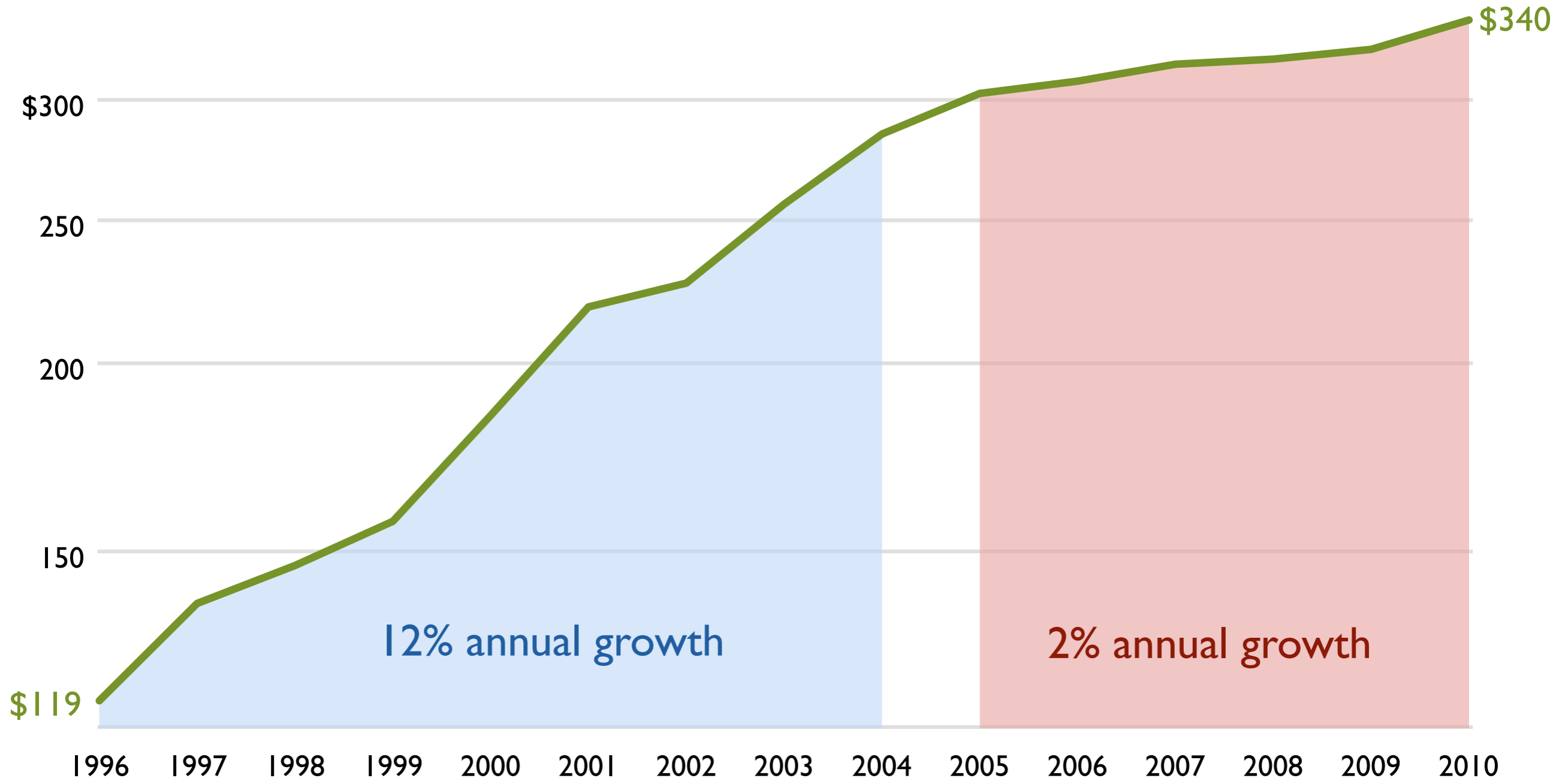
From twenty-five responding Washington tribes. Does not include Indian-owned businesses not owned by tribes or on-reservation non-Indian business.

Why the Net Impact is Positive

- Off-reservation taxable sales and property do not decline when Indian casinos open.
- Proceeds spent by the casino-owning governments stay in Washington and build its physical and social capital.
- Addressing reservation poverty puts underutilized resources in the state to work.

Growth Plateau

Washington gambling expenditures per capita



Inflation-adjusted to 2010 dollars. Vertical scale in proportions, i.e., log scale. (Washington State Gambling Commission; US Census; BLS 2011)

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About the Author

Jonathan Taylor is an economist with expertise in natural resources, gaming, and American Indian development. He provides counsel to tribes and bands in the United States and Canada consisting of public policy analysis, strategic advice, and economic research. He has authored or supported expert testimony in litigation and other public proceedings for a number of Native American groups.

Mr. Taylor has assessed economic impacts of tribal enterprises (including of casinos), assessed tribal tax regimes, assisted in tribal institutional reform, provided public policy analysis and negotiation support for resource development, valued non-market attributes of natural resources, and educated tribal executives.

Recent publications include:

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“Managing the Boundary between Business and Politics: Strategies for Improving the Chances for Success in Tribally Owned Enterprises,” (with Kenneth W. Grant II). In Jorgensen, M. R., ed., *Rebuilding Native Nations: Strategies for Governance and Development* pp. 175-196, (Tucson: University of Arizona Press, 2007).

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