AGREEMENT REGARDING COMPLIANCE WITH THE TRIBAL-STATE GAMING COMPACT BETWEEN THE STATE OF CALIFORNIA AND THE UNITED AUBURN INDIAN COMMUNITY SECTION 4.3 CONCERNING ADDITIONAL PAYMENTS INTO THE SPECIAL DISTRIBUTION FUND.

THIS LETTER AGREEMENT (Agreement) is made by and between the United Auburn Indian Community (Tribe) and the State of California (State). Collectively, the Tribe and the State are referred to as the “Parties.” This Agreement is made with reference to the following:

A. The Parties entered into the Tribal-State Gaming Compact Between the State of California and the United Auburn Indian Community, dated August 18, 2017 (Compact). The State Legislature ratified the Compact on October 3, 2017. The United States Secretary of the Department of the Interior published the Compact in the Federal Register on January 22, 2018. The Compact presently is in full force and effect.

B. Under Compact section 4.3, subdivision (b), the Tribe agrees to pay an additional 1.1 million dollars ($1,100,000) annually into the Special Distribution Fund to ensure that fund remains solvent to carry out the purposes set forth in Compact section 4.3.1. In this Agreement, “Additional Amount” refers to and means the payment under Compact section 4.3, subdivision (b).

C. Compact section 4.3, subdivision (b), also provides that the parties agree to meet and confer for the purpose of continuing, discontinuing, or making an appropriate reduction in the Additional Amount under the subdivision.

D. In furtherance of Compact section 4.3, subdivision (b), the Parties desire to establish a clear methodology and standards for determining whether the Special Distribution Fund is solvent to carry out the purposes set forth in Compact section 4.3.1 and for the Tribe’s payment obligations.

THEREFORE, for valuable consideration including, without limitation, the mutual promises, obligations, duties, privileges, and rights set forth in this Agreement, the Parties agree as follows:

1. The Special Distribution Fund shall be solvent to carry out the purposes set forth in Compact section 4.3.1 if the Governor’s Budget projects for three (3) consecutive years that the Special Distribution Fund reserve for the next fiscal year is at least 100 percent of the average annual expenditures for the immediate past five (5) fiscal years.

2. The Special Distribution Fund shall not be solvent to carry out the purposes set forth in section 4.3.1 if the Governor’s Budget for the next fiscal year projects that the Special Distribution Fund reserve will be less than 100 percent of the average annual expenditures for the immediate past five (5) fiscal years.
3. If the Special Distribution Fund is solvent to carry out the purposes set forth in Compact section 4.3.1 as provided in paragraph 1 of this Agreement, the Tribe may stop paying the Additional Amount commencing when the Tribe’s next payment is due and continuing as long as the Special Distribution Fund remains solvent as provided in paragraph 1 of this Agreement.

4. If the Special Distribution Fund is, or becomes, not solvent to carry out the purposes set forth in Compact section 4.3.1 as provided in paragraph 2 of this Agreement, the Additional Amount shall not be reduced or discontinued.

5. If the Additional Amount was previously reduced or discontinued under paragraph 3 of this Agreement and the Special Distribution Fund is not solvent to carry out the purposes set forth in Compact section 4.3.1 as provided in paragraph 2 of this Agreement, the Additional Amount shall be reinstated in the first quarter subsequent to the release of the Governor’s Budget establishing that the Special Distribution Fund is not solvent under paragraph 1 of this Agreement.

6. Notwithstanding this Agreement, the Parties may, and agree to, meet and confer as provided in Compact section 4.3, subdivision (b), for the purpose of continuing, discontinuing, or making an appropriate reduction in the Additional Amount.

7. This Agreement is limited, and applies, only to the terms and conditions of Compact section 4.3, subdivision (b) and the Parties’ rights, privileges, duties, liabilities, and obligations under that section.

8. By signing this Agreement, each of the persons identified below warrants and represents that he or she is authorized in all respects to enter into this Agreement and that all consents or actions required by law to enter into this Agreement have been obtained. This Agreement is contingent upon, and shall have no force and effect without, the undersigned Tribal Attorney providing to the State written proof of the ratification of this Agreement by the Tribal governing body.

9. The terms and conditions of this Agreement may be amended at any time by the mutual and written agreement of the Parties. Any written agreements to amend this Agreement shall be deemed to supersede, supplant, and extinguish all previous understandings and agreements on the subject.

10. This Agreement shall terminate upon the Compact’s termination or expiration, the amendment or modification of Compact section 4.3, subdivision (b), or the Parties’ mutual written agreement.

11. This Agreement sets forth the full and complete agreement of the parties and supersedes any prior understandings or agreements on the subject.
WHEREFORE, the Agreement is dated as of, executed on, and effective on the later date set forth below.

STATE OF CALIFORNIA  

By Anna M. Naimark
Tribal Negotiations Advisor
For Governor Gavin Newsom

Executed this 26 day of July, 2019, at Sacramento, California

UNITED AUBURN INDIAN COMMUNITY  

By Howard Dickstein
Tribal Attorney
For United Auburn Indian Community

Executed this 26 day of July, 2019, at Sacramento, California