I, Debra Bowen, Secretary of State of the State of California, do hereby certify that the measures included herein will be submitted to the electors of the State of California at the Presidential Primary Election to be held throughout the State on February 5, 2008, and that this supplemental guide has been correctly prepared in accordance with the law.

Witness my hand and the Great Seal of the State in Sacramento, California, this 13th day of December, 2007.
Dear Fellow Voter,

Recently you received the Official Voter Information Guide for the February 5, 2008, Presidential Primary Election. Since that was printed and mailed, four more propositions qualified for the ballot, so my office has created this Supplemental Official Voter Information Guide to help you make informed decisions about these additional measures.

This Supplemental Official Voter Information Guide contains titles and summaries prepared by Attorney General Edmund G. Brown Jr., impartial analyses of the law and potential costs to taxpayers prepared by Legislative Analyst Elizabeth G. Hill, arguments in favor of and against all ballot measures prepared by proponents and opponents, text of the proposed laws proofed by Legislative Counsel Diane F. Boyer-Vine, and other useful information. The printing of the guide was done under the supervision of State Printer Geoff Brandt.

On February 5, 2008, we will have the opportunity to help choose the next President of the United States, as well as decide on measures regarding education, transportation, Indian gaming, and more. Presidential primary elections happen just once every four years, but this one is particularly exciting because it is America's first presidential election since 1952 in which no incumbent president or vice president is running. Your vote can make a real difference in the future of our nation.

Voting is easy, and any registered voter can vote by mail or at a polling place. The last day to request a vote-by-mail ballot is January 29.

There are more ways to participate in the electoral process. You can be a poll worker on Election Day, helping to make voting easier for all eligible voters and protecting ballots until they are counted by elections officials. You can spread the word about voter registration deadlines and voting rights through emails, phone calls, brochures, and posters. You can help educate other voters about the candidates and issues by organizing discussion groups or participating in debates with friends, family, and community leaders.

For more information about how and where to vote, as well as other ways you can participate in the electoral process, call 1-800-345-VOTE or visit www.sos.ca.gov.

It is a wonderful privilege in a democracy to have a choice and the right to voice your opinion. Whether you cast your ballot by mail or at a polling place, I encourage you to take the time to carefully read about each of the seven measures in the two information guides.

Thank you for taking your civic responsibility seriously and making your voice heard!
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WANT TO EARN MONEY AND MAKE A DIFFERENCE?
SERVE AS A POLL WORKER ON ELECTION DAY!

In addition to gaining first-hand experience with the tools of our democracy, poll workers can earn extra money for their valuable service on Election Day.

You can serve as a poll worker if you are:

• A registered voter, or
• A high school student who is:
  • a United States citizen;
  • at least 16 years old at the time you will be serving;
  • a student with a grade point average of at least 2.5; and
  • a student in good standing at a public or private school.

Contact your county elections office, or call 1-800-345-VOTE (8683), for more information on becoming a poll worker.

If you are a state government employee, you can take time off work, without losing pay, to serve as a poll worker if you provide adequate notice to your department and your supervisor approves the request.
CANDIDATE STATEMENT INFORMATION

UNITED STATES PRESIDENTIAL CANDIDATES
For information about the candidates running for the office of United States President, please visit the Secretary of State’s website or call our toll-free Voter Hotline for information to be mailed to you.

www.voterguide.sos.ca.gov
1-800-345-VOTE (8683)

DECLINE-TO-STATE VOTERS
(Voters not affiliated with a political party)

FOR WHOM CAN I VOTE?
If you are registered to vote with a political party, you may only vote at this presidential primary election for the candidates running for office from the party with which you are registered and for and against measures. However, if you did not select a political party when you registered to vote, some of the political parties will allow you to vote for their candidates anyway. If you are not registered with a political party, upon request you can vote a ballot of any political party that has notified the Secretary of State that it will permit decline-to-state registered voters to help nominate their candidates.

The following political parties are allowing voters who are not registered with a political party to request and vote their party’s ballot at the February 5, 2008, Presidential Primary Election:

• American Independent Party
• Democratic Party

You may NOT request more than one party’s ballot. If you do not request a specific ballot, you will be given a nonpartisan ballot containing only the names of candidates for nonpartisan offices and the measures to be voted upon at the February 5, 2008, Presidential Primary Election.

LARGE-PRINT AND AUDIO-CASSETTE VOTER INFORMATION GUIDES

The Secretary of State now provides the Official Voter Information Guide in a large-print format and an audio-cassette version for the visually impaired in English, Spanish, Chinese, Vietnamese, Tagalog, Japanese, and Korean.

To order the large-print or audio-cassette version of the Official Voter Information Guide, please visit our website at: www.sos.ca.gov/elections/elections_vig_altformats.htm or call our toll-free Voter Hotline at 1-800-345-VOTE (8683).
Any registered voter can vote by mail in California. To vote by mail, you must apply to your county elections office for a vote-by-mail ballot at least seven days before Election Day to be eligible to vote by mail in that election. You can use the form on the Sample Ballot booklet you receive in the mail a few weeks before Election Day to apply for a vote-by-mail ballot, or send your request in writing to your county elections office. Your request must include your printed name and the address where you live, the address where you want to receive your vote-by-mail ballot, your signature, and the name and date of the election in which you want to vote by mail.

Once your application is processed by your county elections official, the proper ballot type will be sent to you. After you mark your choices on your vote-by-mail ballot, put it in the official envelope provided by your county elections office and seal it. Place the proper postage on the envelope and sign the outside of the envelope where directed. You may return your voted vote-by-mail ballot by:

1. Mailing it to your county elections office;

2. Returning it in person to any polling place or elections office within your county on Election Day; or

3. Authorizing a legally allowable third party (spouse, child, parent, grandparent, grandchild, brother, sister, or a person residing in the same household as you) to return the ballot on your behalf to any polling place or elections office within your county on Election Day.

In any case, your vote-by-mail ballot must be received by the time polls close at 8:00 p.m. on Election Day. Late-arriving vote-by-mail ballots cannot be counted.

Once your voted vote-by-mail ballot is received by your county elections office, your signature on the vote-by-mail ballot return envelope will be compared to the signature on your voter registration card to determine that you are the authorized voter. To preserve the secrecy of your ballot, the ballot will then be separated from the envelope and the ballot becomes as anonymous and secret as any other ballot.

Apply to be a Permanent Vote-by-Mail Voter

You can even become a permanent vote-by-mail voter and automatically receive your ballot in the mail for every election. Your permanent vote-by-mail status will only end if you do not vote in two consecutive statewide general elections.

Any voter may apply for permanent vote-by-mail voter status (Elections Code § 3201). Vote-by-mail voters are automatically sent a vote-by-mail ballot for every election without having to fill out an application every time. Please contact your county elections office to apply to become a permanent vote-by-mail voter if you wish to receive vote-by-mail ballots for all future elections. To find contact information for your county elections office, go to page 46 of this guide or visit www.sos.ca.gov/elections/elections_d.htm.
This guide contains summary and contact information for four additional state propositions appearing on the February 5, 2008, ballot.

Visit our website at www.sos.ca.gov
QUICK-REFERENCE GUIDE

PRO 94 Referendum on Amendment to Indian Gaming Compact.

SUMMARY

“Yes” Vote approves, and “No” Vote rejects, a law that ratifies an amendment to existing gaming compact between the state and Pechanga Band of Luiseño Mission Indians. Fiscal Impact: Net increase in annual state revenues probably in the tens of millions of dollars, growing over time through 2030.

WHAT YOUR VOTE MEANS

YES A YES vote on this measure means: The Pechanga Band of Luiseño Indians—a tribe that owns a casino in Riverside County with about 2,000 slot machines—could operate up to 7,500 slot machines. The tribe would make increased payments to the state annually through 2030.

NO A NO vote on this measure means: The tribe would be able to continue operating its existing casino, but would not be able to significantly expand its casino operations. The tribe’s current payments to the state would not be affected.

ARGUMENTS

PRO YES on 94, 95, 96, 97 preserves four tribal gaming agreements and protects hundreds of millions of dollars each year they will provide to our state. The agreements increase the percentage of revenues tribes pay to the state, mandate strict new environmental protections, and share revenues with non-gaming tribes.


FOR ADDITIONAL INFORMATION

FOR Coalition to Protect California’s Budget and Economy (800) 827-1267 info@YESforCalifornia.com www.YESforCalifornia.com

AGAINST Californians Against Unfair Deals—No on 94, 95, 96, 97 A coalition of tribes, educators, taxpayers, public safety officials, labor, seniors, environmentalists. (310) 996-2676 www.NoUnfairDeals.com

PRO 95 Referendum on Amendment to Indian Gaming Compact.

SUMMARY

“Yes” Vote approves, and “No” Vote rejects, a law that ratifies an amendment to existing gaming compact between the state and Morongo Band of Mission Indians. Fiscal Impact: Net increase in annual state revenues probably in the tens of millions of dollars, growing over time through 2030.

WHAT YOUR VOTE MEANS

YES A YES vote on this measure means: The Morongo Band of Mission Indians—a tribe that owns a casino in Riverside County with about 2,000 slot machines—could operate up to 7,500 slot machines. The tribe would make increased payments to the state annually through 2030.

NO A NO vote on this measure means: The tribe would be able to continue operating its existing casino, but would not be able to significantly expand its casino operations. The tribe’s current payments to the state would not be affected.

ARGUMENTS

PRO YES on 94, 95, 96, 97 preserves four tribal gaming agreements and protects hundreds of millions of dollars each year they will provide to our state. The agreements increase the percentage of revenues tribes pay to the state, mandate strict new environmental protections, and share revenues with non-gaming tribes.


FOR ADDITIONAL INFORMATION

FOR Coalition to Protect California’s Budget and Economy (800) 827-1267 info@YESforCalifornia.com www.YESforCalifornia.com

AGAINST Californians Against Unfair Deals—No on 94, 95, 96, 97 A coalition of tribes, educators, taxpayers, public safety officials, labor, seniors, environmentalists. (310) 996-2676 www.NoUnfairDeals.com
## Referendum on Amendment to Indian Gaming Compact

### Summaries

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#### Yes Vote Means

**YES** A YES vote on this measure means: The Sycuan Band of the Kumeyaay Nation—a tribe that owns a casino in San Diego County with about 2,000 slot machines—could operate up to 5,000 slot machines. The tribe would make increased payments to the state annually through 2030.

#### No Vote Means

**NO** A NO vote on this measure means: The tribe would be able to continue operating its existing casino, but would not be able to significantly expand its casino operations. The tribe’s current payments to the state would not be affected.

### Arguments

#### Pro

- YES on 94, 95, 96, 97 preserves four tribal gaming agreements and protects hundreds of millions of dollars each year they will provide to our state. The agreements increase the percentage of revenues tribes pay to the state, mandate strict new environmental protections, and share revenues with non-gaming tribes.

#### Con


### For Additional Information

#### For

- Coalition to Protect California’s Budget and Economy
  (800) 827-1267
  info@YESforCalifornia.com
  www.YESforCalifornia.com

#### Against

- Californians Against Unfair Deals—No on 94, 95, 96, 97, A coalition of tribes, educators, taxpayers, public safety officials, labor, seniors, environmentalists.
  (310) 996-2676
  www.NoUnfairDeals.com

## Referendum on Amendment to Indian Gaming Compact

### Summaries

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#### Yes Vote Means

**YES** A YES vote on this measure means: The Agua Caliente Band of Cahuilla Indians—a tribe that owns two casinos in Riverside County with about 2,000 slot machines—could operate up to 5,000 slot machines. The tribe would make increased payments to the state annually through 2030.

#### No Vote Means

**NO** A NO vote on this measure means: The tribe would be able to continue operating its existing casinos, but would not be able to significantly expand its casino operations. The tribe’s current payments to the state would not be affected.

### Arguments

#### Pro

- YES on 94, 95, 96, 97 preserves four tribal gaming agreements and protects hundreds of millions of dollars each year they will provide to our state. The agreements increase the percentage of revenues tribes pay to the state, mandate strict new environmental protections, and share revenues with non-gaming tribes.

#### Con


### For Additional Information

#### For

- Coalition to Protect California’s Budget and Economy
  (800) 827-1267
  info@YESforCalifornia.com
  www.YESforCalifornia.com

#### Against

- Californians Against Unfair Deals—No on 94, 95, 96, 97, A coalition of tribes, educators, taxpayers, public safety officials, labor, seniors, environmentalists.
  (310) 996-2676
  www.NoUnfairDeals.com
VOTER BILL OF RIGHTS

1. You have the right to cast a ballot if you are a valid registered voter.
   A valid registered voter means a United States citizen who is a resident in this state, who is at least 18 years of age and not in prison or on parole for conviction of a felony, and who is registered to vote at his or her current residence address.

2. You have the right to cast a provisional ballot if your name is not listed on the voting rolls.

3. You have the right to cast a ballot if you are present and in line at the polling place prior to the close of the polls.

4. You have the right to cast a secret ballot free from intimidation.

5. You have the right to receive a new ballot if, prior to casting your ballot, you believe you made a mistake.
   If at any time before you finally cast your ballot, you feel you have made a mistake, you have the right to exchange the spoiled ballot for a new ballot. Vote-by-mail voters may also request and receive a new ballot if they return their spoiled ballot to an elections official prior to the closing of the polls on election day.

6. You have the right to receive assistance in casting your ballot, if you are unable to vote without assistance.

7. You have the right to return a completed vote-by-mail ballot to any precinct in the county.

8. You have the right to election materials in another language, if there are sufficient residents in your precinct to warrant production.

9. You have the right to ask questions about election procedures and observe the election process.
   You have the right to ask questions of the precinct board and elections officials regarding election procedures and to receive an answer or be directed to the appropriate official for an answer. However, if persistent questioning disrupts the execution of their duties, the board or election officials may discontinue responding to questions.

10. You have the right to report any illegal or fraudulent activity to a local elections official or to the Secretary of State’s Office.

If you believe you have been denied any of these rights, or you are aware of any election fraud or misconduct, please call the Secretary of State’s confidential toll-free Voter Hotline at 1-800-345-VOTE (8683).

Information on your voter registration affidavit will be used by elections officials to send you official information on the voting process, such as the location of your polling place and the issues and candidates that will appear on the ballot. Commercial use of voter registration information is prohibited by law and is a misdemeanor. Voter information may be provided to a candidate for office, a ballot measure committee, or other person for election, scholarly, journalistic, political, or governmental purposes, as determined by the Secretary of State. Driver’s license and social security numbers, or your signature as shown on your voter registration card, cannot be released for these purposes. If you have any questions about the use of voter information or wish to report suspected misuse of such information, please call the Secretary of State’s Voter Hotline at 1-800-345-VOTE (8683).

Certain voters facing life-threatening situations may qualify for confidential voter status. For more information, please contact the Secretary of State’s Safe at Home program toll-free at 1-877-322-5227 or visit the Secretary of State’s website at www.sos.ca.gov.
WHAT IS AN INITIATIVE?

Often referred to as “direct democracy,” the initiative process is the power of the people to place measures on the ballot. These measures can either create or change statutes (including general obligation bonds) and amend the California Constitution. If the initiative proposes to amend California statute, signatures of registered voters gathered must equal in number to 5% of the votes cast for all candidates for Governor in the most recent gubernatorial election. If the initiative proposes to amend the California Constitution, signatures of registered voters gathered must equal in number to 8% of the votes cast for all candidates for Governor in the most recent gubernatorial election. An initiative requires a simple majority of the public’s vote to be enacted.

WHAT IS A REFERENDUM?

Referendum is the power of the people to approve or reject statutes adopted by the State Legislature. However, referenda cannot be used to approve or reject urgency measures or statutes that call for elections or provide for tax levies or appropriations for current expenses of the state. Voters wishing to block implementation of a legislatively adopted statute must gather signatures of registered voters equal in number to 5% of the votes cast for all candidates for Governor in the most recent gubernatorial election within 90 days of enactment of the bill. Once on the ballot, the law is defeated if voters cast more “no” votes than “yes” votes on the referendum question.

The laws governing referendum qualification differ significantly from those for initiative qualification in the following ways:

- The timeline for collecting referendum signatures is shorter. Referendum proponents have 90 days from when a statute is enacted to get a title and summary from the state Attorney General, be cleared for circulation by the Secretary of State, and to submit petition signatures. Initiative proponents have 150 days for circulation after their petitions receive title and summary and are cleared for circulation.

- A referendum can qualify for the ballot closer to a statewide election than an initiative can. Referenda can qualify for the ballot 31 days before a statewide election, whereas initiatives must qualify 131 days before a statewide election.

