

1 CHAIRPERSON JAMES: Juanita Haegan?

2 MS. HAEGAN: For the record, my name is Juanita
3 Haegan. I am a, the president of the Pleasanton Unified School
4 District Board of Trustees and a director for the National School
5 Board Association from the Pacific Region.

6 Proposition 5, the casino gambling initiative will
7 not simply allow a continuation of current Indian gaming
8 operations. The initiative would permit a dramatic expansion of
9 unregulated, untaxed, casino gambling in virtually every county
10 in California. It would reduce future state funding for public
11 schools, reduce local tax revenues, generate staggering amount of
12 local enforcement and infrastructure costs. These needs will
13 compete with the schools for funding and it will provide no new
14 revenue for our public schools. If adopted by the voters,
15 Proposition 5 would result in the following:

16 Proposition 5 would allow more than 100 Indian tribes
17 to open Nevada style casino gambling operations and lotteries
18 that would directly compete with California lottery. As casino
19 gambling and on-reservation lottery sales increase, California
20 lottery sales will decline and so will the tax revenue the
21 lottery now provides to out public schools.

22 The initiative does not impose tax on casino
23 gambling, and therefore, won't provide any economic benefit to
24 California's public schools. In effect, the initiative permits a
25 billion dollar business to operate in California tax free.

26 The initiative would reduce local government tax
27 revenues by diverting hundreds of millions of dollar per year in
28 disposal income from taxable businesses to non-taxable gambling.

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1 It would further reduce tax revenues by allowing the casinos to
2 open businesses, hotels, restaurants, and retail operations that
3 operate tax free; reducing tax revenues from the businesses that
4 do pay taxes.

5 The initiative would increase competition for the use
6 of scarce local tax revenues, making it harder for schools to
7 receive their fair share. Casinos will attract many millions of
8 gamblers who in turn will place significant burdens on local
9 government which must provide additional police protection, new
10 roads, new schools, and increase services plus many other things.

11 The initiative exempts casino gambling operations
12 from the local and state building codes, zoning ordinances,
13 health and welfare codes, environmental laws and even collective
14 bargaining laws. Communities near casinos won't be able to
15 impose any reasonable restrictions on the operation of Indian
16 gambling operations.

17 The initiative allows only minimum local or state
18 oversight or regulation of casino gambling. The tribal casino
19 operators regulate the gambling operations themselves. Whenever
20 problems arise, whether they be law enforcement, environmental,
21 traffic congestion, or health and safety issues; communities will
22 be powerless to force the casino operators to assume the
23 responsibly for them.

24 California communities and schools must be protected
25 from unlimited, unregulated expansion of tribal casino gambling.

26 Thank you.

27 CHAIRPERSON JAMES: Thank you.

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