

AMENDED IN ASSEMBLY MAY 1, 2008
AMENDED IN ASSEMBLY APRIL 23, 2008
AMENDED IN ASSEMBLY APRIL 3, 2008

CALIFORNIA LEGISLATURE—2007—08 REGULAR SESSION

ASSEMBLY BILL

No. 2353

Introduced by Assembly Member Garcia
(Coauthor: Senator Battin)

February 21, 2008

~~An act to amend Section 12012.90 of the Government Code, relating to gaming. An act related to gaming, and making an appropriation therefor.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 2353, as amended, Garcia. Tribal gaming: ~~revenue sharing~~; *local governments*.

Existing law creates in the State Treasury the ~~Indian Gaming Revenue Sharing Trust Fund~~ and the Indian Gaming Special Distribution Fund for the receipt and deposit of moneys received by the state from certain Indian tribes pursuant to the terms of gaming compacts entered into with the state. Existing law authorizes moneys in the Indian Gaming Special Distribution Fund to be used by the Legislature for certain purposes, including for ~~shortfalls in payments that occur in the Indian Gaming Revenue Sharing Trust Fund~~. Existing law requires that revenue contributions made to the state pursuant to the terms of specified ~~tribal-state gaming compacts~~ be deposited in the General Fund *grants to local government agencies impacted by tribal gaming*.

This bill would require that if there are insufficient funds in the Indian Gaming Special Distribution Fund to fully fund payments to eligible

recipient tribes from the Indian Gaming Revenue Sharing Trust Fund, money from payments by tribes to the General Fund pursuant to any tribal-state compact be transferred to the Indian Gaming Revenue Sharing Trust Fund in an amount equal to the deficiency, in order to supplement the payments to be made from the Indian Gaming Special Distribution Fund to the Indian Gaming Revenue Sharing Trust Fund.

This bill would appropriate \$30,000,000 from the Indian Gaming Special Distribution Fund to provide for grants to local government agencies pursuant to the provisions described above. The bill would state the intent of the Legislature that those funds be used for the workload associated with specified tribal-state gaming compacts.

Vote: majority. Appropriation: ~~no~~-yes. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The sum of thirty million dollars (\$30,000,000)
 2 is hereby appropriated from the Indian Gaming Special
 3 Distribution Fund, in augmentation of Item 0855-101-0367 of
 4 Section 2.00 of the Budget Act of 2007, to provide for grants to
 5 local government agencies pursuant to Section 12715 of the
 6 Government Code.

7 SEC. 2. It is the intent of the Legislature that the funds
 8 appropriated in Section 1 of this act be used for the workload
 9 associated with compacts ratified pursuant to Section 12012.25
 10 of the Government Code.

11 SECTION 1. ~~Section 12012.90 of the Government Code is~~
 12 ~~amended to read:~~

13 ~~12012.90. (a) (1) For each fiscal year commencing with the~~
 14 ~~2002-03 fiscal year to the 2004-05 fiscal year, inclusive, the~~
 15 ~~California Gambling Control Commission shall determine the~~
 16 ~~aggregate amount of shortfalls in payments that occurred in the~~
 17 ~~Indian Gaming Revenue Sharing Trust Fund pursuant to Section~~
 18 ~~4.3.2.1 of the tribal-state gaming compacts ratified and in effect~~
 19 ~~as provided in subdivision (f) of Section 19 of Article IV of the~~
 20 ~~California Constitution as determined below:~~

21 ~~(A) For each eligible recipient Indian tribe that received money~~
 22 ~~for all four quarters of the fiscal year, the difference between one~~
 23 ~~million one hundred thousand dollars (\$1,100,000) and the actual~~

1 amount paid to each eligible recipient Indian tribe during the fiscal
2 year from the Indian Gaming Revenue Sharing Trust Fund.

3 (B) For each eligible recipient Indian tribe that received moneys
4 for less than four quarters of the fiscal year, the difference between
5 two hundred seventy-five thousand dollars (\$275,000) for each
6 quarter in the fiscal year that a recipient Indian tribe was eligible
7 to receive moneys and the actual amount paid to each eligible
8 recipient Indian tribe during the fiscal year from the Indian Gaming
9 Revenue Sharing Trust Fund.

10 (2) For purposes of this section, “eligible recipient Indian tribe”
11 means a noncompact tribe, as defined in Section 4.3.2(a)(i) of the
12 tribal-state gaming compacts ratified and in effect as provided in
13 subdivision (f) of Section 19 of Article IV of the California
14 Constitution.

15 (b) The California Gambling Control Commission shall provide
16 to the committee in the Senate and Assembly that considers the
17 State Budget an estimate of the amount needed to backfill the
18 Indian Gaming Revenue Sharing Trust Fund on or before the date
19 of the May budget revision for each fiscal year.

20 (c) An eligible recipient Indian tribe may not receive an amount
21 from the backfill appropriated following the estimate made
22 pursuant to subdivision (b) that would give the eligible recipient
23 Indian tribe an aggregate amount in excess of two hundred
24 seventy-five thousand dollars (\$275,000) per eligible quarter. Any
25 funds transferred from the Indian Gaming Special Distribution
26 Fund to the Indian Gaming Revenue Sharing Trust Fund that result
27 in a surplus shall revert back to the Indian Gaming Special
28 Distribution Fund following the authorization of the final payment
29 of the fiscal year.

30 (d) Upon a transfer of moneys from the Indian Gaming Special
31 Distribution Fund to the Indian Gaming Revenue Sharing Trust
32 Fund and appropriation from the trust fund, the California
33 Gambling Control Commission shall distribute the moneys without
34 delay to eligible recipient Indian tribes for each quarter that a tribe
35 was eligible to receive a distribution during the fiscal year
36 immediately preceding.