Referenda are far more rare than initiatives. Since 1912, 43 referenda have been placed before voters, compared to 327 initiatives.
OFFICIAL TITLE AND SUMMARY

REFERENDUM ON AMENDMENT TO INDIAN GAMING COMPACT.

A “Yes” vote approves and a “No” vote rejects, a law that:

- Ratifies amendment to existing gaming compact between the state and Pechanga Band of Luiseño Mission Indians; amendment would permit tribe to operate 5,500 additional slot machines;
- Omits certain projects from scope of California Environmental Quality Act; amendment provides for Tribal Environmental Impact Report and intergovernmental procedure to address environmental impact;
- Revenue paid by tribe to be deposited into General Fund; tribe would make $42,500,000 annual payment and pay percentage of revenue generated from the additional slot machines to the state.

SUMMARY OF LEGISLATIVE ANALYST’S ESTIMATE OF NET STATE AND LOCAL GOVERNMENT FISCAL IMPACT:

- Net increase in annual state government revenues probably in the tens of millions of dollars, growing over time through 2030.
- For local governments in Riverside County, potential net increase of revenues due to economic growth and potential increased payments from the tribe to offset higher costs.

ANALYSIS BY THE LEGISLATIVE ANALYST

BACKGROUND

This measure relates to the gambling operations of the Pechanga Band of Luiseño Indians, a tribe based near Temecula in Riverside County.

Existing Tribal-State Compact

1999 Compact With the Pechanga Tribe. The State Constitution allows the Governor to negotiate agreements—known as compacts—with Indian tribes. A compact authorizes a tribe to operate casinos with certain slot machines and card games. The Constitution gives the Legislature the power to accept or reject compacts. In 1999, the Governor and 58 tribes, including the Pechanga tribe, reached agreements on casino compacts (known as the “1999 compacts”), and the Legislature passed a law approving them. The U.S. government—which reviews all compacts under federal law—then gave the final approval to these compacts. All of the 1999 compacts contain similar provisions giving tribes exclusive rights to operate certain gambling activities in California. Several tribes have negotiated amendments to their 1999 compacts in recent years. However, for most of the 58 tribes—including the Pechanga tribe—the 1999 compacts remain in effect today.

Pechanga Tribe’s Casino Has About 2,000 Slot Machines. The Pechanga tribe’s lands are in Riverside County near Interstate 15 and the
City of Temecula—just north of the San Diego County line. The location of the tribe’s casino is shown in Figure 1. The Pechanga tribe’s casino facility includes about 2,000 Nevada-style slot machines, the maximum allowed under the tribe’s 1999 compact. In addition, the tribe currently operates over 1,500 other machines (such as bingo-style machines) which are not governed by compacts.

**Pechanga Tribe Now Pays About $29 Million Per Year to the State.** Under federal law, tribes do not pay most state and local taxes. Under the 1999 compacts, however, the Pechanga tribe and other tribes agreed to make annual payments to two state government funds.

- **Revenue Sharing Trust Fund (RSTF).** A tribe’s payments to the RSTF are based on a portion of the slot machines it operates. Currently, the Pechanga tribe pays about $300,000 per year to this fund. The state distributes $1.1 million per year from the RSTF to each of the 71 federally recognized Indian tribes in California that have no casino or a small casino (less than 350 slot machines).

- **Special Distribution Fund (SDF).** A tribe’s payments to the SDF are based on the revenue of its slot machines and the number of the machines that the tribe operated on September 1, 1999. Currently, the Pechanga tribe pays around $28.3 million per year to this fund. (Annual revenues to the fund have been about $130 million.) The state spends moneys from the SDF for purposes related to casino compacts, such as: (1) covering shortfalls in the RSTF, (2) funding programs that assist people with gambling problems, (3) paying costs of state agencies that regulate tribal casinos, and (4) making grants to local governments affected by tribal casinos.

**State Regulates Certain Casino Activities and Payments.** The 1999 compacts give the state certain powers to regulate tribal casinos. State officials may visit casino facilities, inspect casino records, and verify required payments under the compacts. Two entities in state government—the California Gambling Control Commission and the Department of Justice—perform the regulatory duties described in the compacts. Most of the information and documents received by the state is required to be kept confidential.

**Requirements to Address Environmental Impacts of Casinos.** The California Environmental Quality Act (CEQA) requires state and local governments to review significant negative environmental impacts of many projects that they fund or allow to be built. Under CEQA, there is a process to see that these negative impacts are reduced or avoided where feasible. Currently, neither the state nor a tribe is subject to CEQA’s requirements when a casino is built. Casino projects, however, may affect the environment both on tribal lands and outside of tribal lands. Under the 1999 compacts, when tribes build, expand, or renovate casinos, they must prepare a report on the significant negative environmental impacts of the project and offer the public a chance to comment. They must also make a “good faith effort” to reduce or avoid those impacts outside of their reservations.

**Union Status of Casino Employees.** Under the 1999 compacts, tribes agreed to certain requirements in the area of labor relations. Unions that want to organize employees of casinos must be given access to the employees. Both the tribe and the union can express their opinions so long as they do not threaten employees, use force against them, or promise benefits. Before a union can represent employees in negotiations with the tribe, it must win a secret ballot election of the employees. (A few later compacts have a different process for determining union representation.) No union currently represents the Pechanga tribe’s casino employees.

**Current Compact Expires in 2020.** The 1999 compact with the Pechanga tribe expires on December 31, 2020.

**Recent Agreements and Legislation**

**Governor and Tribe Negotiated Compact Amendment in 2006.** In August 2006, the Governor and the Pechanga tribe reached an agreement to change the tribe’s 1999 compact. (This proposed agreement is called the “compact amendment.”) The compact amendment would allow the tribe to expand its gambling operations significantly. It would also require the tribe, among other things, to pay more money to the state. In June 2007, the Governor and the tribe...
also signed a memorandum of agreement (MOA) to take effect at the same time as the compact amendment. The MOA addresses various casino operational issues.

**Legislature Passed Bills Related to the Compact Amendment in 2007.** In June 2007, the Legislature passed Senate Bill 903, which approves the compact amendment with the Pechanga tribe. The Legislature also passed a bill approving MOAs with the Pechanga tribe and three other tribes. The Governor signed the bills in July 2007.

**Compact Approval Measure Put on Hold by This Referendum.** The bill approving the compact amendment with the Pechanga tribe would have taken effect on January 1, 2008. However, this proposition, a referendum on SB 903, qualified for the ballot. As a result, SB 903 was put “on hold,” and the compact amendment and MOA can take effect only if this proposition is approved by voters.

**Proposition**

If approved, this proposition allows SB 903, the compact amendment, and the MOA with the Pechanga tribe to go into effect, subject to approval by the U.S. Department of the Interior. Major provisions of these agreements are summarized in Figure 2 and in the analysis below. If this proposition is rejected, the tribe could continue to operate its casino under the 1999 compact.

**Compact Amendment**

**Number of Nevada-Style Slot Machines Could Increase.** The compact amendment allows the Pechanga tribe to operate up to 7,500 Nevada-style slot machines at its casinos—up from 2,000 under the 1999 compact.

**Increase in Payments to the State.** Under the compact amendment, the Pechanga tribe’s payments to the state would increase significantly. Its payments to the RSTF would increase to $2 million per year—up from the current annual level of about $300,000. The tribe’s annual payments to the SDF—currently around $28 million—would end. For the first time, however, the tribe would make payments to the General Fund, the state’s main operating account. (The General Fund receives about $100 billion each year from all sources, and its funds can be used by the Legislature for any purpose.) The Pechanga tribe’s annual payment to the General Fund would total at least $42.5 million under the compact amendment. In addition to this minimum payment, the tribe

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<td>Nevada-style slot machines allowed</td>
<td>2,000</td>
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<td>Payments to the state</td>
<td>Currently, around $29 million per year to two state funds. No payments to the state General Fund.</td>
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<td>• Tribe must make good faith effort to reduce or avoid significant negative environmental impacts off tribal lands. • State uses funds paid by tribes to make grants to local governments.</td>
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<td>December 31, 2020</td>
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would pay to the General Fund an annual amount equal to 15 percent of the net revenues of the next 3,000 slot machines it adds to its casinos after the compact amendment takes effect. (In general terms, a slot machine’s net revenue is the amount of money that gamblers put in the slot machine minus the money paid out as prizes from the machine.) If the tribe operates more than 5,000 slot machines, it would pay the General Fund an annual amount equal to 25 percent of the net revenues of those additional slot machines.

**Covering Shortfalls in the RSTF.** The compact amendment requires the state to use a part of the tribe’s payments to the General Fund if they are needed to cover shortfalls in the RSTF—the state fund that gives each tribe with no casino or a small casino $1.1 million each year.

**Tribal Payments to State May Decline in Certain Instances.** Under the compact amendment, if the state allows a nontribal entity to operate slot machines or certain card games in nearby areas, the tribe’s required payments to the state would be significantly reduced or eliminated.

**Addressing Environmental Impacts and Increased Costs of Local Services.** The compact amendment expands requirements in the 1999 compact for the Pechanga tribe to address significant environmental impacts of its casinos that occur outside of the tribe’s reservation. Before the tribe builds or expands a casino, it would be required to prepare a draft report on these impacts and offer the public a chance to comment. The tribe then would prepare a final report on environmental impacts—including responses to public comments. Next, the tribe would have to begin negotiating enforceable agreements to address these impacts with (1) Riverside County and (2) any city that includes or is adjacent to the proposed facility (it appears that the City of Temecula would meet this definition). Under these agreements, significant environmental impacts outside of the reservation must be reduced or avoided, where feasible. The agreements also must provide for local governments to receive “reasonable compensation” for increased public service costs due to the casino, such as costs of public safety and gambling addiction programs. The tribe, county, or city can demand binding arbitration in cases where the parties cannot come to an agreement. When an arbitrator reaches a decision, it would become part of the required agreements with the local governments described above.

**Other Provisions.** The compact amendment includes numerous other provisions concerning casino operations. Any parts of the 1999 compact that are unchanged by the amendment (such as the requirements in the area of labor relations) would remain in effect.

**Extends Expiration Date to 2030.** The compact amendment would extend the tribe’s compact by ten years—to December 31, 2030.

**Memorandum of Agreement**

**Various Aspects of Casino Operations Addressed.** The MOA establishes certain requirements for the tribe’s casino operations, including:

- **Independent Audits Required to Be Given to the State.** The 1999 compact requires tribes to have an independent accountant audit casino operations each year. The MOA includes an explicit requirement for the tribe to provide a copy of this audit to state regulators on a confidential basis.

- **Casino Operating Guidelines.** The MOA requires the Pechanga tribe to maintain certain minimum internal control standards (MICS) at its casinos. The MICS are operating guidelines that cover such things as individual games, customer credit, and money handling. Recently, a court ruled that a federal agency has no authority to regulate certain MICS at tribal casinos. The MOA gives state regulators the ability to enforce the Pechanga tribe’s compliance with MICS so long as the federal agency lacks this authority.

- **Problem Gambling Provisions.** The MOA requires the tribe to take several actions to identify and assist problem gamblers.

- **Child and Spousal Support Orders.** The MOA requires the tribe to comply with state court and agency orders to garnish wages of casino employees for child, family, and spousal support payments.

For text of Proposition 94, see page 44.
FISCAL EFFECTS

The fiscal effects of the compact amendment and MOA on the state and local governments would depend on several factors, including:

- The extent to which the tribe expands its casino operations.
- The success of the tribe in (1) attracting more out-of-state visitors and (2) getting Californians to spend more of their “gambling dollars” within the state instead of in Nevada or elsewhere out of state.
- General trends in the California casino industry.
- The extent to which Californians redirect spending from businesses on nontribal lands to businesses—including gambling—on tribal lands.
- The way that tribes, state regulators, the federal government, and the courts interpret the compact amendment and MOA.

The major fiscal effects for the state and local governments are discussed below. The nearby box discusses fiscal issues concerning the other tribal casino measures on this ballot: Propositions 95, 96, and 97.

State and Local Governments

**Increased Payments to the State.** Under the compact amendment, the Pechanga tribe’s payments to the state would increase significantly. Currently, the Pechanga tribe pays around $29 million per year to two state funds. Under the compact amendment, the tribe’s payments to the state would total at least $44.5 million per year. If the tribe adds thousands of Nevada-style slot machines at its casinos, its annual payments to the state eventually would increase by tens of millions of dollars. This could result in a total payment of over $100 million annually by 2030. Virtually all of the new payments would go to the state’s General Fund.

**Decreases in Other State and Local Revenues.** The compact amendment would result in reductions of other revenues received by the state and local governments:

- **Effects on Taxable Economic Activity.** As tribal gambling expands, Californians would...
spend more of their income at tribal facilities, which are exempt from most types of state and local taxes. This means Californians would spend less at other businesses that are subject to state and local taxes—for example, hotel, restaurant, and entertainment businesses off of tribal lands. This would result in reduced tax revenues for the state and local governments.

- **Reduced Gambling-Related Revenues.** The state and local governments currently receive revenues from other forms of gambling—such as the California Lottery, horse racing, and card rooms. Expanded gambling on tribal lands could reduce these other sources of state and local revenues. In addition, as the Pechanga tribe expands its casino operations, it may attract customers who otherwise would go to the casinos of other California tribes. If this occurs, these other tribes would receive fewer revenues from their casinos and could pay less to the state under the terms of their compacts.

- **Less Money in the SDF.** If voters approve this proposition, the Pechanga tribe would stop making payments to the SDF. (Other propositions on this ballot also would reduce payments to the SDF.) Under current law, the first priority use of money in the SDF is to cover shortfalls in the RSTF so that tribes with no casino or a small casino receive a $1.1 million annual payment. If there is still not enough money to cover RSTF shortfalls, the compact amendment requires the state to use a part of the Pechanga tribe’s payment to the General Fund to make up the difference. In addition, other programs (such as grants to local governments) funded by the SDF might need to be reduced and/or paid for from the General Fund.

While these revenue decreases are difficult to estimate, the combined impact would be in the tens of millions of dollars annually.

**Riverside County**

**Local Economic Effects.** Under the compact amendment, the Pechanga tribe may expand its casino operations significantly on its lands near Temecula in Riverside County. The tribe’s expanded customer base would include people coming to Riverside County from other counties or outside the state to gamble and purchase goods and services. This spending would occur both on tribal lands and in surrounding areas. As a result, local governments in Riverside County would likely experience net growth in revenues from increased economic activity. The amount of this growth is unknown.

**Increased Payments to Cover Higher Costs of Local Services.** As casinos expand, surrounding local governments often experience higher costs to provide services, such as for public safety, traffic control, and gambling addiction programs. In certain instances under the compact amendment, the tribe would be required to negotiate with Riverside County and any affected city government to pay for the higher costs of local services and significant environmental impacts.

**Summary of Fiscal Effects**

Currently, the Pechanga tribe pays the state about $29 million per year. If voters approve this proposition and the Pechanga tribe expands its gambling operations significantly, the tribe’s annual payments to the state would increase by tens of millions of dollars, potentially resulting in total payments to the state of well over $100 million annually by 2030. Reductions in taxable economic activity, other gambling-related revenues, and the tribe’s payments to the SDF would partially offset these increased payments. In total, annual state revenues probably would increase by a net amount of tens of millions of dollars, growing over time through 2030.

For local governments in Riverside County, there would likely be a net increase of revenues due to economic growth, and there could be increased payments from the tribe to offset higher service costs.
PROTECT HUNDREDS OF MILLIONS OF DOLLARS EACH YEAR IN OUR STATE BUDGET BY VOTING YES ON PROPS. 94, 95, 96, AND 97.

Under new Indian Gaming Revenue Agreements negotiated by the Governor and approved by bipartisan majorities of the Legislature, the Pechanga Band of Luiseño Indians and three other Southern California tribes will pay a much higher percentage of their gaming revenues to the state. At a time when California faces a budget crisis, these agreements will provide hundreds of millions of dollars in new revenues each year—billions in the years ahead to help pay for public safety, education, and other services.

Your YES vote on Props. 94 through 97 preserves these agreements and protects the new revenues they provide. Voting NO would undo the agreements and force our state to lose billions.

A YES VOTE IS ENDORSED BY A BROAD COALITION, including: • California Fire Chiefs Association • California Statewide Law Enforcement Association • California Association for Local Economic Development • Peace Officers Research Association of California, representing 60,000 police and sheriff officers • Congress of California Seniors • California Indian Tribes and American Indians • California Fire Chiefs Association • CA Chamber of Commerce • California Fire Chiefs Association

OUR STATE FACES A BUDGET CRISIS—VOTING YES PROTECTS FUNDING FOR VITAL STATE SERVICES.

