

**GAMBLING CONTROL COMMISSION**

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**May 21, 2008**

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

Honorable John Laird, Chair  
Assembly Budget Committee  
State Capitol, Room 6026  
Sacramento, CA 95814

Attention: Jody Martin, Consultant

**Subject: Notification of Indian Gaming Revenue Sharing Trust Fund Revenue Shortfall for FY 2008-09**

Dear Senator Ducheny and Assemblymember Laird:

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 2008-09 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 2008-09 total approximately \$38.9 million. Accordingly, the Commission anticipates total RSTF shortfalls to be transferred from the SDF in FY 2008-09 of \$39.2 million. These estimates assume that the five amended Compacts for Agua Caliente, Pechanga, San Manuel, Sycuan and Morongo began making increased quarterly payments to the RSTF.

Senator Ducheny  
Assemblymember John Laird  
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If you have questions or need additional information, please contact Anna Carr, Deputy Director of Legislation and Public Affairs, at (916) 263-0494.

Sincerely,



Steven V. Giorgi  
Executive Director

cc: Members, Joint Legislative Budget Committee  
Honorable Dennis Hollingsworth, Vice Chair, Senate Budget and Fiscal Review Committee  
Honorable Mike Machado, Chair, Senate Budget and Fiscal Review Subcommittee No. 4  
Honorable Tom Torlakson, Chair, Senate Appropriations Committee  
Honorable Dave Cox, Vice Chair, Senate Appropriations Committee  
Honorable Roger Niello, Vice Chair, Assembly Budget Committee  
Honorable Mark Leno, Chair, Assembly Appropriations Committee  
Honorable Mimi Walters, Vice Chair, Assembly Appropriations Committee  
Honorable Juan Arambula, Chair, Assembly Budget Subcommittee No. 4  
Ms. Keely Bosler, Consultant, Senate Budget and Fiscal Review Subcommittee No. 4  
Mr. Matt Osterli, Fiscal Consultant, Senate Republican Fiscal Office  
Ms. Maureen Ortiz, Consultant, Senate Appropriations Committee  
Mr. Charles Wright, Consultant, Office of the President Pro Tempore  
Mr. Jerome Encinas, Consultant, Office of Senate Republican Leader Dave Cogdill  
Mr. Joe Stephenshaw, Principal Consultant, Assembly Budget Subcommittee No. 4  
Mr. Allan Cooper, Senior Consultant, Assembly Republican Fiscal Office  
Ms. Julie Salley-Gray, Principal Consultant, Assembly Appropriations Committee  
Mr. George Wiley, Consultant, Office of the Assembly Speaker  
Mr. Todd Jerue, Program Budget Manager, Department of Finance  
Mr. E. Dotson Wilson, Chief Clerk of the Assembly  
Mr. Gregory Schmidt, Secretary of the Senate  
Ms. Diane Boyer-Vine, Legislative Counsel  
Mr. Jason Dickerson, Senior Fiscal & Policy Analyst, Legislative Analyst's Office  
Mr. Chris Kahn, Legislative Secretary, Office of the Governor  
Mr. Michael Pro시오, Chief Deputy Legislative Secretary, Office of the Governor  
Ms. Cynthia Bryant, Deputy Chief of Staff and Director of OPR, Office of the Governor  
Mr. Dan Dunmoyer, Cabinet Secretary, Office of the Governor  
Ms. Janet Coles, Senior Librarian, California State Library