



PECHANGA INDIAN RESERVATION
Temecula Band of Luiseño Mission Indians

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Tribal Secretary:
Darlene Miranda

August 19, 2009

RE: Online Poker

Dear Tribal Leaders,

In recent weeks you have probably heard about competing legislative proposals that would authorize online poker in the state of California.

Pechanga has had a standing oppose position to online poker since proposals first surfaced last year out of concerns for the far-reaching legal, political, and policy consequences of an expansion of this magnitude.

Since the issue has resurfaced, we recently decided to conduct a statewide public opinion poll to determine how California voters feel about online poker. As we weigh these proposed policies that would significantly expand gaming, we must take into account the opinions and concerns of the people of California, particularly in light of the commitments we have made about limited gaming.

Attached you will find a memorandum summarizing the key findings of the survey, as well as the top line results. We hope these findings help inform your tribe's position on the proposals.

Sincerely,

Mark Macarro
Tribal Chairman
Pechanga Band of Luiseño Mission Indians



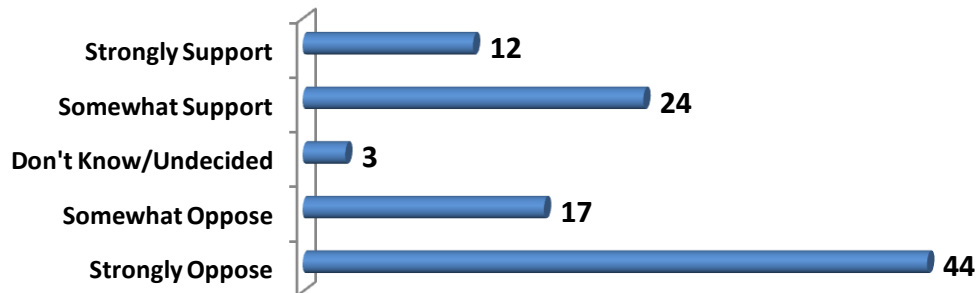
To: Interested Parties
From: Ruth Bernstein, EMC Research
Date: August 18, 2009
Re: Statewide voter survey findings

EMC Research recently conducted a telephone survey among voters in California regarding a proposal to legalize Internet Poker in California. Outlined below are some of the key findings from this research.

A Strong Majority of Voters Oppose Legalization of Internet Poker

By a margin of 61% to 36%, California voters overwhelmingly reject the idea of legalizing internet poker in California. This result came before any information was provided for survey respondents, either in favor or in opposition to the idea and is only based on what voters know today. Not only are 61% of voters initially opposed to the idea, but 44% are Strongly Opposed, indicating a very strong negative reaction to the idea of internet poker legalization in California.

“Legalization of Internet poker in California. The state would authorize the creation of an Internet poker website and would tax it in the same manner as other gaming and related businesses in the state. Would you strongly support, somewhat support, somewhat oppose, or strongly oppose the state legalizing Internet poker in California?”



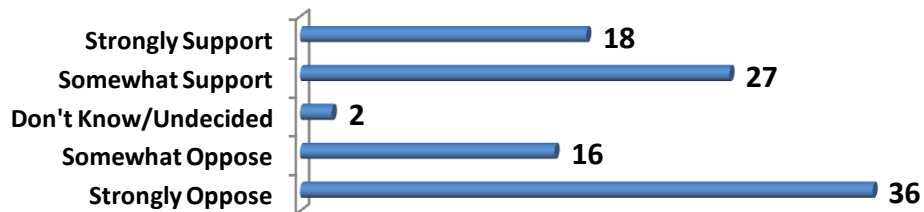
California Voters Recognize the State’s Need for Money But Do Not Want More Money for the State to Come From Internet Poker

When asked if they believe the state of California needs more money, 70% of voters say the state has at least “some need” for more money, with 50% saying the state has a “great need” for more money. In addition, 82% of voters believe that the state needs to “look for new and creative ways to raise revenue without raising taxes on families and individuals.”

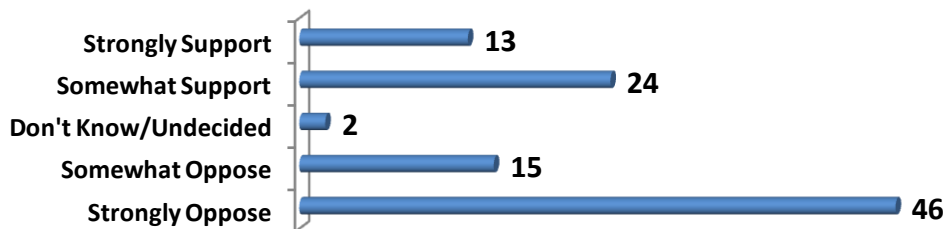
However, despite this understanding of the state’s need for money and their support for “creative” solutions, voters do not see legalization of internet poker as a viable option. Further, opposition to the internet poker idea is not the result of strong opposition to gambling, since 80% of California voters believe that “gambling is just another form of entertainment when played in moderation.”

