



Fremont Place II, Suite 302 • 1650 NW Naito Parkway • Portland, OR 97209-2534

MEDIA RELEASE
For Immediate Release

Court of Appeals Allows Challenge to Florence Casino Compact to Go Forward

For More Information:

Kelly Clark – 503-306-0224 – kellyc@oandc.com

June 12, 2008

Salem, Ore.—The Oregon Court of Appeals yesterday delivered a setback to tribal casinos statewide, and to Governor Kulongoski for signing the compact for the casino in Florence. A unanimous court ruled that the People Against a Casino Town (PACT), a group of Florence citizens opposed to the Florence, Oregon casino, were entitled to go forward with their suit against the Governor that seeks to determine whether he has the ability to enter into these compacts in light of the Oregon Constitution's prohibition on casinos.

"This is a great victory for PACT," said Kelly Clark, the lead lawyer for the group. "These citizens have for four years now held barbecues and bake sales to support this litigation; meanwhile the state and the tribes have tried every trick in the book to keep this question away from a hearing on the merits. PACT simply wants the Governor to answer a very simple question—how is it that he keeps signing compacts to site casinos in a state whose constitution clearly says 'no casinos?' Now, the state and the Governor will have to give a defense to an action we believe is indefensible under the constitution."

PACT and other groups around the state oppose the spread of tribal casinos for moral, economic, community, and policy grounds, contending that "government-sponsored addiction" is a poor way to fund state programs.

Since 2003 when the Florence Casino compact was signed, the PACT group has sought to challenge it: first in state trial court, in a case which was dismissed on procedural grounds. Then the Oregon Supreme Court declined without comment to issue an immediate review. Next, another Lane County suit was removed to federal court, where the federal Judge Anne Aiken last year did not issue a binding ruling on the merits, claiming that PACT did not have standing. The case yesterday was the appeal of the first state court case, dismissed in 2003.

"The Oregon Constitution wisely prohibits casinos. Gambling is an addiction, more destructive to communities and families than methamphetamine or alcohol. Since the casino tribe opened its casino hall in Florence, we have seen businesses ruined, friends bankrupted, children deprived, and even one suicide in front of the casino doors - all

of which we think can be attributed to gambling addiction." said Debby Todd, president of People Against a Casino Town (<http://www.pactoregon.org>). "Finally, an Oregon court will be able to shine a light on the backroom deal signed the last day of a departing governor's term in office. The courts will finally be given the opportunity to determine if this casino is legal."

The case, unless appealed to the state Supreme Court, now goes back to the trial court for rulings on the state constitutional question. A decision there could have implications for all other casinos in operation around the state, as well as for the controversial idea of a casino in the Columbia Gorge.

###