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AMENDED IN ASSEMBLY SEPTEMBER 7, 1999  
AMENDED IN SENATE AUGUST 26, 1999  
AMENDED IN SENATE AUGUST 17, 1999

**Senate Constitutional Amendment**

**No. 7**

**Introduced by Senators Polanco and Brulte Murray**

**(Coauthors: Senators Alareon, Hughes, Johannessen, Lewis,  
McPherson, Peace, Rainey, and Wright)**

(Coauthors: ~~Assembly Members Aanestad, Ashburn, Bates,  
Cardenas, Cox, Ducheny, Firebaugh, Florez, Granlund,  
Kaloogian, Longville, Maddox, Maldonado, McClintock,  
Olberg, Pescetti, Runner, Soto, Strickland, Wright, and  
Zettel~~)

*(Principal coauthor: Assembly Member Runner)*

*(Coauthors: Assembly Members Hertzberg and  
Washington)*

February 26, 1999

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Senate Constitutional Amendment No. 7—A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by amending ~~Section 19 of Article IV thereof, and by adding Article XXXV thereto, relating to gambling. Section 4 of, and adding Section 4.5 to, Article XI thereof, relating to counties.~~

LEGISLATIVE COUNSEL'S DIGEST

SCA 7, as amended, Polanco. ~~Tribal state gaming compacts~~ *Charter counties: supervisors.*



*The California Constitution requires that county charters provide for, among other things, a governing body of 5 or more members.*

*This measure would provide that, in a county with a population of more than 5,000,000, the charter shall provide for a governing body of 9 or more members, for a term limit of three 4-year terms, for a salary not to exceed that of a superior court judge, and for a limitation on the expenditures of the governing body and its staff.*

~~Existing provisions of the California Constitution provide that, with the exception of the California State Lottery, the Legislature has no power to authorize lotteries and is required to prohibit the sale of lottery tickets in this state, and that the Legislature has no power to authorize, and is required to prohibit, casinos of the type currently operating in Nevada and New Jersey. Existing law, the “Tribal Government Gaming Act of 1998,” approved by the voters as Proposition 5 at the November 3, 1998 general election, was recently held unconstitutional by the California Supreme Court in the consolidated cases of Hotel Employees & Restaurant Employees International Union v. Davis (S074850) and Cortez v. Davis (S074851).~~

~~This measure would exempt gaming conducted pursuant to its terms from provisions of the California Constitution prohibiting lotteries and casinos, and would substantially reenact the provisions of Proposition 5 as the California Indian Gaming and Economic Self Sufficiency Act of 2000, the provisions of which would be added to the California Constitution, with the following changes:~~

~~(1) Proposition 5 required the Governor, as a ministerial act, to agree to the terms of a model tribal-state compact contained therein, and provided that if he or she did not execute this model agreement within 30 days of receiving a request from a tribe to do so, that it would be deemed agreed to, approved, and executed by the State of California.~~

~~This measure would include model compact terms, which would constitute the starting point in any negotiations over the terms of a tribal-state gaming compact, but would instead provide that, except with regard to mandatory terms relating to the scope of gaming, the number of gaming devices, the~~



~~number of gambling facilities, and limitations on trust fund provisions described in (2), the Governor, in his or her discretion as chief executive of the State, would be free to modify or add to these terms as he or she deems necessary to protect the health, safety, and welfare of the people of California, and would be specifically authorized to propose agreements between the tribe and nearby local governments concerning road access, the provision of law enforcement and emergency services, and other considerations as he or she deems warranted, and to encourage the tribe to adopt an ordinance incorporating federal process standards concerning the representation of gaming employees, collective bargaining, or other conditions of employment on Indian lands.~~

~~(2) Proposition 5, in both its model compact provisions and in general, authorized a signatory tribe to operate any lottery game, as well as tribal gaming devices, as defined, and any card game actually operated in any tribal gaming facility on or before January 1, 1998, if operated in accordance with a “players’ pool prize system.” Proposition 5, in its model compact provisions only, also authorized a signatory tribe to operate an off track horse race wagering facility on the same terms as in specified prior agreements.~~

~~This measure would instead provide that all signatory tribes would be authorized to operate any lottery-based game, including Keno, any banking or nonbanking table game played with cards, as defined, any gaming device or slot machine, and off-track wagering facilities, as specified. The measure would include as a mandatory term provisions concerning the number of devices each tribe would be initially entitled to operate, with a minimum of either 975 devices or the actual number it operated in January, 1999, and with a maximum of 1,500 devices, the number of devices it operated in January, 1999, or the actual number of devices operated in January, 1999 by a tribe within a 35-mile radius of the signatory tribe. The measure would also include as mandatory terms, provisions regarding the annual growth of the number of authorized gaming devices, provisions allowing a tribe to operate an unlimited number of gaming facilities on qualified lands, and provisions limiting trust fund~~



~~dedications to 8% of net win. With regard to the operation of an off-track horse race wagering facility, this measure would contain the same terms as Proposition 5, but would provide that the State Gaming Agency may designate the California Horse Racing Board as the state agency responsible for fulfilling the State gaming agency's responsibilities under the agreement, and would provide that if the state lacks jurisdiction under federal law to impose the same license fees or charges as it would on nontribal facilities, that an amount equal to those fees or charges would be required to be deducted from wagers made at the tribal facility, with the actual and reasonable costs of regulatory services to be reimbursed to the designated state agency and the remaining amount to be distributed to the tribe.~~

~~This measure would authorize licensed gambling establishments to conduct banking games played with cards, subject to specified limitations and existing statutory limits on expansion, and would provide that a gambling establishment that operates banked games pursuant to this authority would be prohibited from expanding its total number of tables until March 8, 2008.~~

~~(3) Proposition 5 provided that a tribal-state gaming compact negotiated and executed by the Governor shall not require action by the Legislature unless the proposed compact, in comparison to the model compact contained therein, expands the scope of class III gaming, creates or confers additional powers on any agency of the state, or infringes upon the power of the Legislature to appropriate and authorize the expenditure of funds from the State Treasury.~~

~~This measure would instead provide that, upon execution of a tribal-state gaming compact, the Governor shall submit a copy of the compact, along with a summary of any legislation that may be needed to implement the compact, to both houses of the Legislature and to the Secretary of State. The measure would provide that if the Governor certifies that the compact does not materially differ from the terms authorized by the measure, the Secretary of State would be required to immediately forward the executed compact to the Secretary of Interior in accordance with federal law. The measure would~~



~~provide that if the Governor certifies that the compact is materially different from the model terms, it would require the Secretary of State to hold the compact pending review by the Legislature, which could reject the compact by a 2/3 vote of each house. The measure would provide that this review period shall be 30 days, unless the period would end during a joint recess, in which case the period would be extended to the 6th calendar day following the day the Legislature reconvenes. The measure would provide that if a compact requires implementing legislation, the Legislature would be required to promptly enact these changes by statute, in accordance with the California Constitution, and upon receipt of this statute the Secretary of State would be required to forward a copy of it to the Secretary of Interior.~~

~~(4) The model compact contained in Proposition 5 had no defined term during which the compact would remain in force.~~

~~This measure would provide that once effective, a gaming compact would remain in effect for 25 years or until terminated by the written agreement of both parties or upon unilateral 60-days notice by the tribe, and could be renewed for an additional 25-year period subject to the requirements of this measure. The measure would provide that the terms of the existing compact would remain in effect until a new compact is executed or until any dispute is resolved as specified.~~

~~(5) This measure would provide for the amendment and renegotiation of existing compacts as specified, and would provide that if federal or state law is changed to allow any person, organization, or entity to engage in additional forms of gambling, that the tribe as a matter of right could seek amendment of an existing compact to include that gaming.~~

~~(6) This measure would provide that the voters may, by statutory initiative, subsequently prescribe the terms of a model tribal-state compact, which, if requested, would be required to be executed by the Governor and would go into effect without further legislative approval or ratification.~~

~~(7) This bill would make various technical and conforming changes.~~



Vote: 2/3. Appropriation: no. Fiscal committee: ~~yes~~—no.  
State-mandated local program: no.

1 ~~Resolved by the Senate, the Assembly~~

2 *WHEREAS, It is the intent of the people, in adopting*  
3 *this measure, to make all of the following changes with*  
4 *regard to the county board of supervisors in each county*  
5 *having a population of more than 5,000,000:*

6 (a) *To increase democratic representation by*  
7 *reducing the population in each supervisorial district;*

8 (b) *By establishing smaller supervisorial districts, to*  
9 *provide greater opportunities for public participation in*  
10 *local government that provides safety, health,*  
11 *transportation, and other vital services;*

12 (c) *In order to control the size of government, reduce*  
13 *unnecessary expenditures, and increase efficiency*  
14 *through smaller supervisorial districts, to reduce the*  
15 *office budgets and professional and support staff for each*  
16 *member of the board of supervisors; now therefore, be it*

17 **RESOLVED BY THE SENATE, THE ASSEMBLY**  
18 *Concurring, That the Legislature of the State of*  
19 *California at its 1999–2000 Regular Session commencing*  
20 *on the seventh day of December 1998, two-thirds of the*  
21 *membership of each house concurring, hereby proposes*  
22 *to the people of the State of California that the*  
23 *Constitution of the State be amended as follows:*

24 ~~First—That Section 19 of Article IV is amended to read:~~

25 *First—That Section 4 of Article XI thereof is amended*  
26 *to read:*

27 **SEC. 4.** County charters shall provide for:

28 (a) A governing body of ~~5~~ *five* or more members,  
29 elected (1) by district~~or~~, (2) at large, or (3) at large, with  
30 a requirement that they reside in a district, *except as*  
31 *otherwise provided in Section 4.5.* Charter counties are  
32 subject to statutes that relate to apportioning population  
33 of governing body districts.

34 (b) The compensation, terms, and removal of  
35 members of the governing body, *subject to Section 4.5.* If  
36 a county charter provides for the Legislature to prescribe



1 the salary of the governing body, ~~such~~ *the* compensation  
2 shall be prescribed by the governing body by ordinance.

3 (c) An elected sheriff, an elected district attorney, an  
4 elected assessor, other officers, their election or  
5 appointment, compensation, terms and removal.

6 (d) The performance of functions required by statute.

7 (e) The powers and duties of governing bodies and all  
8 other county officers, and for consolidation and  
9 segregation of county officers, and for the manner of  
10 filling all vacancies occurring ~~therein~~ *in those offices*.

11 (f) The fixing and regulation by governing bodies, by  
12 ordinance, of the appointment and number of assistants,  
13 deputies, clerks, attachés, and other persons to be  
14 employed, and for the prescribing and regulating by ~~such~~  
15 *those* bodies of the powers, duties, qualifications, and  
16 compensation of ~~such~~ *those* persons, the times at which,  
17 and terms for which they shall be appointed, and the  
18 manner of their appointment and removal.

19 (g) Whenever any county has framed and adopted a  
20 charter, and the ~~same shall have~~ *charter has* been  
21 approved by the Legislature as ~~herein~~ *provided in this*  
22 *section*, the general laws adopted by the Legislature ~~in~~  
23 ~~pursuance pursuant to subdivision (b) of Section 1(b) of~~  
24 ~~this article, I shall, as to~~ ~~such~~ *that* county, be superseded  
25 by ~~said that~~ *that* charter as to matters for which, under this  
26 section it is competent to make provision in ~~such~~ *the*  
27 charter, and for which provision is made ~~therein~~ *in the*  
28 *charter*, except as ~~herein~~ otherwise expressly provided in  
29 *this section*.

30 (h) Charter counties ~~shall~~ have all the powers that are  
31 provided by this Constitution or by statute for counties.

32 *Second—That Section 4.5 is added to Article XI thereof,*  
33 *to read:*

34 *SEC. 4.5. In a county with a population of more than*  
35 *5,000,000 the county charter shall provide as follows:*

36 (a) *The governing body shall consist of nine or more*  
37 *members.*

38 (b) *The term of office of a member of the governing*  
39 *body shall be four years, and a person may not serve more*  
40 *than three terms as a member of the governing body.*



1 (c) Members of the governing body shall receive a  
 2 salary not to exceed that prescribed by law for a judge of  
 3 the superior court in and for that county, except that  
 4 retirement benefits shall be those now and hereafter  
 5 provided by law for officers and employees of the county.  
 6 A member of the governing body may not receive any  
 7 other compensation or payment for services rendered to  
 8 any public or government agency, other than for travel  
 9 and other expenses.

10 (d) The expenditures for the governing body and its  
 11 staff may not exceed, for any fiscal year, the lesser of the  
 12 amount budgeted for that purpose for the 1999–2000 fiscal  
 13 year or the amount that has the same proportion as the  
 14 expenditures had to the total county budget in the  
 15 1999–2000 fiscal year.