Even After Hearing Reasons Why Many Favor the Proposal, Support Never Reaches a Majority.

Survey respondents were read several pieces of information in support of the plan to legalize internet poker in California. The positive arguments provided information such as how much money the proposal would generate for the state and how it would be closely regulated. After hearing a series of positive statements, voters were again asked whether they would support or oppose the legalization of internet poker in California. A majority remained in opposition by a 45% to 52% margin, with the Strong Opposition (36%) twice the Strong Support (18%).



After hearing a series of statements in opposition to internet poker legalization, support levels decline further. Statements included items such as how revenue projections from gambling are unreliable and that it would bring gambling into people’s homes. After hearing these statements of opposition, a strong majority again oppose the idea by a 61% to 37% margin, with Strong Opposition (46%) more than tripling Strong Support (13%).



Methodology

EMC Research surveyed 802 randomly selected registered voters in the State of California from August 9-13, 2009. The results have an overall margin of error of +/- 3.45%.



**Telephone Survey of California Voters
August 09-13, 2009**

n=802, Margin of Error \pm 3.45%

EMC 09-4131

(Partial questionnaire)

*All numbers are reported as percentages unless otherwise noted.
Some questions may add up to more/less than 100% due to rounding.*

Hello, my name is _____, may I speak with **(NAME ON LIST)**. Hello, my name is _____, and I'm conducting a survey for EMC Research to find out how people in California feel about some of the different issues facing them. We are not trying to sell anything, and are collecting this information on a scientific and completely confidential basis.

Sample

A (n=400)

B (n=402)

1. Gender (**record from observation**)

Male 46%

Female 54%

2. Are you registered to vote in California?

Yes \Rightarrow CONTINUE 100

No \Rightarrow TERMINATE -

3. Do you think things in California are generally going in the right direction, or do you feel that things are pretty seriously off on the wrong track?

Right Direction 12

Wrong Track 75

(Don't Know) 13

4. What do you think is the most important problem facing California today? **(One response)**

State budget/budget problems, issues	22
Economy/money/financial problems & issues	19
Unemployment/jobs/employment	9
Education/schools/school funding/	9
Governor/elected officials/Legislature	7
Illegal aliens/immigration	4
Healthcare/health	4
Spending/over spending	3
Taxes/high taxes	3
Mismanagement of revenues & monies	2
Deficit/debt	2
Other	8
Don't Know/Refused	2

I'm going to read you a list of people and organizations. For each one, please tell me if you have a strongly favorable, somewhat favorable, somewhat unfavorable, or strongly unfavorable opinion. If you have never heard of one, please say so. **[NOTE: If respondent says "Don't Know," "No opinion," or something similar that is not Favorable/Unfavorable, probe for Can't Rate or Never Heard: "Would you say that you have heard of (QX) but cannot rate (QX) or have you never heard of (QX)?"]**

PROMPT IF NEEDED: Do you have a strongly favorable, somewhat favorable, somewhat unfavorable, or strongly unfavorable opinion of...?

(Randomize Q5-Q13)

SCALE:	Strongly Favorable	Somewhat Favorable	Somewhat Unfavorable	Strongly Unfavorable	(Never Heard/)	(Can't Rate/ Don't know)
5. Governor Arnold Schwarzenegger	8	30	27	30	0	5
6. the California Legislature	3	17	27	39	1	12
7. Indian tribal governments	14	30	12	7	6	31
8. California Indian casinos	15	38	17	14	1	15

SCALE: Strongly Favorable Somewhat Favorable Somewhat Unfavorable Strongly Unfavorable (Never Heard/) (Can't Rate/ Don't know)

9.	Card clubs or card rooms	5	19	20	17	13	25
10.	Insurance companies	9	28	29	23	0	11
11.	Labor unions	19	28	19	23	1	10
12.	(sample A) Internet poker operators	4	12	17	28	12	27
13.	(sample B) Online poker operators	3	11	19	30	10	27

(END RANDOMIZE)

14. Would you say that State Government in California has a great need for more money, some need for more money, only a little need or no real need for more money?
- | | |
|--------------|----|
| Great need | 50 |
| Some need | 20 |
| Little need | 6 |
| No need | 20 |
| (Don't know) | 4 |

I'd like to read you a proposal that may be considered in California.

15. **(The first is/The next one is...)** Legalization of Internet poker in California. The state would authorize the creation of an Internet poker website and would tax it in the same manner as other gaming and related businesses in the state.