California faces mounting budget deficits. These agreements won’t solve our budget problems, but they provide vitally needed help.

The last thing we need is to cancel these new agreements and put our state billions of dollars further in the hole.

“Voting YES protects billions in new revenues to fund public safety, education, and other vital services.” —Sheldon Gilbert, President, California Fire Chiefs Association

VOTING YES keeps gaming on existing tribal lands in Southern California—WHILE PROVIDING BENEFITS TO OUR ENTIRE STATE.

Props. 94 through 97 will allow the tribes to add slot machines on their existing tribal lands in Riverside and San Diego Counties. In return, the tribes will pay increased revenues from these machines to the state to support services in communities statewide.

VOTING YES AUTHORIZES NEW PROTECTIONS FOR THE ENVIRONMENT, CASINO EMPLOYEES, AND LOCAL COMMUNITIES.

Key provisions in the agreements include: • Increased state regulatory oversight through audits and random inspections. • Strict new environmental standards for casino-related projects. • Binding mitigation agreements that increase coordination between tribes and local governments, including compensation for law enforcement and fire services. • Increased protections for casino workers, including the right to unionize.

VOTING YES BENEFITS CALIFORNIA TRIBES AND OUR ECONOMY.

The agreements will create thousands of new jobs for Indians and non-Indians.

Also, under the new agreements, these tribes will share tens of millions of dollars from their revenues with tribes that have little or no gaming.

“Tribes throughout California support these agreements. They provide the state with much-needed new revenues and provide smaller, non-gaming tribes with funding to help our people become self-reliant and to fund healthcare, education, and other services on our reservations.” —Chairman Raymond Torres, Torres-Martinez Desert Cahuilla Indians

PROTECT OUR STATE BUDGET. PROTECT CALIFORNIA TAXPAYERS. PROTECT VITAL SERVICES.

VOTE YES on 94, 95, 96, and 97.

www.YESforCalifornia.com

GOVERNOR ARNOLD SCHWARZENEGGER

JACK O’CONNELL, California Superintendent of Public Instruction

CHIEF GENE GANTT, Legislative Director California Fire Chiefs Association

The bottom line: The Big 4 gambling deals failed to include the accountability necessary to make good on their promises.

Other tribal-state compacts require easily verified, per slot machine payments to the state, but the Big 4 politically powerful tribes get to pick and choose which slot machines to count. It’s a revenue formula ripe for manipulation.

“They allow the tribes themselves—instead of an independent auditor—to determine the amount of net winnings that would be subject to revenue sharing with the state.” —San Francisco Chronicle

Even the independent Legislative Analyst has called their revenue promises unrealistic.

And the problems don’t stop there . . .

Other compacts give affected communities a 55-day final comment period to ensure the environmental impacts of proposed casino expansions have been addressed. The Big 4 deals do not.

Other compacts make it easier for casino workers to get decent wages and affordable health insurance. The Big 4 deals do not, at great expense to taxpayers. University professors studied one of the Big 4 tribes and found more than half of the children of their casino workers were forced to rely on taxpayer-funded health care. That’s unacceptable.

These are terrible deals for California. They promise 4 wealthy tribes billions in profits, while shortchanging casino workers, our schools, our police and fire departments, other tribes, and our environment.

This is too low a standard to set for future tribal-state compacts. Let’s force the Legislature to do better. Vote NO on 94, 95, 96, 97.

JOHN F. HANLEY, Fire Captain

Fire Fighters Local 798

DOLORES HUERTA, Co-Founder

United Farm Workers

MAURY HANNIGAN, Former Commissioner and Chief Executive Officer California Highway Patrol

PROCEED TO INDIAN GAMING COMPACT.
It’s amazing what millions of dollars in political contributions can get you in Sacramento these days. Just ask four of the wealthiest and most powerful tribes in the state—Pechanga, Morongo, Sycuan, and Agua Caliente.

After wining and dining the Legislature, the Big 4 tribes cut a deal for ONE OF THE LARGEST EXPANSIONS OF CASINO GAMBLING IN U.S. HISTORY—far beyond the modest increase voters were promised. It’s a sweetheart deal for the Big 4 tribes, but a raw deal for other tribes, taxpayers, workers, and the environment.

Fortunately, nearly 3 million referendum signatures were submitted to demand the opportunity voters now have to OVERTURN THESE LEGISLATIVE GIVEAWAYS.

We urge you to take advantage of this hard fought opportunity to VOTE NO on 94, 95, 96, and 97. Ask the tough questions and get the facts.

How much gambling expansion are we talking about? Add up all the slot machines at a dozen big Vegas casinos, including the Bellagio, MGM Grand, Mirage, and Mandalay Bay, and they still wouldn’t total the 17,000 additional slot machines these deals authorize. Pechanga could more than triple their current 2,000 maximum number of slot machines to 7,500. California would become home to some of the largest casinos in the world.

Why do other tribes oppose these deals? Just 4 of California’s 108 tribes would get UNFAIR CONTROL OVER ONE-THIRD OF THE STATE’S INDIAN GAMING PIE, with dominant casinos that could ECONOMICALLY DEVASTATE SMALLER TRIBES.

Who would calculate how much revenue goes to the state? The Big 4 tribes themselves. The deals include an EASILY MANIPULATED REVENUE SHARING FORMULA that lets THE BIG 4 DECIDE WHICH SLOT MACHINES TO COUNT AND HOW MUCH TO PAY THE STATE.

In short: The deals let the Big 4 tribes off the hook for fair revenue sharing with taxpayers.

Why do they promise more education revenues when NOT ONE PENNY OF IT IS GUARANTEED TO OUR SCHOOLS? That’s what the California Federation of Teachers would like to know. They’re opposed to these deals.

Why do labor unions oppose the Big 4 deals? The deals would shower 4 wealthy tribes with billions in profits, but FAIL TO ENSURE THE MOST BASIC RIGHTS FOR CASINO WORKERS, INCLUDING AFFORDABLE HEALTH INSURANCE.

Why didn’t the Big 4 deals include strict environmental protections? Unlike previous compacts with other tribes, the BIG 4 DEALS FAILED TO INCLUDE LANGUAGE THAT TRULY MIRRORS THE CALIFORNIA ENVIRONMENTAL QUALITY ACT to give citizens a meaningful voice on casino expansion projects that threaten our environment.

The Big 4 tribes went to great expense to try to prevent you from having a say on their deals. That’s because they know that their UNFAIR, POLITICAL DEALS will not stand up to voter scrutiny.

Join public safety officials, educators, tribes, taxpayers, labor unions, senior groups, civil rights and environmental organizations, and VOTE NO on 94, 95, 96, and 97. Force them back to the drawing board to come up with a better plan that’s fair to other tribes, taxpayers, and workers.

MARTY HITTELMAN, President
California Federation of Teachers

JOHN A. GOMEZ, JR., President
American Indian Rights and Resources Organization

LENNY GOLDBERG, Executive Director
California Tax Reform Association

The campaign against the Indian Gaming Revenue Agreements (Props. 94, 95, 96, 97) is funded and led by a Las Vegas casino owner and a few gambling interests that don’t want competition. They are making false claims. Here are the facts.

FACT: THE AGREEMENTS INCREASE STATE OVERSIGHT AUTHORITY.

“These agreements contain tough fiscal safeguards—including audits of gaming revenues by state regulators. Props. 94–97 will provide our state with hundreds of millions each year in essential new revenues.” —Alan Wayne Barcelona, President, California Statewide Law Enforcement Association

FACT: GAMING UNDER THESE AGREEMENTS IS LIMITED TO FOUR EXISTING INDIAN RESERVATIONS.

“Props. 94–97 simply allow four tribes in Riverside County and San Diego County to have a limited number of additional slot machines in gaming facilities on their existing lands.” —Carole Goldberg, Professor of Law and Native American Studies

FACT: THE AGREEMENTS BENEFIT TRIBES ACROSS CALIFORNIA.

“The agreements will provide important revenues to tribes with little or no gaming.” —Chairwoman Lynn Valbuena, Tribal Alliance of Sovereign Indian Nations

FACT: THE AGREEMENTS INCREASE ENVIRONMENTAL PROTECTIONS.

“These agreements contain strict new environmental safeguards for tribal gaming projects, including provisions that mirror the California Environmental Quality Act.” —Linda Adams, Secretary, California Environmental Protection Agency

FACT: BILLIONS WILL GO TO PUBLIC SERVICES, INCLUDING EDUCATION.

“Voting YES provides California with billions available for education, children’s health, and many other state services. Voting NO would take away billions, making our budget problems worse.” —Jack O’Connell, California Superintendent of Public Instruction

YES on 94, 95, 96, and 97.

LINDA ADAMS, Secretary
California Environmental Protection Agency

CHIEF GENE GANTT, Legislative Director
California Fire Chiefs Association

ALAN WAYNE BARCELONA, President
California Statewide Law Enforcement Association
REFERENDUM ON AMENDMENT TO INDIAN GAMING COMPACT.

A “Yes” Vote approves, and a “No” Vote rejects, a law that:

- Ratifies amendment to existing gaming compact between the state and Morongo Band of Mission Indians; amendment would permit tribe to operate 5,500 additional slot machines;
- Omits certain projects from scope of California Environmental Quality Act; amendment provides for Tribal Environmental Impact Report and intergovernmental procedure to address environmental impact;
- Revenue paid by tribe to be deposited into General Fund; amendment requires tribe to make $36,700,000 annual payment and pay percentage of revenue generated from additional slot machines to the state.

SUMMARY OF LEGISLATIVE ANALYST’S ESTIMATE OF NET STATE AND LOCAL GOVERNMENT FISCAL IMPACT:

- Net increase in annual state government revenues probably in the tens of millions of dollars, growing over time through 2030.
- For local governments in Riverside County, potential net increase of revenues due to economic growth and potential increased payments from the tribe to offset higher costs.

ANALYSIS BY THE LEGISLATIVE ANALYST

BACKGROUND

This measure relates to the gambling operations of the Morongo Band of Mission Indians, a tribe based near Banning in Riverside County.

Existing Tribal-State Compact

1999 Compact With the Morongo Tribe.

The State Constitution allows the Governor to negotiate agreements—known as compacts—with Indian tribes. A compact authorizes a tribe to operate casinos with certain slot machines and card games. The Constitution gives the Legislature the power to accept or reject compacts. In 1999, the Governor and 58 tribes, including the Morongo tribe, reached agreements on casino compacts (known as the “1999 compacts”), and the Legislature passed a law approving them. The U.S. government—which reviews all compacts under federal law—then gave the final approval to these compacts. All of the 1999 compacts contain similar provisions giving tribes exclusive rights to operate certain gambling activities in California. Several tribes have negotiated amendments to their 1999 compacts in recent years. However, for most of the 58 tribes—including the Morongo tribe—the 1999 compacts remain in effect today.

Figure 1

Locations of Tribes Affected by February 2008 Propositions

Morongo Casino (Proposition 95)
Casinos of tribes affected by Propositions 94, 96, and 97
Map Not To Scale
**Morongo Tribe’s Casino Has About 2,000 Slot Machines.** The Morongo tribe’s lands are in Riverside County near Interstate 10 and the City of Banning—about 15 miles west of Palm Springs. The location of the tribe’s casino is shown in Figure 1. The Morongo tribe’s casino facility includes about 2,000 Nevada-style slot machines, the maximum allowed under the tribe’s 1999 compact. In addition, the tribe currently operates a few hundred other machines (such as bingo-style machines) which are not governed by compacts.

**Morongo Tribe Now Pays About $29 Million Per Year to the State.** Under federal law, tribes do not pay most state and local taxes. Under the 1999 compacts, however, the Morongo tribe and other tribes agreed to make annual payments to two state government funds.

- **Revenue Sharing Trust Fund (RSTF).** A tribe’s payments to the RSTF are based on a portion of the slot machines it operates. The Morongo tribe currently has an obligation of about $20,000 a year to the RSTF. The state distributes $1.1 million per year from the RSTF to each of the 71 federally recognized Indian tribes in California that have no casino or a small casino (less than 350 slot machines).

- **Special Distribution Fund (SDF).** A tribe’s payments to the SDF are based on the revenue of its slot machines and the number of the machines that the tribe operated on September 1, 1999. Currently, the Morongo tribe pays around $29 million per year to this fund. (Annual revenues to the fund have been about $130 million.) The state spends moneys from the SDF for purposes related to casino compacts, such as: (1) covering shortfalls in the RSTF, (2) funding programs that assist people with gambling problems, (3) paying costs of state agencies that regulate tribal casinos, and (4) making grants to local governments affected by tribal casinos.

**State Regulates Certain Casino Activities and Payments.** The 1999 compacts give the state certain powers to regulate tribal casinos. State officials may visit casino facilities, inspect casino records, and verify required payments under the compacts. Two entities in state government—the California Gambling Control Commission and the Department of Justice—perform the regulatory duties described in the compacts. Most of the information and documents received by the state is required to be kept confidential.

**Requirements to Address Environmental Impacts of Casinos.** The California Environmental Quality Act (CEQA) requires state and local governments to review significant negative environmental impacts of many projects that they fund or allow to be built. Under CEQA, there is a process to see that these negative impacts are reduced or avoided where feasible. Currently, neither the state nor a tribe is subject to CEQA’s requirements when a casino is built. Casino projects, however, may affect the environment both on tribal lands and outside of tribal lands. Under the 1999 compacts, when tribes build, expand, or renovate casinos, they must prepare a report on the significant negative environmental impacts of the project and offer the public a chance to comment. They must also make a “good faith effort” to reduce or avoid those impacts outside of their reservations.

**Union Status of Casino Employees.** Under the 1999 compacts, tribes agreed to certain requirements in the area of labor relations. Unions that want to organize employees of casinos must be given access to the employees. Both the tribe and the union can express their opinions so long as they do not threaten employees, use force against them, or promise benefits. Before a union can represent employees in negotiations with the tribe, it must win a secret ballot election of the employees. (A few later compacts have a different process for determining union representation.) No union currently represents the Morongo tribe’s casino employees.

**Current Compact Expires in 2020.** The 1999 compact with the Morongo tribe expires on December 31, 2020.

**Recent Agreements and Legislation**

- **Governor and Tribe Negotiated Compact Amendment in 2006.** In August 2006, the Governor and the Morongo tribe reached an agreement to change the tribe’s 1999 compact. (This proposed agreement is called the “compact
The compact amendment would allow the tribe to expand its gambling operations significantly. It would also require the tribe, among other things, to pay more money to the state. In June 2007, the Governor and the tribe also signed a memorandum of agreement (MOA) to take effect at the same time as the compact amendment. The MOA addresses various casino operational issues.

Legislature Passed Bills Related to the Compact Amendment in 2007. In June 2007, the Legislature passed Senate Bill 174, which approves the compact amendment with the Morongo tribe. The Legislature also passed a bill approving MOAs with the Morongo tribe and three other tribes. The Governor signed the bills in July 2007.

Compact Approval Measure Put on Hold by This Referendum. The bill approving the compact amendment with the Morongo tribe would have taken effect on January 1, 2008. However, this proposition, a referendum on SB 174, qualified for the ballot. As a result, SB 174 was put “on hold,” and the compact amendment and MOA can take effect only if this proposition is approved by voters.

PROPOSAL

If approved, this proposition allows SB 174, the compact amendment, and the MOA with the Morongo tribe to go into effect, subject to approval by the U.S. Department of the Interior. Major provisions of these agreements are summarized in Figure 2 and in the analysis below. If this proposition is rejected, the tribe could continue to operate its casino under the 1999 compact.

Compact Amendment

Number of Nevada-Style Slot Machines Could Increase. The compact amendment allows the Morongo tribe to operate up to 7,500 Nevada-style slot machines at its casinos—up from 2,000 under the 1999 compact.

Tribe Could Own Two Casinos and One Smaller Facility. The compact amendment allows the Morongo tribe to own up to two casinos and one “auxiliary gaming facility” on tribal lands—up from the two casinos allowed under the 1999 compact. The auxiliary facility would have to be a commercial building and could have no more than 25 slot machines.

