



BUTTE COUNTY ADMINISTRATION

25 COUNTY CENTER DRIVE, SUITE 200
OROVILLE, CALIFORNIA 95965-3380
Telephone: (530) 538-7631 Fax: (530) 538-7120

MEMBERS OF THE BOARD

BILL CONNELLY
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C. BRIAN HADDIX
Chief Administrative Officer

January 12, 2009

Indian Gaming Local Community Benefit
Committee Members

RE: Agenda Material for Meeting of January 22, 2009

Honorable Committee Members:

Enclosed you will find an agenda and supporting material for the first meeting of the Indian Gaming Local Community Benefit Committee for the funding cycle of Fiscal Year 2008-2009.

In this first meeting the Committee will be asked to approve the various documents needed to begin this year's grant cycle. Changes in the law governing the program were adopted in September 2008, and those changes have been incorporated into the documentation you will be requested to approve.

At the meeting staff will provide a comprehensive review of the substantive changes in the program and its effect on our local program, but if you have any questions while you are reviewing this information, please do not hesitate to contact me directly at 538-2867. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Marion Reeves", written in a cursive style.

Marion Reeves
Compliance Officer
and Staff to the Indian Gaming
Local Community Benefit Committee

/mr

Enc

County of Butte
Indian Gaming Local Community Benefit Committee
Butte County Board of Supervisors Chambers
25 County Center Drive, Oroville, Ca.
January 22, 2009
4:00 p.m.

Agenda

1. Call to Order
2. Election of Committee Chair and Vice Chair Action by Committee
3. Adoption of Minutes – Adoption of Minutes of September 17, 2007. Action by Committee
4. Consideration of Fiscal Year 2008-2009 Special Distribution Fund Grant Cycle Application Process and Procedures – consideration of the adoption of policies, procedures, forms and other administrative actions necessary to begin the FY 2008-2009 Grant Cycle. Staff Presentation and Action by Committee
5. Public Comment
Comments to the Committee on issues and items not listed on the agenda. Presentations will be limited to five minutes. Please note that pursuant to California state law, the Committee is prohibited from taking action on any item not listed on the agenda.
6. Adjournment

**COUNTY OF BUTTE
INDIAN GAMING LOCAL COMMUNITY BENEFIT COMMITTEE
MEETING OF JANUARY 22, 2009**

AGENDA ITEM NO. 3 – ADOPTION OF MINUTES OF SEPTEMBER 17, 2007.

ACTION REQUESTED – ADOPT MINUTES OF THE MEETING OF SEPTEMBER 17, 2007.

The September 17, 2007, meeting of the Indian Gaming Local Community Benefit Committee was the last Committee meeting held prior to the Governor's announcement that grant funding would be eliminated for the Fiscal Year 2007-2008 grant cycle.

At that meeting the Committee adopted the Annual Report and directed staff to send a letter to the State regarding the Committee's disappointment in the Governor's decision to eliminate the allocation to Counties. No other business was conducted.

The Committee has not met since the September 2007 date, and as a result, the outstanding minutes still need to be adopted. The Committee's clerk has prepared these minutes from the official audio recording of the meeting of September 17, 2007.

County of Butte
Indian Gaming Local Community Benefit Committee
Butte County Board of Supervisors Chambers
25 County Center Drive, Oroville, Ca.
September 17, 2007
2:08 p.m.

Minutes

Call to Order

The Indian Gaming Local Community Benefit Committee was called to order by Chair Connelly at 2:08 p.m.

Committee Members Present: Supervisor Connelly, Supervisor Josiassen, City Councilman Johansson, City Councilman Prouty, City Councilman Howard and Tribal Chairman Archuleta.

Absent: Tribal Chairman Edwards

Administration Staff Present: Compliance Officer Marion Reeves, and Kelly Sloan.

Adoption of Minutes – March 15, 2007 and April 20, 2007

Motion by Supervisor Josiassen and second by City Councilman Johansson to adopt the March 15, 2007 and April 20, 2007 minutes. Motion carried 6-0.

Adoption of Annual Report – Due date of Oct. 1, 2007

Motion by City Councilman Johansson and second by City Councilman Howard to adopt the Annual Report. Motion carried 6-0.

Update on State SDF funds

The committee asked staff to draft a letter to the State regarding the release of SDF funds with signatures from all members of the committee.

Public Comment

No one appeared to make public comment on any items that were not listed on the agenda.

Meeting Adjourned at 2:20 p.m.