37 (e) For each fiscal year commencing with the 2005-06 fiscal
38 year, all of the following shall apply and subdivisions (b) to (d),
39 inclusive, shall not apply:

1 (1) ~~On or before the day of the May budget revision for each~~
2 ~~fiscal year, the California Gambling Control Commission shall~~
3 ~~determine the anticipated total amount of shortfalls in payment~~
4 ~~likely to occur in the Indian Gaming Revenue Sharing Trust Fund~~
5 ~~for the upcoming fiscal year, and shall provide to the committee~~
6 ~~in the Senate and Assembly that considers the State Budget an~~
7 ~~estimate of the amount needed to transfer from the Indian Gaming~~
8 ~~Special Distribution Fund to backfill the Indian Gaming Revenue~~
9 ~~Sharing Trust Fund for the next fiscal year. The anticipated total~~
10 ~~amount of shortfalls to be transferred from the Indian Gaming~~
11 ~~Special Distribution Fund to the Indian Gaming Revenue Sharing~~
12 ~~Trust Fund shall be determined by the California Gambling Control~~
13 ~~Commission as follows:~~

14 (A) ~~The anticipated number of eligible recipient tribes that will~~
15 ~~be eligible to receive payments for the next fiscal year, multiplied~~
16 ~~by one million one hundred thousand dollars (\$1,100,000), with~~
17 ~~that product reduced by the amount anticipated to be paid by the~~
18 ~~tribes directly into the Indian Gaming Revenue Sharing Trust Fund~~
19 ~~for the fiscal year.~~

20 (B) ~~This amount shall be based upon actual payments received~~
21 ~~into the Indian Gaming Revenue Sharing Trust Fund the previous~~
22 ~~fiscal year, with adjustments made due to amendments to existing~~
23 ~~tribal-state compacts or newly executed tribal-state compacts with~~
24 ~~respect to payments to be made to the Indian Gaming Revenue~~
25 ~~Sharing Trust Fund.~~

26 (2) ~~The Legislature shall transfer from the Indian Gaming~~
27 ~~Special Distribution Fund to the Indian Gaming Revenue Sharing~~
28 ~~Trust Fund an amount sufficient for each eligible recipient tribe~~
29 ~~to receive a total not to exceed two hundred seventy-five thousand~~
30 ~~dollars (\$275,000) for each quarter in the upcoming fiscal year an~~
31 ~~eligible recipient tribe is eligible to receive moneys, for a total not~~
32 ~~to exceed one million, one hundred thousand dollars (\$1,100,000)~~
33 ~~for the entire fiscal year. The California Gambling Control~~
34 ~~Commission shall make quarterly payments from the Indian~~
35 ~~Gaming Revenue Sharing Trust Fund to each eligible recipient~~
36 ~~Indian tribe within 45 days of the end of each fiscal quarter.~~

37 (3) ~~If the transfer of funds from the Indian Gaming Special~~
38 ~~Distribution Fund to the Indian Gaming Revenue Sharing Trust~~
39 ~~Fund results in a surplus, the funds shall remain in the Indian~~
40 ~~Gaming Revenue Sharing Trust Fund for disbursement in future~~

1 years, and if necessary, adjustments shall be made to future
2 distributions from the Indian Gaming Special Distribution Fund
3 to the Revenue Sharing Trust Fund.

4 (4) In the event the amount appropriated for the fiscal year is
5 insufficient to ensure each eligible recipient tribe receives the total
6 of two hundred seventy-five thousand dollars (\$275,000) for each
7 fiscal quarter, the Department of Finance, after consultation with
8 the California Gambling Control Commission, shall submit to the
9 Legislature a request for a budget augmentation for the current
10 fiscal year with an explanation as to the reason why the amount
11 appropriated for the fiscal year was insufficient.

12 (5) At the end of each fiscal quarter, the California Gambling
13 Control Commission's Indian Gaming Revenue Sharing Trust
14 Fund report shall include information that identifies each of the
15 eligible recipient tribes eligible to receive a distribution for that
16 fiscal quarter, the amount paid into the Indian Gaming Revenue
17 Sharing Trust Fund by each of the tribes pursuant to the applicable
18 sections of the tribal-state compact, and the amount necessary to
19 backfill from the Indian Gaming Special Distribution Fund the
20 shortfall in the Indian Gaming Revenue Sharing Trust Fund in
21 order for each eligible recipient tribe to receive the total of two
22 hundred seventy-five thousand dollars (\$275,000) for the fiscal
23 quarter.

24 (6) Based upon the projected shortfall in the Indian Gaming
25 Revenue Sharing Trust Fund, for the 2005-06 fiscal year, the sum
26 of fifty million dollars (\$50,000,000) is hereby transferred from
27 the Indian Gaming Special Distribution Fund to the Indian Gaming
28 Revenue Sharing Trust Fund and is hereby appropriated from that
29 fund to the California Gambling Control Commission for
30 distribution to each eligible recipient tribe pursuant to this section.

31 (7) If there are insufficient funds in the Indian Gaming Special
32 Distribution Fund to fully fund payments to eligible recipient tribes
33 from the Indian Gaming Revenue Sharing Fund in accordance
34 with this section, moneys from payments made by tribes to the
35 General Fund pursuant to any tribal-state gaming compact shall
36 be transferred to the Indian Gaming Revenue Sharing Trust Fund
37 in an amount equal to the deficiency, in order to supplement the

- 1 ~~payments to be made from the Indian Gaming Special Distribution~~
- 2 ~~Fund to the Indian Gaming Revenue Sharing Trust Fund.~~

O