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**Figure 2**

**Key Facts About Current and Proposed Compacts With Morongo Tribe**

<table>
<thead>
<tr>
<th>Current—Under 1999 Compact</th>
<th>Proposed—If Voters Approve Proposition 95</th>
</tr>
</thead>
<tbody>
<tr>
<td>Casinos allowed on tribal lands in Riverside County</td>
<td>2</td>
</tr>
<tr>
<td>Nevada-style slot machines allowed</td>
<td>2,000</td>
</tr>
<tr>
<td>Payments to the state</td>
<td>Currently, around $29 million per year to two state funds. No payments to the state General Fund.</td>
</tr>
<tr>
<td>Environmental impacts and increased costs of local services</td>
<td>• Tribe must make good faith effort to reduce or avoid significant negative environmental impacts off tribal lands. • State uses funds paid by tribes to make grants to local governments.</td>
</tr>
<tr>
<td>Expiration date</td>
<td>December 31, 2020</td>
</tr>
</tbody>
</table>
**Increase in Payments to the State.** Under the compact amendment, the Morongo tribe’s payments to the state would increase significantly. Its payments to the RSTF would be $2 million per year. The tribe’s annual payments to the SDF—currently around $29 million—would end. For the first time, however, the tribe would make payments to the General Fund, the state’s main operating account. (The General Fund receives about $100 billion each year from all sources, and its funds can be used by the Legislature for any purpose.) The Morongo tribe’s annual payment to the General Fund would total at least $36.7 million under the compact amendment. In addition to this minimum payment, the tribe would pay to the General Fund an annual amount equal to 15 percent of the net revenues of the next 3,000 slot machines it adds to its casinos after the compact amendment takes effect. (In general terms, a slot machine’s net revenue is the amount of money that gamblers put in the slot machine minus the money paid out as prizes from the machine.) If the tribe operates more than 5,000 slot machines, it would pay the General Fund an annual amount equal to 25 percent of the net revenues of those additional slot machines.

**Covering Shortfalls in the RSTF.** The compact amendment requires the state to use a part of the tribe’s payments to the General Fund if they are needed to cover shortfalls in the RSTF—the state fund that gives each tribe with no casino or a small casino $1.1 million each year.

**Tribal Payments to State May Decline in Certain Instances.** Under the compact amendment, if the state allows a nontribal entity to operate slot machines or certain card games in nearby areas, the tribe’s required payments to the state would be significantly reduced or eliminated.

**Addressing Environmental Impacts and Increased Costs of Local Services.** The compact amendment expands requirements in the 1999 compact for the Morongo tribe to address significant environmental impacts of its casinos that occur outside of the tribe’s reservation. Before the tribe builds or expands a casino, it would be required to prepare a draft report on these impacts and offer the public a chance to comment. The tribe would then prepare a final report on environmental impacts—including responses to public comments. Next, the tribe would have to begin negotiating enforceable agreements to address these impacts with (1) Riverside County and (2) any city that includes or is located within one-quarter mile of a proposed facility. Under these agreements, significant environmental impacts outside of the reservation must be reduced or avoided, where feasible. The agreements also must provide for local governments to receive “reasonable compensation” for increased public service costs due to the casino, such as costs of public safety and gambling addiction programs. The tribe, county, or city can demand binding arbitration in cases where the parties cannot come to an agreement. When an arbitrator reaches a decision, it would become part of the required agreements with the local governments described above.

**Other Provisions.** The compact amendment includes numerous other provisions concerning casino operations. Any parts of the 1999 compact that are unchanged by the amendment (such as the requirements in the area of labor relations) would remain in effect.

**Extends Expiration Date to 2030.** The compact amendment would extend the tribe’s compact by ten years—to December 31, 2030.

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- **Independent Audits Required to Be Given to the State.** The 1999 compact requires tribes to have an independent accountant audit casino operations each year. The MOA includes an explicit requirement for the tribe to provide a copy of this audit to state regulators on a confidential basis.

- **Casino Operating Guidelines.** The MOA requires the Morongo tribe to maintain certain minimum internal control standards (MICS) at its casinos. The MICS are operating guidelines that cover such things as individual games, customer credit, and money handling. Recently, a court ruled that a federal agency has no authority to regulate certain MICS at tribal casinos. The MOA gives state regulators the ability to enforce
the Morongo tribe’s compliance with MICS so long as the federal agency lacks this authority.
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• **Child and Spousal Support Orders.** Under the MOA, the tribe agrees to require its casino employees to comply with state court and agency orders to make payments for child, family, and spousal support.

**FISCAL EFFECTS**
The fiscal effects of the compact amendment and MOA on the state and local governments would depend on several factors, including:

• The extent to which the tribe expands its casino operations.
• The success of the tribe in (1) attracting more out-of-state visitors and (2) getting Californians to spend more of their “gambling dollars” within the state instead of in Nevada or elsewhere out of state.
• General trends in the California casino industry.
• The extent to which Californians redirect spending from businesses on nontribal lands to businesses—including gambling—on tribal lands.
• The way that tribes, state regulators, the federal government, and the courts interpret the compact amendment and MOA.

The major fiscal effects for the state and local governments are discussed below. The nearby box discusses fiscal issues concerning the other tribal casino measures on this ballot: Propositions 94, 96, and 97.

**State and Local Governments**

**Increased Payments to the State.** Under the compact amendment, the Morongo tribe’s payments to the state would increase significantly. Currently, the Morongo tribe pays around $29 million per year to two state funds. Under the compact amendment, the tribe’s payments to the state would total at least $38.7 million per year. If the tribe adds thousands of Nevada-style slot machines at its casinos, its annual payments to the state eventually would increase by tens of millions.

**Other Tribal Casino Measures on the Ballot**

*Four Compact Amendments Are on This Ballot.* Three other tribes’ compact amendments are addressed in Propositions 94, 96, and 97. The locations of the tribes’ casinos are shown in Figure 1.

*The Four Measures Would Expand the Industry Significantly.* If voters approve all four of the propositions, California’s casino industry—currently with over 60,000 slot machines at about 58 facilities—probably would expand significantly. Combined, the four measures would allow four Southern California tribes to expand their casinos with up to 17,000 new slot machines. Other tribes also are planning casino expansions.

*State Government Fiscal Effects.* If voters approve the four propositions, overall annual payments from the four tribes to the state would total at least $131 million. As these tribes expand their casinos, they would make additional payments to the state’s General Fund. There would be reductions in other state revenues partially offsetting these increased payments. Our best estimate is that annual state revenues over the next few years would increase by a net amount of less than $200 million. Over the longer run, the net annual increase could be in the low to mid hundreds of millions of dollars, lasting until 2030.

*Local Government Fiscal Effects.* If voters approve the four propositions, there could be the following primary fiscal effects on local governments:

• **Economic Activity.** There could be a significant net increase in economic activity affecting Riverside County (where three of the four tribes are located) and cities near some of the tribes’ casinos.
• **Tribal Payments.** Local governments in Riverside County and San Diego County could receive increased payments from the tribes to offset all or a portion of higher service costs.
of dollars. This could result in a total payment of well over $100 million annually by 2030. Virtually all of the new payments would go to the state’s General Fund.

Decreases in Other State and Local Revenues. The compact amendment would result in reductions of other revenues received by the state and local governments:

- **Effects on Taxable Economic Activity.** As tribal gambling expands, Californians would spend more of their income at tribal facilities, which are exempt from most types of state and local taxes. This means Californians would spend less at other businesses that are subject to state and local taxes—for example, hotel, restaurant, and entertainment businesses off of tribal lands. This would result in reduced tax revenues for the state and local governments.

- **Reduced Gambling-Related Revenues.** The state and local governments currently receive revenues from other forms of gambling—such as the California Lottery, horse racing, and card rooms. Expanded gambling on tribal lands could reduce these other sources of state and local revenues. In addition, as the Morongo tribe expands its casino operations, it may attract customers who otherwise would go to the casinos of other California tribes. If this occurs, these other tribes would receive fewer revenues from their casinos and could pay less to the state under the terms of their compacts.

- **Less Money in the SDF.** If voters approve this proposition, the Morongo tribe would stop making payments to the SDF. (Other propositions on this ballot also would reduce payments to the SDF.) Under current law, the first priority use of money in the SDF is to cover shortfalls in the RSTF so that tribes with no casino or a small casino receive a $1.1 million annual payment. If there is still not enough money to cover RSTF shortfalls, the compact amendment requires the state to use a part of the Morongo tribe’s payment to the General Fund to make up the difference. In addition, other programs (such as grants to local governments) funded by the SDF might need to be reduced and/or paid for from the General Fund.

While these revenue decreases are difficult to estimate, the combined impact would be in the tens of millions of dollars annually.

**Riverside County**

**Local Economic Effects.** Under the compact amendment, the Morongo tribe may expand its casino operations significantly on its lands near Banning in Riverside County. The tribe’s expanded customer base would include people coming to Riverside County from other counties or outside the state to gamble and purchase goods and services. This spending would occur both on tribal lands and in surrounding areas. As a result, local governments in Riverside County would likely experience net growth in revenues from increased economic activity. The amount of this growth is unknown.

**Increased Payments to Cover Higher Costs of Local Services.** As casinos expand, surrounding local governments often experience higher costs to provide services, such as for public safety, traffic control, and gambling addiction programs. In certain instances under the compact amendment, the tribe would be required to negotiate with Riverside County and any affected city government to pay for the higher costs of local services and significant environmental impacts.

**Summary of Fiscal Effects**

Currently, the Morongo tribe pays the state about $29 million per year. If voters approve this proposition and the Morongo tribe expands its gambling operations significantly, the tribe’s annual payments to the state would increase by tens of millions of dollars, potentially resulting in total payments to the state of well over $100 million annually by 2030. Reductions in taxable economic activity, other gambling-related revenues, and the tribe’s payments to the SDF would partially offset these increased payments. In total, annual state revenues probably would increase by a net amount of tens of millions of dollars, growing over time through 2030.

For local governments in Riverside County, there would likely be a net increase of revenues due to economic growth, and there could be increased payments from the tribe to offset higher service costs.

For text of Proposition 95, see page 44.
PROTECT HUNDREDS OF MILLIONS OF DOLLARS EACH YEAR IN OUR STATE BUDGET BY VOTING YES ON PROPS. 94, 95, 96, AND 97.

Under new Indian Gaming Revenue Agreements negotiated by the Governor and approved by bipartisan majorities of the Legislature, the Morongo Band of Mission Indians and three other Southern California tribes will pay a much higher percentage of their gaming revenues to the state.

At a time when California faces a budget crisis, these agreements will provide hundreds of millions of dollars in new revenues each year—billions in the years ahead to help pay for public safety, education, and other services.

Your YES vote on Props. 94, through 97 preserves these agreements and protects the new revenues they provide. Voting NO would undo the agreements and force our state to lose billions.

A YES VOTE IS ENDORSED BY A BROAD COALITION, including: California Fire Chiefs Association, California Statewide Law Enforcement Association, California Association for Local Economic Development, Peace Officers Research Association of California, representing 60,000 police and sheriff officers, Congress of California Seniors, California Indian Tribes, Keep Our State from Bankruptcy Committee, and others.

OUR STATE FACES A BUDGET CRISIS—VOTING YES PROTECTS FUNDING FOR VITAL STATE SERVICES.

California faces mounting budget deficits. These agreements won’t solve our budget problems, but they provide vitally needed help.

The last thing we need is to cancel these new agreements and put our state billions of dollars further in the hole.

"Voting YES protects billions in new revenues to fund public safety, education, and other vital services." —Sheldon Gilbert, President, California Fire Chiefs Association

VOTING YES KEEPS GAMING ON EXISTING TRIBAL LANDS IN SOUTHERN CALIFORNIA—WHILE PROVIDING BENEFITS TO OUR ENTIRE STATE.

Props. 94 through 97 will allow the tribes to add slot machines on their existing tribal lands in Riverside and San Diego Counties. In return, the tribes will pay increased revenues from these machines to the state to support services in communities statewide.

VOTING YES AUTHORIZES NEW PROTECTIONS FOR THE ENVIRONMENT, CASINO EMPLOYEES, AND LOCAL COMMUNITIES.

Key provisions in the agreements include: • Increased state regulatory oversight through audits and random inspections. • Strict new environmental standards for casino-related projects. • Binding mitigation agreements that increase coordination between tribes and local governments, including compensation for law enforcement and fire services. • Increased protections for casino workers, including the right to unionize.

VOTING YES BENEFITS CALIFORNIA TRIBES AND OUR ECONOMY.

The agreements will create thousands of new jobs for Indians and non-Indians.

Also, under the new agreements, these tribes will share tens of millions of dollars from their revenues with tribes that have little or no gaming.

"Tribes throughout California support these agreements. They provide the state with much-needed new revenues and provide smaller, non-gaming tribes with funding to help our people become self-reliant and to fund healthcare, education, and other services on our reservations." —Chairman Raymond Torres, Torres-Martinez Desert Cahuilla Indians

PROTECT OUR STATE BUDGET. PROTECT CALIFORNIA TAXPAYERS. PROTECT VITAL SERVICES.

VOTE YES on 94, 95, 96, and 97. www.YESforCalifornia.com

GOVERNOR ARNOLD SCHWARZENEGGER

JACK O’CONNELL, California Superintendent of Public Instruction

CHIEF GENE GANTT, Legislative Director

Chief Fire Chiefs Association

The bottom line: The Big 4 gambling deals failed to include the accountability necessary to make good on their promises.

Other tribal-state compacts require easily verified, per slot machine payments to the state, but the Big 4 politically powerful tribes get to pick and choose which slot machines to count. It’s a revenue formula ripe for manipulation.

“[They allow the tribes themselves]—instead of an independent auditor—to determine the amount of net winnings that would be subject to revenue sharing with the state.” —San Francisco Chronicle

Even the independent Legislative Analyst has called their revenue promises unrealistic.

And the problems don’t stop there . . .

Other compacts give affected communities a 55-day final comment period to ensure the environmental impacts of proposed casino expansions have been addressed. The Big 4 deals do not.

Other compacts make it easier for casino workers to get decent wages and affordable health insurance. The Big 4 deals do not, at great expense to taxpayers. University professors studied one of the Big 4 tribes and found more than half of the children of their casino workers were forced to rely on taxpayer-funded health care. That’s unacceptable.

These are terrible deals for California. They promise 4 wealthy tribes billions in profits, while shortchanging casino workers, our schools, our police and fire departments, other tribes, and our environment.

This is too low a standard to set for future tribal-state compacts. Let’s force the Legislature to do better. Vote NO on 94, 95, 96, 97.

JACK O’CONNELL, California Superintendent

DOLORES HUERTA, Co-Founder

United Farm Workers

MAURY HANNIGAN, Former Commissioner and Chief Executive Officer

California Highway Patrol
It’s amazing what millions of dollars in political contributions can get you in Sacramento these days. Just ask four of the wealthiest and most powerful tribes in the state—Pechanga, Morongo, Sycuan, and Agua Caliente.

After wining and dining the Legislature, the Big 4 tribes cut a deal for ONE OF THE LARGEST EXPANSIONS OF CASINO GAMBLING IN U.S. HISTORY—far beyond the modest increase voters were promised. A sweetheart deal for the Big 4 tribes, but a raw deal for other tribes, taxpayers, workers, and the environment.

Fortunately, nearly 3 million referendum signatures were submitted to demand the opportunity voters now have to OVERTURN THESE LEGISLATIVE GIVEAWAYS.

We urge you to take advantage of this hard fought opportunity to VOTE NO on 94, 95, 96, and 97. Ask the tough questions. Get the facts.

How much gambling expansion are we talking about? Add up all the slot machines at a dozen big Vegas casinos, including the Bellagio, MGM Grand, Mirage, and Mandalay Bay, and they still wouldn’t total the 17,000 additional slot machines these deals authorize. Morongo could build another casino and more than triple their current 2,000 maximum number of slot machines to 7,500. California would become home to some of the largest casinos in the world.

Why do other tribes oppose these deals? Just 4 of California’s 108 tribes would get UNFAIR CONTROL OVER ONE-THIRD OF THE STATE’S INDIAN GAMING PIE, with dominant casinos that could ECONOMICALLY DEVASTATE SMALLER TRIBES.

Who would calculate how much revenue goes to the state? The Big 4 tribes. The deals include an EASILY MANIPULATED REVENUE SHARING FORMULA that lets THE BIG 4 DECIDE WHICH SLOT MACHINES TO COUNT AND HOW MUCH TO PAY THE STATE.

In short: The deals let the Big 4 off the hook for fair revenue sharing with taxpayers.

Why do they promise more education revenues when NOT ONE PENNY OF IT IS GUARANTEED TO OUR SCHOOLS? That’s what the California Federation of Teachers would like to know. They’re opposed to these deals.

Why do labor unions oppose the Big 4 deals? The deals would shower 4 wealthy tribes with billions in profits, but FAIL TO ENSURE THE MOST BASIC RIGHTS FOR CASINO WORKERS, INCLUDING AFFORDABLE HEALTH INSURANCE.

