



GAMBLING CONTROL COMMISSION

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June 14, 2010

Ms. Cheryl A. Schmit, Director
Stand Up For California!
P.O. Box 355
Penryn, CA 95663

Re: Alleged Improper Diversion of State Money in the Indian Gaming Special Distribution Fund to the Colorado River Indian Tribes (CRIT) and Fort Mojave Indian Tribe (Fort Mojave)

Dear Ms. Schmit:

Thank you for your June 6, 2010 letter regarding Revenue Sharing Trust Fund (RSTF) payments to the CRIT and Fort Mojave. Ms. Andrea Hoch, the Governor's Legal Affairs Secretary, has asked us to respond.

The State of California has a duty to the Compacted and Non-Compacted tribes in California to ensure that fees are collected and payments made in accordance with the provisions of the 1999 Compacts.¹ We have previously considered the very serious issues you raise and have determined that both tribes are entitled to RSTF distributions based on the Compact language.

The Compacts created a framework where certain tribes (Compact Tribes operating "Gaming Devices" pursuant to licenses drawn from the license pool) would pay into the RSTF and others (Non-Compact Tribes) would receive money from the RSTF. Within this framework, "Non-Compact Tribe(s)" and "Gaming Devices" must only be considered to the extent that they are in the State of California. Your reference to an older device certification form (CGCC-C2005.02) impliedly makes this clear. Simply put, California has no jurisdiction over "Gaming Devices" in other states nor do the Compacts speak to limiting payments based on "Gaming Devices" in other states.

The State is also aware of the issue of whether the CRIT is in fact "in the State." The Commission's current practice is to follow the Compacts' definition of "Tribe" as being "a

¹ All references to the "Compacts" and Compact sections in this letter are in regards to the 1999 Compacts, unless otherwise stated.

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federally recognized Indian tribe or an authorized official or agency thereof.” (Emphasis added.) The Federal government through the Bureau of Indian Affairs currently recognizes both the CRIT and Fort Mojave as being in California and in other states.²

Please note that the State does not concede, nor should the Commission’s continued RSTF payments to the CRIT be construed to concede or imply a belief that the CRIT has land or even valid land claims in the State of California. Rather, the State at this time is merely deferring to the Bureau of Indian Affairs and the listing as currently reflected in the Federal Register, which shows the CRIT as a California and Arizona tribe. The RSTF payments will continue to be made until such time as a federal court, the BIA or Congress determines otherwise in regards to the CRIT.

If you have any questions or concerns, please do not hesitate to contact Mr. Joe Dhillon, Chief Counsel at 916 263-4600.

Sincerely,



TERRESA A. CIAU
Executive Director

cc: Andrea Lynn Hoch, Legal Affairs Secretary, Office of the Governor
Dean Shelton, Chairman, California Gambling Control Commission
Stephanie Shimazu, Commissioner, California Gambling Control Commission
James Shelby, California Gambling Control Commission
Joe Dhillon, Chief Legal Counsel, California Gambling Control Commission
Sara Drake, Senior Assistant Attorney General, Department of Justice

² This list is published in the Federal Register as “Indian Entities Recognized and Eligible to Receive Services from the United States Bureau of Indian Affairs.” This most recent list published on August 11, 2009 and found at Volume 74, pages 40218-40223 of the Federal Register (copy attached) currently lists both CRIT and Fort Mojave as being in California.