



2015 Tribal-State Gaming Compact Between the State of California and the Santa Ynez Band of Chumash Indians

Board of Supervisors Hearing
September 1, 2015

Summary

- August 26, 2015: Governor announced signing of a new 25-year Tribal Gaming Compact.
 - The Tribe and State entered into their first gaming compact 1999; set to expire December 31, 2020.
- Counties are not party to these agreements.
 - Confirmed with Governor's office no counties were invited into compact negotiations.
- September 1, 2015 (today): CA State Assembly and Senate Hearings.
- Staff has had limited time to review the new compact

Summary of Compact

(CA Senate Committee Hearing on Governmental Organization Report, 9/1/15)

- Increase in maximum allowed Class III gaming devices
 - from 2,000 (1999 Compact) to 2,500
 - only on reservation lands or lands held in trust as of execution date of Compact (August 26, 2015)
- Not more than two gaming facilities (same as 1999 Compact)
 - if two, one of the facilities limited to maximum of 500 devices and shall have primary purpose other than gaming
- Tribe agrees to pay state for pro rata share of State regulatory costs (into Special Distribution Fund (SDF))
 - Estimated \$1 M annually to SDF
- Tribe also agrees to pay 6% of casino's net win into Revenue Sharing Trust Fund
 - Estimated \$12 M annually to RSTF
- Framework created for sharing of gaming revenue with the County and local jurisdictions from the Revenue Sharing Trust Fund

2015 Compact -Key issues

- **Key requests by the County that ARE addressed in the new compact:**
 - a process to ensure mitigation of impacts related to gaming projects;
 - establishment of judicially enforceable agreements to enforce the mitigations;
 - enhanced environmental review; and
 - required negotiations with the County on the mitigations, followed by arbitration if issues are not resolved.
- Similar provisions have been supported by CSAC in other recent agreements

2015 Compact – Key Issues

- **Key requests by the County that are NOT addressed in the new compact:**
 - Tribal casinos must be subject to authority of local regulations concerning public health and safety issues (example: water, sewer, fire inspection, food and building inspection)
 - *2015 Compact states instead: “Tribe shall take all necessary steps to reasonably ensure that the Gaming Facility satisfies all requirements of titles 19 and 24 of the California Code of regulations applicable to similar County facilities.”*

2015 Compact – Key Issues

- **Key requests by the County that are under review**
 - Payments to local governments for fair share of costs to government services and off-reservation impacts
 - *Tribe shall enter into agreements with local jurisdictions or state agencies...for such undertakings and services that mitigate the impacts of the Gaming Facility....” (Section 4.4),*
 - *Compact includes provision for payments to the County and local jurisdictions for specified purposes as credit toward the Revenue Sharing Trust Fund.*
 - *It appears the Special Distribution Fund will now be primarily for Tribes to compensate the State for cost of regulation*

Revenue Sharing Trust Fund

- State to provide annual credit to Tribe for up to 60% (est. \$7.2 M) of payments otherwise due to RSTF for specified uses
- Of interest to County:
 - Payments to County or local jurisdictions for purposes of improved fire, law enforcement, public transit, education, tourism, and other services and infrastructure improvements intended to serve off-reservation needs of County residents.
 - At least 20% of credits (est. \$1.4 M) must be used for these purposes
 - Such payments are subject to approval by the State

Next steps – Ratification of the Compact

- Tuesday, September 1, 2015: Informational hearings before California State Assembly and Senate Committees.
- Vote on legislation in both the Assembly and Senate. Legislature is adjourning September 11, 2015 and returns in January 2016.
- Formal approval and ratification by the Governor.
- Filing with the California Secretary of State.
- Submittal of the Compact by the Secretary of State to the Federal Department of the Interior for review of consistency with federal regulations.
- Formal acceptance of the Compact by the Department of the Interior.

Recommended Actions

That the Board of Supervisors:

- a) Receive and file a report on the 2015 Tribal-State Compact between the State of California and the Santa Ynez Band of Chumash Mission Indians and provide direction to staff as appropriate; and
- b) Determine pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15378(b)(5) that the above action is not a project subject to CEQA review.

Thank you