**COUNTY OF BUTTE
INDIAN GAMING LOCAL COMMUNITY BENEFIT COMMITTEE
MEETING OF JANUARY 22, 2009**

AGENDA ITEM NO. 4 – CONSIDERATION OF FISCAL YEAR 2008-2009 SPECIAL DISTRIBUTION FUND GRANT CYCLE APPLICATION PROCESS AND PROCEDURES.

ACTIONS REQUESTED:

1. APPROVE BYLAW AMENDMENTS AS RECOMMENDED BY STAFF;
2. APPROVE GRANT CYCLE TIMELINE AS SUBMITTED BY STAFF OR REVISED BY COMMITTEE;
3. APPROVE GRANT APPLICATION FORM AND APPLICATION PROVISIONS AND GUIDELINES AS RECOMMENDED BY STAFF;
4. APPROVE PUBLIC NOTICE AND DIRECT PUBLICATION IN LOCAL AREA NEWSPAPERS.

The Indian Gaming Local Community Benefit Grant Program began in October 2003. The grant program is defined by State law and provides a method for distributing State Indian Gaming Special Distribution Funds through grants to local government agencies impacted by tribal gaming.

Butte County has participated in the program since 2003. Each year following the State's notification of available grant funds, the Butte County Indian Gaming Local Community Benefit Committee (IGLCBC) has met to adopt that grant cycle's timeline, application provisions and guidelines, application form, and any other necessary paperwork to commence the fiscal year's grant cycle.

In 2007 the program did not receive funding and the IGLCBC did not award grants to local government agencies.

On September 30, 2008, AB 158 was chaptered and it revised the IGLCBC program and provided for a \$30 million allocation for grants to local government agencies impacted by tribal gaming. On November 19, 2008, the California State Controller's Office issued a letter notifying each county of the funds available in each Individual Tribal Casino Account that would be available for the grant program.

AB 158 also made other substantive changes to the program including, but not limited to, modifying the composition of the Committee where only one city is located within four miles of a casino, requiring Committees to select only grant applications that mitigate impacts from casinos on local jurisdictions, requiring grants to terminate and funds to revert to the Special

Distribution Fund if the funds are used for purposes unrelated to the grant, and requiring grant funds to be kept in interest-bearing accounts and restricting the use of the interest funds to uses that mitigate impacts from casinos.

The changes in the State law have resulted in the need for modifications to the County's application forms and policies and procedures to incorporate these new requirements.

New grant cycle documents have been prepared to incorporate the new State requirements and are presented for your consideration and adoption. At the meeting staff will address each change individually and review the effect of that change on the County's documentation. At the end of the presentation, staff will ask the Committee to approve documents necessary to begin the new grant cycle. Listed below are each of the documents and the requested actions you will be considering:

1. Bylaw Amendments – the Committee's Bylaws are being amended to provide for a change in Committee composition based on AB 158, and to address additional administrative and editorial changes needed – COMMITTEE ACTION REQUESTED – APPROVE AMENDED BYLAWS.
2. Grant Cycle Timeline – consideration of the proposed grant cycle timeline for the Fiscal Year 2008-2009 program – COMMITTEE ACTION REQUESTED – APPROVE GRANT CYCLE TIMELINE AS SUBMITTED OR REVISED BY COMMITTEE.
3. Grant Application Form and Grant Application Provisions and Guidelines – consideration of a revised Grant Application Form and Grant Application Provisions and Guidelines as submitted by staff to incorporate the changes included in AB158 - COMMITTEE ACTION REQUESTED – APPROVE GRANT APPLICATION FORM AND APPLICATION PROVISIONS AND GUIDELINES.
4. Grant Public Notice – consideration of a public notice of grant availability to be published in local area newspapers – COMMITTEE ACTION REQUESTED – APPROVE PUBLIC NOTICE AND DIRECT PUBLICATION IN LOCAL AREA NEWSPAPERS.

Amended Bylaws

**BYLAWS OF
THE COUNTY OF BUTTE
INDIAN GAMING LOCAL COMMUNITY
BENEFIT COMMITTEE**

**ARTICLE I
AUTHORIZATION**

SECTION 1: Jurisdiction

The County of Butte Indian Gaming Local Community Benefit Committee (“Committee”) serves the geographic and political entity known as the County of Butte (“County”).

SECTION 2: Purpose

The Committee is established pursuant to Paragraph (1) of subsection (b) of Section 12715 of the California Government Code. It is the responsibility of the Committee to facilitate the distribution of appropriations from the Indian Gaming Distribution Fund by selecting those grants from each Individual Tribal Account or County Tribal Casino Account that will be applied toward the support of local government agencies within the County impacted by tribal government gaming.

