



# TFA

## Monthly Newsletter

June 2025

### IN THE NEWS

## Tariffs and Tribes—Part 2

By David Howard

As we navigate the landscape of global trade tensions this past month, it has felt a bit like riding a rollercoaster in the dark...you are hoping that everything will work out ok, but also very anxious and maybe even a little scared about what unexpected twist, turn or sheer drop off will happen next. May 2025 certainly saw its share of unanticipated twists and turns.

At the beginning of May, a 50% tariff on the European Union was set to kick in on June 1<sup>st</sup> and the Dow Jones Industrial Average (the “Dow”) had dropped to 40,752 which was down nearly ten percent from 44,025 on Jan 21<sup>st</sup>. Last week, President Trump reversed course and “paused” the EU tariffs, which was quickly followed by a ruling by the Court of International Trade (a little-known Federal district court in New York) that the President didn’t have the authority to impose sweeping tariffs. The stock market responded favorably to this news as the Dow surged over 3.75% in May to over 42,000. Despite all of the tariff turbulence in May, the Dow, S&P 500 and the Nasdaq delivered their best month since 2023.

While a Reuters/Ipsos recent poll, shows that 73% of Americans expect prices on everyday items to increase under the expected new tariffs, none of us know what’s going to happen next. Whether it is India, China, Canada, Mexico, the EU, Apple, Walmart, aluminum, autos, copper, lumber, steel their respective economic impacts on Tribal businesses are hard to pin down.

**Vote set for Republic FC Railyards stadium financing plan**

5/14/2025 – [abc10.com](http://abc10.com)

**Mohegan Tribe Reportedly Shopping WNBA Connecticut Sun Franchise**

5/14/2025 – [casino.org](http://casino.org)

**Chumash open landmark cultural center and museum**

5/15/2025 – [ksby.com](http://ksby.com)

**COLT backs \$700M casino plan in Northern California**

5/28/2025 – [tribalbusinessnews.com](http://tribalbusinessnews.com)

**California Kalshi Crisis: Tribal Gaming Threatened By Prediction Markets**

5/30/2025 – [igamingfuture.com](http://igamingfuture.com)

**Maine lawmakers consider allowing online betting on casino games**

5/30/2025 – [wgme.com](http://wgme.com)

**Native health officials testify that HHS cuts have caused ‘significant harm’ to programs serving tribal communities**

6/02/2025 – [ictnews.org](http://ictnews.org)

**Oklahoma sports betting bulls stall in 2025 session**

6/02/2025 – [journalrecord.com](http://journalrecord.com)

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In our TFA newsletter last month, we pointed out three areas that could affect tribes

- Higher Capital Expenditure Costs
- Higher Interest Rates for an Extended Period
- Lower Consumer Confidence

Despite the volatility, here are some thoughts on how Tribes can manage during the uncertainty of pending tariffs.

Tribes can manage **higher capex** costs by being more selective about spending decisions, materials sourcing and timing. Many tribes have been aggressively repaying debt ("deleveraging") and **lowering interest expense**. This is an especially good financial policy in today's market. However, **lower consumer confidence** will likely have the most impact on tribal gaming operations across the country, which will be more difficult to combat as it is out of the Tribe's control. Guessing where consumer confidence is headed is hard to predict

We monitor stats for commercial gaming to see if any trends are evident. The Las Vegas Strip revenues

## TFA will be attending the 2025 Northwest Indian Gaming Conference June 16-18, & 2025 Tribal Leadership Conference June 23- 26

Please join us...

**NORTHWEST 2025  
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If you will also be in attendance and would like to set up a meeting, please contact Kristi Jackson at [kjackson@tfacp.com](mailto:kjackson@tfacp.com)

have been down each of the last three straight months. While iGaming and online sports gaming were primary drivers for modest revenue growth elsewhere, *the impact of tariffs and second-order effects on consumer confidence has yet to be seen.*

However, what happens in commercial gaming doesn't always translate to Tribal gaming. As our Chairperson, Kristi Jackson, noted in a recent podcast regarding tariffs with Victor Rocha, "You hear Wynn talk about how they're not expecting to see that much revenue decline, because they're dealing with a more affluent crowd. *Many tribal properties in rural areas, however, may not have that same*

*demographic. Tariffs are going to affect disposable income for people at the lower end of the economic spectrum. The potential impact here to gaming revenues for tribes with a less-affluent customer base is significant."*

In uncertain times, take care of the things you can control such as capital spending and debt repayment. Remain diligent in watching out for any trends of consumer softness in your Tribal businesses but be careful of knee-jerk reactions because as have seen this past month, things can change quickly.