

## Rags to Riches: How Newly Found Revenues Have Influenced the Morongo Tribe

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Summary: Like many tribes with gambling establishments, the Morongo Band of Mission Indians has faced their fair share of political and legal obstacles, but their perseverance has led to revenues well worth the trouble. However, the newly found riches may have led to a weakening in the link between the tribe and modern day society.

## **Background**

No matter where or when, new innovations in business have saved both economies and people who were once in trouble; the cotton gin brought on a booming economy, bringing a whole new wealth to the Southern United States; the assembly line not only made it possible to produce more and therefore make more profit out of the automobile, but also to make this luxury more accessible to the masses, bringing the social classes on more equal ground; Indian gaming and casinos has saved the economies and improved living conditions for tribes all over the United States, the Morongo Band of Mission Indians in Southern California being one of them. However, the casino business, like any change in history, has faced opposition. Legality of gambling was called in to question, sovereignty and jurisdiction was fought over, and court case after court case was fought. The Morongo tribe is no stranger to this. Like many tribes with gambling establishments, the Morongo Band of Mission Indians has faced their fair share of political and legal obstacles, but their perseverance has led to revenues well worth the trouble. However, the newly found riches may have led to a weakening in the link between the tribe and modern day society.

Today the Morongo tribe is located in Banning, California, spanning over 35,000 acres of land of what used to be called the Malki settlement (Chang, Araos, Lopez, 2000, Morongo Tribe). The Malki settlement was originally part of the Wanikik territory, until President Grant set this, along with nine other pieces of land, aside for Native American tribes as part of the actions of Executive Order in 1876 (Our History | The Morongo Band of Mission Indians). Although setting aside this land for the tribe did preserve their culture, it made average, day to day life difficult, due to the fact that the land originally granted to the tribe had no access to water, forcing the tribe members to walk miles every day just to get water, to plant and harvest their crops (Chang, Araos, Lopez, 2000, Morongo Tribe). Over

time Native Americans from other tribes joined the people of the Malki settlement, the majority of these new settlers were from the Serrano, Cupeno, Cahuilla, and Luiseno tribes (Our History | The Morongo Band of Mission Indians).

The tribe's venture in the casino business started with the opening of a modest bingo hall in 1983 (Our History | The Morongo Band of Mission Indians.). However, even that beginning faced obstacles. Very soon after its opening, the government of Riverside County attempted to get the bingo hall shut down, as it disapproved of the gambling involved in the establishment. The Morongo tribe joined with the Cabazon Band of Mission Indians, who were then very closely located to the bingo hall, to contest the issue in court. This case eventually found its way up to the Supreme Court, where the matter was finally settled on February 25, 1987. The Supreme Court Justices upheld the sovereignty of the Native American tribes, therefore allowing the Morongo tribe to run a bingo hall on its reservation lands (California v. Cabazon Band). The Morongo Bingo Hall is now one of the oldest native gaming enterprises in California (Our History | The Morongo Band of Mission Indians.). Later, in 2004, the Morongo tribe opened the Morongo Casino, Resort & Spa in Cabazon, California, just a short 6 minute drive from the reservation headquarters (Silverhawk, 1999, Morongo Casino).

The Morongo tribe continued to face exceptional conflicts, it did stop with the opposition from Riverside County on the establishment of the bingo hall; the major reason behind the continuous conflict was their location being in the state of California. When court cases such as *Seminole Tribe v. Butterworth*, *Oneida Tribe v. Wisconsin*, *Capitan Grande Band v. Duffy*, and *California v. Cabazon* passed decisions making it legal for the tribes to operate gambling ventures on their lands, and reaffirming their self governance, California refused to accept these rulings. The state of California maintained that the tribe's casinos were still "illegal," despite casino business starting all over the rest of

the US. This made it exceptionally difficult for the tribes to continue to manage their businesses, seeing as the state of California would not even negotiate compacts with the tribes. Without the compacts, tribes could not have any form of Class III gambling, a category of gambling set down by the IGRA, in their casinos (Mullis).