SECTION 3: Authority

Chapter 7.5 (commencing with Section 12710) of Part 2 of Division 3 of Title 2 of the California Government Code).

SECTION 4: Duration

California Government Code Section 12718 provides that the authority for this Committee (and the Committee’s existence) shall remain in effect only until January 1, ~~2009~~ 2010, and as of that date, the Committee and its authority are dissolved, unless a later enacted state statute that is enacted before January 1, ~~2009~~ 2010, deletes or extends that date.

ARTICLE II MEMBERSHIP

SECTION 1: Appointment and Representation

The Committee shall be composed of five (5) or seven (7) members consisting of the following, or as may be otherwise required by law:

- a. Two (2) representatives from the County, appointed by the County Board of Supervisors, ~~designated by district~~;

- b. Three (3) elected representatives from cities located within four (4) miles of a tribal casino in the County, appointed by the County Board of Supervisors based upon nominations from the City Council(s). In the event that there are no cities within four (4) miles of a tribal casino in the County, other local representatives may be selected upon mutual agreement by the County Board of Supervisors and a majority of the tribes in the County paying into the Indian Gaming Fund;~~and~~ . However, if only one city is within four (4) miles of a tribal casino and that same casino is located entirely within the unincorporated area of that particular county, only one elected representative from that city shall be included on the Indian Gaming Local Community Benefit Committee.

- c. Two (2) representatives selected upon the recommendation of a majority of the tribes paying into the Indian Gaming Special Distribution Fund in the County. If there are no tribes in the County paying into the Indian Gaming Special Distribution Fund, the two representatives may be selected upon the recommendation of the tribes operating casinos in the County.

SECTION 2: Term of Office

Terms of office of the members shall be four (4) years expiring on June 30 of the appropriate years ~~and~~ with subsequent new terms ~~shall~~ beginning July 1 of that year, or until Government Code Sections 12710 through 12718 are repealed, whichever occurs first. The first term of office shall be deemed to commence on July 1, 2004 only for purposes of subsequent appointment of members. (For all other purposes, the first set of committee members commenced their terms on April 27, 2004.)

~~A member whose term of office has expired shall continue to serve in that capacity until a new appointment is made.~~ Committee members may be removed from the Committee at any time by a majority vote of the County Board of Supervisors.

SECTION 3: Election of Chairperson and Vice-Chairperson

A Chairperson and Vice-Chairperson shall be elected annually from the voting members of the Committee at the first meeting of each calendar year by a simple majority of the committee members present. The Vice-Chairperson shall assume the responsibilities of the Chairperson in his/her absence.

SECTION 4: Committee Vacancies

Upon any vacancy within the Committee, appointment of the representative selected to fill the vacancy shall be in the same manner as that used in the original appointment of the departing committee member. A resigning committee member shall submit his/her original written resignation to the Clerk of the Board of Supervisors. The Chairperson is responsible for immediately notifying the Clerk of the Board of Supervisors of any unscheduled vacancies. The Chairperson will provide the Board of Supervisors with written notification of vacancies and the Board of Supervisors will take the necessary action to declare the position vacant and fill the position.

The absence of a committee member from two (2) consecutive meetings of the committee shall be cause for the Chairman of the Committee to contact the committee member to discuss participation in the meetings. Whenever a committee member fails to attend two (2) consecutive meetings or three (3) total meetings in a calendar year, without good cause entered into the minutes, the Committee Chairman shall correspond with the Chairman of the Board of

Supervisors and recommend that the committee member be removed from the Committee.

SECTION 4: Quorum

A quorum shall consist of a minimum of four (4) Committee members. Any action of the Committee shall require affirmative votes of not less than a quorum, except less than a quorum may adjourn a meeting to a specified time and place.

SECTION 5: Voting

Each committee member shall have one (1) vote and shall not have the right to accumulate votes. A majority vote with a quorum in attendance shall be required to take action on a matter before the Committee.

SECTION 6: Committee Staff

Staff from the County of Butte Administrative Office shall serve as administrative staff and the County of Butte County Counsel's office shall serve as legal advisor to the Committee. County staff shall be reimbursed for demonstrated County administrative and legal costs from the aggregate tribal account pursuant to Section 12715(b)(1)(C) of the California Government Code.

ARTICLE III MEETINGS

SECTION 1: Regular Meetings

The Committee shall meet at least twice each year there is a program appropriation to consider grant applications and to award selected grants. The Commission may meet more frequently than twice each year if necessary to conduct its business. Committee meetings shall be held at the Offices of the County of Butte, 25 County Center Drive, Oroville, California. The Committee may choose to meet at a different location provided that proper notices are given as required by law.