16 ~~SEC. 19. (a) The Legislature has no power to~~  
 17 ~~authorize lotteries and shall prohibit the sale of lottery~~  
 18 ~~tickets in the State.~~

19 ~~(b) The Legislature may provide for the regulation of~~  
 20 ~~horse races and horse race meetings and wagering on the~~  
 21 ~~results.~~

22 ~~(c) Notwithstanding subdivision (a), the Legislature~~  
 23 ~~by statute may authorize cities and counties to provide for~~  
 24 ~~bingo games, but only for charitable purposes.~~

25 ~~(d) Notwithstanding subdivision (a), there is~~  
 26 ~~authorized the establishment of a California State~~  
 27 ~~Lottery.~~

28 ~~(e) The Legislature has no power to authorize, and~~  
 29 ~~shall prohibit casinos of the type currently operating in~~  
 30 ~~Nevada and New Jersey.~~

31 ~~(f) Subdivisions (a) and (e) shall not apply to gaming~~  
 32 ~~conducted in accordance with Article XXXV.~~

33 ~~Second That Article XXXV is added to read:~~

34

35

~~ARTICLE XXXV~~

36

37

~~THE CALIFORNIA INDIAN GAMING AND  
ECONOMIC SELF-SUFFICIENCY ACT OF 2000.~~

38

39



1 ~~SEC. 1. This article, and subdivision (f) of Section 19~~  
2 ~~of Article IV, shall be known and may be cited as “The~~  
3 ~~California Indian Gaming and Economic Self-Sufficiency~~  
4 ~~Act of 2000.”~~

5 ~~SEC. 2. (a) The people of the State of California find~~  
6 ~~that, historically, Indian tribes within the State have long~~  
7 ~~suffered from high rates of unemployment and~~  
8 ~~inadequate educational, housing, elderly care, and health~~  
9 ~~care opportunities, while typically being located on lands~~  
10 ~~that are not conducive to economic development in order~~  
11 ~~to meet those needs. Federal law provides a statutory~~  
12 ~~basis for conducting licensed and regulated tribal~~  
13 ~~government gaming on, and limited to, qualified Indian~~  
14 ~~lands, as a means of strengthening tribal self-sufficiency~~  
15 ~~through the creation of jobs and tribal economic~~  
16 ~~development. Federal law also provides that certain~~  
17 ~~forms of gaming, known as “class III gaming,” will be the~~  
18 ~~subject of an agreement between a tribe and the state (a~~  
19 ~~“Tribal State compact”), pursuant to which that gaming~~  
20 ~~will be governed.~~

21 ~~(b) The people of the State find that uncertainties~~  
22 ~~have developed over various issues concerning class III~~  
23 ~~gaming and the development of Tribal State compacts~~  
24 ~~between the state and tribes, and that those uncertainties~~  
25 ~~have led to delays and considerable expense. The~~  
26 ~~Tribal State compact terms set forth in Section 5 of this~~  
27 ~~article (the “Gaming Compact”), including the~~  
28 ~~geographic confinement of that gaming to certain tribal~~  
29 ~~lands, the agreement and limitations on the kinds of class~~  
30 ~~III gaming in which a tribe operating thereunder may be~~  
31 ~~engaged, and the regulation and licensing required~~  
32 ~~thereunder, are intended to resolve those uncertainties~~  
33 ~~in an efficient and cost effective way, while meeting the~~  
34 ~~basic and mutual needs of the state and the tribes without~~  
35 ~~undue delay. The resolution of uncertainty regarding~~  
36 ~~class III gaming in California, the generation of~~  
37 ~~employment and tribal economic development that will~~  
38 ~~result therefrom, and the limitations on the growth of~~  
39 ~~gaming in California that are inherent therein, are in the~~  
40 ~~best and immediate interest of all citizens of the state.~~



1 This article has been enacted as a matter of public policy  
2 and in recognition that it fulfills important state needs.

3 SEC. 3. (a) The Governor is the designated state  
4 officer responsible for negotiating and executing, on  
5 behalf of this State, tribal state gaming compacts with  
6 federally recognized Indian tribes pursuant to federal  
7 law, including but not limited to the Indian Gaming  
8 Regulatory Act (18 U.S.C. Sec. 1166 to 1168, incl., and 25  
9 U.S.C. Sec. 2701 et seq.) (hereafter "IGRA"), for the  
10 purpose of authorizing class III gaming, as defined in  
11 IGRA, on Indian lands within this State.

12 If any federally recognized Tribe having jurisdiction  
13 over Indian lands in California requests that the  
14 Governor enter into negotiations for a tribal state gaming  
15 compact under federal law, the Governor shall enter into  
16 those negotiations pursuant to that federal law in good  
17 faith, and is authorized and directed to reach agreement  
18 and execute that compact on behalf of the State, in  
19 accordance with the provisions of this article.

20 (b) Immediately following the completion of these  
21 negotiations, the Governor shall submit a copy of any  
22 executed tribal state compact, along with a summary of  
23 any legislation that may be needed to implement the  
24 compact, to both houses of the Legislature and to the  
25 Secretary of State. If the Governor certifies that the terms  
26 of the tribal state compact do not materially differ from  
27 the terms set forth in Section 5 of this article, the  
28 Secretary of State shall immediately forward the compact  
29 to the Secretary of Interior for his or her review and  
30 approval in accordance with IGRA. If the Governor  
31 certifies that the terms of the compact are materially  
32 different from the terms set forth in Section 5, the  
33 Secretary of State shall hold the compact for a 30 day  
34 period and shall thereafter forward the compact to the  
35 Secretary of Interior unless, within that period, the  
36 compact is rejected by each house of the Legislature,  
37 two-thirds of the membership thereof concurring, and  
38 provided that, if this 30 day period ends during a joint  
39 recess of the Legislature, this period shall be extended  
40 until the sixth calendar day following the day on which



1 ~~the Legislature reconvenes. Notwithstanding the need~~  
2 ~~for any implementing legislation, the Secretary of State~~  
3 ~~shall forward a copy of the executed compact in~~  
4 ~~accordance with the procedures of this subdivision.~~

5 ~~(e) If a tribal-state compact requires implementing~~  
6 ~~legislation, the Legislature shall promptly enact these~~  
7 ~~changes by means of one or more statutes, in accordance~~  
8 ~~with the California Constitution, and upon passage and~~  
9 ~~receipt of these statutes, the Secretary of State shall~~  
10 ~~forward a copy of the implementation statutes to the~~  
11 ~~Secretary of Interior for his or her review.~~

12 ~~(d) The Governor is authorized to execute, as a~~  
13 ~~ministerial act on behalf of the state, any additional~~  
14 ~~documents that may be necessary to implement this~~  
15 ~~article or any executed tribal-state compact entered into~~  
16 ~~pursuant to this article.~~

17 ~~(e) In the event that federal law regarding the process~~  
18 ~~for entry into or approval of tribal-state gaming compacts~~  
19 ~~is changed in any way that would require a change in any~~  
20 ~~procedure under this article in order for a Tribal State~~  
21 ~~gaming compact to become effective, this article shall be~~  
22 ~~deemed amended to conform to and incorporate that~~  
23 ~~changed federal law.~~

24 ~~(f) Nothing in this section shall prohibit the voters of~~  
25 ~~this State from subsequently prescribing, by initiative~~  
26 ~~statute, the terms of a tribal-state gaming compact that~~  
27 ~~may be requested by any federally recognized Tribe~~  
28 ~~having jurisdiction over Indian lands, which, if requested,~~  
29 ~~shall be executed by the Governor on behalf of the State~~  
30 ~~without the need for further legislative approval or~~  
31 ~~ratification.~~

32 ~~SEC. 4. Any state department or agency, or other~~  
33 ~~subdivision of the State providing gaming regulatory~~  
34 ~~services to a tribe pursuant to the terms of this article,~~  
35 ~~including a Gaming Compact entered into hereunder, is~~  
36 ~~authorized to require and receive reimbursement from~~  
37 ~~the tribe for the actual and reasonable costs of those~~  
38 ~~services in accordance with a fee schedule to be agreed~~  
39 ~~to by the tribe and the State. Any funds received from a~~  
40 ~~tribe in reimbursement for those services are hereby~~



1 continuously appropriated to that department, agency,  
2 or subdivision for those purposes. Any disputes  
3 concerning the reasonableness of any claim for  
4 reimbursement shall be resolved in accordance with the  
5 dispute resolution procedures set forth in the Gaming  
6 Compact.

7 SEC. 5. The Governor, on behalf of the State of  
8 California, is expressly authorized and directed to offer to  
9 any federally recognized Indian tribe that is recognized  
10 by the Secretary of the Interior as having jurisdiction over  
11 Indian lands in California that are eligible for gaming  
12 under IGRA, a tribal-state gaming compact containing  
13 some or all of the following terms and conditions:  
14

15  
16 {C}‘TRIBAL-STATE GAMING COMPACT  
17 {C}Between the{C}(OFFICIAL NAME OF  
18 TRIBE),{C}a federally recognized Indian Tribe,{C}and  
19 the{C}STATE OF CALIFORNIA-  
20

21 This Tribal-State Gaming Compact is entered into on  
22 a government-to-government basis by and between the  
23 (Official Name of Tribe), a federally recognized  
24 sovereign Indian tribe (hereafter “Tribe”), and the State  
25 of California, a sovereign State of the United States  
26 (hereafter “State”), pursuant to the Indian Gaming  
27 Regulatory Act of 1988 (P.L. 100-497, codified at 18 U.S.C.  
28 Sec. 1166 to 1168, incl., and 25 U.S.C. Sec. 2701 et seq.)  
29 (hereafter “IGRA”), and any successor statute or  
30 amendments, and the California Indian Gaming and  
31 Economic Self-Sufficiency Act of 2000.  
32

33 Section 1.0. PURPOSES AND OBJECTIVES. The  
34 terms of this Gaming Compact are designed and  
35 intended to:

36 (a) Evidence the good will and cooperation of the  
37 Tribe and State in fostering a mutually respectful  
38 government-to-government relationship that will serve  
39 the mutual interests of the parties.



1 ~~(b) Develop and implement a means of regulating~~  
 2 ~~class III gaming on the Tribe's Indian lands to ensure its~~  
 3 ~~fair and honest operation in accordance with IGRA, and,~~  
 4 ~~through that regulated class III gaming, enable the Tribe~~  
 5 ~~to develop self-sufficiency, promote tribal economic~~  
 6 ~~development, and generate jobs and revenues to support~~  
 7 ~~the Tribe's government and governmental services and~~  
 8 ~~programs.~~

9 ~~(c) Promote ethical practices in conjunction with that~~  
 10 ~~gaming, through the licensing and control of persons and~~  
 11 ~~entities employed in, or providing goods and services to,~~  
 12 ~~the Tribe's gaming operation and protecting against the~~  
 13 ~~presence or participation of persons whose criminal~~  
 14 ~~backgrounds, reputations, character, or associations~~  
 15 ~~make them unsuitable for participation in gaming,~~  
 16 ~~thereby maintaining a high level of integrity in~~  
 17 ~~government gaming.~~

18  
 19 ~~Sec. 2.0. DEFINITIONS~~

20 ~~Sec. 2.1. "Act" means the California Indian Gaming~~  
 21 ~~and Economic Self-Sufficiency Act of 2000 (subdivision~~  
 22 ~~(f) of Section 19 of Article IV of, and Article XXXV of, the~~  
 23 ~~California Constitution).~~

24 ~~Sec. 2.2. "Applicant" means an individual or entity~~  
 25 ~~that applies for a Tribal license or State certification.~~

26 ~~Sec. 2.2.5. "Article" means Article XXXV of the~~  
 27 ~~California Constitution.~~

28 ~~Sec. 2.3. "Banking game played with cards" means a~~  
 29 ~~game played by natural persons at a table within a gaming~~  
 30 ~~facility, where the house wagers directly against all~~  
 31 ~~participants, paying all losers and collecting from all~~  
 32 ~~winners, but does not include any electronic facsimile of~~  
 33 ~~such a game, or any other device, except devices~~  
 34 ~~associated with side parimutuel wagers if authorized by~~  
 35 ~~compact.~~

36 ~~Sec. 2.4. "Class III gaming" means the forms of~~  
 37 ~~gaming defined as class III gaming in 25 U.S.C. Sec.~~  
 38 ~~2703(8) or any amendment or successor thereto, and by~~  
 39 ~~regulations of the National Indian Gaming Commission.~~  
 40 ~~For purposes of California law, "class III gaming"~~



1 specifically includes banking games played with cards  
2 and gaming devices.

3 Sec. 2.5. “Gaming activities” means the class III  
4 gaming activities authorized under this Gaming  
5 Compact.

6 Sec. 2.6. “Gaming Compact” means this compact.

7 Sec. 2.7. “Gaming device” means any electronic,  
8 electromechanical, electrical, or video device that, for  
9 consideration, permits: individual play with or against  
10 that device or the participation in any electronic,  
11 electromechanical, electrical, or video system to which  
12 that device is connected; the playing of games thereon or  
13 therewith, including, but not limited to, the playing of  
14 facsimiles of games of chance or skill; the possible delivery  
15 of, or entitlement by the player to, a prize or something  
16 of value as a result of the application of an element of  
17 chance; and a method for viewing the outcome, prize  
18 won, and other information regarding the playing of  
19 games thereon or therewith. “Gaming device,” as used in  
20 this act, includes devices that are banked by the house  
21 and are commonly known as slot machines.