Would you strongly support, somewhat support, somewhat oppose, or strongly oppose the state legalizing Internet poker in California?

Strongly support	12
Somewhat support	24à 36
Somewhat oppose	17
Strongly oppose	44à 61
(Don't Know/Refused)	3

16.	Why do you (support/oppose) legalizing Internet poker in California?	
	Oppose gambling(specific): Addictive/immoral	25
	Good way to generate revenue/good way to increase tax revenue	18
	Oppose gambling/against Internet poker/against legalizing	10
	Gambling is not dangerous/not harmful/it's entertainment/	7
	Too much gambling already/enough gambling/don't need on internet	6
	Adults can decide for themselves/a choice	6
	Internet makes accessibility to gambling too easy	5
	People are & will be doing it anyway	5
	Can't control or restrict access/kids will access the site	4
	Difficult to control or regulate/must be done properly	4
	Taxable/tax it	3
	The state or government should not be involved; only private	3
	Can't monitor against rigged gaming, cheating, fraud or who	2
	Will increase taxes/against increases	2
	Gambling is not a proper economic base	2
	Other	10
	Don't know/ Refused	3

For each of the following statements please tell me if you strongly agree, somewhat agree, somewhat disagree or strongly disagree with the statement.

PROMPT IF NEEDED: please tell me if you strongly agree, somewhat agree, somewhat disagree or strongly disagree with the statement

(RANDOMIZE Q17-Q25)

SCALE:	Strongly Agree	Somewhat Agree	Somewhat Disagree	Strongly Disagree	No Opinion/ Don't know
17.	State government in California already has enough money, it is just mismanaged				
	43	25	15	12	5
18.	State government in California needs more money, they should just raise taxes to get us through these hard times				
	7	15	17	59	2
19.	The state needs to look for new and creative ways to raise revenue without raising taxes on families and individuals				
	61	21	7	8	3
20.	The state should be making cuts and decreasing waste, not encouraging activities like smoking and gambling just to raise more revenues				
	45	24	14	11	6

SCALE:	Strongly Agree	Somewhat Agree	Somewhat Disagree	Strongly Disagree	No Opinion/ Don't know
21. Gambling is just another form of entertainment when played in moderation	39	41	8	10	1
22. Gambling is a social evil that should not be patronized	16	18	30	32	4
23. Gaming establishments like casinos and racetracks are good for local economies	20	40	14	17	8
24. There is already enough gambling in California, we should not increase our state's dependence on gambling revenue	41	22	22	11	4
25. The state should not be allowed to authorize more gambling in California without voter approval	63	19	8	7	2

(END RANDOMIZE)

Now, I'd like to tell you more about the proposal to legalize Internet poker in California.

I'm going to read you some things supporters of this idea are saying. After each statement, please tell me if it would make you much more likely to support, somewhat more likely to support, somewhat more likely to oppose, or much more likely to oppose legalizing Internet poker in California.

PROMPT IF NEEDED: would that make you much more likely to support, somewhat more likely to support, somewhat more likely to oppose, or much more likely to oppose legalizing Internet poker in California?

(Randomize Q26-Q30)

SCALE:	Much more likely to support	Somewhat more likely to support	Somewhat more likely to oppose	Much more likely to oppose	(No Difference)	(Don't know)
26. By authorizing a single website for Internet poker in California, the state would be able to regulate and monitor the site to ensure it is safe for consumers, and to ensure that minors are not able to play.	21	25	14	30	9	1

SCALE:	Much more likely to support	Somewhat more likely to support	Somewhat more likely to oppose	Much more likely to oppose	(No Difference)	(Don't know)
27.	Studies suggest that creating and taxing an Internet poker site would generate one hundred and fifty million dollars (\$150m) in the first few years for the state, money that would be used to fund vital state services, such as education, healthcare, transportation, and environmental protection.					
	23	26	14	26	10	2
28.	People are already playing poker online in California, but right now that revenue is going to foreign companies and providing no benefit to the state. By creating a state authorized site, the entire state would benefit from Californians playing Internet poker.					
	23	29	13	24	8	2
29.	The state would authorize, regulate, and monitor the site, but it would not add any costs to the state budget or cost the state anything.					
	21	27	14	26	10	2
30.	The Internet poker site would be regulated by the state but run by operators of Indian casinos and card clubs that have the experience and knowledge needed to run a gaming enterprise.					
	12	23	21	31	11	2

(END RANDOMIZE)

31.	Given what you've heard, would you strongly support, somewhat support, somewhat oppose, or strongly oppose the state legalizing Internet poker in California?	
	Strongly support	18
	Somewhat support	27à 45
	Somewhat oppose	16
	Strongly oppose	36à 52
	(Don't Know/Refused)	2

Now I'm going to read you some things opponents of this idea are saying. After each statement, please tell me if it would make you much more likely to support, somewhat more likely to support, somewhat more likely to oppose, or much more likely to oppose legalizing Internet poker in California.

