



**GAMBLING CONTROL COMMISSION**

DEAN SHELTON, CHAIRMAN  
STEPHANIE SHIMAZU

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May 11, 2010

Honorable Denise Ducheny, Chair  
Joint Legislative Budget Committee  
Senate Budget and Fiscal Review Committee  
1020 N Street, Room 553  
Sacramento, CA 95814

Honorable Noreen Evans, Chair  
Assembly Budget Committee  
State Capitol, Room 6026  
Sacramento, CA 95814

Attention: Ms. Jody Martin, Principal Consultant

**Subject: Notification of Indian Gaming Revenue Sharing Trust Fund Revenue Shortfall for FY 2010-11**

Dear Senator Ducheny and Assemblymember Evans:

Pursuant to Government Code Section 12012.90(e)(1), the California Gambling Control Commission (Commission) hereby provides the anticipated total amount of shortfalls in payment likely to occur in the Indian Gaming Revenue Sharing Trust Fund (RSTF) to be transferred from the Indian Gaming Special Distribution Fund (SDF) for the upcoming fiscal year.

The RSTF serves as the depository for payments made by Tribes that acquire and maintain gaming device licenses and provides disbursements to eligible, Non-Compact Indian tribes (federally-recognized tribes that are operating fewer than 350 Gaming Devices). The Commission, as the administrator for the RSTF, is required to make quarterly distributions from the RSTF in accordance with the Tribal-State Gaming Compacts (Section 4.3.2.1) and Government Code section 12012.90(e)(2). Each eligible Tribe receives \$275,000 quarterly, for an annual total distribution of \$1.1 million per eligible Tribe.

Annual RSTF revenues are insufficient to fully fund RSTF distributions to eligible Non-Compact Tribes. Government Code sections 12012.85 and 12012.90 authorize moneys in the SDF to be used to make payments to eligible Non-Compact Tribes for shortfalls that occur in the RSTF, in addition to other authorized purposes.

For the 2010-11 fiscal year, the Commission estimates that 71 Tribes would be eligible for RSTF distributions of \$1.1 million each, for total estimated RSTF payments of \$78.1 million. Estimated RSTF revenue projections for 2010-11 total approximately \$46.9 million. Accordingly, the Commission anticipates total RSTF shortfalls to be transferred from the SDF in FY 2010-11 of \$31.2 million.

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If you have questions or need additional information, please contact Anna Carr, Deputy Director of Legislative and Public Affairs, at (916) 263-0494.

Sincerely,



TERRESA A. CIAU  
Executive Director

cc: Honorable Bob Blumenfield, Vice Chair, Joint Legislative Budget Committee  
Honorable Robert Dutton, Vice Chair, Senate Budget and Fiscal Review Committee  
Honorable Jim Nielsen, Vice Chair, Assembly Budget Committee  
Honorable Mark DeSaulnier, Chair, Senate Budget and Fiscal Review Subcommittee No. 4  
Honorable Warren T. Furutani, Chair, Assembly Budget Subcommittee No. 4  
Mr. Brian Brown, Consultant, Senate Budget and Fiscal Review Subcommittee No. 4  
Mr. Matt Osterli, Fiscal Consultant, Senate Republican Fiscal Office  
Mr. Matt Klemin, Consultant, Office of Senate Republican Leader Dennis Hollingsworth  
Ms. Elsa Ortiz, Consultant, Office of the Senate President pro Tempore  
Mr. Joe Stephenshaw, Principal Consultant, Assembly Budget Subcommittee No. 4  
Mr. Allan Cooper, Senior Consultant, Assembly Republican Fiscal Office  
Mr. George Wiley, Special Assistant to the Speaker, Office of the Assembly Speaker  
Mr. E. Dotson Wilson, Chief Clerk of the Assembly  
Mr. Gregory Schmidt, Secretary of the Senate  
Ms. Diane Boyer-Vine, Legislative Counsel  
Mr. Drew Soderborg, Fiscal & Policy Analyst, Legislative Analyst's Office  
Mr. Scott Reid, Deputy Chief of Staff and Cabinet Secretary, Office of the Governor  
Mr. Michael Proso, Deputy Chief of Staff and Legislative Secretary, Office of the Governor  
Mr. Aaron Maguire, Deputy Legislative Secretary, Office of the Governor  
Mr. Bill Riddle, Senior Librarian, California State Library (3)  
Mr. Todd Jerue, Program Budget Manager, Department of Finance  
Ms. Jennifer Osborn, Principal Program Budget Analyst, Department of Finance  
Ms. Teresa Calvert, Budget Analyst, Department of Finance