SECTION 2: Special Meetings

Special meetings may be called at the discretion of the Chairperson or at the

request of a majority of the members. Committee members must be given ~~at least ten (10) working days~~ advance notice, ~~in writing~~, of all special meetings pursuant to the requirements of the Ralph M. Brown Act (California Government Code Section 54950 et seq.)

SECTION 3: Meeting Announcements

Pursuant to the Ralph M. Brown Act, all meetings of the Committee shall be open to the public and notices of the meeting posted in a location fully accessible to the public no later than seventy-two (72) hours before the meeting.

SECTION 4: Meeting Agendas

Meeting agendas, for all scheduled Committee meetings, shall be transmitted in advance, in writing, to all committee members and other interested persons who have submitted a request in writing. Proposed agenda items shall be submitted, in writing, to the County's administrative staff no later than fourteen (14) days prior to a scheduled meeting. Agendas will be prepared by County staff in cooperation with the Chairperson. Where appropriate and feasible, written backup information material should be submitted concurrently with the proposed agenda items for advance distribution to committee members. There shall be a notation on the agenda for public comments. Agendas shall be mailed to committee members at least five (5) days prior to the next scheduled meeting.

SECTION 5: Meeting Commencement

All Committee meetings will begin at the time stated on the agenda. If there is no quorum at the commencement of the meeting, the meeting will not be conducted. A meeting may be held to discuss views, but no decisions can be made.

SECTION 6: Rules of Order

All meetings will be governed by Robert's Rules of Order, unless otherwise agreed to by the majority of the members present. All meetings of the Committee shall be subject to the Ralph M. Brown Act (California Government Code Section 54950 et seq.).

ARTICLE IV SUBCOMMITTEES

SECTION 1: Establishment and Appointment

Subcommittees may be established and appointed by the Chairperson. The Chairperson, with the concurrence of the Committee, shall appoint the members and the chair of the Subcommittees. Regular, ex officio and non-members may be appointed to the Subcommittee. Only appointed members of the Committee can vote on a decision to be presented to the Committee at large.

SECTION 2: Assignments

The Chairperson will define, in precise terms, the assignment to be completed, providing a definitive time frame for reporting to the Committee. The Subcommittee will be dissolved once the assignment is completed and a report is submitted for consideration to the Committee.

ARTICLE V COMMITTEE RESPONSIBILITIES

SECTION 1: Responsibilities

The Committee shall perform the duties as stated in the California Government Code, Sections 12710 through 12718, as follows:

- a. Select all grants for funding from each Individual Tribal Casino Account or County Tribal Casino Account;
- b. Ensure that the following uses shall be the priorities for the receipt of grant money from Individual Tribal Casino Accounts: law enforcement; fire services; emergency medical services; environmental impacts; water supplies; waste disposal; behavioral; health; planning and adjacent land uses; public health; roads, recreation and youth programs, and child care programs.

- c. Select only grant applications that mitigate impacts from casinos on local jurisdictions and ensure that: 1) if a local jurisdiction uses a grant for any unrelated purpose, the grant shall terminate immediately and any moneys not yet spent shall revert to the Indian Gaming Special Distribution Fund; and 2) if a local jurisdiction approves an expenditure that mitigates an impact from a casino on a local jurisdiction and that also provides other benefits to the local jurisdiction, the grant shall be used to finance only the proportionate share of the expenditure that mitigates the impact from the casino.
- e.d. Establish all application policies and procedures for grants from the Individual Casino Account or County Tribal Casino Account.
- d.e. Assess the eligibility of applications for grants from local jurisdictions, ~~within the County~~, impacted by tribal gaming operations.
- e.f. Determine the appropriate amount for reimbursement, from the aggregate County tribal account, of the demonstrated costs incurred by the County for administering the grant programs.
- f.g. Submit to the State Controller a list of approved projects for funding from Individual Tribal Casino Accounts.
- g.h. Prepare and submit an annual report to the County Board of Supervisors each year detailing the specific projects funded by all grants from the Indian Gaming Special Distribution Fund.

SECTION 2: Additional duties and responsibilities

The Committee shall perform additional duties and responsibilities as specified in County Code and/or state laws.

**ARTICLE VI
STANDARDS OF ETHICS AND CONDUCT**

SECTION 1: Responsibilities of Public Office

Individuals appointed to the Committee are agents of the public and serve for the benefit of the public. They shall uphold and act in accordance with the Constitution of the United States of America, the Constitution of the State of California, the Butte County Code, and other rules, regulations and policies of the County as may be applicable.