22 Sec. 2.8. “Gaming employee” means any person who  
23 (a) operates, maintains, repairs, assists in any gaming  
24 activity, or is in any way responsible for supervising  
25 gaming activities or persons who conduct, operate,  
26 account for, or supervise any gaming activity, (b) is in a  
27 category under federal or tribal gaming law requiring  
28 licensing, or (c) is a person whose employment duties  
29 require or authorize access to areas of the gaming facility  
30 that are not open to the public. In defining those  
31 categories of persons who are required to be licensed  
32 under tribal gaming law, the Tribe shall consider the  
33 inclusion of persons who are required to be licensed  
34 pursuant to state gaming law.

35 Sec. 2.9. “Gaming facility” means any building or  
36 room in which class III gaming activities or gaming  
37 operations occur, or in which the business records,  
38 receipts, or other funds of the gaming operation are  
39 maintained (but excluding offsite facilities primarily  
40 dedicated to storage of those records, and financial



1 institutions), and all rooms, buildings, and areas,  
2 including parking lots, walkways, and means of ingress  
3 and egress associated therewith, provided that nothing  
4 herein prevents the conduct of class II gaming (as defined  
5 under IGRA) therein.

6 Sec. 2.10. “Gaming operation” means the business  
7 enterprise that offers and operates gaming activities.

8 Sec. 2.11. “Gaming ordinance” means a tribal  
9 ordinance or resolution duly authorizing the conduct of  
10 gaming activities on the Tribe’s Indian lands and  
11 approved under IGRA.

12 Sec. 2.12. “Gaming resources” means any goods or  
13 services used in connection with gaming activities,  
14 including, but not limited to, equipment, furniture,  
15 gambling devices and ancillary equipment, implements  
16 of gaming activities such as playing cards and dice,  
17 furniture designed primarily for gaming activities,  
18 maintenance or security equipment and services, and  
19 gaming consulting services. “Gaming resources” does not  
20 include professional accounting and legal services.

21 Sec. 2.13. “Gaming resource supplier” means any  
22 manufacturer, distributor, supplier, vendor, lessor, or  
23 other purveyor of gaming resources to the gaming  
24 operation or gaming facility, provided that the Tribal  
25 gaming agency may exclude any such purveyor if the  
26 subject equipment or furniture is not specifically  
27 designed for, and is distributed generally for use other  
28 than in connection with, gaming activities.

29 Sec. 2.14. “IGRA” means the Indian Gaming  
30 Regulatory Act of 1988 (P.L. 100-497, 18 U.S.C. Secs. 1166  
31 to 1168, incl., and 25 U.S.C. Sec. 2701 et seq.) any  
32 amendments and successors thereto, and all regulations  
33 promulgated thereunder.

34 Sec. 2.15. “Management contractor” means any  
35 person with whom the Tribe has contracted for the  
36 management of any gaming activity or gaming facility,  
37 including, but not limited to, any person who would be  
38 regarded as a management contractor under IGRA.

39 Sec. 2.16. “Net win” means the wagering revenue  
40 from gaming activities retained by the Tribe after prizes



1 or winnings have been paid to players and prior to the  
2 payment of operating or other expenses. “Net win”  
3 includes fees collected from players on a per play, per  
4 amount wagered, or time period basis, even though these  
5 fees are not necessarily affected by payments of or for  
6 prizes or winnings. Any and all fees paid by the tribe to  
7 the State Gaming Agency, or to any other department,  
8 agency, or subdivision of the State, as reimbursement for  
9 the provision of gaming regulatory services shall be  
10 deducted from the tribe’s wagering revenue in  
11 calculating net win.

12 Sec. 2.17. “State” means the State of California.

13 Sec. 2.18. “State gaming agency” means the person,  
14 agency, board, commission, or official that the State duly  
15 authorizes to fulfill the functions assigned to it under this  
16 Gaming Compact. As of the effective date of this Act, this  
17 agency is the entity or entities authorized to investigate,  
18 approve, and regulate gambling establishments and  
19 associated persons pursuant to the Gambling Control Act  
20 (Chapter 5 (commencing with Section 19800) of Division  
21 8 of the Business and Professions Code) or its successors.  
22 In the event no agency is authorized to conduct this  
23 function, the State shall designate such an agency by  
24 statute. If the State fails to designate an agency  
25 authorized to investigate, approve, and regulate gaming  
26 licenses, any function assigned to the State gaming  
27 agency in this Gaming Compact shall be assumed by the  
28 Tribal gaming agency until the State so designates an  
29 agency as provided herein.

30 Sec. 2.19. “Tribal Chairperson” means the person  
31 duly elected or selected under the Tribe’s organic  
32 documents, customs, or traditions to serve as the primary  
33 spokesperson for the Tribe.

34 Sec. 2.20. “Tribal gaming agency” means the person,  
35 agency, board, committee, commission, or council  
36 designated under tribal law, including, but not limited to,  
37 an intertribal gaming regulatory agency approved to  
38 fulfill those functions by the National Indian Gaming  
39 Commission, as primarily responsible for carrying out the  
40 Tribe’s regulatory responsibilities under IGRA and the



1 ~~Tribal gaming ordinance. Any person employed in, or in~~  
2 ~~connection with, the management, supervision, or~~  
3 ~~conduct of any gaming activity may not be a member or~~  
4 ~~employee of the Tribal gaming agency.~~

5 ~~Sec. 2.21. “Tribal gaming device” means a slot~~  
6 ~~machine or other gaming device operated pursuant to a~~  
7 ~~tribal-state gaming compact.~~

8 ~~Sec. 2.22. “Tribe” means the [official name of Tribe];~~  
9 ~~a federally recognized Indian tribe.~~

10

11 ~~Sec. 3.0. CLASS III GAMING AUTHORIZED AND~~  
12 ~~PERMITTED. The Tribe is hereby authorized and~~  
13 ~~permitted to engage in the gaming activities expressly~~  
14 ~~referred to in Sections 4.0 to 4.2, inclusive.~~

15

16 ~~Sec. 4.0. SCOPE OF CLASS III GAMING~~

17 ~~Sec. 4.1. Authorized and Permitted Class III~~  
18 ~~Gaming. To the extent regarded as forms or types of~~  
19 ~~class III gaming, the Tribe is hereby authorized and~~  
20 ~~permitted to operate the following gaming activities~~  
21 ~~under the terms and conditions set forth in this Gaming~~  
22 ~~Compact:~~

23 ~~(a) The operation of Tribal gaming devices, provided~~  
24 ~~that these devices shall meet the technical standards~~  
25 ~~adopted pursuant to Section 8.1.15.~~

26 ~~(b) The operation of any lottery-based game,~~  
27 ~~including, but not limited to, drawings, raffles, match~~  
28 ~~games, Keno, and instant lottery ticket games.~~

29 ~~(c) The operation of any banking or nonbanking table~~  
30 ~~game played with cards that was actually operated in any~~  
31 ~~tribal gaming facility in California on or before March 8,~~  
32 ~~2000.~~

33 ~~(d) The simulcasting and offering of off track betting~~  
34 ~~on horse races, if offered in accordance with the terms~~  
35 ~~and conditions of the Tribal-State compact between the~~  
36 ~~State and the Sycuan Band of Mission Indians that existed~~  
37 ~~on March 31, 1997 (“Sycuan compact”), the terms of~~  
38 ~~which shall be adjusted for northern California racing if~~  
39 ~~required by the geographic location of the Tribe, unless~~  
40 ~~the Tribe elects to adopt the provisions of an existing~~



1 compact pursuant to the next sentence. If the Tribe and  
2 the State have already entered into a compact governing  
3 off-track wagering, that compact, at the Tribe's option,  
4 may continue in full force and effect as the off-track  
5 wagering provisions intended by this section, or the  
6 Sycuan compact terms and conditions may be substituted  
7 therefor. The Tribe may notify the State, at the time it  
8 requests to enter into compact negotiations pursuant to  
9 Section 3 of this article, or at any later date as the Tribe  
10 may deem appropriate, of its election with regard to  
11 which off-track wagering compact terms it has elected to  
12 enter into. With respect to gaming activities conducted  
13 pursuant to this section, the State gaming agency may  
14 designate the California Horse Racing Board to fulfill the  
15 functions assigned to it under this act, and whichever  
16 entity so fulfills these responsibilities may require and  
17 receive reimbursement from the tribe for the actual and  
18 reasonable costs of those services in accordance with  
19 Section 4 of this article. If the State lacks jurisdiction  
20 under federal law to impose the same license fees or other  
21 charges that it does on nontribal facilities, an amount  
22 equal to those fees or charges shall be deducted from any  
23 off-track wagers made at the Tribe's facility, with the  
24 actual and reasonable costs of regulatory service to be  
25 reimbursed to the designated state agency and the  
26 remaining amount to be distributed to the Tribe.

27 Sec. 4.2. Authorized Gaming Facilities. The Tribe  
28 may establish and operate one or more gaming facilities  
29 in which the gaming activities authorized under this  
30 Gaming Compact may be conducted, provided that the  
31 facilities are located on Indian lands within California  
32 over which the Tribe has jurisdiction, and qualify under  
33 federal law as lands upon which gaming may lawfully be  
34 conducted. The Tribe may combine and operate in those  
35 gaming facilities any forms and kinds of gaming  
36 permitted under law, except to the extent limited under  
37 IGRA or the Tribe's gaming ordinance.

38  
39 Sec. 5.0. TRIBAL, STATE, AND LOCAL TRUST  
40 FUNDS



1 ~~Sec. 5.1. Conditional Obligation to Contribute to~~  
2 ~~Trust Funds; Contribution Formula. (a) The parties~~  
3 ~~acknowledge that the operation of Tribal gaming devices~~  
4 ~~authorized under this Gaming Compact is expected to~~  
5 ~~occupy a unique place in gaming within the State that is~~  
6 ~~material to the ability of the Tribe and other tribal~~  
7 ~~governments operating under similar compacts to~~  
8 ~~achieve the economic development and other goals~~  
9 ~~intended by IGRA. The Tribe therefore agrees to make~~  
10 ~~the contributions to the trust funds described in Sections~~  
11 ~~5.2, 5.3, and 5.4, only for as long as it and other tribes that~~  
12 ~~have entered into Gaming Compacts are not deprived of~~  
13 ~~that unique opportunity. Accordingly, in the event that~~  
14 ~~any other person or entity, including, but not limited to,~~  
15 ~~the California State Lottery, lawfully operates gaming~~  
16 ~~devices within the State at any time after the effective~~  
17 ~~date of this Gaming Compact, any and all obligations by~~  
18 ~~the Tribe to make the trust fund contributions required~~  
19 ~~under Sections 5.2, 5.3, and 5.4 shall immediately and~~  
20 ~~permanently cease and terminate. For the purposes of~~  
21 ~~this section only, no equipment or type of game played~~  
22 ~~thereon or therewith that was authorized to be offered by~~  
23 ~~the California State Lottery or any race track in California~~  
24 ~~on or before the effective date of this article, may be~~  
25 ~~deemed to cause the cessation and termination of those~~  
26 ~~trust fund contributions.~~

27 ~~(b) The contributions due under Sections 5.2, 5.3, and~~  
28 ~~5.4 shall be determined and made on a calendar quarter~~  
29 ~~basis, by first determining the total number of all Tribal~~  
30 ~~gaming devices operated by a Tribe during a given~~  
31 ~~quarter (“Quarterly Device Base”). Notwithstanding~~  
32 ~~any provision in Sections 5.0 to 5.4.2, inclusive, to the~~  
33 ~~contrary, the Tribe shall have no obligation to make any~~  
34 ~~contribution to any trust fund on the net win derived~~  
35 ~~from the first 200 terminals in the Quarterly Device Base;~~  
36 ~~shall contribute at one-half of the percentage rates~~  
37 ~~specified in Sections 5.2, 5.3, and 5.4 on the net win~~  
38 ~~derived from the next 200 devices in the Quarterly~~  
39 ~~Device Base; and shall contribute at the full percentage~~  
40 ~~rates specified in the above sections on the net win~~



1 ~~derived from any additional devices in the Quarterly~~  
2 ~~Device Base. In making those computations, the total net~~  
3 ~~win from all devices in the Quarterly Device Base during~~  
4 ~~a given quarter shall be included and evenly divided~~  
5 ~~among all such devices (“Average Device Net Win”);~~  
6 ~~regardless of the actual performance or net win of any~~  
7 ~~particular device. The Average Device Net Win shall be~~  
8 ~~used as the basis for calculating the foregoing exclusions~~  
9 ~~or reductions that are based on the number of terminals~~  
10 ~~in the Quarterly Device Base.~~

11 ~~Sec. 5.2. Nongaming Tribal Assistance Fund.~~

12 ~~Sec. 5.2.1. The Tribe shall participate in a trust fund~~  
13 ~~with all other tribes, if any, that enter into Gaming~~  
14 ~~Compacts pursuant to this article, into which it shall~~  
15 ~~deposit 2 percent of its net win from Tribal gaming~~  
16 ~~devices each calendar quarter. The trust fund shall be~~  
17 ~~distributed on an equitable basis for education, economic~~  
18 ~~development, cultural preservation, health care, and~~  
19 ~~other tribal purposes to federally recognized tribes~~  
20 ~~located in California that have not participated in any~~  
21 ~~form of gaming within the 12-month period preceding~~  
22 ~~the anticipated receipt of such trust funds.~~

