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California State Senate

SENATOR KEVIN DE LEÓN CHAIR

SENATE APPROPRIATIONS COMMITTEE

TWENTY-SECOND SENATE DISTRICT

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JOINT COMMITTEE
LEGISLATIVE BUDGET

July 29, 2013



The Honorable Edmund G. Brown, Jr. Governor, State of California State Capitol, Suite 1173 Sacramento, CA 95814

Re: Off-Reservation Indian Gaming Compacts

Dear Governor Brown:

I am writing to inform you that the Senate is creating a working group to examine policy and procedural implications associated with off-reservation gaming agreements in light of the concerns raised during the June 27th Senate vote on AB 277 (Hall), the North Fork Rancheria Compact, a first of its kind agreement allowing for Indian gaming off reservation property in California. Out of respect for the efforts of the working group, I urge your commitment to not approve, nor submit for ratification, any off-reservation gaming agreements until the working group has completed its examination and California has adopted a clear and coherent policy on off-reservation gaming.

The agreement between your Administration and the North Fork Rancheria of Mono Indians, embodied in AB 277 (Hall), represents a significant policy departure from previous agreements in California by allowing the North Fork tribe to build a casino off reservation property, near Highway 99 in Madera County, over 30 miles from their federally recognized and casino-eligible tribal land. As such the State Senate vote for the North Fork Compact was particularly contentious since all seventy of California's previous Indian gaming agreements have allowed Indian gaming strictly *on* reservation property. As we learned in the legislative debate over the North Fork Compact, there are many important issues to the State of California that arise from off-reservation gaming, including: issues related to the fairness to other tribes who have restricted their gaming activities on reservation property, impacts and interests of local and nearby communities, impacts to existing gaming interests and their workforce, the need to adequately address labor and environmental issues, maintaining the commitment to the voters from approved propositions addressing Indian gaming, among others.

The vote for the North Fork Compact was especially difficult for members of the Senate due to the lack of consistent, objective and clear policy criteria for approving off-reservation gaming agreements. While the federal approval process allows for off-reservation Indian gaming via a two-part determination established in Section 20 of the Indian Gaming Regulatory Act of 1988,

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however, as exemplified in the case of the North Fork Compact, it is evident there are many issues of interest to California that need to be adequately addressed. As I mentioned during my comments on the Senate floor regarding the vote for the ratification of the North Fork agreement, I am deeply concerned by the current ad hoc process of approving off-reservation gaming projects which does not sufficiently protect state interests and our residents. Although the Senate ultimately approved AB 277, it was not without concern on the part of myself and many of my colleagues about how off-reservation gaming compacts ought to be handled in the future.

In collaboration with Senate Pro Tem Steinberg, I plan to lead a Senate effort to convene a working group with the goal to establish a coherent policy with clear and objective criteria for approving any future off-reservation gaming agreements. The working group will be convened in the coming weeks with the expectation it will complete its work by January 31, 2014. The working group will engage the participation of all relevant stakeholders in their effort. In addition to inviting members of the Assembly to join me, I specifically request the participation of your senior adviser, Jacob Appelsmith, director of the California Department of Alcoholic Beverage Control to represent the views of your Administration in this endeavor, along with any other staff you deem appropriate.

I look forward to working with your Administration. Please don't hesitate to contact my office should you like to discuss this matter further.

Sincerely,

KEVIN DE LEÓN

Twenty-Second Senate District

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cc: The Honorable Darrell Steinberg, Senate President Pro Tem

The Honorable Rod Wright, Chair, Senate Governmental Organization Committee Jacob Appelsmith, Director of the California Department of Alcoholic Beverage Control