

September 12, 2008

Dean Shelton Chairman
Sheryl Schmidt, Commissioner
Stephanie Shimazu, Commissioner
Alexa Vuksick, Commissioner
California Gambling Control Commission (CGCC)
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Sacramento CA 95833-4231

INQUIRY AS TO ELIGIBILITY OF THE COLORADO RIVER INDIAN TRIBE (CRIT) TO RECEIVE REVENUE SHARING TRUST FUND (RSTF) MONIES AS A NON-COMPACT TRIBE

Chairman Shelton and Honorable Commission Members:

It is our understanding that the Commission is aware of issues currently under appeal in Tribal Court with regard to the Reservation status of California lands being leased by the Colorado River Indian Tribe (CRIT). In our view, Revenue Sharing Trust Fund (RSTF) money is being used to fund litigation to the detriment of non-tribal citizens and businesses along the Colorado River in California to determine the western boundary of the CRIT Reservation.

We recognize the 1999 Tribal State Compact provides the Commission no discretion with respect to the use of the funds disbursed to tribes (4.3.2.1(b). Nevertheless, it is our view that State money is inappropriately being diverted to an Indian tribe domiciled with the Bureau of Indian Affairs in Arizona. This Tribe has no Reservation or Indian lands in California; there is no other basis for a claim of tribal lands in California other than what CRIT has presented to its own tribal court.

While the RSTF was audited by the State Auditor in 2004, the Bureau of State Audits did not raise the issue of CRIT Indian lands. It appears that State money is inappropriately being diverted to an Indian tribe whose *eligibility* to receive those funds is, without a doubt, questionable. This appears to constitute <u>an improper diversion of State money</u> in violation of the California State Constitution (A gift of Public Funds-Article 16 section 6) from the RSTF.

Foregoing the question of whether or not CRIT has Reservation lands or Indian lands in California, it would appear that CRIT is over the slot machine limit for a non-compact tribe as clearly defined in the 1999 Tribal State Compact. As you are aware, CRIT operates the Blue Water Casino in Parker, Arizona and boasts on its website of having 475 slot machines - considerably more than the 350 allowable in the non-compact guidelines. In light of the above, our community organization would welcome the opportunity to present critical information to the CGCC in a public hearing before the next RSTF disbursement is made. Please accept this letter as a formal request for our representative to be scheduled on an upcoming agenda.

As documented on our website referenced above, the land dispute of CRIT continues to present significant personal and financial harm to members of Colorado River Residents for Justice and other area homeowners. Your investigation and potential enforcement action in this issue may provide the State monetary savings of \$1.1M annually, effectively returning those funds (approximately 5+M) to the State for regulation and oversight of tribal gaming.

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We seek your assistance in determining the status of CRIT to receive RSTF funds, and explanation as to the basis upon which that determination was made.

Your attention and written response in this matter is appreciated.

Respectfully,

Charles Rochon, President Board of Directors

RC:ag

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