The issues presented in cases like *California v. Cabazon* and *Oneida Tribe v. Wisconsin* called for a law that would set down rules, clearly outlining what was black and what was white. The answer to these calls was the Indian Gaming Regulatory Act, the IGRA. The IGRA passed on October 17, 1988, just over a year after the ruling of the Cabazon case. The IGRA has two chief purposes: to categorize gaming and gambling into three main categories, in order to facilitate gaming regulation, and to regulate the spending of revenues that comes from the casino in some way. The IGRA states that the tribes running casinos must spend their money in five ways and five ways only: to fund tribal government operations and programs, to provide for the general welfare of the tribe and its members, promote tribal economic development, donate to charitable organizations-- of the tribe's choice, of course-- and assist in funding operations of local (non tribal) governments (Evans & Topoleski, 2002). These regulations are set in place so that gaming maybe protected as a way of generating revenue and so that the tribe may establish and develop their own, self-sufficient economies. The IGRA also splits gambling and gaming into three main classifications: Class I, Class II, and Class III. Class I includes social games, ones with very low (if any) stakes, and are a part of the tribe's traditional culture. Class II includes bingo, and other games similar to it, with pull-tabs, electronic aids, and games that are played exclusively against other players-rather than having players bet against the house. However, IGRA explicitly excludes slot machines from Class II, causing slot machines to fall under Class III. Class III is a more broad class, seeing as it is defined as any game that does not fit in to Class I or Class II, but it is

the ones with the most concern related to it. The source of this concern is the high stakes that come with Class III gaming. This category includes slot machines, and games where players bet against the house, such as blackjack (Mullis).

### **Findings**

When the Morongo tribe opened its bingo hall in 1983, the Riverside government attempted to get the establishment shut down. The case escalated to the Supreme Court, who ruled in favor of the tribe. The main conflict in this case was the same as in many other cases: whether the state had the authority to enforce its own laws regarding gambling on the tribe's sovereign reservation lands. One of the key points argued on the tribe's behalf in this case was that the state legalized a certain form of gambling when they allowed bingo with cash prizes to be part of church fundraisers. Because the state could do this, the tribe argued, they should be able to legalize gambling on their own sovereign land without facing opposition from an outside authority (Mullis).

After years of opposition, the Morongo tribe was finally able to negotiate a compact with the state of California in 1999. Between 1988 (when IGRA initially passed) and 1999, hearings had been held and amendments had been made that eventually made it so that California would negotiate with tribes involved in gaming. The California-Morongo compact delineates what the tribe can and cannot include in its gaming facilities, what percentage of their revenues the tribe pays to the state every year, etc. The casino pays about \$29 million a year to the state. A very small part of this goes to the Revenue Sharing Trust Fund (RSTF), a fund that give grants to federally recognized tribes that have no casinos, who therefore have no substantial outside source of income. The rest goes to the Special Distribution Fund, which goes on to cover shortcomings of the RSTF. It also funds programs to help

people with gambling addictions, and grants made available to local governments affected by tribal gaming. The compact also allows casino employees to partake in unions, along with limiting how many slot machines the casino can have. However, there was a proposal put through that not only increased how many slot machines the casino could have, but also expanded to where it would allow the tribe to have 2 casinos plus a small auxiliary gaming facility (holding no more than 25 slot machines), whereas before they were limited to only two, one being the casino and the other being the still-standing bingo hall (Gaming Compact Between the State and Morongo Tribe).

Even before the opening of the Morongo Casino, Resort & Spa, the Morongo tribe was making huge strides with just the revenues coming in from its bingo hall. Since the opening of the bingo hall in 1983, the tribe had been using the new found profits to, first and foremost, improve the living conditions of the tribal members. For the first time, all the homes on the reservation had running water and electricity. Before the opening of the bingo hall, the reservation had been in such poverty that not every home could afford to have that simple amenity. In addition to running water and electricity, the tribe was also able to construct new housing, allowing more tribal members to live on the reservation. New roads were also built, going in and out of reservation land, to facilitate transportation and access to the surrounding areas (Martin, 2011). These are just a few examples of how funds from even the modest bingo hall could improve the welfare and living conditions of tribal members.