Why didn’t the Big 4 deals include strict environmental protections? Unlike previous compacts with other tribes, the BIG 4 DEALS FAILED TO INCLUDE LANGUAGE THAT TRULY MIRRORS THE CALIFORNIA ENVIRONMENTAL QUALITY ACT to give citizens a meaningful voice on casino expansion projects that threaten our environment.

The Big 4 tribes went to great expense to try to prevent you from having a say on their deals. That’s because they know that their UNFAIR, POLITICAL DEALS will not stand up to voter scrutiny.

Join public safety officials, educators, tribes, taxpayers, labor unions, senior groups, civil rights and environmental organizations, and VOTE NO on 94, 95, 96, and 97. Force them back to the drawing board to come up with a better plan that’s fair to other tribes, taxpayers, and workers.

MARTY HITTELMAN, President
California Federation of Teachers

JOHN A. GOMEZ, JR., President
American Indian Rights and Resources Organization

LENNY GOLDBERG, Executive Director
California Tax Reform Association

The campaign against the Indian Gaming Revenue Agreements (Props. 94, 95, 96, 97) is funded and led by a Las Vegas casino owner and a few gambling interests that don’t want competition. They are making false claims. Here are the facts:

FACT: THE AGREEMENTS INCREASE STATE OVERSIGHT AUTHORITY.

“These agreements contain tough fiscal safeguards—including audits of gaming revenues by state regulators. Props. 94–97 will provide our state with hundreds of millions each year in essential new revenues.”—Alan Wayne Barcelona, President, California Statewide Law Enforcement Association

FACT: GAMING UNDER THESE AGREEMENTS IS LIMITED TO FOUR EXISTING INDIAN RESERVATIONS.

“Props. 94–97 simply allow four tribes in Riverside County and San Diego County to have a limited number of additional slot machines in gaming facilities on their existing lands.” —Carole Goldberg, Professor of Law and Native American Studies

FACT: THE AGREEMENTS BENEFIT TRIBES ACROSS CALIFORNIA.

“The agreements will provide important revenues to tribes with little or no gaming.”—Chairwoman Lynn Valbuena, Tribal Alliance of Sovereign Indian Nations

FACT: THE AGREEMENTS INCREASE ENVIRONMENTAL PROTECTIONS.

“These agreements contain strict new environmental safeguards for tribal gaming projects, including provisions that mirror the California Environmental Quality Act.”—Linda Adams, Secretary, California Environmental Protection Agency

FACT: BILLIONS WILL GO TO PUBLIC SERVICES, INCLUDING EDUCATION.

“Voting YES provides California with billions available for education, children’s health, and many other state services. Voting NO would take away billions, making our budget problems worse.”—Jack O’Connell, California Superintendent of Public Instruction

YES on 94, 95, 96, and 97.

LINDA ADAMS, Secretary
California Environmental Protection Agency

CHIEF GENE GANTT, Legislative Director
California Fire Chiefs Association

ALAN WAYNE BARCELONA, President
California Statewide Law Enforcement Association

Arguments printed on this page are the opinions of the authors and have not been checked for accuracy by any official agency.
PROPOSITION 96

REFERENDUM ON AMENDMENT TO INDIAN GAMING COMPACT.

OFFICIAL TITLE AND SUMMARY

PREPARED BY THE ATTORNEY GENERAL

REFERENDUM ON AMENDMENT TO INDIAN GAMING COMPACT.

A “Yes” vote approves and a “No” vote rejects, a law that:

- Ratifies amendment to existing gaming compact between state and Sycuan Band of the Kumeyaay Nation; amendment would permit tribe to operate 3,000 additional slot machines;
- Omits certain projects from scope of California Environmental Quality Act; amendment provides for Tribal Environmental Impact Report and intergovernmental procedure to address environmental impact;
- Specifies where revenue paid by tribe pursuant to amendment deposited; amendment requires tribe to make $20,000,000 annual payment and pay percentage of revenue generated from the additional slot machines to the state.

SUMMARY OF LEGISLATIVE ANALYST’S ESTIMATE OF NET STATE AND LOCAL GOVERNMENT FISCAL IMPACT:

- Net increase in annual state government revenues probably in the tens of millions of dollars, growing over time through 2030.
- For local governments in San Diego County, potential net increase of revenues due to economic growth and potential increased payments from the tribe to offset higher costs.

ANALYSIS BY THE LEGISLATIVE ANALYST

BACKGROUND

This measure relates to the gambling operations of the Sycuan Band of the Kumeyaay Nation, a tribe based near El Cajon in San Diego County.

Existing Tribal-State Compact

1999 Compact With the Sycuan Tribe.

The State Constitution allows the Governor to negotiate agreements—known as compacts—with Indian tribes. A compact authorizes a tribe to operate casinos with certain slot machines and card games. The Constitution gives the Legislature the power to accept or reject compacts. In 1999, the Governor and 58 tribes, including the Sycuan tribe, reached agreements on casino compacts (known as the “1999 compacts”), and the Legislature passed a law approving them. The U.S. government—which reviews all compacts under federal law—then gave the final approval to these compacts. All of the 1999 compacts contain similar provisions giving tribes exclusive rights to operate certain gambling activities in California. Several tribes have negotiated amendments to their 1999 compacts in recent years. However, for most of the 58 tribes—including the Sycuan tribe—the 1999 compacts remain in effect today.

Figure 1

Locations of Tribes Affected by February 2008 Propositions

Map Not to Scale
Sycuan Tribe’s Casino Has About 2,000 Slot Machines. The Sycuan tribe’s lands are in San Diego County about 25 miles east of downtown San Diego. The location of the tribe’s casino is shown in Figure 1. The Sycuan tribe’s casino facility includes about 2,000 Nevada-style slot machines, the maximum allowed under the tribe’s 1999 compact. In addition, the tribe currently operates a few hundred other machines (such as bingo-style machines) which are not governed by compacts.

Sycuan Tribe Now Pays About $5 Million Per Year to the State. Under federal law, tribes do not pay most state and local taxes. Under the 1999 compacts, however, the Sycuan tribe and other tribes agreed to make annual payments to two state government funds.

- **Revenue Sharing Trust Fund (RSTF).** A tribe’s payments to the RSTF are based on a portion of the slot machines it operates. Currently, the Sycuan tribe pays about $2.3 million per year to this fund. The state distributes $1.1 million per year from the RSTF to each of the 71 federally recognized Indian tribes in California that have no casino or a small casino (less than 350 slot machines).

- **Special Distribution Fund (SDF).** A tribe’s payments to the SDF are based on the revenue of its slot machines and the number of the machines that the tribe operated on September 1, 1999. Currently, the Sycuan tribe pays around $2.6 million per year to this fund. (Annual revenues to the fund have been about $130 million.) The state spends moneys from the SDF for purposes related to casino compacts, such as: (1) covering shortfalls in the RSTF, (2) funding programs that assist people with gambling problems, (3) paying costs of state agencies that regulate tribal casinos, and (4) making grants to local governments affected by tribal casinos.

State Regulates Certain Casino Activities and Payments. The 1999 compacts give the state certain powers to regulate tribal casinos. State officials may visit casino facilities, inspect casino records, and verify required payments under the compacts. Two entities in state government—the California Gambling Control Commission and the Department of Justice—perform the regulatory duties described in the compacts. Most of the information and documents received by the state is required to be kept confidential.

Requirements to Address Environmental Impacts of Casinos. The California Environmental Quality Act (CEQA) requires state and local governments to review significant negative environmental impacts of many projects that they fund or allow to be built. Under CEQA, there is a process to see that these negative impacts are reduced or avoided where feasible. Currently, neither the state nor a tribe is subject to CEQA’s requirements when a casino is built. Casino projects, however, may affect the environment both on tribal lands and outside of tribal lands. Under the 1999 compacts, when tribes build, expand, or renovate casinos, they must prepare a report on the significant negative environmental impacts of the project and offer the public a chance to comment. They must also make a “good faith effort” to reduce or avoid those impacts outside of their reservations.

Union Status of Casino Employees. Under the 1999 compacts, tribes agreed to certain requirements in the area of labor relations. Unions that want to organize employees of casinos must be given access to the employees. Both the tribe and the union can express their opinions so long as they do not threaten employees, use force against them, or promise benefits. Before a union can represent employees in negotiations with the tribe, it must win a secret ballot election of the employees. (A few later compacts have a different process for determining union representation.) No union currently represents the Sycuan tribe’s casino employees.


Recent Agreements and Legislation

Governor and Tribe Negotiated Compact Amendment in 2006. In August 2006, the Governor and the Sycuan tribe reached an agreement to change the tribe’s 1999 compact.
(This proposed agreement is called the “compact amendment.”) The compact amendment would allow the tribe to expand its gambling operations significantly. It would also require the tribe, among other things, to pay more money to the state. In June 2007, the Governor and the tribe also signed a memorandum of agreement (MOA) to take effect at the same time as the compact amendment. The MOA addresses various casino operational issues.

Legislature Passed Bills Related to the Compact Amendment in 2007. In June 2007, the Legislature passed Senate Bill 175, which approves the compact amendment with the Sycuan tribe. The Legislature also passed a bill approving MOAs with the Sycuan tribe and three other tribes. The Governor signed the bills in July 2007.

Compact Approval Measure Put on Hold by This Referendum. The bill approving the compact amendment with the Sycuan tribe would have taken effect on January 1, 2008. However, this proposition, a referendum on SB 175, qualified for the ballot. As a result, SB 175 was put “on hold,” and the compact amendment and MOA can take effect only if this proposition is approved by voters.

PROPOSAL

If approved, this proposition allows SB 175, the compact amendment, and the MOA with the Sycuan tribe to go into effect, subject to approval by the U.S. Department of the Interior. Major provisions of these agreements are summarized in Figure 2 and in the analysis below. If this proposition is rejected, the tribe could continue to operate its casino under the 1999 compact.

Compact Amendment

Number of Nevada-Style Slot Machines Could Increase. The compact amendment allows the Sycuan tribe to operate up to 5,000 Nevada-style slot machines at its casinos—up from 2,000 under the 1999 compact.

Eligible Locations for Casino Facilities. Under both the 1999 compact and the proposed compact amendment, the Sycuan tribe may operate up to two casinos within the boundaries of its tribal lands. Under the compact amendment, these boundaries may be adjusted in

| Figure 2 |
| Key Facts About Current and Proposed Compacts With Sycuan Tribe |

<table>
<thead>
<tr>
<th>Current—Under 1999 Compact</th>
<th>Proposed—If Voters Approve Proposition 96</th>
</tr>
</thead>
<tbody>
<tr>
<td>Casinos allowed on tribal lands in San Diego County</td>
<td>2</td>
</tr>
<tr>
<td>Nevada-style slot machines allowed</td>
<td>2,000</td>
</tr>
<tr>
<td>Payments to the state</td>
<td>Currently, around $5 million per year to two state funds. No payments to the state General Fund.</td>
</tr>
<tr>
<td>Environmental impacts and increased costs of local services</td>
<td>• Tribe must make good faith effort to reduce or avoid significant negative environmental impacts off tribal lands. • State uses funds paid by tribes to make grants to local governments.</td>
</tr>
<tr>
<td>Expiration date</td>
<td>December 31, 2020</td>
</tr>
</tbody>
</table>
the future to include 1,600 acres adjacent to the tribe’s reservation.

**Increase in Payments to the State.** Under the compact amendment, the Sycuan tribe’s payments to the state would increase significantly. Its payments to the RSTF would increase to $3 million per year—up from the current annual level of about $2.3 million. The tribe’s annual payments to the SDF—currently around $2.6 million—would end. For the first time, however, the tribe would make payments to the General Fund, the state’s main operating account. (The General Fund receives about $100 billion each year from all sources, and its funds can be used by the Legislature for any purpose.) The Sycuan tribe’s annual payment to the General Fund would total at least $20 million under the compact amendment. In addition to this minimum payment, the tribe would pay to the General Fund an annual amount equal to 15 percent of the net revenues of the slot machines it adds to its casinos after the compact amendment takes effect. (In general terms, a slot machine’s net revenue is the amount of money that gamblers put in the slot machine minus the money paid out as prizes from the machine.)

**Covering Shortfalls in the RSTF.** The compact amendment requires the state to use a part of the tribe’s payments to the General Fund if they are needed to cover shortfalls in the RSTF—the state fund that gives each tribe with no casino or a small casino $1.1 million each year.

**Tribal Payments to State May Decline in Certain Instances.** Under the compact amendment, if the state allows a nontribal entity to operate slot machines in nearby areas, the tribe’s required payments to the state would be significantly reduced or eliminated.

**Addressing Environmental Impacts and Increased Costs of Local Services.** The compact amendment expands requirements in the 1999 compact for the Sycuan tribe to address significant environmental impacts of its casinos that occur outside of the tribe’s reservation. Before the tribe builds or expands a casino, it would be required to prepare a draft report on these impacts and offer the public a chance to comment. The tribe then would prepare a final report on environmental impacts—including responses to public comments. Next, the tribe would have to begin negotiating enforceable agreements to address these impacts with (1) San Diego County and (2) any city that includes or is located within one-quarter mile of a proposed facility. Under these agreements, significant environmental impacts outside of the reservation must be reduced or avoided, where feasible. The agreements also must provide for local governments to receive “reasonable compensation” for increased public service costs due to the casino, such as costs of public safety and gambling addiction programs. The tribe, county, or city can demand binding arbitration in cases where the parties cannot come to an agreement. When an arbitrator reaches a decision, it would become part of the required agreements with the local governments described above.

**Other Provisions.** The compact amendment includes numerous other provisions concerning casino operations. Any parts of the 1999 compact that are unchanged by the amendment (such as the requirements in the area of labor relations) would remain in effect.

**Extends Expiration Date to 2030.** The compact amendment would extend the tribe’s compact by ten years—to December 31, 2030.

**Memorandum of Agreement**

**Various Aspects of Casino Operations Addressed.** The MOA establishes certain requirements for the tribe’s casino operations, including:

- **Independent Audits Required to Be Given to the State.** The 1999 compact requires tribes to have an independent accountant audit casino operations each year. The MOA includes an explicit requirement for the tribe to provide a copy of this audit to state regulators on a confidential basis.

- **Casino Operating Guidelines.** The MOA requires the Sycuan tribe to maintain certain minimum internal control standards (MICS) at its casinos. The MICS are operating guidelines that cover such things as individual games, customer credit, and money handling. Recently, a court ruled that a federal agency has no authority to regulate certain MICS at tribal casinos. The MOA gives state regulators the ability to enforce
the Sycuan tribe’s compliance with MICS so long as the federal agency lacks this authority.

- **Problem Gambling Provisions.** The MOA requires the tribe to take several actions to identify and assist problem gamblers.
- **Child and Spousal Support Orders.** Under the MOA, the tribe agrees to require its casino employees to comply with state court and agency orders to make payments for child, family, and spousal support.

**FISCAL EFFECTS**

The fiscal effects of the compact amendment and MOA on the state and local governments would depend on several factors, including:

- The extent to which the tribe expands its casino operations.
- The success of the tribe in (1) attracting more out-of-state visitors and (2) getting Californians to spend more of their “gambling dollars” within the state instead of in Nevada or elsewhere out of state.
- General trends in the California casino industry.
- The extent to which Californians redirect spending from businesses on nontribal lands to businesses—including gambling—on tribal lands.
- The way that tribes, state regulators, the federal government, and the courts interpret the compact amendment and MOA.

The major fiscal effects for the state and local governments are discussed below. The nearby box discusses fiscal issues concerning the other tribal casino measures on this ballot: Propositions 94, 95, and 97.

**State and Local Governments**

*Increased Payments to the State.* Under the compact amendment, the Sycuan tribe’s payments to the state would increase significantly. Currently, the Sycuan tribe pays around $5 million per year to two state funds. Under the compact amendment, the tribe’s payments to the state would total at least $23 million per year. If the tribe significantly expands the number of slot machines at its casinos, its annual payments to the state eventually would increase by tens of millions of dollars. This could result in a total payment of

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**Other Tribal Casino Measures on the Ballot**

*Four Compact Amendments Are on This Ballot.* Three other tribes’ compact amendments are addressed in Propositions 94, 95, and 97. The locations of the tribes’ casinos are shown in Figure 1.

*The Four Measures Would Expand the Industry Significantly.* If voters approve all four of the propositions, California’s casino industry—currently with over 60,000 slot machines at about 58 facilities—probably would expand significantly. Combined, the four measures would allow four Southern California tribes to expand their casinos with up to 17,000 new slot machines. Other tribes also are planning casino expansions.

