



Douglas A. Ducey
Governor

Gregory R. Edgar
Executive Director

TRIBAL CONSULTATION ANNUAL REPORT
July 1, 2017 – June 30, 2018

Agency Overview

The Arizona State Lottery (“Lottery”) is charged with maximizing net revenue consonant with the dignity of the state. The State of Arizona has entered into Compacts with Tribal governments within the State of Arizona. It is the intent of the Lottery to comply with the terms of the compacts and to work cooperatively with the Department of Gaming and Tribal governments. On occasions, various entities that operate on Tribal lands or Tribal governments have sought to become lottery retailers; it is consistent with the statutory duty of the Lottery to cooperate with all persons and entities seeking to become a licensed retailer.

Tribal Consultation Activities

Goal	Objective	Activity and Performance Measure
Develop Cooperative Relationships	Compact Development	Arizona Lottery is working to expand its operations within the framework of the current tribal state gaming compacts and with future compacts. This has required Arizona Lottery’s ongoing engagement with Tribal and State representatives.
	The Arizona Lottery views retailers on Tribal Lands the same as any other retailer. However the Agency respects Tribal sovereignty and understands specific Tribal government’s may have differing views of the sales of Lottery products. Therefore, Lottery has a procedure in place that was recently incorporated into the Tribal Consultation Policy whereby a tribe is consulted and approval is required before a retailer on tribal lands can be granted a Lottery license.	Currently there are four tribal resolutions for six different licensees, four of which are tribal licensees. In fiscal year 2018 these six retailers generated approximately \$1.5 million in sales and collected approximately \$97,000 in commissions.

Goal	Objective	Activity and Performance Measure
Develop Cooperative Relationships (con't)	Expand Gaming Opportunities	Arizona Lottery has actively sought, and conducted, meetings with three Tribal Gaming Operations seeking marketing and retail partnerships. These efforts are ongoing.
Enhance Responsible Gaming Initiatives	The Arizona Lottery supports the tribes and the Department of Gaming's statutory requirements for responsible gaming initiatives by providing technical and financial support as part of the Agency's own responsible gaming program. The Lottery and the Department of Gaming are collaborating through an inter-agency agreement to consolidate management of all state problem gambling programs within the Division of Problem Gambling with the goal of ensuring a continuity of services.	<p>Arizona Lottery provides literature regarding availability of help for problem gambling, including public service announcements on all terminal monitors across 3,000+ retailers throughout Arizona</p> <p>Additionally, the following funding transfers were made in FY 18:</p> <ul style="list-style-type: none"> • \$300K to Dept. of Gaming • \$250K to Tribal College Dual Enrollment • \$2,500 sponsorship of the annual Problem Gambling Symposium

Highlights:

In fiscal year 2018, the six Tribal retailers generated approximately \$1.5 million in sales for Arizona Lottery and themselves collected approximately \$97,000 in commissions.

Recommendations from Tribal representatives:

None at this time.

Revisions to Tribal Consultation Policy:

The Arizona Lottery Tribal Consultation Policy was revised in June 2018 to reflect an increased focus on cooperative gaming.

Challenges:

Tribes may view Lottery as a competitor rather than a potential partner. Tribes may feel that tribal-state gaming compacts present a barrier to partnership with Arizona Lottery.

For questions or more information, please contact:

Sherri Zendri

Deputy Director: Legal Services

szendri@azlottery.gov

office: 480.921.4401

cell: 480.349.6806