PROMPT IF NEEDED: would that make you much more likely to support, somewhat more likely to support, somewhat more likely to oppose, or much more likely to oppose legalizing Internet poker in California?

(Randomize Q32-Q35)

SCALE:	Much more likely to support	Somewhat more likely to support	Somewhat more likely to oppose	Much more likely to oppose	(No Difference)	(Don't know)
32.	State-sanctioned Internet poker would lead to more gambling addictions, bankruptcies, and other social problems that would ultimately cost the state more money.					
	11	13	23	37	13	1
33.	Gambling is not a stable source of revenue. Projections from the lottery and Indian casinos are always over estimated and the state ends up losing in the end. An Internet poker site would be one more foolish misadventure by the state.					
	10	15	23	34	15	2
34.	Studies show that Internet poker sites lead to high rates of gambling addiction and serious financial problems, particularly among young men. The state should not promote this behavior and lead hundreds of thousands of Californians down a path to financial ruin.					
	13	13	23	38	12	1
35.	Kids already lie about their age for Facebook and other websites. This would be a huge temptation for youth to start gambling online.					
	11	12	25	39	12	1

(END RANDOMIZE)

36.	Given what you've heard, would you strongly support, somewhat support, somewhat oppose, or strongly oppose the state legalizing Internet poker in California?	
	Strongly support	13
	Somewhat support	24à 37
	Somewhat oppose	15
	Strongly oppose	46à 61
	(Don't Know/Refused)	2

Now I'm going to re-read you a list of organizations. Given what you've heard about these new gaming proposals, please tell me if you have a strongly favorable, somewhat favorable, somewhat unfavorable, or strongly unfavorable opinion of each one.

PROMPT IF NEEDED: Do you have a strongly favorable, somewhat favorable, somewhat unfavorable, or strongly unfavorable opinion of...?

SCALE:	Strongly Favorable	Somewhat Favorable	Somewhat Unfavorable	Strongly Unfavorable	(Never Heard/)	(Can't Rate/ Don't know)
(Randomize Q37-Q40)						
37. the California Legislature	3	22	29	36	1	9
38. Indian tribal governments	14	36	15	13	2	19
39. California Indian casinos	14	41	19	17	0	9
40. Card clubs or card rooms	6	26	21	23	5	20

(END RANDOMIZE)

Now I'd like to ask you a few questions for statistical purposes only.

41. About how often would you say you visit Indian casinos? **(read responses 1-5)**
- | | |
|----------------------|----|
| Weekly | 1 |
| Monthly | 3 |
| A few times a year | 19 |
| Almost never, or | 32 |
| Never | 44 |
| (Refused/Don't Know) | 1 |
42. About how often would you say you play poker on the Internet? **(read responses 1-5)**
- | | |
|----------------------|----|
| Weekly | 1 |
| Monthly | 2 |
| A few times a year | 3 |
| Almost never, or | 6 |
| Never | 87 |
| (Refused/Don't Know) | 1 |

43.	In terms of your job status, are you employed, unemployed but looking for work, retired, a student or a homemaker?	
	Employed	57
	Unemployed	7
	Retired	21
	Student	8
	Homemaker	4
	(Other)	1
	(Don't Know)	1
44.	What is the last grade you completed in school?	
	Some grade school	0
	Some high school	2
	Graduated High School	15
	Technical/Vocational	2
	Some College	30
	Graduated College	31
	Graduate/Professional	18
	(Don't Know/Refused)	1
45.	In what year were you born? (Do not read categories, code as appropriate)	
	1933 or earlier (75+)	8
	1934-1938 (70-74)	4
	1939-1943 (65-69)	6
	1944-1948 (60-64)	7
	1949-1953 (55-59)	7
	1954-1958 (50-54)	11
	1959-1963 (45-49)	9
	1964-1968 (40-44)	8
	1969-1973 (35-39)	8
	1974-1978 (30-34)	7
	1979-1983 (25-29)	7
	1984-1991 (18-24)	14
	(Refused)	4
46.	Would you consider yourself to be African American, White, Latino, Asian, Native American, bi-racial, multi-racial, or something else?	
	Black/African-American	3
	White	66
	Hispanic/Latino	12
	Asian	6
	Native American	1
	Bi-racial	3
	Multi-racial	3
	Something else	3
	(Refused)	4

Party	Democrat	40
	Republican	34
	DTS/Other	26
Media Market	Los Angeles	45
	Bay Area	20
	San Diego	10
	Sacramento	13
	Central	12

THANK YOU!