23 ~~Sec. 5.2.2. The trust shall have a board of 12 trustees,~~  
24 ~~consisting of one representative from each of three~~  
25 ~~federally recognized tribes in each federal judicial district~~  
26 ~~in California, elected by nomination as set forth below~~  
27 ~~and a majority vote of those tribal representatives~~  
28 ~~attending a meeting at which all federally recognized~~  
29 ~~tribes in the district have been given at least 15 days’~~  
30 ~~written notice to attend. Each tribe in the district shall~~  
31 ~~have one vote. The State shall assist the trust fund in~~  
32 ~~assuring that adequate notice is given to all tribes who are~~  
33 ~~to be represented at the meeting. Two of the trustees~~  
34 ~~from each district shall consist of representatives of tribes~~  
35 ~~in the district that have entered into Gaming Compacts~~  
36 ~~under the Act, and one trustee shall be from a nongaming~~  
37 ~~tribe. If there are no tribes that fit into one category, the~~  
38 ~~trustee positions shall be filled by the other category of~~  
39 ~~tribes. Gaming tribes shall nominate and elect the gaming~~  
40 ~~tribe representatives, and nongaming tribes shall~~



1 ~~nominate and elect the nongaming tribe representative.~~  
2 ~~Trustees shall serve for two year terms, and shall receive~~  
3 ~~reimbursement subject to approval by the board of~~  
4 ~~trustees for reasonable costs actually incurred to attend~~  
5 ~~meetings and serve as a trustee.~~

6 ~~Sec. 5.2.3. All contributions to the fund shall be~~  
7 ~~combined on a statewide basis and shall be distributed~~  
8 ~~from the trust fund on a quarterly basis statewide in~~  
9 ~~accordance with a fair and equitable formula established~~  
10 ~~by the trustees by majority vote. All moneys in the trust~~  
11 ~~fund shall be distributed annually, less reasonable costs of~~  
12 ~~administering the trust fund, which may not exceed 5~~  
13 ~~percent of the moneys contributed to the trust fund in~~  
14 ~~each year, and pursuant to a budget approved by the~~  
15 ~~board of trustees.~~

16 ~~Sec. 5.2.4. The first meeting of the trustees shall take~~  
17 ~~place within the earlier of 60 days after at least three~~  
18 ~~Gaming Compacts have become effective in the~~  
19 ~~applicable federal judicial district, or six months following~~  
20 ~~the effective date of the first Gaming Compact in that~~  
21 ~~district. Distributions that are due from the Tribe prior to~~  
22 ~~the formal creation of the trust fund specified herein shall~~  
23 ~~be held in trust by the Tribe for such purposes.~~

24 ~~Sec. 5.2.5. Contributions to the fund from the Tribe~~  
25 ~~shall be made on the 15th day of the month following the~~  
26 ~~close of the second calendar quarter in which this Gaming~~  
27 ~~Compact has been in effect, based on the net win in the~~  
28 ~~first calendar quarter of operations under the Gaming~~  
29 ~~Compact derived from all Tribal gaming devices in the~~  
30 ~~Quarterly Device Base, and on the 15th day of the month~~  
31 ~~following the close of each calendar quarter thereafter~~  
32 ~~(July 15, October 15, January 15, and April 15; hereafter~~  
33 ~~“contribution dates”) based on the second preceding~~  
34 ~~calendar quarter net win.~~

35 ~~Sec. 5.3. Statewide Trust Fund.~~

36 ~~Sec. 5.3.1. The Tribe shall participate in a trust fund~~  
37 ~~with the other Gaming Compact tribes, if any, into which~~  
38 ~~it shall deposit, on a quarterly basis on each contribution~~  
39 ~~date, an amount equal to 3 percent of the net win from~~  
40 ~~the Tribal gaming devices in the Quarterly Device Base.~~



1 Except as otherwise provided herein, the creation of the  
2 trust, board of trustees, and method for making  
3 contributions and distributions shall be identical to the  
4 manner in which contributions are made, trust funds are  
5 distributed, and the board of trustees is created and  
6 administered under Section 5.2, provided that  
7 nongaming tribes may not be represented or vote for  
8 trustees on the board.

9 Sec. 5.3.2. For each quarter, the board of trustees shall  
10 determine, based on a formula, established with the  
11 approval of the State, that takes into account the  
12 population, ratio, and emergency medical needs of  
13 persons over 55 years of age in each county, a method for  
14 distributing annually all funds in the trust, except for  
15 reasonable administrative expenses (including trustee  
16 costs) not to exceed 5 percent of the amounts contributed  
17 to the trust fund in each year, and pursuant to a budget  
18 approved by the board of trustees. The funds in trust shall  
19 be used solely to supplement emergency medical care  
20 resources within each county, including, but not limited  
21 to, those provided by any federally recognized tribes  
22 within the county, provided that, without increasing that  
23 3 percent amount, one-half of 1 percent of the net win on  
24 which the contribution is based shall be used to establish  
25 or supplement programs within the county that address  
26 compulsive and addictive gambling.

27 Sec. 5.4. Local Benefits Grant Fund.

28 Sec. 5.4.1. The Tribe shall establish a trust fund into  
29 which it shall deposit, on a quarterly basis on each  
30 contribution date, an amount equal to 1 percent of the net  
31 win from Tribal gaming devices in the Tribe's gaming  
32 operation.

33 Sec. 5.4.2. Within 60 days after commencing  
34 operations under this Gaming Compact, the Tribe shall  
35 invite discussion, on a government-to-government basis,  
36 with governmental representatives of any city or county  
37 within the boundaries of which the Tribe's gaming  
38 facilities are located. Those discussions shall address  
39 community needs that could be met by grants of funds  
40 from the trust to any of these cities and counties. Any



1 ~~federally recognized tribes within the county that are also~~  
2 ~~providing services to meet those community needs shall~~  
3 ~~also be included in those discussions and shall be eligible~~  
4 ~~for those grants. The procedure and criteria for receiving~~  
5 ~~these funds shall be submitted in writing to, and approved~~  
6 ~~by, a committee comprised of representatives of each of~~  
7 ~~the eligible local community and tribal governments and~~  
8 ~~the Tribe. The Tribe shall distribute annually all of the~~  
9 ~~trust funds, less reasonable administrative costs of no~~  
10 ~~more than 5 percent, in accordance with a distribution~~  
11 ~~plan agreed upon by the committee that is fair and~~  
12 ~~equitable. Funds not distributed in any year despite good~~  
13 ~~faith efforts to do so shall be carried over to the following~~  
14 ~~year.~~

15

16 ~~Sec. 6.0. REGULATION OF GAMING~~

17 ~~Sec. 6.1. Tribal Gaming Ordinance. All gaming~~  
18 ~~activities conducted under this Gaming Compact shall at~~  
19 ~~a minimum comply with a Tribal gaming ordinance duly~~  
20 ~~adopted by the Tribe and approved in accordance with~~  
21 ~~IGRA.~~

22 ~~Sec. 6.2. Tribal Ownership, Management, and~~  
23 ~~Control of Gaming Facility and Gaming Operation. All~~  
24 ~~gaming operations and facilities authorized under this~~  
25 ~~Gaming Compact shall be owned solely by the Tribe. The~~  
26 ~~parties acknowledge that most tribal gaming operations~~  
27 ~~and facilities within the State presently are controlled and~~  
28 ~~conducted solely by a tribe, and that a goal of the Act is~~  
29 ~~to enable all tribes to control and conduct their own~~  
30 ~~gaming operations and facilities, provide tribal job~~  
31 ~~training and employment, and achieve tribal~~  
32 ~~self-sufficiency. Therefore, although the Tribe shall be~~  
33 ~~entitled to contract for the management of the gaming~~  
34 ~~facility and operation in accordance with IGRA, any~~  
35 ~~management contract shall provide that, to the extent~~  
36 ~~permitted by law, members of the Tribe will be trained~~  
37 ~~for and advanced to key management positions, and that~~  
38 ~~a goal of the management contractor is to prepare the~~  
39 ~~Tribe to assume the control and conduct of the operation~~  
40 ~~and facility.~~



1 ~~Sec. 6.3. Prohibition Regarding Minors. Tribal~~  
2 ~~gaming facilities operated pursuant to this Gaming~~  
3 ~~Compact shall be subject to the same minimum-age~~  
4 ~~restrictions for patrons that currently apply to the~~  
5 ~~California State Lottery. If alcoholic beverages are served~~  
6 ~~in any area of a Tribal gaming facility operated pursuant~~  
7 ~~to this Gaming Compact, prohibitions regarding age~~  
8 ~~limits in that area shall be governed by applicable state~~  
9 ~~law.~~

10 ~~Sec. 6.4. Licensing Requirements and Procedures.~~

11 ~~Sec. 6.4.1. Summary of Licensing Principles. All~~  
12 ~~persons in any way connected with the gaming operation~~  
13 ~~or facility who are required to be licensed under IGRA~~  
14 ~~and any others required to be licensed under this Gaming~~  
15 ~~Compact, including, but not limited to, all gaming~~  
16 ~~employees and gaming resource suppliers, must be~~  
17 ~~licensed by the Tribal gaming agency. The Tribal gaming~~  
18 ~~agency shall have the primary responsibility for licensing~~  
19 ~~those persons and entities and for the regulation of the~~  
20 ~~gaming operation and facility. The Tribal gaming agency~~  
21 ~~shall also certify, through the use of experts and with~~  
22 ~~participation by the State gaming agency if it so desires,~~  
23 ~~that the gaming facility and any construction to be~~  
24 ~~undertaken in regard thereto meet specified building~~  
25 ~~and safety standards. The State gaming agency shall be~~  
26 ~~provided with licensing application information and~~  
27 ~~reports regarding facility inspections and compliance.~~  
28 ~~The State gaming agency may review that information~~  
29 ~~and object or refrain from objecting thereto. In the event~~  
30 ~~that the State gaming agency fails to object to a gaming~~  
31 ~~license application within 90 days after receipt of that~~  
32 ~~information and notification that the Tribal gaming~~  
33 ~~agency intends to issue a temporary or permanent~~  
34 ~~license, the State Gaming Agency is deemed to have~~  
35 ~~certified that it has no objection to that issuance, but the~~  
36 ~~State gaming agency shall be free at any time to revoke~~  
37 ~~that certification, or to request the Tribal gaming agency~~  
38 ~~to suspend or revoke a gaming license. The dispute~~  
39 ~~resolution processes between the State and the Tribe~~  
40 ~~provided for herein shall be available to resolve disputes~~



1 between the Tribe and the State regarding those requests  
2 and building and safety certifications. The parties intend  
3 that the licensing process provided for in this Gaming  
4 Compact shall involve joint cooperation between the  
5 Tribal gaming agency and the State gaming agency, as  
6 more particularly described herein.

7 Sec. 6.4.2. Gaming Facilities. (a) The gaming  
8 facilities authorized by this Gaming Compact shall be  
9 licensed by the Tribal gaming agency in conformity with  
10 the requirements of this Gaming Compact, the Tribal  
11 gaming ordinance, and IGRA. The license shall be  
12 reviewed and renewed, if appropriate, every two years  
13 thereafter. Verification that this requirement has been  
14 met shall be provided to the State gaming agency. The  
15 Tribal gaming agency's certification to that effect shall be  
16 posted in a conspicuous and public place in the gaming  
17 facility at all times.

18 (b) In order to protect the health and safety of all  
19 gaming facility patrons, guests, and employees, all  
20 gaming facilities of the Tribe constructed after the  
21 effective date of this Gaming Compact shall meet the  
22 building and safety codes of the Tribe, which, as a  
23 condition for engaging in that construction, shall amend  
24 its existing building and safety codes if necessary, or enact  
25 those codes if there are none, so that they meet the  
26 standards of either the building and safety codes of any  
27 county within the boundaries of which the site of the  
28 facility is located, or the Uniform Building Codes,  
29 including all uniform fire, plumbing, electrical,  
30 mechanical, and related codes then in effect, provided  
31 that nothing herein shall be deemed to confer jurisdiction  
32 upon any county or the State with respect to any  
33 reference to these building and safety codes.

34 (c) Any gaming facility in which gaming authorized  
35 by this Gaming Compact is conducted shall be licensed by  
36 the Tribal gaming agency prior to occupancy if it was not  
37 used for any gaming activities under IGRA prior to the  
38 effective date of this Gaming Compact, or, if it was so  
39 used, within one year thereafter. The issuance of this  
40 license shall be reviewed and renewed every two years



1 thereafter. Inspections by qualified building and safety  
2 experts shall be conducted under the direction of the  
3 Tribal gaming agency as the basis for issuing or renewing  
4 any license hereunder. The Tribal gaming agency shall  
5 determine and certify that, as to new construction or new  
6 use for gaming, the facility meets the Tribe's building and  
7 safety code, or, as to facilities or portions of facilities that  
8 were used for the Tribe's gaming activities prior to this  
9 Gaming Compact, that the facility or portions thereof do  
10 not endanger the health or safety of occupants or the  
11 integrity of the gaming operation.

