

CALIFORNIA GAMBLING CONTROL COMMISSION

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ATTACHMENT A

Agenda Item # 15*Memorandum*

Date: July 27, 2010

To: Dean Shelton, Chairman
Stephanie Shimazu, Commissioner
James Shelby, Commissioner

Via: Terri A. Ciau, Executive Director

From: Richard Ross, Deputy Director 
Compliance Division

Re: Gaming Device License Draw Recommendations

Recommendation:

Based upon the attached documentation, Compliance staff recommends the Commission issue 20 gaming device licenses to the Paskenta Band of Nomlaki Indians.

Summary:

The recommended allocation is summarized in **Exhibit A** for Executive Management and Commissioners' review. The need for a joint Tribal-State pre-draw meeting was omitted as there were a sufficient number of licenses available to provide the Tribe with the number it requested, without a dispute over allocation.

The participating Tribe will be notified of responsibilities affecting RSTF contributions and distributions, the 12-month Commercial Operation requirements, the verification of commercial operations, and the operation of entitlement devices before license devices are distributed.

Background:

The Commission was ordered pursuant to a federal court decision entered on August 19, 2009, in *Cachil Dehe Band of Wintun Indians of the Colusa Indian Community v. State of California*, to issue up to 10,549 additional Gaming Device licenses. The draw for the Gaming Device licenses was ordered to be conducted within 45 days of the entry of judgment.

A license draw was subsequently conducted on October 5, 2009 for the issuance of 1,878 licenses. A balance, therefore, of 8,671 licenses remains available for allocation.

A letter dated April 30, 2010 from the Paskenta Band of Nomlaki Indians requested to have a license draw. Tribes with effective 1999 Tribal-State Gaming Compacts were thereby notified by letter dated June 21, 2010 that a Gaming Device license draw would be conducted at a Commission meeting to be held on August 12, 2010.

Exhibit B contains the timeline of actions for the license draw.

One (1) Tribe, the Paskenta Band of Nomlaki Indians, applied for a total of 20 gaming device licenses. The Tribe submitted a certified check for \$25,000.00 in non-refundable one-time prepayment license fees per Compact section 4.3.2.2 (e). The Tribe was prioritized as shown in **Exhibit C** into Compact priority rankings in accordance with the court order. A Tribe's ranking is determined first by the number of gaming devices the Tribe operated on September 1, 1999. Pursuant to the terms of the court order, a Tribe will be permitted to remain in a priority tier until it has drawn the maximum number of licenses permitted from that tier, regardless of whether it has previously drawn from that tier as follows:

- Tier (i) allows a maximum of up to 150 licenses,
- tier (ii) allows up to an additional 500 licenses,
- tier (iii) allows up to an additional 750 licenses,
- tier (iv) allows up to an additional 500 licenses, and
- tier (v) allows additional licenses up to the maximum of 2,000 gaming devices.

Detail for Recommended Rankings:

✓ **Paskenta Band of Nomlaki Indians**

Paskenta Band of Nomlaki Indians has requested 20 licenses. It is authorized to operate up to 800 gaming devices. This includes:

- No licenses grandfathered on September 1, 1999;
- 350 entitlements under Compact Section 4.3.1,
- 300 Sides licenses that were ratified by the CGCC on June 12, 2002;
- 25 licenses acquired during Draw #1;
- 25 licenses acquired during Draw #2;
- 73 licenses acquired during Draw #4; and
- 27 licenses acquired during Draw #9

Paskenta Band of Nomlaki Indians would initially be placed at priority (i) because it had no gaming devices as of September 1, 1999. It would be allowed to draw 150 licenses under priority (i) and up to 500 licenses under priority (ii). It has since acquired 450 licenses in previous draws which places them in priority (ii) for this Draw. It is recommended that this Tribe be allocated 20 gaming device licenses under priority (ii)

cc: Joe Dhillon, Chief Counsel

EXHIBIT A

California Gambling Control Commission
 Compliance Division, Financial Audits Section
 License Draw No. 10 - Recommended Gaming Device Allocations By Draw Round

	Tribe	Rounds					Summaries		
		1 st	2 nd	3 rd	4 th	5 th	Allocation All Rounds	Authorized Gaming Devices Before Draw	Authorized Gaming Devices after Draw
1	Paskenta Band of Nomlaki Indians	20					20	800	820
	Totals	20					20	800	820

Exhibit B

California Gambling Control Commission Gaming Device License Draw Number 10 TIMELINE

June 1, 2010	Tuesday	Submit draft draw notification letter and application form for review.
June 21, 2010	Monday	Send out draw notification letters and application forms.
July 22, 2010	Thursday	Deadline for submitting draw application forms and deposits to CGCC office at 5:00 PM.
July 26, 2010 thru August 6, 2010	Monday	Legal/Commission review of Compliance Section staff license draw allocation recommendations.
August 12, 2010	Thursday	Commission meeting at 10:00 AM.
August 13, 2010	Friday	Gaming Device license certificates available to be awarded.

Areas of variance with Commission Policy:

1. There will not be a joint Tribal/State meeting.