*State Government Fiscal Effects.* If voters approve the four propositions, overall annual payments from the four tribes to the state would total at least $131 million. As these tribes expand their casinos, they would make additional payments to the state’s General Fund. There would be reductions in other state revenues partially offsetting these increased payments. Our best estimate is that annual state revenues over the next few years would increase by a net amount of less than $200 million. Over the longer run, the net annual increase could be in the low to mid hundreds of millions of dollars, lasting until 2030.

*Local Government Fiscal Effects.* If voters approve the four propositions, there could be the following primary fiscal effects on local governments:

- **Economic Activity.** There could be a significant net increase in economic activity affecting Riverside County (where three of the four tribes are located) and cities near some of the tribes’ casinos.
- **Tribal Payments.** Local governments in Riverside County and San Diego County could receive increased payments from the tribes to offset all or a portion of higher service costs.
well over $50 million annually by 2030. Virtually all of the new payments would go to the state’s General Fund.

**Decreases in Other State and Local Revenues.** The compact amendment would result in reductions of other revenues received by the state and local governments:

- **Effects on Taxable Economic Activity.** As tribal gambling expands, Californians would spend more of their income at tribal facilities, which are exempt from most types of state and local taxes. This means Californians would spend less at other businesses that are subject to state and local taxes—for example, hotel, restaurant, and entertainment businesses off of tribal lands. This would result in reduced tax revenues for the state and local governments.

- **Reduced Gambling-Related Revenues.** The state and local governments currently receive revenues from other forms of gambling—such as the California Lottery, horse racing, and card rooms. Expanded gambling on tribal lands could reduce these other sources of state and local revenues. In addition, as the Sycuan tribe expands its casino operations, it may attract customers who otherwise would go to the casinos of other California tribes. If this occurs, these other tribes would receive fewer revenues from their casinos and could pay less to the state under the terms of their compacts.

- **Less Money in the SDF.** If voters approve this proposition, the Sycuan tribe would stop making payments to the SDF. (Other propositions on this ballot also would reduce payments to the SDF.) Under current law, the first priority use of money in the SDF is to cover shortfalls in the RSTF so that tribes with no casino or a small casino receive a $1.1 million annual payment. If there is still not enough money to cover RSTF shortfalls, the compact amendment requires the state to use a part of the Sycuan tribe’s payment to the General Fund to make up the difference. In addition, other programs (such as grants to local governments) funded by the SDF might need to be reduced and/or paid for from the General Fund.

While these revenue decreases are difficult to estimate, the combined impact would probably be in the low tens of millions of dollars annually.

**San Diego County**

**Local Economic Effects.** Under the compact amendment, the Sycuan tribe may expand its casino operations significantly on its lands near El Cajon in San Diego County. The tribe’s expanded customer base would include people coming to San Diego County from other counties or outside the state to gamble and purchase goods and services. This spending would occur both on tribal lands and in surrounding areas. As a result, local governments in San Diego County would likely experience net growth in revenues from increased economic activity. The amount of this growth is unknown.

**Increased Payments to Cover Higher Costs of Local Services.** As casinos expand, surrounding local governments often experience higher costs to provide services, such as for public safety, traffic control, and gambling addiction programs. In certain instances under the compact amendment, the tribe would be required to negotiate with San Diego County and any affected city government to pay for the higher costs of local services and significant environmental impacts.

**Summary of Fiscal Effects**

Currently, the Sycuan tribe pays the state about $5 million per year. If voters approve this proposition and the Sycuan tribe expands its gambling operations significantly, the tribe’s annual payments to the state could increase by tens of millions of dollars, potentially resulting in total payments to the state of well over $50 million annually by 2030. Reductions in taxable economic activity, other gambling-related revenues, and the tribe’s payments to the SDF would partially offset these increased payments. In total, annual state revenues probably would increase by a net amount of tens of millions of dollars, growing over time through 2030.

For local governments in San Diego County, there would likely be a net increase of revenues due to economic growth, and there could be increased payments from the tribe to offset higher service costs.
PROTECT HUNDREDS OF MILLIONS OF DOLLARS EACH YEAR IN OUR STATE BUDGET BY VOTING YES ON PROPS. 94, 95, 96, AND 97.

Under new Indian Gaming Revenue Agreements negotiated by the Governor and approved by bipartisan majorities of the Legislature, the Sycuan Band of the Kumeyaay Nation and three other Southern California tribes will pay a much higher percentage of their gaming revenues to the state.

At a time when California faces a budget crisis, these agreements will provide hundreds of millions of dollars in new revenues each year—billions in the years ahead to help pay for public safety, education, and other services.

Your YES vote on Props. 94 through 97 preserves these agreements and protects the new revenues they provide. Voting NO would undo the agreements and force our state to lose billions.

A YES VOTE IS ENDORSED BY A BROAD COALITION, including: California Fire Chiefs Association, California Statewide Law Enforcement Association, California Association for Local Economic Development, Peace Officers Research Association of California, representing 60,000 police and sheriff officers, Congress of California Seniors, California Indian Tribes, Joint Chiefs of the California Highway Patrol, San Diego Counties. In return, the tribes will pay increased revenues from these machines to the state to support services in communities statewide.

VOTING YES AUTHORIZES NEW PROTECTIONS FOR THE ENVIRONMENT, CASINO EMPLOYEES, AND LOCAL COMMUNITIES.

Key provisions in the agreements include: • Increased state regulatory oversight through audits and random inspections. • Strict new environmental standards for casino-related projects. • Binding mitigation agreements that increase coordination between tribes and local governments, including compensation for law enforcement and fire services. • Increased protections for casino workers, including the right to unionize.

VOTING YES BENEFITS CALIFORNIA TRIBES AND OUR ECONOMY.

The agreements will create thousands of new jobs for Indians and non-Indians.

Also, under the new agreements, these tribes will share tens of millions of dollars from their revenues with tribes that have little or no gaming.

“Tribes throughout California support these agreements. They provide the state with much-needed new revenues and provide smaller, non-gaming tribes with funding to help our people become self-reliant and to fund healthcare, education, and other services on our reservations.”—Chairman Raymond Torres, Torres-Martinez Desert Cahuilla Indians

PROTECT OUR STATE BUDGET. PROTECT CALIFORNIA TAXPAYERS. PROTECT VITAL SERVICES.

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www.YESforCalifornia.com

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The bottom line: The Big 4 gambling deals failed to include the accountability necessary to make good on their promises.

Other tribal-state compacts require easily verified, per slot machine payments to the state, but the Big 4 politically powerful tribes get to pick and choose which slot machines to count. It’s a revenue formula ripe for manipulation.

“They allow the tribes themselves—instead of an independent auditor—to determine the amount of net winnings that would be subject to revenue sharing with the state.”—San Francisco Chronicle

Even the independent Legislative Analyst has called their revenue promises unrealistic.

And the problems don’t stop there . . .

Other compacts require slot machines be located on reservation lands. Proposition 96 gives Sycuan state permission to operate slots on land not currently part of their reservation.

Other compacts make it easier for casino workers to get decent wages and affordable health insurance. The Big 4 deals do not, at great expense to taxpayers. University professors studied one of the Big 4 tribes and found more than half of the children of their casino workers were forced to rely on taxpayer-funded health care. That’s unacceptable.

These are terrible deals for California. They promise 4 wealthy tribes billions in profits, while shortchanging casino workers, our schools, our police and fire departments, other tribes, and our environment.

This is too low a standard to set for future tribal-state compacts. Let’s force the Legislature to do better. Vote NO on 94, 95, 96, 97.

JOHN F. HANLEY, Fire Captain

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DOLORES HUERTA, Co-Founder

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It's amazing what millions of dollars in political contributions can get you in Sacramento these days. Just ask four of the wealthiest and most powerful tribes in the state—Pechanga, Morongo, Sycuan, and Agua Caliente.

After wining and dining the Legislature, the Big 4 tribes cut a deal for ONE OF THE LARGEST EXPANSIONS OF CASINO GAMBLING IN U.S. HISTORY—far beyond the modest increase voters were promised. It’s a sweetheart deal for the Big 4 tribes, but a raw deal for other tribes, taxpayers, workers, and the environment.

Fortunately, nearly 3 million referendum signatures were submitted to demand the opportunity voters now have to OVERTURN THESE LEGISLATIVE GIVEAWAYS.

We urge you to take advantage of this hard fought opportunity to VOTE NO on 94, 95, 96, and 97. Ask the tough questions and get the facts.

How much gambling expansion are we talking about? Add up all the slot machines at a dozen big Vegas casinos, including the Bellagio, MGM Grand, Mirage, and Mandalay Bay, and they still wouldn’t total the 17,000 additional slot machines these deals authorize. Sycuan could more than double their current 2,000 maximum number of slot machines to 5,000. California would become home to some of the largest casinos in the world.

Why do other tribes oppose these deals? Just 4 of California’s 108 tribes would get UNFAIR CONTROL OVER ONE-THIRD OF THE STATE’S INDIAN GAMING PIE, with dominant casinos that could ECONOMICALLY DEVASTATE SMALLER TRIBES.

Who would calculate how much revenue goes to the state? The Big 4 tribes themselves. The deals include an EASILY MANIPULATED REVENUE SHARING FORMULA that lets THE BIG 4 DECIDE WHICH SLOT MACHINES TO COUNT AND HOW MUCH TO PAY THE STATE.

In short: The deals let the Big 4 tribes off the hook for fair revenue sharing with taxpayers.

Why do they promise more education revenues when NOT ONE PENNY OF IT IS GUARANTEED TO OUR SCHOOLS? That’s what the California Federation of Teachers would like to know. They’re opposed to these deals.

Why do labor unions oppose the Big 4 deals? The deals would shower 4 wealthy tribes with billions in profits, but FAIL TO ENSURE THE MOST BASIC RIGHTS FOR CASINO WORKERS, INCLUDING AFFORDABLE HEALTH INSURANCE.

Why didn’t the Big 4 deals include strict environmental protections? Unlike previous compacts with other tribes, the BIG 4 DEALS FAILED TO INCLUDE LANGUAGE THAT TRULY MIRRORS THE CALIFORNIA ENVIRONMENTAL QUALITY ACT to give citizens a meaningful voice on casino expansion projects that threaten our environment.

The Big 4 tribes went to great expense to try to prevent you from having a say on their deals. That’s because they know that their UNFAIR, POLITICAL DEALS will not stand up to voter scrutiny.

Join public safety officials, educators, tribes, taxpayers, labor unions, senior groups, civil rights and environmental organizations, and VOTE NO on 94, 95, 96, and 97. Force them back to the drawing board to come up with a better plan that’s fair to other tribes, taxpayers, and workers.

MARTY HITTELMAN, President California Federation of Teachers JOHN A. GOMEZ, JR., President American Indian Rights and Resources Organization LENNY GOLDBERG, Executive Director California Tax Reform Association

The campaign against the Indian Gaming Revenue Agreements (Props. 94, 95, 96, 97) is funded and led by a Las Vegas casino owner and a few gambling interests that don’t want competition. They are making false claims. Here are the facts.

FACT: THE AGREEMENTS INCREASE STATE OVERSIGHT AUTHORITY.

“These agreements contain tough fiscal safeguards—including audits of gaming revenues by state regulators. Props. 94–97 will provide our state with hundreds of millions each year in essential new revenues.”—Alan Wayne Barcelona, President, California Statewide Law Enforcement Association

FACT: GAMING UNDER THESE AGREEMENTS IS LIMITED TO FOUR EXISTING INDIAN RESERVATIONS.

“Props. 94–97 simply allow four tribes in Riverside County and San Diego County to have a limited number of additional slot machines in gaming facilities on their existing lands.”—Carole Goldberg, Professor of Law and Native American Studies

FACT: THE AGREEMENTS BENEFIT TRIBES ACROSS CALIFORNIA.

“The agreements will provide important revenues to tribes with little or no gaming.”—Chairwoman Lynn Valbuena, Tribal Alliance of Sovereign Indian Nations

FACT: THE AGREEMENTS INCREASE ENVIRONMENTAL PROTECTIONS.

“These agreements contain strict new environmental safeguards for tribal gaming projects, including provisions that mirror the California Environmental Quality Act.”—Linda Adams, Secretary, California Environmental Protection Agency

FACT: BILLIONS WILL GO TO PUBLIC SERVICES, INCLUDING EDUCATION.

“Voting YES provides California with billions available for education, children’s health, and many other state services. Voting NO would take away billions, making our budget problems worse.”—Jack O’Connell, California Superintendent of Public Instruction

YES on 94, 95, 96, and 97.

LINDA ADAMS, Secretary California Environmental Protection Agency

CHIEF GENE GANTT, Legislative Director California Fire Chiefs Association

ALAN WAYNE BARCELONA, President California Statewide Law Enforcement Association

Arguments printed on this page are the opinions of the authors and have not been checked for accuracy by any official agency.
PROPOSITION 97
REFERENDUM ON AMENDMENT TO INDIAN GAMING COMPACT.

OFFICIAL TITLE AND SUMMARY
PREPARED BY THE ATTORNEY GENERAL

REFERENDUM ON AMENDMENT TO INDIAN GAMING COMPACT.
A “Yes” vote approves, and a “No” vote rejects, a law that:
• Ratifies amendment to existing gaming compact between the state and Agua Caliente Band of Cahuilla Indians; amendment would permit tribe to operate 3,000 additional slot machines;
• Omits certain projects from scope of California Environmental Quality Act; amendment provides for Tribal Environmental Impact Report and intergovernmental procedure to address environmental impact;
• Revenue paid by tribe to be deposited in General Fund; tribe would make $23,400,000 annual payment and pay percentage of revenue generated from the additional slot machines to the state.

SUMMARY OF LEGISLATIVE ANALYST’S ESTIMATE OF NET STATE AND LOCAL GOVERNMENT FISCAL IMPACT:
• Net increase in annual state government revenues probably in the tens of millions of dollars, growing over time through 2030.
• For local governments in Riverside County, potential net increase of revenues due to economic growth and potential increased payments from the tribe to offset higher costs.

ANALYSIS BY THE LEGISLATIVE ANALYST

BACKGROUND
This measure relates to the gambling operations of the Agua Caliente Band of Cahuilla Indians, a tribe based in Palm Springs in Riverside County.

Existing Tribal-State Compact
1999 Compact With the Agua Caliente Tribe.
The State Constitution allows the Governor to negotiate agreements—known as compacts—with Indian tribes. A compact authorizes a tribe to operate casinos with certain slot machines and card games. The Constitution gives the Legislature the power to accept or reject compacts. In 1999, the Governor and 58 tribes, including the Agua Caliente tribe, reached agreements on casino compacts (known as the “1999 compacts”), and the Legislature passed a law approving them. The U.S. government—which reviews all compacts under federal law—then gave the final approval to these compacts. All of the 1999 compacts contain similar provisions giving tribes exclusive rights to operate certain gambling activities in California. Several tribes have negotiated amendments to their 1999 compacts in recent years. However, for most of the 58 tribes—

including the Agua Caliente tribe—the 1999 compacts remain in effect today.

Agua Caliente Tribe’s Casinos Have About 2,000 Slot Machines. The Agua Caliente tribe’s lands include parts of the Cities of Palm Springs, Rancho Mirage, and Cathedral City, as well as

Figure 1
Locations of Tribes Affected by February 2008 Propositions
unincorporated parts of Riverside County near Palm Springs. As shown in Figure 1, the Agua Caliente tribe owns two casinos. The Agua Caliente Casino is located near Rancho Mirage, and the Spa Resort Casino is located in Palm Springs. Combined, the casinos have about 2,000 Nevada-style slot machines, the maximum allowed under the tribe’s 1999 compact.

**Agua Caliente Tribe Now Pays About $13 Million Per Year to the State.** Under federal law, tribes do not pay most state and local taxes. Under the 1999 compacts, however, the Agua Caliente tribe and other tribes agreed to make annual payments to two state government funds.

- **Revenue Sharing Trust Fund (RSTF).** A tribe’s payments to the RSTF are based on a portion of the slot machines it operates. Currently, the Agua Caliente tribe pays over $500,000 per year to this fund. The state distributes $1.1 million per year from the RSTF to each of the 71 federally recognized Indian tribes in California that have no casino or a small casino (less than 350 slot machines).

- **Special Distribution Fund (SDF).** A tribe’s payments to the SDF are based on the revenue of its slot machines and the number of the machines that the tribe operated on September 1, 1999. Currently, the Agua Caliente tribe pays around $12 million per year to this fund. (Annual revenues to the fund have been about $130 million.) The state spends moneys from the SDF for purposes related to casino compacts, such as: (1) covering shortfalls in the RSTF, (2) funding programs that assist people with gambling problems, (3) paying costs of state agencies that regulate tribal casinos, and (4) making grants to local governments affected by tribal casinos.