SECTION 2: Conflict of Interest Forms

All members and alternates of the Committee shall be required to complete the Conflict of Interest forms, entitled "Statement of Economic Interests for Designated Officials and Employees," Form 700 of the Fair Political Practices Commission ("FPPC"), in accordance with the requirements of the FPPC.

**ARTICLE VII
ADOPTION OF BYLAWS**

SECTION 1: Adoption of Bylaws

The proposed Bylaws shall be circulated to the Committee, in writing, at least seven (7) days in advance of the meeting at which a vote may be called.

SECTION 2: Required Vote for Adoption

The Bylaws of the Committee shall be adopted if approved by a majority of the voting committee members and approved by the Board of Supervisors.

**ARTICLE VIII
AMENDMENT OF BYLAWS**

SECTION 1: Proposed Amendments

Proposed Bylaw amendments shall be circulated to the Committee, in writing, at least seven (7) days in advance of the meeting at which a vote may be called.

SECTION 2: Required Vote for Adoption of Amendments

The Bylaws of the Committee may be amended if approved by a majority of the voting committee members and approved by the Board of Supervisors.

ARTICLE IX SEVERABILITY AND INVALIDITY

If any provision of these Bylaws, or any Amendment thereto is found to be invalid, void or unenforceable by any court of competent jurisdiction, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way, and shall be in effect only to the extent that it is in contravention of applicable laws without invalidating the remaining provisions.

Proposed Grant Cycle Timeline

County of Butte
Indian Gaming Local Community Benefit Committee
2008-2009 Special Distribution Fund Grant Program

DRAFT GRANT CYCLE TIMELINE

<u>MEETING</u> to Begin 2008-2009 Grant Cycle	<u>1/22/09</u>
Application Period Opens	<u>1/23/09</u>
Application Advertisement to Appear in Papers	<u>1/28-29/09</u>
Grant Application Period Closes	<u>2/20/09</u>
<u>MEETING</u> for Initial Grant Application Review	<u>3/11/09</u>
Approved Grant Applications Submitted to Tribes	<u>3/13/09</u>
Tribes Sponsored Applications Due to Administration	<u>3/27/09</u>
<u>MEETING</u> to Consider Funding of Sponsored Applications	<u>4/16/09</u>
Deadline for List of Funded Applications to State Controller	<u>5/15/09</u>
State Controller to Release Funds to Recipients	<u>Upon Receipt</u>
Deadline for Applicants to submit Annual Report Information to Administration.	<u>8/21/09</u>
<u>MEETING</u> to Adopt Annual Report	<u>9/17/09</u>
Deadline for Annual Report to be Submitted to State	<u>10/1/09</u>

Grant Application Form

COUNTY OF BUTTE INDIAN GAMING LOCAL COMMUNITY BENEFIT COMMITTEE INDIAN GAMING SPECIAL DISTRIBUTION FUND GRANT APPLICATION

UPON COMPLETION RETURN TO: COUNTY OF BUTTE ADMINISTRATIVE OFFICE 25 County Center Drive Oroville, CA 95965 (530) 538-7631	Office Use Only <i>Date Stamp</i>
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APPLICANT INFORMATION

Applicants may be required to appear before the committee regarding this application. Advance written notice of the date and time of the meeting at which you shall appear will be forwarded to the contact person as outlined below.

NAME OF JURISDICTION:		CONTACT PERSON:	
LEGAL ADDRESS OF JURISDICTION:		CITY:	ZIP CODE:
PHONE:	FAX:	E-MAIL:	FEDERAL TAX ID NUMBER:

Impacts for which funding is sought are associated with which casino(s)? _____

TYPE OF GRANT FOR WHICH YOU ARE APPLYING:

<input type="checkbox"/> NEXUS GRANT: <i>Must meet at least two of the Nexus Criteria. These grants are available to <u>Cities and Counties only.</u></i>
Circle all the letters that apply: A. City or County borders the tribal land on all sides. B. City or County partially borders tribal land. C. City or County maintains a highway or road that is the predominant access route to a casino located within 4 miles. D. All or part of the City or County is located within 4 miles of the casino.
<input type="checkbox"/> NON-NEXUS GRANT: <i>Must still address impact of Indian Gaming. These grants are available to Cities, Counties and Special Districts</i>
A. Local Government Jurisdiction impacted by tribal casinos paying into the Special Distribution Fund.