After the opening of the Morongo Casino, Resort & Spa in 2004, much and more was made possible by the dramatic increase of income due to the casino increased revenues, especially pertaining to education. The revenues from the casino made it possible for the tribe to open a tuition-free college preparatory academy, called the Morongo School, for the tribal members' children (Martin, 2011). The Morongo School serves children over three campuses, with each campus housing different grade levels.

The Morongo Little Creators Campus serves as the tribe's preschool; however it also has Kindergarten and 1st grade classes. The other two campuses include the Morongo Lower School and the Morongo Upper School, serving 2nd through 4th grades and 5th through 8th grades, respectively. Although there is not yet a high school on the reservation, one is planned to be added to the academy in the near future (Education Services, 2011). In addition to school construction, the Morongo tribe has also established programs that will pay 100% of the tuition incurred by the tribal members who go to college. However, the tribe does just keep the revenue, and its benefits, to itself. Morongo also offers scholarships to members of other tribes in California, especially those from non gaming tribes (Martin, 2011). The sharing of these revenues through these scholarships shows that the tribe is not just interested in self-benefit, that they also care about the well being of their fellow Native American tribes.

However, the revenues go towards more than just education on the reservation; as mandated by the IGRA, the Morongo tribe must donate a portion of its gaming revenues to charitable organizations. The tribe donates to a number of organizations, including community food pantries that benefit the homeless and those in poverty, and local, non tribal school districts, so that non tribal schools can both realize and gain from the benefits of casino revenues as the Morongo schools have. Morongo also donates to larger, nationwide organizations, like the American Red Cross and the Veterans of Foreign Wars (Martin 2011). Veterans of Foreign Wars is the largest organization of combat veterans. VFW lobbies for improved health care and benefits for veterans, assist in disability claims all over the US, and funds many programs, one of the most popular being a program allowing free phone calls to active military members serving overseas (About Us, 2001). These donations show that the Morongo tribe care about the nation and its inhabitants as a whole, rather than just its surrounding area.

The revenues that benefit all the programs mentioned above do not just come from one source.

The tribe receives profits not just from people gambling on their reservations, but from other businesses such as restaurants and hotels. The Morongo Casino, Resort & Spa is an example of how the tribe has diversified its assets, therefore increasing its profits. Although the bingo hall is still in business, much of the income comes from the significantly larger and more popular casino, resort & spa. Revenues are gained not only from the games guests play on the casino floor, but also from the money spent at the spa, on hotel rooms, and on the myriad of dining options the casino offers. In addition to revenues related to the gaming enterprise, the tribe has approved a construction of a mountain spring water bottling plant on reservation lands. The Morongo tribe will take advantage of this construction by selling the bottles spring water to the Arrowhead Mountain Spring Water Company. This helps the tribe because it expands its source of income beyond that of just the casino business (Morongo Indian Tribe Unveils Construction of \$26 Million Water Bottling Plant And Business Venture With Water Bottling Giant).

To discuss another basic, and beneficial, principle of business besides diversification, let's move on to physical presence; it's all about location, location, location. In this case, the Morongo Casino, Resort & Spa is located in Cabazon, California on Seminole Drive (Silverhawk, 1999, Morongo Casino). One aspect of this location to pay attention to is that it is located on a road named after a widely known and historic tribe. However, the Morongo tribe and the Seminole tribe have no relationship with each other, the people of the Seminole tribe are not even located on the same coast as those of the Morongo; the Seminoles are located in Florida, with Morongo being in California. In addition, the Morongo tribe and the Seminole tribe share no history; there is neither relationship nor significant connection between the two whatsoever.

Upon stepping inside the Morongo Casino, Resort & Spa, one is struck by the modern

architecture; bright white accented by some earthy hues, great swooping, elegant structures part of the ceiling (Hotel | Morongo Casino). The simple majority of the casino floor and lobby are white; however there are parts that include earthy tones that could suggest a connection to tribal heritage. These tones are incorporated into the pillars, tiling, and carpet, however the pattern which these colors are a part of are very generic, with no connection or significance to the Morongo tribe. The deluxe guest room is almost completely white. There are a couple pieces of artwork on the walls that include colors such as blue, green, and yellow. Cielo, the casino's fine dining area, and the pool look modern and chic, yet generic and lacking a tribal connection. The casino's Pit Bar also shares the chic, modern look, however there are numerous triangles incorporated into the design. The triangles could possibly hold a significance to the three parts of the Morongo tribe logo, however if there is any relationship between the two it is a loose one; the Pit Bar includes no obvious homage to tribal culture (Hotel | Morongo Casino).