**State Regulates Certain Casino Activities and Payments.** The 1999 compacts give the state certain powers to regulate tribal casinos. State officials may visit casino facilities, inspect casino records, and verify required payments under the compacts. Two entities in state government—the California Gambling Control Commission and the Department of Justice—perform the regulatory duties described in the compacts. Most of the information and documents received by the state is required to be kept confidential.

**Requirements to Address Environmental Impacts of Casinos.** The California Environmental Quality Act (CEQA) requires state and local governments to review significant negative environmental impacts of many projects that they fund or allow to be built. Under CEQA, there is a process to see that these negative impacts are reduced or avoided where feasible. Currently, neither the state nor a tribe is subject to CEQA’s requirements when a casino is built. Casino projects, however, may affect the environment both on tribal lands and outside of tribal lands. Under the 1999 compacts, when tribes build, expand, or renovate casinos, they must prepare a report on the significant negative environmental impacts of the project and offer the public a chance to comment. They must also make a “good faith effort” to reduce or avoid those impacts outside of their reservations.

**Union Status of Casino Employees.** Under the 1999 compacts, tribes agreed to certain requirements in the area of labor relations. Unions that want to organize employees of casinos must be given access to the employees. Both the tribe and the union can express their opinions so long as they do not threaten employees, use force against them, or promise benefits. Before a union can represent employees in negotiations with the tribe, it must win a secret ballot election of the employees. (A few later compacts have a different process for determining union representation.) No union currently represents the Agua Caliente tribe’s casino employees.

**Current Compact Expires in 2020.** The 1999 compact with the Agua Caliente tribe expires on December 31, 2020.

**Recent Agreements and Legislation**

- **Governor and Tribe Negotiated Compact Amendment in 2006.** In August 2006, the Governor and the Agua Caliente tribe reached an agreement to change the tribe’s 1999 compact.
(This proposed agreement is called the “compact amendment.”) The compact amendment would allow the tribe to expand its gambling operations significantly. It would also require the tribe, among other things, to pay more money to the state. In June 2007, the Governor and the tribe also signed a memorandum of agreement (MOA) to take effect at the same time as the compact amendment. The MOA addresses various casino operational issues.

**Legislature Passed Bills Related to the Compact Amendment in 2007.** In June 2007, the Legislature passed Senate Bill 957, which approves the compact amendment with the Agua Caliente tribe. The Legislature also passed a bill approving MOAs with the Agua Caliente tribe and three other tribes. The Governor signed the bills in July 2007.

**Compact Approval Measure Put on Hold by This Referendum.** The bill approving the compact amendment with the Agua Caliente tribe would have taken effect on January 1, 2008. However, this proposition, a referendum on SB 957, qualified for the ballot. As a result, SB 957 was put “on hold,” and the compact amendment and MOA can take effect only if this proposition is approved by voters.

**PROPOSAL**

If approved, this proposition allows SB 957, the compact amendment, and the MOA with the Agua Caliente tribe to go into effect, subject to approval by the U.S. Department of the Interior. Major provisions of these agreements are summarized in Figure 2 and in the analysis below. If this proposition is rejected, the tribe could continue to operate its casinos under the 1999 compact.

**Compact Amendment**

**Tribe Could Own Up to Three Casinos.** The compact amendment allows the Agua Caliente tribe to own up to three casinos on tribal lands—up from the two casinos allowed under the 1999 compact. The compact amendment requires the tribe to demonstrate local support for a new casino prior to construction.

**Number of Nevada-Style Slot Machines Could Increase.** The compact amendment allows the Agua Caliente tribe to operate up to 5,000 Nevada-style slot machines at its casinos—up from 2,000 under the 1999 compact. No more than 2,000 machines could be located at any one casino.

**Figure 2**

**Key Facts About Current and Proposed Compacts With Agua Caliente Tribe**

<table>
<thead>
<tr>
<th>Current—Under 1999 Compact</th>
<th>Proposed—If Voters Approve Proposition 97</th>
</tr>
</thead>
<tbody>
<tr>
<td>Casinos allowed on tribal lands in Riverside County</td>
<td>2</td>
</tr>
<tr>
<td>Nevada-style slot machines allowed</td>
<td>2,000</td>
</tr>
<tr>
<td>Payments to the state</td>
<td>Currently, around $13 million per year to two state funds. No payments to the state General Fund.</td>
</tr>
<tr>
<td>Environmental impacts and increased costs of local services</td>
<td>• Tribe must make good faith effort to reduce or avoid significant negative environmental impacts off of tribal lands. • State uses funds paid by tribes to make grants to local governments.</td>
</tr>
<tr>
<td>Expiration date</td>
<td>December 31, 2020</td>
</tr>
</tbody>
</table>
Increase in Payments to the State. Under the compact amendment, the Agua Caliente tribe’s payments to the state would increase significantly. Its payments to the RSTF would increase to $2 million per year—up from the current annual level of over $500,000. The tribe’s annual payments to the SDF—currently around $12 million—would end. For the first time, however, the tribe would make payments to the General Fund, the state’s main operating account. (The General Fund receives about $100 billion each year from all sources, and its funds can be used by the Legislature for any purpose.) The Agua Caliente tribe’s annual payment to the General Fund would total at least $23.4 million under the compact amendment. In addition to this minimum payment, the tribe would pay to the General Fund an annual amount equal to 15 percent of the net revenues of the slot machines it adds to its casinos after the compact amendment takes effect. (In general terms, a slot machine’s net revenue is the amount of money that gamblers put in the slot machine minus the money paid out as prizes from the machine.)

Tribal Payments to State May Decline in Certain Instances. Under the compact amendment, if the state allows a nontribal entity to operate slot machines or certain card games in nearby areas, the tribe’s required payments to the state would be significantly reduced or eliminated.

Addressing Environmental Impacts and Increased Costs of Local Services. The compact amendment expands requirements in the 1999 compact for the Agua Caliente tribe to address significant environmental impacts of its casinos that occur outside of the tribe’s reservation. Before the tribe builds or expands a casino, it would be required to prepare a draft report on these impacts and offer the public a chance to comment. The tribe then would prepare a final report on environmental impacts—including responses to public comments. Next, the tribe would have to begin negotiating enforceable agreements to address these impacts with (1) Riverside County and (2) any city where the proposed facility is located. Under these agreements, significant environmental impacts outside of the reservation must be reduced or avoided, where feasible. The agreements also must provide for local governments to receive “reasonable compensation” for increased public service costs due to the casino, such as costs of public safety and gambling addiction programs. The tribe, county, or city can demand binding arbitration in cases where the parties cannot come to an agreement. When an arbitrator reaches a decision, it would become part of the required agreements with the local governments described above.

Other Provisions. The compact amendment includes numerous other provisions concerning casino operations. Any parts of the 1999 compact that are unchanged by the amendment (such as the requirements in the area of labor relations) would remain in effect.

Extends Expiration Date to 2030. The compact amendment would extend the tribe’s compact by ten years—to December 31, 2030.

Memorandum of Agreement Various Aspects of Casino Operations Addressed. The MOA establishes certain requirements for the tribe’s casino operations, including:

- **Independent Audits Required to Be Given to the State.** The 1999 compact requires tribes to have an independent accountant audit casino operations each year. The MOA includes an explicit requirement for the tribe to provide a copy of this audit to state regulators on a confidential basis.

- **Casino Operating Guidelines.** The MOA requires the Agua Caliente tribe to maintain certain minimum internal control standards (MICS) at its casinos. The MICS are operating guidelines that cover such things as individual games, customer credit, and money handling. Recently, a court ruled that a federal agency has no authority to regulate certain MICS at tribal casinos. The MOA gives state regulators the ability to enforce the Agua Caliente tribe’s compliance with MICS so long as the federal agency lacks this authority.

- **Problem Gambling Provisions.** The MOA requires the tribe to take several actions to identify and assist problem gamblers.

- **Child and Spousal Support Orders.** Under the MOA, the tribe agrees to require its casino employees to comply with state court
FISCAL EFFECTS

The fiscal effects of the compact amendment and MOA on the state and local governments would depend on several factors, including:

- The extent to which the tribe expands its casino operations.
- The success of the tribe in (1) attracting more out-of-state visitors and (2) getting Californians to spend more of their “gambling dollars” within the state instead of in Nevada or elsewhere out of state.
- General trends in the California casino industry.
- The extent to which Californians redirect spending from businesses on nontribal lands to businesses—including gambling—on tribal lands.
- The way that tribes, state regulators, the federal government, and the courts interpret the compact amendment and MOA.

The major fiscal effects for the state and local governments are discussed below. The nearby box discusses fiscal issues concerning the other tribal casino measures on this ballot: Propositions 94, 95, and 96.

State and Local Governments

**Increased Payments to the State.** Under the compact amendment, the Agua Caliente tribe’s payments to the state would increase significantly. Currently, the Agua Caliente tribe pays around $13 million per year to two state funds. Under the compact amendment, the tribe’s payments to the state would total at least $25.4 million per year. If the tribe significantly expands the number of slot machines at its casinos, its annual payments to the state eventually would increase by tens of millions of dollars. This could result in a total payment of well over $50 million annually by 2030. Virtually all of the new payments would go to the state’s General Fund.

**Decreases in Other State and Local Revenues.** The compact amendment would result in reductions of other revenues received by the state and local governments:

- **Effects on Taxable Economic Activity.** As tribal gambling expands, Californians would spend more of their income at tribal facilities,
which are exempt from most types of state and local taxes. This means Californians would spend less at other businesses that are subject to state and local taxes—for example, hotel, restaurant, and entertainment businesses off of tribal lands. This would result in reduced tax revenues for the state and local governments.

- **Reduced Gambling-Related Revenues.** The state and local governments currently receive revenues from other forms of gambling—such as the California Lottery, horse racing, and card rooms. Expanded gambling on tribal lands could reduce these other sources of state and local revenues. In addition, as the Agua Caliente tribe expands its casino operations, it may attract customers who otherwise would go to the casinos of other California tribes. If this occurs, these other tribes would receive fewer revenues from their casinos and could pay less to the state under the terms of their compacts.

- **Less Money in the SDF.** If voters approve this proposition, the Agua Caliente tribe would stop making payments to the SDF. (Other propositions on this ballot also would reduce payments to the SDF.) Some programs (such as grants to local governments) funded by the SDF might need to be reduced and/or paid for from the General Fund.

While these revenue decreases are difficult to estimate, the combined impact would probably be in the low tens of millions of dollars annually.

**Riverside County**

**Local Economic Effects.** Under the compact amendment, the Agua Caliente tribe may expand its casino operations significantly on its lands in or near Palm Springs, Rancho Mirage, or Cathedral City in Riverside County. The tribe’s expanded customer base would include people coming to Riverside County from other counties or outside the state to gamble and purchase goods and services. This spending would occur both on tribal lands and in surrounding areas. As a result, local governments in Riverside County would likely experience net growth in revenues from increased economic activity. The amount of this growth is unknown.

**Increased Payments to Cover Higher Costs of Local Services.** As casinos expand, surrounding local governments often experience higher costs to provide services, such as for public safety, traffic control, and gambling addiction programs. In certain instances under the compact amendment, the tribe would be required to negotiate with Riverside County and any affected city government to pay for the higher costs of local services and significant environmental impacts.

**Summary of Fiscal Effects**

Currently, the Agua Caliente tribe pays the state about $13 million per year. If voters approve this proposition and the Agua Caliente tribe expands its gambling operations significantly, the tribe’s annual payments to the state could increase by tens of millions of dollars, potentially resulting in total payments to the state of well over $50 million annually by 2030. Reductions in taxable economic activity, other gambling-related revenues, and the tribe’s payments to the SDF would partially offset these increased payments. In total, annual state revenues probably would increase by a net amount of tens of millions of dollars, growing over time through 2030.

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At a time when California faces a budget crisis, these agreements will provide hundreds of millions of dollars in new revenues each year—billions in the years ahead to help pay for public safety, education, and other services.

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A YES VOTE IS ENDORSED BY A BROAD COALITION, including: • California Fire Chiefs Association • California Statewide Law Enforcement Association • California Association for Local Economic Development • Peace Officers Research Association of California, representing 60,000 police and sheriff officers • Congress of CaliforniaSenators • California Indian Tribes

OUR STATE FACES A BUDGET CRISIS—VOTING YES PROTECTS FUNDING FOR VITAL STATE SERVICES.

California faces mounting budget deficits. These agreements won't solve our budget problems, but they provide vitally needed help.

The last thing we need is to cancel these new agreements and put our state billions of dollars further in the hole.

"Voting YES protects billions in new revenues to fund public safety, education, and other vital services." —Sheldon Gilbert, President, California Fire Chiefs Association

VOTING YES KEEPS GAMING ON EXISTING TRIBAL LANDS IN SOUTHERN CALIFORNIA—WHILE PROVIDING BENEFITS TO OUR ENTIRE STATE.

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"They allow the tribes themselves—instead of an independent auditor—to determine the amount of net winnings that would be subject to revenue sharing with the state." —San Francisco Chronicle

Even the independent Legislative Analyst has called their revenue promises unrealistic.

And the problems don't stop there . . .

Other compacts give affected communities a 55-day final comment period to ensure the environmental impacts of proposed casino expansions have been addressed. The Big 4 deals do not.

Other compacts make it easier for casino workers to get decent wages and affordable health insurance. The Big 4 deals do not, at great expense to taxpayers. University professors studied one of the Big 4 tribes and found more than half of the children of their casino workers were forced to rely on taxpayer-funded health care. That's unacceptable.

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Fortunately, nearly 3 million referendum signatures were submitted to demand the opportunity voters now have to OVERTURN THESE LEGISLATIVE GIVEAWAYS.

We urge you to take advantage of this hard fought opportunity to VOTE NO on 94, 95, 96, and 97. Ask the tough questions and get the facts.

How much gambling expansion are we talking about? Add up all the slot machines at a dozen big Vegas casinos, including the Bellagio, MGM Grand, Mirage, and Mandalay Bay, and they still wouldn’t total the 17,000 additional slot machines these deals authorize. Agua Caliente could have three casinos and more than double their current 2,000 maximum number of slot machines to 5,000. California would become home to some of the largest casinos in the world.

Why do other tribes oppose these deals? Just 4 of California’s 108 tribes would get UNFAIR CONTROL OVER ONE-THIRD OF THE STATE’S INDIAN GAMING PIE, with dominant casinos that could ECONOMICALLY DEVASTATE SMALLER TRIBES.

Who would calculate how much revenue goes to the state? The Big 4 tribes. The deals include an EASILY MANIPULATED REVENUE SHARING FORMULA that lets THE BIG 4 DECIDE WHICH SLOT MACHINES TO COUNT AND HOW MUCH TO PAY THE STATE.

In short: The deals let the Big 4 off the hook for fair revenue sharing with taxpayers.

Why do they promise more education revenues when NOT ONE PENNY IS GUARANTEED TO OUR SCHOOLS? That’s what the California Federation of Teachers would like to know. They’re opposed to these deals.

Why do labor unions oppose the Big 4 deals? The deals would shower 4 wealthy tribes with billions in profits, but FAIL TO ENSURE THE MOST BASIC RIGHTS FOR CASINO WORKERS, INCLUDING AFFORDABLE HEALTH INSURANCE.

Why didn’t the Big 4 deals include strict environmental protections? Unlike previous compacts with other tribes, the BIG 4 DEALS FAILED TO INCLUDE LANGUAGE THAT TRULY MIRRORS THE CALIFORNIA ENVIRONMENTAL QUALITY ACT to give citizens a meaningful voice on casino expansion projects that threaten our environment.

The Big 4 tribes went to great expense to try to prevent you from having a say on their deals. That’s because they know that their UNFAIR, POLITICAL DEALS will not stand up to voter scrutiny.

Join public safety officials, educators, tribes, taxpayers, labor unions, senior groups, civil rights and environmental organizations, and VOTE NO on 94, 95, 96, and 97. Force them back to the drawing board to come up with a better plan that’s fair to other tribes, taxpayers, and workers.

MARTY HITTELMAN, President
California Federation of Teachers
JOHN A. GOMEZ, JR., President
American Indian Rights and Resources Organization
LENNY GOLDBERG, Executive Director
California Tax Reform Association

The campaign against the Indian Gaming Revenue Agreements (Props. 94, 95, 96, 97) is funded and led by a Las Vegas casino owner and a few gambling interests that don’t want competition. They are making false claims. Here are the facts.