AMOUNT OF GRANT FUNDING REQUESTED THROUGH THIS APPLICATION: \$ _____

GRANT REQUEST IS:

Reimbursement Grant (Fiscal Year 2007-2008)	_____
Single Year Grant (Fiscal Year 2008-009)	_____
Multi-Year Grant (Fiscal Year 2008-2009 and Beyond)	_____

GRANT PROJECT IS FOR:

- | | | |
|---------------------------------------------------|--------------------------------------------------------|-----------------------------------------|
| <input type="checkbox"/> Law Enforcement | <input type="checkbox"/> Environmental Impacts | <input type="checkbox"/> Waste Disposal |
| <input type="checkbox"/> Fire Services | <input type="checkbox"/> Emergency Medical Services | <input type="checkbox"/> Water Supplies |
| <input type="checkbox"/> Behavioral Health | <input type="checkbox"/> Recreation & Youth Programs | <input type="checkbox"/> Public Health |
| <input type="checkbox"/> Child Care Programs | <input type="checkbox"/> Planning & Adjacent Land Uses | <input type="checkbox"/> Roads |
| <input type="checkbox"/> Other (briefly describe) | | |

FURTHER INSTRUCTIONS:

1. Complete and include with this application Attachment A – Project Description.
2. Complete and include with this application Attachment B – Indian Gaming Impacts.
3. Complete and include with this application Attachment C – Mitigation Objectives.
4. Complete and include with this application Attachment D – Proportional Funding Worksheet (if needed)
5. Complete and include with this application Attachment E – Public Notice Requirements
6. Complete and include with this application Attachment F – Acknowledgment of Terms of Grant

WHAT IS THE TOTAL COST OF THE PROJECT: \$ _____

Will project expenditures include expenditures that mitigate impacts from a casino and also provide other benefits to the local jurisdiction? Yes _____ No _____

If Yes, what percentage of the expenditures will mitigate impacts from a casino? _____

Does your grant request exceed the proportional share of the expenditures that will mitigate impacts from a casino? Yes _____ No _____

Name other sources of funding, if any, that will be contributed to the project and the amount provided by each source:

Will the project be competitively bid? Yes No

What is the project time frame? _____

SIGNATURES:

_____	_____	_____
Department or Agency Head	Specific Title	Date
_____	_____	_____
Department or Agency Head	Specific Title	Date

FOR OFFICE USE ONLY

TRIBAL SPONSORSHIP: Yes No NAME OF TRIBE: _____

SIGNATURE OF TRIBAL CHAIRMAN DATE

APPROVED BY COMMITTEE: Yes No AMOUNT APPROVED: \$ _____

SIGNATURE OF COMMITTEE CHAIRMAN DATE

**INDIAN GAMING LOCAL COMMUNITY BENEFIT COMMITTEE
Special Distribution Fund Grant Application**

Attachment A – Project Description

Provide a complete description of the project --

**INDIAN GAMING LOCAL COMMUNITY BENEFIT COMMITTEE
Special Distribution Fund Grant Application**

Attachment B – Indian Gaming Impacts

Provide a description of the impacts on your jurisdiction associated with the particular casino(s) from which account(s) the project would be funded. (Please include historical data, if available.)

INDIAN GAMING LOCAL COMMUNITY BENEFIT COMMITTEE
Special Distribution Fund Grant Application

Attachment C – Mitigation Objectives

Provide an explanation of how the proposed project will mitigate impacts of the casino(s).

**INDIAN GAMING LOCAL COMMUNITY BENEFIT COMMITTEE
Special Distribution Fund Grant Application**

Attachment D – Proportional Funding Worksheet

If the project expenditures will require proportional funding (i.e. the expenditure mitigates an impact and also provides a benefit to the local jurisdiction), please describe the method used to determine the proportional funding, and include any historical data used to determine percentages.

**INDIAN GAMING LOCAL COMMUNITY BENEFIT COMMITTEE
Special Distribution Fund Grant Application**

Attachment E – Public Notice Requirement

Provide an explanation of how you intend to meet the requirement that grant recipients must provide notice to the public, either through a slogan, signage or other mechanism, which states that the project has received funding from the Indian Gaming Special Distribution Fund and further identifies the particular Individual Tribal Casino Account from which the grant derives.