12 (d) The State gaming agency shall be given at least 30  
13 days' notice of each inspection by those experts, and, after  
14 10 days' notice to the Tribe, may accompany any  
15 inspection. The Tribe agrees to correct any facility  
16 condition noted in an inspection that does not meet the  
17 standards set forth in subdivision (b). The Tribal gaming  
18 agency and State gaming agency shall exchange any  
19 reports of an inspection within 10 days after its  
20 completion, which reports shall also be separately and  
21 simultaneously forwarded by both agencies to the Tribal  
22 Chairperson. Upon certification by those experts that a  
23 facility meets applicable standards, the Tribal gaming  
24 agency shall forward the experts' certification to the State  
25 within 10 days of issuance. If the State objects to that  
26 certification, the Tribe shall make a good faith effort to  
27 address the State's concerns, but if the State does not  
28 withdraw its objection, the matter will be resolved in  
29 accordance with the dispute resolution provisions of  
30 Sections 9.0 to 9.4, inclusive.

31 Sec. 6.4.3. Suitability Standard Regarding Gaming  
32 Licenses. In reviewing an application for a gaming  
33 license, and in addition to any standards set forth in the  
34 Tribal gaming ordinance, the Tribal gaming agency shall  
35 consider whether issuance of the license is inimical to  
36 public health, safety, or welfare, and whether issuance of  
37 the license will undermine public trust that the Tribe's  
38 gaming operations, or tribal government gaming  
39 generally, are free from criminal and dishonest elements  
40 and would be conducted honestly. A license may not be



1 issued unless, based on all information and documents  
2 submitted, the Tribal gaming agency is satisfied that the  
3 applicant is all of the following, in addition to any other  
4 criteria in IGRA or the Tribal gaming ordinance:

5 (a) A person of good character, honesty, and integrity.

6 (b) A person whose prior activities, criminal record, if  
7 any, reputation, habits, and associations do not pose a  
8 threat to the public interest or to the effective regulation  
9 and control of gambling, or create or enhance the dangers  
10 of unsuitable, unfair, or illegal practices, methods, or  
11 activities in the conduct of gambling or in the carrying on  
12 of the business and financial arrangements incidental  
13 thereto.

14 (c) A person who is in all other respects qualified to be  
15 licensed as provided in this Gaming Compact, IGRA, the  
16 Tribal gaming ordinance, and any other criteria adopted  
17 by the Tribal gaming agency or the Tribe, provided that  
18 any applicant who supplied services or equipment to a  
19 tribal gaming operation prior to the effective date of this  
20 article, such as, but not limited to, a person who would be  
21 deemed to be a gaming employee or gaming resource  
22 supplier under this Gaming Compact, or any person who  
23 may have been deemed to have violated a law in the  
24 exercise of or protection of a tribe's sovereignty rights in  
25 connection with fishing, hunting, protection of burial  
26 grounds, repatriation of remains or artifacts, or gaming,  
27 may not, for that reason, be deemed unsuitable. Nothing  
28 herein may be deemed to exempt any applicant from  
29 otherwise qualifying for licensing or certification under  
30 this Gaming Compact.

31 ~~Sec. 6.4.4. Gaming Employees. Every gaming~~  
32 ~~employee shall obtain, and thereafter maintain, a valid~~  
33 ~~Tribal gaming license, which shall be subject to biennial~~  
34 ~~renewal, provided that in accordance with Section 6.4.9,~~  
35 ~~those persons may be employed on a temporary or~~  
36 ~~conditional basis pending completion of the licensing~~  
37 ~~process.~~

38 ~~Sec. 6.4.5. Gaming Resource Supplier. Any gaming~~  
39 ~~resource supplier who provides, has provided, or is~~  
40 ~~deemed likely to provide at least twenty five thousand~~



1 dollars (\$25,000) in gaming resources in any 12-month  
2 period shall be licensed by the Tribal gaming agency  
3 prior to the sale, lease, or distribution, or further sale,  
4 lease, or distribution, of any gaming resources to or in  
5 connection with the Tribe's operation or facility. These  
6 licenses shall be renewed at least every two years.

7 Sec. 6.4.6. Financial Sources. Any party extending  
8 financing, directly or indirectly, to the Tribe's gaming  
9 facility or gaming operation shall be licensed by the Tribal  
10 gaming agency prior to extending that financing.  
11 Licensing shall be effective for no more than two years  
12 before a renewal must be obtained, provided that, if a  
13 lender's gaming license is revoked or not renewed,  
14 reasonable arrangements may be made with regard to  
15 payment of any balance due to that lender so as to not  
16 impose undue hardship on the Tribe, provided that  
17 reasonable attempts shall be made to avoid ongoing  
18 conflicts with any licensing standard herein. A gaming  
19 resource supplier who provides financing in connection  
20 with the sale or lease of gaming resources obtained from  
21 that supplier may be licensed solely in accordance with  
22 licensing procedures applicable, if at all, to gaming  
23 resource suppliers. The Tribal gaming agency may, at its  
24 discretion, exclude, from the licensing requirements of  
25 this section, financing provided by a federally regulated  
26 or state-regulated bank, savings and loan, or other  
27 lending institution, a federally recognized tribal  
28 government or tribal entity thereof, or any agency of the  
29 federal, state, or local government.

30 Sec. 6.4.7. Processing Tribal Gaming License  
31 Applications. Each applicant for a Tribal gaming license  
32 shall submit the completed application along with the  
33 required information and an application fee, if required,  
34 to the Tribal gaming agency in accordance with the rules  
35 and regulations of that agency. At a minimum, the Tribal  
36 gaming agency shall require submission and  
37 consideration of all information required under IGRA,  
38 including Section 556.4 of Title 25 of the Code of Federal  
39 Regulations, for licensing primary management officials  
40 and key employees. For applicants who are business



1 entities, these licensing provisions shall apply to the entity  
2 as well as: (i) each of its officers and directors; (ii) each  
3 of its principal management employees, including any  
4 chief executive officer, chief financial officer, chief  
5 operating officer, or general manager; (iii) each of its  
6 owners or partners, if an unincorporated business; (iv)  
7 each of its shareholders who owns more than 10 percent  
8 of the shares of the corporation, if a corporation; and (v)  
9 each person or entity (other than a financial institution  
10 that the Tribal gaming agency has determined does not  
11 require a license under the preceding section) that has  
12 provided financing in connection with any gaming  
13 authorized under this Gaming Compact, if that person or  
14 entity provided more than 10 percent of (a) the start-up  
15 capital, (b) the operating capital over a 12 month period,  
16 or (c) a combination thereof. For purposes of this section,  
17 where there is any commonality of the characteristics  
18 identified in clauses (i) to (iv), inclusive, between any  
19 two or more entities, those entities may be deemed to be  
20 a single entity. Nothing herein precludes the Tribe or  
21 Tribal gaming agency from requiring more stringent  
22 licensing requirements.

23 ~~Sec. 6.4.8. Background Investigations of~~  
24 ~~Applicants. The Tribal gaming agency shall conduct or~~  
25 ~~cause to be conducted all necessary background~~  
26 ~~investigations reasonably required to determine that the~~  
27 ~~applicant is qualified for a gaming license under the~~  
28 ~~standards set forth in Section 6.4.3, and to fulfill all~~  
29 ~~requirements for licensing under IGRA, the Tribal~~  
30 ~~gaming ordinance, and this Gaming Compact. The Tribal~~  
31 ~~gaming agency may not issue a license until a~~  
32 ~~determination is made that those qualifications have~~  
33 ~~been met. In lieu of completing its own background~~  
34 ~~investigation, and to the extent that doing so does not~~  
35 ~~conflict with or violate IGRA and the Tribal gaming~~  
36 ~~ordinance, the Tribal gaming agency may rely on a State~~  
37 ~~certification of nonobjection previously issued under a~~  
38 ~~Gaming Compact involving another tribe, or a State~~  
39 ~~gaming license previously issued to the applicant, to fulfill~~  
40 ~~some or all of the Tribal gaming agency's background~~



1 investigation obligation. An applicant for a Tribal gaming  
2 license shall be required to provide releases to the State  
3 Gaming Agency to make available to the Tribal gaming  
4 agency background information regarding the applicant.  
5 The State gaming agency shall cooperate in furnishing to  
6 the Tribal gaming agency that information, unless doing  
7 so would violate any agreement the State gaming agency  
8 has with a source of the information other than the  
9 applicant, or would impair or impede a criminal  
10 investigation, or unless the Tribal gaming agency cannot  
11 provide sufficient safeguards to assure the State gaming  
12 agency that the information will remain confidential. In  
13 accordance with Section 4 of this article, the State gaming  
14 agency may require and recover reimbursement for the  
15 actual and reasonable costs associated with generating  
16 this information, including the cost of the original  
17 investigation.

18 Sec. — 6.4.9. Temporary Licensing. Notwithstanding  
19 anything herein to the contrary, if the applicant has  
20 completed a license application in a manner satisfactory  
21 to the Tribal gaming agency, and that agency has  
22 conducted a preliminary background investigation, and  
23 the investigation or other information held by that  
24 agency does not indicate that the applicant has a criminal  
25 history or other information in his or her background that  
26 would either automatically disqualify the applicant from  
27 obtaining a license or cause a reasonable person to  
28 investigate further before issuing a license, or is otherwise  
29 unsuitable for licensing, the Tribal gaming agency may  
30 issue a temporary license and may impose such specific  
31 conditions thereon pending completion of the applicant's  
32 background investigation as the Tribal gaming agency in  
33 its sole discretion shall determine. Special fees may be  
34 required by the Tribal gaming agency to issue or maintain  
35 a temporary license. A temporary license shall remain in  
36 effect until suspended or revoked, or a final  
37 determination is made on the application. At any time  
38 after issuance of a temporary license, the Tribal gaming  
39 agency may suspend or revoke it in accordance with  
40 Sections 6.5.1 and 6.5.5, and the State gaming agency may



1 ~~request suspension or revocation in accordance with~~  
2 ~~subdivision (d) of Section 6.5.6.~~

3 ~~Sec. 6.5. Gaming License Issuance. Upon~~  
4 ~~completion of the necessary background investigation~~  
5 ~~(including any reliance in whole or in part on a State~~  
6 ~~certification of nonobjection, or a State gaming license~~  
7 ~~under Section 6.4.8), receipt and review of further~~  
8 ~~information as the Tribal gaming agency may require,~~  
9 ~~and as to applicants who are not Tribal members, actual~~  
10 ~~or constructive receipt by the Tribal gaming agency of a~~  
11 ~~certificate of nonobjection by the State gaming agency,~~  
12 ~~and payment of all necessary fees by the applicant, the~~  
13 ~~Tribal gaming agency may issue a license on a conditional~~  
14 ~~or unconditional basis. Nothing in this section shall create~~  
15 ~~a property or other right of an applicant in an opportunity~~  
16 ~~to be licensed, or in a license itself, both of which shall be~~  
17 ~~considered to be privileges granted to the applicant in the~~  
18 ~~sole discretion of the Tribal gaming agency.~~

19 ~~Sec. 6.5.1. Denial, Suspension, or Revocation of~~  
20 ~~Licenses. Any application for a gaming license may be~~  
21 ~~denied, and any license issued may be revoked, if the~~  
22 ~~Tribal gaming agency determines that the application is~~  
23 ~~incomplete or deficient, the applicant is determined to be~~  
24 ~~unsuitable or otherwise unqualified for a gaming license,~~  
25 ~~or the State objects to the issuance of that license~~  
26 ~~pursuant to subdivision (c) of Section 6.5.6. Pending~~  
27 ~~consideration of revocation, the Tribal gaming agency~~  
28 ~~may suspend a license in accordance with Section 6.5.5.~~  
29 ~~All rights to notice and hearing shall be governed by~~  
30 ~~Tribal law, as to which the applicant will be notified in~~  
31 ~~writing along with notice of an intent to suspend or~~  
32 ~~revoke the license.~~

33 ~~Sec. 6.5.2. Renewal of Licenses; Extensions; Further~~  
34 ~~Investigation. In the event a licensee has applied for~~  
35 ~~renewal prior to expiration of a license and the Tribal~~  
36 ~~gaming agency has, through no fault of the applicant,~~  
37 ~~been unable to complete the renewal process prior to that~~  
38 ~~expiration, the license shall be deemed to be~~  
39 ~~automatically extended until formal action has been~~  
40 ~~taken on the renewal application or a suspension or~~



1 revocation has occurred. Applicants for renewal of a  
2 license shall provide updated material as requested, on  
3 the appropriate renewal forms, but, at the discretion of  
4 the Tribal gaming agency, may not be required to  
5 resubmit historical data previously submitted or that is  
6 otherwise available to the Tribal gaming agency. At the  
7 discretion of the Tribal gaming agency, an additional  
8 background investigation may be required at any time if  
9 the Tribal gaming agency determines the need for  
10 further information concerning the applicant's  
11 continuing suitability or eligibility for a license.

