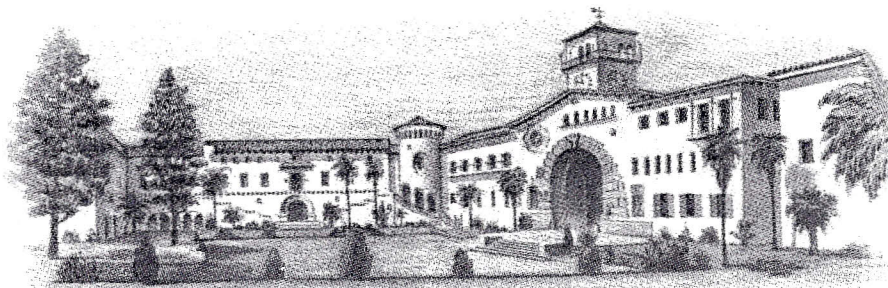


GAIL MARSHALL
County Supervisor
Third District

JOHN BUTTNY
Executive Staff Assistant

MARK CHACONAS
Executive Staff Assistant

ELIZABETH MARTINEZ
Administrative Assistant



105 East Anapamu Street
Santa Barbara, California 93101
Telephone (805) 568-2192
Fax (805) 568-2883
Santa Ynez Office
1745 Mission Drive
Solvang, California 93463
Telephone (805) 686-5095
Fax (805) 686-8133
Isla Vista Office
970 Embarcadero del Mar
Isla Vista, California 93117

SANTA BARBARA COUNTY

E-Mail: gmarsh@co.santa-barbara.ca.us

August 2, 2002

Honorable John Hensley, Chairman
California Gambling Control Commission
2399 Gateway Oaks Drive, Suite 100
Sacramento, CA 95833-4231

Re: Revenue Sharing/Special Distribution Fund

Honorable Chair:

I am writing to you today to comment on the very important issue of the Special Distribution Fund as outlined in the Tribal-State Gaming Compact.

Since the Compact was not developed with the best small "d" democracy principals in place, neither the community nor the communities' representatives had any chance to give input into the language of the document. Thus language that could have the effect of protecting local communities is pretty much absent. However broad the language, the implicit understanding was that the Tribes would be responsible to local governments for impacts relative to the expansion of gaming.

In Santa Barbara County and specifically the Santa Ynez Valley where our gaming is located, the Chumash Tribe has relied heavily on the payment of monies into the Special Distribution Fund as some of their mitigation for their considerable impacts to the Valley. Clearly this fund does not relieve their obligations to fully mitigate environmental impacts, road congestion, air pollution, waste disposal, public safety and all the rest but local governments are counting on this fund to assist us in delivering these and other services to our constituents.

As the member of the Santa Barbara County Board of Supervisors that has the gaming facility in my district, I was appointed to participate in the Local Government Committee set up by The Tribal Alliance of Sovereign Indian Nations to come up with a formula for distributing these much needed monies from the Special Distribution Fund. We agreed that the preponderance of monies in the Fund should go back to the locality impacted by gaming.

Honorable John Hensley
August 1, 2002
Page 2

40% for entitlement funds for local governments impacted by contributing tribes' gaming operations. (EX. A tribe contributing \$10M would owe \$4M to the locale impacted)

20% for grant funds for local government impacted by contributing tribes' gaming operations. (EX. Of the \$10M, \$2M would be available in grants)

40% for remaining purposes specified by law

Clearly local governments felt the monies should be spent first in the areas impacted by gaming and second for other purposes as outlined in the Compact. We also felt that monies should come directly to local governments without intermediate administration. The need is now and the need is great.

The promises made to the citizens of California when they voted for gaming expansion have not been met by the Tribes. Local government, on behalf of the effected communities, is appealing once again to the Gaming Commission, the Governor and anyone else who will listen to take heed of our needs.

Sincerely,



Gail Marshall
Third District Supervisor

cc: Governor Gray Davis
Congresswoman Lois Capps
Senator Jack O'Connell
Assembly member Hannah-Beth Jackson
Supervisor Naomi Schwartz
Supervisor Susan Rose
Supervisor Joni Gray
Supervisor Tom Urbanske
Solvang City Council
Buellton City Council
Santa Ynez River Water Conservation District, ID #1
Santa Ynez Community Services District
Cheryl Schmit, Stand Up for California