INDIAN GAMING LOCAL COMMUNITY BENEFIT COMMITTEE
Special Distribution Fund Grant Application

Attachment F – Acknowledgement of Terms of Grant

Grant recipients must adhere to the following requirements of the program:

1. If a local jurisdiction uses grant funds for any unrelated purpose, the grant shall terminate immediately and any moneys not yet spent will revert to the Indian Gaming Special Distribution Fund.
2. If a local jurisdiction approves an expenditure that mitigates an impact from a casino on a local jurisdiction and that also provides other benefits to the local jurisdiction, the grant funds shall be used to finance only the proportionate share of the expenditure that mitigates the impact from the casino.
3. A grant may not be made for any purpose that would support or fund, directly or indirectly, any effort related to the opposition or challenge to Indian gaming in the state, and, to the extent any awarded grant is utilized for any prohibited purpose by any local government, upon notice given to the county by any tribe from whose Individual Tribal Casino Account the awarded grant went toward that prohibited use, the grant shall terminate immediately and any moneys not yet used shall again be made available for qualified nexus grants.
4. A local government jurisdiction that is a recipient of a grant from an Individual County Tribal Casino Account or a County Tribal Casino Account shall provide notice to the public, either through signage, or other mechanism, stating that the local government project has received funding from the Indian Gaming Special Distribution Fund and further identifying the particular Individual Tribal Account from which the grant derives.
5. A local government jurisdiction that receives a grant from an Individual Tribal Casino Account shall deposit all funds received in an interest bearing account and use the interest from those funds only for the purpose of mitigating an impact from a casino. If any portion of the funds in the account are used for any other purpose, the remaining portion shall revert to the Indian Gaming Special Distribution Fund. As a condition of receiving further funds, a local government jurisdiction, upon request of the County, shall demonstrate to the County that all expenditures made from the account have been in compliance with the requirements of this section.
6. At the request of the County, I agree to submit an annual report that will include the following information: 1) the amount of grant funds received; 2) a description of the project funded; 3) a description of how the project mitigates the impact of tribal gaming; 4) the total expenditures for the project; 5) all administrative costs related to the project; 6) the funds remaining at the end of the fiscal year; 7) an explanation regarding how any remaining funds will be spent, including the estimated time for expenditure; and 8) a description of whether each project is funded once or on a continuing basis.

I agree to adhere to the grant program requirements:

Signature

Date

Application Provisions and Guidelines

Application Provisions and Guidelines

*****PLEASE REVIEW CAREFULLY, THERE HAVE BEEN CHANGES IN THE GRANT PROGRAM FOR THIS YEAR*****

1. The Indian Gaming Local Community Benefit Community Benefit Committee (Committee) will formally release grant applications on **January 23, 2009**. Local government agencies impacted by tribal gaming will be allowed to submit applications until 5:00 p.m. on **February 20, 2009**. No faxes or other electronically submitted applications will be accepted. Applications may be obtained in person at the Butte County Administrative Office at 25 County Center Drive, Oroville, California 95965, from the Indian Gaming section of Butte County's website at <http://www.buttecounty.net>, or by calling (530) 538-7631.
2. Local government agencies shall submit eight (8) copies of completed applications, with authorized signature, to the address listed on the Application Form, no later than 5:00 p.m. on **February 20, 2009**. Copies will be kept on file, submitted to the Butte County Indian Gaming Local Community Benefit Committee, and submitted to each of the Tribes that pay into the Special Distribution Fund. Facsimile copies will not be accepted.
3. Information and forms can be obtained online at <http://www.buttecounty.net> or at the Butte County Administrative Office, 25 County Center Drive, Oroville, California 95965, Monday through Friday, 8:00 a.m. to 5:00 p.m.
4. The Butte County Indian Gaming Local Community Benefit Committee will review each application to ensure it meets the priorities and requirements established by State law. Each Tribe that pays into the Special Distribution Fund will review the applications and determine their reasonable relationship to casino impacts. They are also responsible for certifying that an application satisfies at least one of the priorities identified in California Government Code § 12715(i). The Tribes will forward a list of the applications they will sponsor to the Committee by **March 27, 2009**.
5. On or about **April 16, 2009**, the Committee will review the applications the Tribes have agreed to sponsor and select projects for funding.
6. Upon approval by the Committee, the list of projects approved for funding will be transmitted to the State Controller not later than **May 15, 2009**.
7. The State Controller will disburse funds directly to the local government jurisdictions whose grant applications were selected by the Committee.