FACT: THE AGREEMENTS INCREASE STATE OVERSIGHT AUTHORITY.

“These agreements contain tough fiscal safeguards—including audits of gaming revenues by state regulators. Props. 94–97 will provide our state with hundreds of millions each year in essential new revenues.”—Alan Wayne Barcelona, President, California Statewide Law Enforcement Association

FACT: GAMING UNDER THESE AGREEMENTS IS LIMITED TO FOUR EXISTING INDIAN RESERVATIONS.

“Props. 94–97 simply allow four tribes in Riverside County and San Diego County to have a limited number of additional slot machines in gaming facilities on their existing lands.”—Carole Goldberg, Professor of Law and Native American Studies

FACT: THE AGREEMENTS BENEFIT TRIBES ACROSS CALIFORNIA.

“The agreements will provide important revenues to tribes with little or no gaming.”—Chairwoman Lynn Valbuena, Tribal Alliance of Sovereign Indian Nations

FACT: THE AGREEMENTS INCREASE ENVIRONMENTAL PROTECTIONS.

“These agreements contain strict new environmental safeguards for tribal gaming projects, including provisions that mirror the California Environmental Quality Act.”—Linda Adams, Secretary, California Environmental Protection Agency

FACT: BILLIONS WILL GO TO PUBLIC SERVICES, INCLUDING EDUCATION.

“Voting YES provides California with billions available for education, children’s health, and many other state services. Voting NO would take away billions, making our budget problems worse.”—Jack O’Connell, California Superintendent of Public Instruction

YES on 94, 95, 96, and 97.

LINDA ADAMS, Secretary
California Environmental Protection Agency
CHIEF GENE GANTT, Legislative Director
California Fire Chiefs Association
ALAN WAYNE BARCELONA, President
California Statewide Law Enforcement Association
Proposition 94

This law proposed by Senate Bill 903 of the 2007–2008 Regular Session (Chapter 40, Statutes of 2007) is submitted to the people of California as a referendum in accordance with the provisions of Section 9 of Article II of the California Constitution.

This proposed law adds a section to the Government Code; therefore, new provisions proposed to be added are printed in italic type to indicate that they are new.

Proposed Law

Section 12012.49 is added to the Government Code, to read:


(b) (1) In deference to tribal sovereignty, none of the following shall be deemed a project for purposes of the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code):

(A) The execution of an amendment to the amended tribal-state gaming compact ratified by this section.

(B) The execution of the amended tribal-state gaming compact ratified by this section.

(C) The execution of an intergovernmental agreement between a tribe and a county or city government negotiated pursuant to the express authority of, or as expressly referenced in, the amended tribal-state gaming compact ratified by this section.

(D) The execution of an intergovernmental agreement between a tribe and the California Department of Transportation negotiated pursuant to the express authority of, or as expressly referenced in, the amended tribal-state gaming compact ratified by this section.

(E) The on-reservation impacts of compliance with the terms of the amended tribal-state gaming compact ratified by this section.

(F) The sale of compact assets, as defined in subdivision (a) of Section 63048.6, or the creation of the special purpose trust established pursuant to Section 63048.65.

(2) Except as expressly provided herein, nothing in this subdivision shall be construed to exempt a city, county, or city and county, or the California Department of Transportation, from the requirements of the California Environmental Quality Act.

(c) Revenue contributions made to the state by the tribe pursuant to the amended tribal-state gaming compact ratified by this section shall be deposited in the General Fund.

Proposition 95

This law proposed by Senate Bill 174 of the 2007–2008 Regular Session (Chapter 38, Statutes of 2007) is submitted to the people of California as a referendum in accordance with the provisions of Section 9 of Article II of the California Constitution.

This proposed law adds a section to the Government Code; therefore, new provisions proposed to be added are printed in italic type to indicate that they are new.

Proposed Law

Section 12012.48 is added to the Government Code, to read:


(b) (1) In deference to tribal sovereignty, none of the following shall be deemed a project for purposes of the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code):

(A) The execution of an amendment to the amended tribal-state gaming compact ratified by this section.

(B) The execution of the amended tribal-state gaming compact ratified by this section.

(C) The execution of an intergovernmental agreement between a tribe and a county or city government negotiated pursuant to the express authority of, or as expressly referenced in, the amended tribal-state gaming compact ratified by this section.

(D) The execution of an intergovernmental agreement between a tribe and the California Department of Transportation negotiated pursuant to the express authority of, or as expressly referenced in, the amended tribal-state gaming compact ratified by this section.

(E) The on-reservation impacts of compliance with the terms of the amended tribal-state gaming compact ratified by this section.

(F) The sale of compact assets, as defined in subdivision (a) of Section 63048.6, or the creation of the special purpose trust established pursuant to Section 63048.65.

(2) Except as expressly provided herein, nothing in this subdivision shall be construed to exempt a city, county, or city and county, or the California Department of Transportation, from the requirements of the California Environmental Quality Act.

(c) Revenue contributions made to the state by tribes pursuant to the amended tribal-state gaming compact ratified by this section shall be deposited in the General Fund.
This law proposed by Senate Bill 175 of the 2007–2008 Regular Session (Chapter 39, Statutes of 2007) is submitted to the people of California as a referendum in accordance with the provisions of Section 9 of Article II of the California Constitution.

This proposed law adds a section to the Government Code; therefore, new provisions proposed to be added are printed in italic type to indicate that they are new.

**PROPOSED LAW**

**SECTION 1.** Section 12012.51 is added to the Government Code, to read:

12012.51. (a) The amendment to the tribal-state gaming compact entered into in accordance with the Indian Gaming Regulatory Act of 1988 (18 U.S.C. Sec. 1166 to 1168, incl., and 25 U.S.C. Sec. 2701 et seq.) between the State of California and the Yurok Nation, executed on August 30, 2006, is hereby ratified.

(b) The terms of the amended compact ratified by this section shall apply only to the State of California and the tribe that has signed it, and shall not bind any tribe that is not a signatory to the amended compact. The Legislature acknowledges the right of federally recognized tribes to exercise their sovereignty to negotiate and enter into compacts with the state that are materially different from the amended compact ratified pursuant to subdivision (a).

(c) (1) In deference to tribal sovereignty, none of the following shall be deemed a project for purposes of the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code):

(A) The execution of an amendment to the amended tribal-state gaming compact ratified by this section.

(B) The execution of the amended tribal-state gaming compact ratified by this section.

(C) The execution of an intergovernmental agreement between a tribe and a county or city government negotiated pursuant to the express authority of, or as expressly referenced in, the amended tribal-state gaming compact ratified by this section.

(D) The execution of an intergovernmental agreement between a tribe and the California Department of Transportation negotiated pursuant to the express authority of, or as expressly referenced in, the amended tribal-state gaming compact ratified by this section.

(E) The on-reservation impacts of the terms of the amended tribal-state gaming compact ratified by this section.

(F) The sale of compact assets, as defined in subdivision (a) of Section 63049, or the creation of the special purpose trust established pursuant to Section 63048.65.

(2) Except as expressly provided herein, nothing in this subdivision shall be construed to exempt a city, county, or city and county, or the California Department of Transportation, from the requirements of the California Environmental Quality Act.

(d) Revenue contributions made to the state by the tribe pursuant to the amended tribal-state gaming compact ratified by this section shall be deposited in the General Fund, or as otherwise provided in the amended compact.

**PROPOSED LAW**

**SECTION 1.** Section 12012.46 is added to the Government Code, to read:

12012.46. (a) The amendment to the tribal-state gaming compact entered into in accordance with the Indian Gaming Regulatory Act of 1988 (18 U.S.C. Sec. 1166 to 1168, incl., and 25 U.S.C. Sec. 2701 et seq.) between the State of California and the Agua Caliente Band of Cahuilla Indians, executed on August 8, 2006, is hereby ratified.

(b) (1) In deference to tribal sovereignty, none of the following shall be deemed a project for purposes of the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code):

(A) The execution of an amendment to the amended tribal-state gaming compact ratified by this section.

(B) The execution of the amended tribal-state gaming compact ratified by this section.

(C) The execution of an intergovernmental agreement between a tribe and a county or city government negotiated pursuant to the express authority of, or as expressly referenced in, the amended tribal-state gaming compact ratified by this section.

(D) The execution of an intergovernmental agreement between a tribe and the California Department of Transportation negotiated pursuant to the express authority of, or as expressly referenced in, the amended tribal-state gaming compact ratified by this section.

(E) The on-reservation impacts of compliance with the terms of the amended tribal-state gaming compact ratified by this section.

(F) The sale of compact assets, as defined in subdivision (a) of Section 63048.6, or the creation of the special purpose trust established pursuant to Section 63048.65.

(2) Except as expressly provided herein, nothing in this subdivision shall be construed to exempt a city, county, or city and county, or the California Department of Transportation, from the requirements of the California Environmental Quality Act.

(c) Revenue contributions made to the state by tribes pursuant to the amended tribal-state gaming compact ratified by this section shall be deposited in the General Fund.
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<th>COUNTY ELECTIONS OFFICES</th>
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<td><strong>ALAMEDA COUNTY</strong></td>
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<tr>
<td>1225 Fallon Street, Room G-1</td>
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<tr>
<td>Oakland, CA  94612</td>
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<tr>
<td>(510) 267-8683</td>
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<td><strong>ALPINE COUNTY</strong></td>
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<tr>
<td>99 Water Street</td>
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<tr>
<td>P.O. Box 158</td>
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<tr>
<td>Markleeville, CA  96120</td>
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<tr>
<td>(530) 694-2281</td>
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<tr>
<td><a href="http://www.alpinecountyca.gov">www.alpinecountyca.gov</a></td>
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<tr>
<td><strong>AMADOR COUNTY</strong></td>
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<tr>
<td>810 Court Street</td>
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<tr>
<td>Jackson, CA  95642</td>
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<tr>
<td>(209) 223-6465</td>
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<td><a href="http://www.co.amador.ca.us">www.co.amador.ca.us</a></td>
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<tr>
<td><strong>BUTTE COUNTY</strong></td>
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<tr>
<td>25 County Center Drive, Suite I</td>
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<tr>
<td>Oroville, CA  95965</td>
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<tr>
<td>(530) 538-7761 or (800) 894-7761</td>
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<tr>
<td><a href="http://clerk-recorder.buttecounty.net">http://clerk-recorder.buttecounty.net</a></td>
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<td><strong>CALAVERAS COUNTY</strong></td>
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<tr>
<td>891 Mountain Ranch Road</td>
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<td>(209) 754-6376</td>
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<td><strong>COLUSA COUNTY</strong></td>
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<tr>
<td>546 Jay Street, Suite 200</td>
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<td>(530) 458-0500</td>
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<td><strong>CONTRA COSTA COUNTY</strong></td>
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<tr>
<td>555 Escobar Street</td>
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<td>Martinez, CA  94553</td>
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<tr>
<td>(925) 335-7800</td>
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<td><strong>DEL NORTE COUNTY</strong></td>
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<tr>
<td>981 H Street, Room 160</td>
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<td>Crescent City, CA  95531</td>
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<tr>
<td>(707) 465-0383 or (707) 464-7216</td>
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<td><strong>EL DORADO COUNTY</strong></td>
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<tr>
<td>2850 Fairlane Court</td>
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<tr>
<td>2221 Kern Street</td>
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<td>Fresno, CA  93721</td>
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<td><strong>GLENN COUNTY</strong></td>
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<tr>
<td>516 W. Sycamore Street, 2nd Floor</td>
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<tr>
<td>Willows, CA  95988</td>
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<tr>
<td>(530) 934-6414</td>
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<td><strong>HUMBOLDT COUNTY</strong></td>
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<tr>
<td>3033 S H Street, Room 20</td>
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<tr>
<td>Eureka, CA  95501</td>
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<td>(707) 445-7678 or (707) 445-7481</td>
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<td><strong>IMPERIAL COUNTY</strong></td>
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<tr>
<td>940 West Main Street, Suite 202</td>
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<tr>
<td>El Centro, CA  92243</td>
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<tr>
<td>(760) 482-4226</td>
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<td><strong>INOY COUNTY</strong></td>
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<tr>
<td>168 N. Edwards Street</td>
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<tr>
<td>P.O. Box F</td>
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<tr>
<td>Independence, CA  93526</td>
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<tr>
<td>(760) 878-0224</td>
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<td><strong>KERN COUNTY</strong></td>
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<tr>
<td>1115 Truxtun Avenue</td>
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<tr>
<td>Bakersfield, CA  93301</td>
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<td>(661) 868-3590</td>
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<td><strong>KINGS COUNTY</strong></td>
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<tr>
<td>1400 W. Lacey Blvd.</td>
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<tr>
<td>Hanford, CA  93230</td>
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<tr>
<td>(559) 582-3211 ext. 4401</td>
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<td><strong>LAKE COUNTY</strong></td>
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<tr>
<td>255 N. Forbes Street, Room 209</td>
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<tr>
<td>Lakeport, CA  95453-4748</td>
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<td>(707) 263-2372</td>
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<td><strong>LASSEN COUNTY</strong></td>
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<tr>
<td>220 S. Lassen Street, Suite 5</td>
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<tr>
<td>Susanville, CA  96130</td>
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<tr>
<td>(530) 251-8217</td>
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<tr>
<td><strong>MADERA COUNTY</strong></td>
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<tr>
<td>200 West 4th Street, 1st Floor</td>
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<tr>
<td>Madera, CA  93637</td>
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<td>(559) 675-7720</td>
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<td><strong>MARIN COUNTY</strong></td>
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<tr>
<td>3501 Civic Center Drive, Room 121</td>
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<td>P.O. Box E</td>
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<tr>
<td>San Rafael, CA  94913</td>
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<td>(415) 499-6456</td>
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<td><strong>MARIPOSA COUNTY</strong></td>
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<tr>
<td>4982 10th Street</td>
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<td>Mariposa, CA  95338</td>
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<td><strong>MENDOCINO COUNTY</strong></td>
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<td>501 Low Gap Road, Room 1020</td>
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<td>2222 M Street, Room 14</td>
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<td>204 S. Court Street</td>
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<td>(530) 233-6200</td>
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<td><strong>MONE County</strong></td>
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<tr>
<td>74 School Street, Annex I</td>
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<tr>
<td>P.O. Box 237</td>
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<td>Bridgeport, CA  93517</td>
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<tr>
<td>(760) 932-5537</td>
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<td><a href="http://www.monocounty.ca.gov">www.monocounty.ca.gov</a></td>
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<td><strong>MONTEREY COUNTY</strong></td>
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<tr>
<td>1370-B South Main Street</td>
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<td>P.O. Box 4400</td>
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<tr>
<td>Salinas, CA  93912</td>
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<td>(831) 796-1499</td>
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<td><strong>NAPA COUNTY</strong></td>
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<tr>
<td>900 Coombs Street, Suite 256</td>
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<td>Napa, CA  94559</td>
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<td>(707) 253-4321</td>
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<td><strong>NEVADA COUNTY</strong></td>
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<tr>
<td>950 Maidu Avenue</td>
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<td>Nevada City, CA  95959</td>
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<td>(530) 265-1298</td>
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<td><strong>ORANGE COUNTY</strong></td>
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<tr>
<td>P.O. Box 11298</td>
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<tr>
<td>Santa Ana, CA  92711</td>
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<tr>
<td>(714) 567-7600</td>
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SUPPLEMENTAL

This guide contains information regarding four additional measures that have qualified for the February ballot.

CALIFORNIA PRESIDENTIAL PRIMARY ELECTION

www.voterguide.sos.ca.gov

OFFICIAL VOTER INFORMATION GUIDE

Remember to Vote!
Tuesday, February 5, 2008
Polls are open from 7:00 a.m. to 8:00 p.m.

January 7
First day to apply for a vote-by-mail ballot by mail.

January 22
Last day to register to vote.

January 29
Last day that county elections office will accept any voter’s application for a vote-by-mail ballot.

February 5
Last day to apply for a vote-by-mail ballot in person at the county elections office.

For additional copies of the Voter Information Guide in any of the following languages, please call:

English: 1-800-345-VOTE (8683)
Español/Spanish: 1-800-232-VOTA (8682)
日本語/Japanese: 1-800-339-2865
Việt ngữ/Vietnamese: 1-800-339-8163
Tagalog/Tagalog: 1-800-339-2957
中文/Chinese: 1-800-339-2857
한국어/Korean: 1-866-575-1558
TDD: 1-800-833-8683

In an effort to reduce election costs, the State Legislature has authorized the State and counties to mail only one guide to addresses where more than one voter with the same surname resides. You may obtain additional copies by contacting your county elections office or by calling 1-800-345-VOTE.