12 ~~Sec. 6.5.3. Identification Cards. The Tribal gaming~~  
13 ~~agency shall require that all persons who are required to~~  
14 ~~be licensed wear, in plain view at all times while in the~~  
15 ~~gaming facility, identification badges issued by the Tribal~~  
16 ~~gaming agency. Identification badges must include~~  
17 ~~information including, but not limited to, a photograph~~  
18 ~~and an identification number, which is sufficient to~~  
19 ~~enable agents of the Tribal gaming agency to readily~~  
20 ~~identify the employees and determine the validity and~~  
21 ~~date of expiration of their license.~~

22 ~~Sec. 6.5.4. Fees for Tribal License. The fees for all~~  
23 ~~tribal licenses shall be set by the Tribal gaming agency.~~

24 ~~Sec. 6.5.5. Suspension of Tribal License. The Tribal~~  
25 ~~gaming agency may summarily suspend the license of any~~  
26 ~~employee if the Tribal gaming agency determines that~~  
27 ~~the continued licensing of the person or entity could~~  
28 ~~constitute a threat to the public health or safety or may~~  
29 ~~be in violation of the Tribe's licensing standards. Any~~  
30 ~~right to notice or hearing in regard thereto shall be~~  
31 ~~governed by Tribal law.~~

32 ~~Sec. 6.5.6. State Certification Process. (a) Except~~  
33 ~~for enrolled members of a federally recognized California~~  
34 ~~tribe, who shall be licensed exclusively by the Tribe, upon~~  
35 ~~receipt of a completed license application and a~~  
36 ~~determination by the Tribal gaming agency that it~~  
37 ~~intends to issue the earlier of a temporary or permanent~~  
38 ~~license, the Tribal gaming agency shall transmit to the~~  
39 ~~State gaming agency a copy of all Tribal license~~  
40 ~~application materials together with a set of fingerprint~~



1 cards, a current photograph, and any releases of  
2 information, waivers, and other completed and executed  
3 forms as have been obtained by the Tribal gaming  
4 agency, unless the State gaming agency waives some or  
5 all of those submissions, together with a notice of intent  
6 to license that applicant. Additional information may be  
7 required by the State gaming agency to assist it in its  
8 background investigation, provided that such State  
9 gaming agency requirement shall be no greater than that  
10 which is typically required of applicants for a State  
11 gaming license in connection with nontribal gaming  
12 activities and at a similar level of participation or  
13 employment. The State gaming agency and the Tribal  
14 gaming agency (together with Tribal gaming agencies  
15 under other Gaming Compacts) shall cooperate in  
16 developing standard licensing forms for Tribal gaming  
17 license applicants, on a statewide basis, that reduce or  
18 eliminate duplicative or excessive paperwork, which  
19 forms and procedures shall take into account the Tribe's  
20 requirements under IGRA and the expense thereof.

21 (b) Temporary License Objection. The State gaming  
22 agency shall notify the Tribal gaming agency as promptly  
23 as possible if it has an objection to the issuance of a  
24 temporary license, but the Tribal gaming agency may not  
25 be required to await objection or nonobjection by the  
26 State gaming agency in issuing a temporary license. Any  
27 objection shall be made in good faith, and shall be given  
28 prompt and thorough consideration in good faith by the  
29 Tribal gaming agency. Nothing herein prevents the State  
30 gaming agency from at any time requesting suspension or  
31 revocation of a temporary license pursuant to subdivision  
32 (d). Any dispute over the issuance of a temporary license  
33 shall be resolved in accordance with the procedures set  
34 forth in Sections 9.0 to 9.4, inclusive.

35 (c) Background Investigations of Applicants. Upon  
36 receipt of completed license application information  
37 from the Tribal gaming agency, the State gaming agency  
38 may conduct a background investigation to determine  
39 whether the applicant is suitable to be licensed in  
40 accordance with the standards set forth in Section 6.4.3.



1 The State gaming agency and Tribal gaming agency shall  
2 cooperate in sharing as much background information as  
3 possible, both to maximize investigative efficiency and  
4 thoroughness and to minimize investigative costs. Upon  
5 completion of the necessary background investigation or  
6 other verification of suitability, the State gaming agency  
7 shall issue a notice to the Tribal gaming agency certifying  
8 that the State has no objection to the issuance of a license  
9 to the applicant by the Tribal gaming agency  
10 (“certification of nonobjection”), or that it objects to that  
11 issuance. If notice of objection is given, a statement  
12 setting forth the grounds for the objection shall be  
13 forwarded to the Tribal gaming agency together with the  
14 information upon which the objection was based, unless  
15 doing so would violate a confidentiality agreement or  
16 compromise a pending criminal investigation. If a notice  
17 of objection or a certificate of nonobjection is not  
18 received by the Tribal gaming agency within 90 days of  
19 the first receipt by the State gaming agency of the  
20 application information and intent to issue a temporary  
21 or permanent license, as provided herein, the State  
22 gaming agency shall be deemed to have issued a  
23 certificate of nonobjection.

24 (d) Grounds for Requesting Tribal License  
25 Revocation or Suspension or Denying State Certification  
26 of Nonobjection. The State gaming agency may revoke a  
27 State certification of nonobjection if it determines at any  
28 time that the applicant or license holder does not meet  
29 the standards for suitability set forth in Section 6.4.3. Upon  
30 the Tribal gaming agency’s receipt of notice of that  
31 action, it shall immediately and in good faith consider the  
32 action of the State gaming agency and, if the  
33 circumstances warrant it, take action to suspend or  
34 revoke the licensee’s Tribal license, unless within seven  
35 days of receipt of that notice it has notified the State  
36 gaming agency that good cause exists to defer taking that  
37 action, including the need for further investigation.  
38 Disputes regarding the action taken or not taken in  
39 response to the State gaming agency request shall be  
40 resolved pursuant to Sections 9.0 to 9.4, inclusive. If at any



1 ~~time the State gaming agency becomes aware of~~  
2 ~~information that would constitute good cause to deny or~~  
3 ~~revoke the Tribal license of any person, including~~  
4 ~~members of federally recognized Indian tribes in~~  
5 ~~California who are exempt from the State review process;~~  
6 ~~it shall convey that information to the Tribal gaming~~  
7 ~~agency promptly after being made aware of that~~  
8 ~~information, and may request that appropriate action be~~  
9 ~~taken by the Tribal gaming agency as to that person.~~

10 ~~Sec. 6.5. Licenses Required. A person may not be~~  
11 ~~employed by, or act as a gaming resource supplier to, any~~  
12 ~~gaming activity or facility of the Tribe unless that person,~~  
13 ~~if required to be licensed, has obtained all licenses~~  
14 ~~required hereunder.~~

15

16 ~~Sec. 7.0. TRIBAL ENFORCEMENT OF GAMING~~  
17 ~~COMPACT PROVISIONS~~

18 ~~Sec. 7.1. On-Site Regulation. It is the responsibility~~  
19 ~~of the Tribal gaming agency to conduct on-site gaming~~  
20 ~~regulation and control in order to enforce the terms of~~  
21 ~~this Gaming Compact, IGRA, and the Tribal gaming~~  
22 ~~ordinance with respect to gaming operation and facility~~  
23 ~~compliance, and to protect the integrity of the gaming~~  
24 ~~activities, the reputation of the Tribe and the gaming~~  
25 ~~operation for honesty and fairness, and the confidence of~~  
26 ~~patrons that tribal government gaming in California~~  
27 ~~meets the highest standards of regulation and internal~~  
28 ~~controls. To meet those responsibilities, the Tribal~~  
29 ~~gaming agency shall adopt regulations, procedures, and~~  
30 ~~practices as set forth herein.~~

31 ~~Sec. 7.2. Investigation and Sanctions. The Tribal~~  
32 ~~gaming agency shall investigate any reported violation of~~  
33 ~~this Gaming Compact and shall require the gaming~~  
34 ~~operation to correct the violation upon any terms and~~  
35 ~~conditions as the Tribal gaming agency determines are~~  
36 ~~necessary. The Tribal gaming agency shall be~~  
37 ~~empowered by the Tribal ordinance to impose fines or~~  
38 ~~other sanctions within the jurisdiction of the Tribe against~~  
39 ~~gaming licensees or other persons who interfere with or~~  
40 ~~violate the Tribe's gaming regulatory requirements and~~



1 obligations under IGRA, the Tribal gaming ordinance, or  
2 this Gaming Compact. The Tribal gaming agency shall  
3 report continued violations or failures to comply with its  
4 orders to the State gaming agency, provided that the  
5 continued violations and compliance failures have first  
6 been reported to the Tribe and no corrective action has  
7 been taken within a reasonable period of time.

8 Sec. 7.3. Assistance by State gaming agency. If  
9 requested by the Tribal gaming agency, the State gaming  
10 agency shall assist in any investigation initiated by the  
11 Tribal gaming agency and provide other requested  
12 services to ensure proper compliance with this Gaming  
13 Compact. The State shall be reimbursed for its reasonable  
14 costs of that assistance provided that it has received  
15 approval from the Tribe in advance for those  
16 expenditures.

17 Sec. 7.4. Access to Premises by State Gaming Agency;  
18 Notification; Inspections. Notwithstanding that the  
19 Tribe has the primary responsibility to administer and  
20 enforce the regulatory requirements, the State gaming  
21 agency shall have the right to inspect the Tribe's gaming  
22 facilities with respect to class III gaming activities only,  
23 and all gaming operation or facility records relating  
24 thereto, subject to the following conditions:

25 Sec. 7.4.1. Inspection of public areas of a gaming  
26 facility may be made at any time without prior notice  
27 during normal gaming facility business hours.

28 Sec. 7.4.2. Inspection of private areas of a gaming  
29 facility not accessible to the public may be made at any  
30 time during normal gaming facility business hours,  
31 immediately after the State gaming agency's authorized  
32 inspector notifies the Tribal gaming agency and gaming  
33 facility management of his or her presence on the  
34 premises, presents proper identification, and requests  
35 access to the nonpublic areas of the gaming facility. The  
36 Tribal gaming agency, in its sole discretion, may require  
37 an employee of the gaming facility or the Tribal gaming  
38 agency to accompany the State gaming agency inspector  
39 at all times that the State gaming agency inspector is on  
40 the premises of a gaming facility. If the Tribal gaming



1 agency imposes such a requirement, it shall require an  
2 employee of the gaming facility or the Tribal gaming  
3 agency to be available at all times for those purposes.

4 Sec. 7.4.3. Inspection and copying of gaming  
5 operation records may occur at any time, immediately  
6 after notice to the Tribal gaming agency, during the  
7 normal hours of the facility's business office, provided  
8 that the inspection and copying of those records may not  
9 interfere with the normal functioning of the gaming  
10 operation or facility. Notwithstanding any other  
11 provision of the law of this State, all information and  
12 records, and copies thereof, that the State gaming agency  
13 obtains, inspects, or copies pursuant to this Gaming  
14 Compact shall be and remain the property solely of the  
15 Tribe, and may not be released or divulged for any  
16 purpose without the Tribe's prior written consent, except  
17 that the production of those records may be compelled by  
18 subpoena in a criminal prosecution or in a proceeding for  
19 violation of this Gaming Compact without the Tribe's  
20 prior written consent, and provided further that, prior to  
21 the disclosure of the contents of these records, the Tribe  
22 shall be given at least 10 court days' notice and an  
23 opportunity to object or to require the redaction of trade  
24 secrets or other confidential information that is not  
25 relevant to the proceeding in which the records are to be  
26 produced.

27 Sec. 7.4.4. Whenever a representative of the State  
28 gaming agency enters the premises of the gaming facility  
29 for any inspection, that representative shall immediately  
30 identify himself or herself to security or supervisory  
31 personnel of the gaming facility.

32 Sec. 7.4.5. Any person associated with the State  
33 gaming agency who is expected to have access to  
34 nonpublic areas of the gaming facility shall first be  
35 identified to the Tribal gaming agency by the State  
36 gaming agency as so authorized, and following a sufficient  
37 period of time for the Tribal gaming agency to conduct  
38 a reasonable inquiry into the person's character and  
39 background, shall be approved before seeking access.