Another way that the casino may express the tribal culture is by having cultural food or eating styles. The casino offers a variety of restaurant and dining options, from casual to classy. The dining options include Mystique, Potrero Canyon Buffet, Cielo, Serrano, Sunset Bar & Grill, and a food court. The food court includes mainstream, chain establishments such as Haagen Dazs, LA Italian Kitchen, Fatburger, and Panda Express. Mystique is a bar serving specialty drinks, meant for a night out, while Cielo is the fine dining area, as stated before, serving steak and seafood. So far none of the food establishments serve any connection to tribal culture; they serve no traditional meals. However, some part of tribal history is recognized with one restaurant being named Serrano, after the tribe from which the name Morongo is derived from. However, this tribute to tribal history is shallow, as it only serves American cuisine (Silverhawk, 1999, Morongo Casino).

Sources of tribal representation go beyond physical presence; it can extend to the internet, even the Twittersphere. The Morongo tribe does not partake in social media use, therefore has no Facebook page, Twitter feed, or YouTube channel with its name on it, adorning messages of its culture. The only kind of social media relating to the tribe in existence at the moment is a "Morongo Jobs" Twitter. The updates, however, have nothing to do with the tribe; the only subject matter this Twitter feed focuses on is job openings that could be filled by tribal members. In contrast, the casino is highly involved in social media, as it has a Facebook page, Twitter feed, YouTube channel, and RSS feed. The main bulk of the casino's updates include sweepstakes, events, and advertisements for deals, however there has been a couple updates having to do with the tribe, itself. On September 27, 2013, the casino's Twitter feed included an update pertaining to Native American Day. The update advertised a Pow Wow-an including dancing, singing, and feasting to honor the Native American culture- that was being hosted by the Morongo tribe. However the advertisements on the casino's website has less of a connection to the tribe; the models in the casino's advertisements are, for the most part, Caucasian, there are other races represented, including Filipino and African American, however there are no people of obvious Native American descent in the advertisements. On the home page of the casino's website, there is no affiliation to the tribe, but when one goes to the "About Morongo" page, they are greeted by a brief history of the Morongo tribe, with a hyperlink to the tribe's own website at the top of the page.

### **Conclusion**

In conclusion, the Morongo Band of Mission Indians has come a long way since its beginning with the modest bingo hall in the 1980s. This tribe has gone from that modest bingo hall to a large, successful casino in 2004, to business deals with major companies such as the Arrowhead Mountain

Spring Water Corporation. What they have done with the revenue resulting from these advancements is even more amazing. They have not only brought electricity and running water to all of the homes on the reservation, they were also able to construct new housing developments, and establish school for tribal members' children. They can also now offer scholarships to tribal members and tribal members from tribes other than Morongo. They have been able to accomplish all of this, despite the opposition they have faced from many entities, the state of California being one of them. However, as a result, there continues to be a lack of connection between the tribal culture and modern day society. Whether this is purposeful, done as a way to preserve business, or if tribal representation in the casino was an unfortunate casualty in the tribe's quest to become more economically independent, is uncertain. Whether the benefits gained from the profitable casino venture outweigh the loss of cultural expression in the casino is a matter of perspective. From the perspective of preservation, it can be said that no amount of money can make the disappearance of a culture acceptable. On the other hand, speaking from a strictly practical standpoint, the benefits gained by the tribe--schools, improved life quality, scholarships-- is well worth the loss of traditional paintings on casino walls, or traditional statues in the casino floor. A subject of further study for other researchers would be on that very issue: why the tribal representation in the casino, itself, is so little, whether it was a strategic business move or a person preference, a way of keeping culture and gambling separate.

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