1 This approval may not be unreasonably withheld.

2

3 ~~Sec. 8.0. RULES AND REGULATIONS FOR THE~~  
4 ~~OPERATION AND MANAGEMENT OF THE TRIBAL~~  
5 ~~GAMING OPERATION~~

6 ~~Sec. 8.1. Adoption of Regulations for Operation and~~  
7 ~~Management; Minimum Standards. In order to meet~~  
8 ~~the goals set forth in this Gaming Compact and required~~  
9 ~~of the Tribe by law, the Tribal gaming agency shall be~~  
10 ~~vested with the authority to promulgate, at a minimum,~~  
11 ~~rules and regulations governing the following subjects,~~  
12 ~~and to ensure their enforcement in an effective manner:~~

13 ~~Sec. 8.1.1. The enforcement of all relevant laws and~~  
14 ~~rules with respect to the gaming operation and facility,~~  
15 ~~and the power to conduct investigations and hearings~~  
16 ~~with respect thereto and to any other subject within its~~  
17 ~~jurisdiction.~~

18 ~~Sec. 8.1.2. The physical safety of gaming operation~~  
19 ~~patrons, employees, and any other person while in the~~  
20 ~~gaming facility.~~

21 ~~Sec. 8.1.3. The physical safeguarding of assets~~  
22 ~~transported to, within, and from the gaming facility.~~

23 ~~Sec. 8.1.4. The prevention of illegal activity from~~  
24 ~~occurring within the facility or with regard to the gaming~~  
25 ~~operation, including, but not limited to, the maintenance~~  
26 ~~of employee procedures and a surveillance system as~~  
27 ~~provided below.~~

28 ~~Sec. 8.1.5. The detention of persons who may be~~  
29 ~~involved in illegal acts for the purpose of notifying~~  
30 ~~appropriate law enforcement authorities.~~

31 ~~Sec. 8.1.6. The recording of any and all occurrences~~  
32 ~~within the gaming facility that deviate from normal~~  
33 ~~operating policies and procedures (hereafter~~  
34 ~~“incidents”). The procedure for recording incidents shall~~  
35 ~~(1) specify that security personnel record all incidents,~~  
36 ~~regardless of an employee’s determination that the~~  
37 ~~incident may be immaterial (all incidents shall be~~  
38 ~~identified in writing); (2) require the assignment of a~~  
39 ~~sequential number to each report; (3) provide for~~  
40 ~~permanent reporting in indelible ink in a bound~~



1 notebook from which pages cannot be removed and in  
2 which entries are made on each side of each page; and (4)  
3 require that each report include, at a minimum, all of the  
4 following:

- 5 (a) The record number.
- 6 (b) The date.
- 7 (c) The time.
- 8 (d) The location of the incident.
- 9 (e) A detailed description of the incident.
- 10 (f) The persons involved in the incident.
- 11 (g) The security department employee assigned to the  
12 incident.

13 Sec. 8.1.7. The establishment of employee procedures  
14 designed to permit detection of any irregularities, theft,  
15 cheating, fraud, or the like.

16 Sec. 8.1.8. Maintenance of a list of persons barred from  
17 the gaming facility who, because of their past behavior,  
18 criminal history, or association with persons or  
19 organizations, pose a threat to the integrity of the gaming  
20 activities of the Tribe or to the integrity of regulated  
21 gaming within the State.

22 Sec. 8.1.9. The conduct of an audit of the gaming  
23 operation, not less than annually, by an independent  
24 certified public accountant, in accordance with the  
25 auditing and accounting standards for audits of casinos of  
26 the American Institute of Certified Public Accountants.

27 Sec. 8.1.10. Submission to and prior approval from the  
28 Tribal gaming agency of the rules and regulations of each  
29 class III game to be operated by the Tribe, and of any  
30 changes in those rules and regulations. No class III game  
31 may be played that has not received Tribal gaming  
32 agency approval.

33 Sec. 8.1.11. Maintenance of a copy of the rules,  
34 regulations, and procedures for each game as presently  
35 played, including, but not limited to, the method of play  
36 and the odds and method of determining amounts paid  
37 to winners. Information regarding the method of play,  
38 odds, payoff determinations, and player pool balances  
39 shall be visibly displayed or available to patrons in written  
40 form in the gaming facility. Betting limits applicable to



1 any gaming station shall be displayed at that gaming  
2 station. In the event of a patron dispute over the  
3 application of any gaming rule or regulation, the matter  
4 shall be handled in accordance with the Tribal gaming  
5 ordinance and any rules and regulations promulgated by  
6 the Tribal gaming agency.

7 Sec. 8.1.12. Maintenance of a closed-circuit television  
8 surveillance system consistent with industry standards for  
9 gaming facilities of the type and scale operated by the  
10 Tribe, which system shall be approved by, and may not  
11 be modified without the approval of, the Tribal gaming  
12 agency. The Tribal gaming agency shall have current  
13 copies of the gaming facility floor plan and closed-circuit  
14 television system at all times, and any modifications  
15 thereof first shall be approved by the Tribal gaming  
16 agency.

17 Sec. 8.1.13. Maintenance of a cashier's cage in  
18 accordance with industry standards for such facilities.

19 Sec. 8.1.14. A description of minimum staff and  
20 supervisory requirements for each gaming activity to be  
21 conducted.

22 Sec. 8.1.15. Regulations specific to technical standards  
23 for the operation of Tribal gaming devices and other  
24 games authorized herein to be adopted by the Tribe,  
25 which technical specifications may be no less stringent  
26 than those approved by a recognized gaming testing  
27 laboratory in the gaming industry.

28 Sec. 8.2. Criminal Jurisdiction. Nothing in this  
29 Gaming Compact affects the criminal jurisdiction of the  
30 State under Public Law 280 (18 U.S.C. Sec. 1162) or IGRA,  
31 to the extent applicable, provided that no gaming activity  
32 conducted in compliance with this Gaming Compact and  
33 the Act may be deemed to be a civil or criminal violation  
34 of any law of the State. Except as otherwise provided  
35 herein, to the extent the State contends that a violation  
36 of this Gaming Compact or any law of the State regarding  
37 the regulation or conduct of gambling has occurred at or  
38 in relation to the Tribe's gaming operation or facility, the  
39 violation shall be treated solely as a civil matter to be



1 resolved pursuant to Sections 9.0 to 9.4, inclusive.

2

3 ~~Sec. 9.0. DISPUTE RESOLUTION PROVISIONS~~

4 ~~Sec. 9.1. Voluntary Resolution; Reference to Other~~  
5 ~~Means of Resolution. In recognition of the~~  
6 ~~government-to-government relationship of the Tribe and~~  
7 ~~the State, the parties shall make their best efforts to~~  
8 ~~resolve disputes that occur under this Gaming Compact~~  
9 ~~by good faith negotiations whenever possible. Therefore,~~  
10 ~~without prejudice to the right of either party to seek~~  
11 ~~injunctive relief against the other when circumstances~~  
12 ~~require that immediate relief, the parties hereby~~  
13 ~~establish a threshold requirement that disputes between~~  
14 ~~the Tribe and the State first be subjected to a process of~~  
15 ~~meeting and conferring in order to foster a spirit of~~  
16 ~~cooperation and efficiency in the administration and~~  
17 ~~monitoring of performance and compliance by each~~  
18 ~~other with the terms, provisions, and conditions of this~~  
19 ~~Gaming Compact, as follows:~~

20 (a) ~~Either party shall give the other, as soon as possible~~  
21 ~~after the event giving rise to the concern, a written notice~~  
22 ~~setting forth the issues to be resolved.~~

23 (b) ~~The parties shall meet and confer in a good faith~~  
24 ~~attempt to resolve the dispute through negotiation not~~  
25 ~~later than 10 days after receipt of the notice, unless both~~  
26 ~~parties agree in writing to an extension of time.~~

27 (c) ~~If the dispute is not resolved to the satisfaction of~~  
28 ~~the parties within 20 days after the first meeting, then a~~  
29 ~~party may seek to have the dispute resolved by an~~  
30 ~~arbitrator in accordance with this section. "Dispute," for~~  
31 ~~purposes of this subdivision, means any disagreement~~  
32 ~~between the State gaming agency and the Tribal gaming~~  
33 ~~agency in reference to the terms of a tribal state gaming~~  
34 ~~compact executed pursuant to this article, including~~  
35 ~~specifically the model provisions of Sections 4.0 to 8.1.15,~~  
36 ~~inclusive. Any dispute concerning the reasonableness of~~  
37 ~~any claim submitted by the State gaming agency or any~~  
38 ~~other department, agency, or subdivision of the State for~~  
39 ~~reimbursement of the actual and reasonable costs of~~  
40 ~~providing gaming regulatory services under the Gaming~~



1 Compact shall be resolved in accordance with the  
2 procedures of this subdivision.

3 (d) Disagreements, other than disputes as defined in  
4 subdivision (c), shall be resolved in federal district court  
5 and all applicable courts of appeal (or, if those federal  
6 courts lack jurisdiction, in any court of competent  
7 jurisdiction and its related courts of appeal). The  
8 disagreements to be submitted to court action include,  
9 but are not limited to, any other dispute, including, but  
10 not limited to, claims of breach or failure to negotiate in  
11 good faith regarding the terms of this Gaming Compact  
12 and any renewal or amendment thereto. In no event may  
13 the Tribe be precluded from pursuing any arbitration or  
14 judicial remedy against the State on the grounds that the  
15 Tribe has failed to exhaust its state administrative  
16 remedies.

17 Sec. 9.2. Arbitration Rules. Arbitration shall be  
18 conducted in accordance with the policies and  
19 procedures of the Commercial Arbitration Rules of the  
20 American Arbitration Association, and shall be held on  
21 the Tribe's reservation. Each side shall bear its own costs,  
22 attorneys' fees, and one half the cost of the arbitration.  
23 Only one arbitrator may be named, unless the Tribe and  
24 the State agree otherwise. The decision of the arbitrator  
25 shall be binding.

26 Sec. 9.3. No Waiver or Preclusion of Other Means of  
27 Dispute Resolution. This section may not be construed  
28 to waive, limit, or restrict any remedy that is otherwise  
29 available to either party, nor may this section be  
30 construed to preclude, limit, or restrict the ability of the  
31 parties to pursue, by mutual agreement, any other  
32 method of dispute resolution, including, but not limited  
33 to, mediation or utilization of a technical advisor to the  
34 Tribal and State gaming agencies, provided that neither  
35 party is under any obligation to agree to such alternative  
36 method of dispute resolution.

37 Sec. 9.4. Limited Waiver of Sovereign Immunity.  
38 (a) In the event a dispute is to be resolved in federal  
39 court or a court of competent jurisdiction as provided in  
40 Section 9.1 of this Gaming Compact, the State and the



1 ~~Tribe expressly consent to be sued therein and waive any~~  
2 ~~immunity therefrom they may have, provided:~~

3 ~~(1) The dispute is limited solely to issues arising under~~  
4 ~~this Gaming Compact.~~

5 ~~(2) Neither side makes any claim for monetary~~  
6 ~~damages (that is, only injunctive, specific performance,~~  
7 ~~or declaratory relief is sought).~~

8 ~~(3) No person or entity other than the Tribe and the~~  
9 ~~State are parties to such action.~~

10 ~~(b) In the event of intervention by any additional~~  
11 ~~party into any such action without the consent of the~~  
12 ~~Tribe and the State, the waivers of both the Tribe and~~  
13 ~~State provided for herein shall be deemed to be revoked~~  
14 ~~and void.~~

15 ~~(c) The waivers and consents provided in Sections 9.0~~  
16 ~~to 9.4, inclusive, shall extend to actions to compel~~  
17 ~~arbitration, any arbitration proceeding herein, any action~~  
18 ~~to confirm or enforce any arbitration award as provided~~  
19 ~~herein, and to any appellate proceedings emanating from~~  
20 ~~a matter in which an immunity waiver has been granted.~~  
21 ~~Except as stated herein, no other waivers or consents to~~  
22 ~~be sued, either express or implied, are granted by either~~  
23 ~~party.~~

24  
25 ~~Sec. 10.0. PUBLIC HEALTH, SAFETY, AND~~  
26 ~~LIABILITY~~

27 ~~Sec. 10.1. Compliance. For the purposes of this~~  
28 ~~Gaming Compact, the Tribal gaming operation shall~~  
29 ~~comply with and enforce standards no less stringent than~~  
30 ~~the following with respect to public health and safety:~~

31 ~~(a) Public health standards for food and beverage~~  
32 ~~handling in accordance with United States Public Health~~  
33 ~~Service requirements.~~

34 ~~(b) Federal water quality and safe drinking water~~  
35 ~~standards.~~

36 ~~(c) The building and safety standards set forth in~~  
37 ~~Section 6.4.2.~~

38 ~~(d) A requirement that the Tribe carry no less than~~  
39 ~~two million dollars (\$2,000,000) in public liability~~  
40 ~~insurance for patron claims, and that the Tribe provide~~



1 reasonable assurance that those claims will be promptly  
2 and fairly adjudicated, and that legitimate claims will be  
3 paid, provided that nothing herein requires the Tribe to  
4 agree to liability for punitive damages or attorneys' fees.

5 (e) Tribal codes and other applicable federal law  
6 regarding public health and safety.

7 (f) The creation and maintenance of a system that  
8 provides redress for employee work-related injuries,  
9 disabilities, and unemployment through requiring  
10 insurance or self-insurance, or by other means, which  
11 system includes the right to notice, hearings, and a means  
12 of enforcement and provides benefits comparable to  
13 those mandated for comparable workplaces under State  
14 law.

15 Sec. 10.2. Emergency Service Accessibility. The  
16 Tribal gaming operation shall ensure that it has made  
17 reasonable provisions for adequate emergency fire,  
18 medical, and related relief and disaster services for  
19 patrons and employees of the facility.

20 Sec. 10.3. Alcoholic Beverage Service. Standards for  
21 alcohol service shall be subject to applicable state law.

22

23 Sec. 11.0. EFFECTIVE DATE, TERMINATION,  
24 AND RENEWAL

25 Sec. 11.1. Effective Date. A Gaming Compact shall  
26 take effect upon publication of notice of approval by the  
27 Secretary of the Interior in the Federal Register in  
28 accordance with applicable federal law.

29 Sec. 11.2. Termination. Once effective, a Gaming  
30 Compact shall remain in effect for a period of 25 years or  
31 until terminated by the written agreement of both  
32 parties, or unilaterally by the Tribe upon 60 days' written  
33 notice to the Governor.

34

35 Sec. 11.3. Renewal. Upon its expiration, any Gaming  
36 Compact may be renegotiated and renewed for an  
37 additional 25 years, subject to the requirements of this  
38 article. Unless a Gaming Compact is terminated pursuant  
39 to Sec. 11.2, the terms of the existing compact shall remain  
40 in effect until either a new compact is negotiated and



1 ~~executed by the parties, or until any dispute between the~~  
2 ~~parties is resolved in accordance with applicable federal~~  
3 ~~law and the dispute resolution procedures set forth in~~  
4 ~~Sections 9.0 to 9.4, inclusive, of this compact.~~

5 ~~Sec. 12.0. AMENDMENTS; RENEGOTIATIONS~~

6 ~~Sec. 12.1. The terms and conditions of this Gaming~~  
7 ~~Compact may be amended at any time by the mutual and~~  
8 ~~written agreement of both parties in accordance with the~~  
9 ~~procedures of Section 3 of this article.~~

10 ~~Sec. 12.2. In the event that federal or State law is~~  
11 ~~changed or is interpreted to permit gaming in California~~  
12 ~~that was not, as of the effective date of this Gaming~~  
13 ~~Compact, permitted for any purpose, to any person,~~  
14 ~~organization, or entity, whether caused by the enactment~~  
15 ~~of a statute, a final court decision, or a practice of the State~~  
16 ~~gaming agency, the Tribe, as a matter of right, may~~  
17 ~~request negotiations to amend this Gaming Compact to~~  
18 ~~authorize and permit those additional forms of gaming,~~  
19 ~~which shall be deemed to be included in the definition of~~  
20 ~~gaming activities included herein.~~

21 ~~Sec. 12.3. Process and Negotiation Standards. All~~  
22 ~~requests to amend or renegotiate shall be in writing, and~~  
23 ~~shall include the activities or circumstances to be~~  
24 ~~negotiated together with a statement of the basis~~  
25 ~~supporting the request. The parties shall confer promptly~~  
26 ~~and determine a schedule for commencing negotiations~~  
27 ~~within 30 days of the request. Unless expressly provided~~  
28 ~~otherwise herein, all matters involving negotiations or~~  
29 ~~other amendatory processes under this section shall be~~  
30 ~~governed, controlled, and conducted (a) in conformity~~  
31 ~~with the provisions and requirements of IGRA, including~~  
32 ~~those provisions regarding the obligation of the State to~~  
33 ~~negotiate in good faith and the enforcement of that~~  
34 ~~obligation in federal court, as to which obligation and~~  
35 ~~actions in federal court the State hereby agrees and~~  
36 ~~consents to be sued in that court system, and (b) in~~  
37 ~~conformity with the authority of the Secretary of the~~  
38 ~~Interior to adopt procedures for the Tribe's engagement~~  
39 ~~in class III gaming if no agreement in a Gaming Compact~~  
40 ~~can be reached and the State has failed to negotiate in~~



1 good faith. The Chairperson of the Tribe and the  
2 Governor of the State are hereby authorized to designate  
3 the person or agency responsible for conducting the  
4 negotiations, and shall execute any documents necessary  
5 as a result thereof.

6 ~~Sec. 13.0. SEVERABILITY. In the event that any~~  
7 ~~section or provision of this Gaming Compact is held~~  
8 ~~invalid, or its application to any particular activity is held~~  
9 ~~invalid, it is the intent of the parties that the remaining~~  
10 ~~sections of this Gaming Compact continue in full force~~  
11 ~~and effect, provided that, in the event provisions must be~~  
12 ~~added to this Gaming Compact in order to preserve the~~  
13 ~~intentions of the parties in light of that invalidity, the~~  
14 ~~parties shall promptly negotiate those provisions in good~~  
15 ~~faith.~~

16  
17 ~~Sec. 14.0. CHANGES IN IGRA. This Gaming~~  
18 ~~Compact is intended to meet the requirements of IGRA~~  
19 ~~or any successor statute, as in effect on the date this~~  
20 ~~Gaming Compact becomes effective. Subsequent~~  
21 ~~changes to IGRA that diminish the rights of the State or~~  
22 ~~the Tribe may not be applied retroactively to this Gaming~~  
23 ~~Compact, except to the extent that federal law validly~~  
24 ~~mandates that diminishment without the State's or the~~  
25 ~~Tribe's respective consent.~~

26  
27 ~~SEC. 6. The gaming authorized pursuant to this~~  
28 ~~article, including, but not limited to, the gaming~~  
29 ~~authorized pursuant to the Gaming Compact set forth in~~  
30 ~~Section 5 of this article, is not subject to any prohibition~~  
31 ~~in state law.~~

32 ~~SEC. 7. If any provision of this article or the~~  
33 ~~application thereof to any person or circumstance is held~~  
34 ~~invalid, that invalidity may not affect other provisions or~~  
35 ~~applications of this article that can be given effect without~~  
36 ~~the invalid provision or application, and to this end the~~  
37 ~~provisions of this article are severable.~~

38 ~~SEC. 8. The Governor is authorized and directed to~~  
39 ~~execute any documents that may be necessary to~~  
40 ~~implement this article.~~



1 ~~SEC. 9. The substantive provisions of the Gaming~~  
2 ~~Compact set forth in Section 5 are hereby incorporated~~  
3 ~~into state law, and all gaming activities, including but not~~  
4 ~~limited to gaming devices, authorized therein are~~  
5 ~~expressly declared to be permitted as a matter of state law~~  
6 ~~to any Indian tribe that has entered into a tribal-state~~  
7 ~~gaming compact that has been executed by the Governor~~  
8 ~~and implemented in state law in accordance with this~~  
9 ~~article.~~

10 ~~SEC. 10. Nothing in this article may be construed to~~  
11 ~~limit the right of a federally recognized Indian tribe to~~  
12 ~~request that a Tribal-State compact be negotiated with~~  
13 ~~the state on terms that are different from those set forth~~  
14 ~~in the Section 5 of this article, nor the authority of the~~  
15 ~~Governor on behalf of the state to engage in those~~  
16 ~~negotiations and to reach agreement under IGRA.~~  
17 ~~Nothing in this article may be construed to mean that, in~~  
18 ~~offering the Gaming Compact to Indian tribes in~~  
19 ~~California under Section 5, and, except for assessments by~~  
20 ~~the State as provided therein of those amounts as are~~  
21 ~~necessary to defray its costs of regulating activities as~~  
22 ~~provided under the Gaming Compact, (a) the state is~~  
23 ~~imposing any tax, fee, charge, or other assessment upon~~  
24 ~~an Indian tribe or upon any other person or entity~~  
25 ~~authorized by an Indian tribe as a condition to engaging~~  
26 ~~in a class III activity, or (b) the State is refusing to enter~~  
27 ~~into Tribal-State compact negotiations based upon the~~  
28 ~~lack of authority of the state, or of any political subdivision~~  
29 ~~of the state, to impose such a tax, fee, charge, or other~~  
30 ~~assessment.~~

31 ~~SEC. 11. (a) The terms specified in Section 5 of this~~  
32 ~~article shall constitute the starting point in any~~  
33 ~~negotiations over the terms of a Tribal-State Gaming~~  
34 ~~Compact between the State of California and any~~  
35 ~~federally recognized Indian tribe located within the State~~  
36 ~~of California. The Governor, in his or her discretion as~~  
37 ~~chief executive of the State and pursuant to his or her~~  
38 ~~authority under Section 3 of this article, shall be free to~~  
39 ~~modify or add to the terms specified in Section 5 as he or~~  
40 ~~she deems necessary to protect the health, safety, and~~



1 welfare of the people of California, provided that every  
2 Tribal State Gaming Compact entered into pursuant to  
3 this article shall include the following mandatory terms  
4 and conditions:

5 (1) The Tribe shall be authorized and permitted to  
6 engage in the full scope of class III gaming activities set  
7 forth in Sections 4.0 to 4.2, inclusive, of the model  
8 Compact specified in Section 5 of this article;

9 (2) There shall be no limit imposed upon the number  
10 of gaming facilities that the Tribe is authorized to  
11 operate, as long as all of those gaming facilities are located  
12 on Indian lands within California over which the Tribe  
13 has jurisdiction and qualify under federal law as lands  
14 upon which gaming can lawfully be conducted, and as  
15 long as the aggregate number of tribal gaming devices  
16 operated by the Tribe in all of its gaming facilities do not  
17 exceed the number of gaming devices it is authorized and  
18 permitted to operate pursuant to the terms of the  
19 Compact;

20 (3) Subject to increase in accordance with paragraph  
21 (4), the number of tribal gaming devices that the Tribe  
22 initially shall be entitled to operate pursuant to the terms  
23 of the Compact shall, at a minimum, be the largest of (1)  
24 the largest number of gaming devices actually operated  
25 by the Tribe during the month of January 1999; or (2) 975  
26 gaming devices. The number of tribal gaming devices  
27 that the Tribe initially shall be entitled to operate  
28 pursuant to the terms of the Compact shall, at a  
29 maximum, be the largest of (1) the largest number of  
30 gaming devices actually operated by the Tribe during the  
31 month of January 1999; or (2) 1500 gaming devices; or (3)  
32 the largest number of gaming devices operated during  
33 the month of January 1999 by any other federally  
34 recognized Tribe within a 35-mile radius of any of the  
35 Tribe's existing or proposed gaming facilities;

36 (4) Commencing on the one-year anniversary of the  
37 effective date of the Compact, the Tribe shall be  
38 permitted to increase the number of tribal gaming  
39 devices in operation at its gaming facilities above the  
40 number initially authorized and permitted pursuant to



1 the terms of the Compact by no less than an average  
2 annual growth rate of 10 percent over the initial 10-year  
3 period of the Compact. The Compact shall permit the  
4 Tribe to increase the number of gaming devices by as  
5 much as 50 percent in any particular year, as long as the  
6 total number of gaming devices operated by the Tribe at  
7 the end of the initial 10-year period does not exceed the  
8 limits set forth in this subdivision. The Compact shall  
9 provide that any further increases in the number of  
10 permitted tribal gaming devices following the expiration  
11 of the initial 10-year period shall be the subject of  
12 good-faith negotiations between the parties and shall be  
13 based upon an economic analysis demonstrating that a  
14 further expansion is warranted; and

15 (5) The Compact shall include provisions under which  
16 the Tribe agrees to contribute to the tribal, state, and local  
17 trust funds described in Sections 5.2, 5.3, and 5.4 of the  
18 Compact specified in Section 5 of this article. The  
19 amounts to be contributed by the Tribe to each of those  
20 trust funds in accordance with the provisions of Sections  
21 5.2, 5.3, and 5.4 may be subject to negotiation between the  
22 Tribe and the Governor, but the Tribe shall not be  
23 required to contribute in excess of 8 percent of its net win  
24 from tribal gaming terminals to the aggregate of all trust  
25 funds. Other than the contributions required to be made  
26 to those trust funds, the Tribe shall not be required to  
27 share any of its gaming revenues with the State of  
28 California as a condition of entering into a Tribal-State  
29 Gaming Compact, provided that this provision does not  
30 prevent the State or any subdivision thereof from  
31 obtaining reimbursement from the Tribe for the actual  
32 and reasonable costs of providing gaming regulatory or  
33 other services to the Tribe in accordance with Section 4  
34 of this article.

35 (b) The Governor is specifically authorized to propose  
36 agreements between the Tribe and nearby local  
37 governments concerning road access, the provision of law  
38 enforcement and emergency services, and other  
39 considerations as he or she deems warranted. The  
40 Governor may also encourage, but shall not require, the



1 Tribe to adopt an ordinance incorporating federal  
2 process standards concerning the representation of  
3 gaming employees, collective bargaining, or other  
4 conditions of employment on Indian lands.

5 SEC. 12. Notwithstanding subdivision (e) of Section  
6 19 of Article IV of the California Constitution and any  
7 other provision of state law, the Legislature shall  
8 authorize licensed gambling establishments in this state  
9 to operate and offer for play banking games played with  
10 cards, subject to the following conditions:

11 (a) The Legislature shall allow licensed gambling  
12 establishments to play only those games that are actually  
13 played in tribal casinos pursuant to the terms of a  
14 tribal-state compact.

15 (b) These games shall be subject to regulation and  
16 limitation by the California Gambling Control  
17 Commission, or its successor. In no event shall this section  
18 be construed to allow more tables per gambling  
19 establishment than are allowed by existing law or to  
20 authorize the expansion of gambling in contravention of  
21 the requirements of Sections 19950, 19950.1, or 19950.2 of  
22 the Business and Profession Code.

23 (c) Until March 8, 2008, no gambling establishment  
24 that operates banking card games pursuant to this section  
25 or to any statute enacted hereunder shall expand the total  
26 number of tables it was authorized to operate prior to the  
27 effective date of this article.

28 (d) The Legislature may further reduce the maximum  
29 number of banking card game tables that a gambling  
30 establishment may operate, or impose additional limits or  
31 conditions on the operation of these games, as it deems  
32 necessary.