8. The Indian Gaming Special Distribution Fund Grant Program has been created for local government agencies impacted by tribal gaming. Please note, also, that the Tribal government from whose account the grant would be funded must confirm that the proposed project has a reasonable relationship to casino impacts.
9. In selecting grants the Indian Gaming Local Community Benefit Committee shall select only grant applications that mitigate impacts from casinos on local jurisdictions.
10. If a local jurisdiction uses a grant for any unrelated purpose, the grant shall terminate immediately and any moneys not yet spent shall revert to the Indian Gaming Special Distribution Fund.
11. If a local jurisdiction approves an expenditure that mitigates an impact from a casino on a local jurisdiction and that also provides other benefits to the local jurisdiction, the grant shall be used to finance only the proportionate share of the expenditure that mitigates the impact from the casino.
12. The contact person listed on the Grant Application should be the individual most knowledgeable about the project and authorized to discuss all aspects of the project.
13. The applicants will determine the type of grant for which they are eligible (Nexus or Non-Nexus) and indicate accordingly on the Grant Application. An applicant can apply for both Nexus and Non-Nexus funds, if eligible.
14. Only cities and the county impacted by tribes that are paying into the Indian Gaming Special Distribution Fund are eligible to apply for the 60% Nexus grant. The applicant must indicate the nexus criteria the jurisdiction meets. Note that a minimum of two nexus criteria is required to be eligible for a Nexus Grant.
15. The amount of grant funding requested for the project through the application must be listed.
16. Applications shall be signed, on page 2, by both the department or agency head and the Chief Executive officer. As an example, applications submitted by County departments shall be signed by the department director and the County's Chief Administrative Officer.
17. The total cost of the project should include costs funded by other sources and the total funding requested through this application. If a project expenditure will mitigate an impact from a casino and provides other benefits to the local agency, the grant application must indicate the proportionate share of that expenditure that is attributed to mitigation of the impact. Grant applicants should explain the method used to determine the proportionate share funding requested.
18. Grants shall be subject to the sole sponsorship of the tribe that pays into the Indian Gaming Special Distribution Fund to which the applicant applies, and the recommendations of the Indian Gaming Local Community Benefit Committee . Grants not sponsored by a tribe will not be eligible for funding.
19. A grant may not be made for any purpose that would support or fund, either directly or indirectly, any effort related to opposition or challenge of Indian gaming in the State, and, to the extent any awarded grant funds are used for any prohibited purpose by any local government, upon notice given to the County by any Tribe from whose Individual Tribal Casino Account the awarded grant

went toward that prohibited use, the grant shall terminate immediately and any funds unspent shall be made available for qualified nexus grants.

20. A local government jurisdiction that is a recipient of a grant from the Individual County Tribal Casino Account or a County Tribal Casino Account shall provide notice to the public, either through a slogan, signage, or other mechanism, stating that the local government project has received funding from the Indian Gaming Special Distribution Fund and further identifies the particular individual Tribal Casino Account from which the grant was derived.
21. Upon receipt of an approved listed of grant recipients from the Indian Gaming Local Community Benefit Committee, the State Controller shall release funds directly to the local government entities.
22. A local government jurisdiction that receives a grant from an Individual Tribal Casino Account shall deposit all funds received in an interest-bearing account and use the interest from those funds only for the purpose of mitigating an impact from a casino. If any portion of the funds in the account are used for any other purpose, the remaining portion shall revert to the Indian Gaming Special Distribution Fund.
23. As a condition of receiving further funds under the grant program, a local government jurisdiction, upon request of the County, shall demonstrate to the County that all expenditures made from the account have been in compliance with the requirements of this section.
24. Grant applications for funds expended in Fiscal Year 2007-2008 will follow the same procedure and requirements as grant applications for funds for Fiscal Year 2008-2009. An applicant may combine the grant applications for both fiscal years if the grant programs are the same for both years; however, each fiscal year's grant request amount must be clearly indicated, and documentation of expenditures made in Fiscal Year 2007-2008 must be included.

Reference Material

Definitions

County Tribal Casino Account – An account consisting of all moneys paid by tribes of that county into the Indian Gaming Distribution Fund, after deduction of the amounts appropriated to the priorities specified in Government Code Section 12012.85.

Individual Tribal Casino Accounts – An account for each individual tribe that has paid money into Indian Gaming Special Distribution Fund. The individual tribal casino accounts shall be funded in proportion to the amount that the individual tribe has paid into the Indian Gaming Special Distribution Fund.

Local Government Jurisdiction or Local Jurisdiction – Any city, county, or special district.

Special District – any agency of the state that performs governmental or proprietary functions within limited boundaries. Special district includes a county service area, a maintenance district or area, an improvement district or improvement zone, or any other zone, district, or area that meets the requirements of this subdivision. Special district does not include a city, county, school district, or community college district.

Nexus Grants

A. Sixty percent (60%) of each Individual Tribal Casino Account is available for nexus grants to cities and counties impacted by tribes that are paying into the Special Distribution Fund (SDF), based on a four-part nexus test. Butte County Tribes currently paying into the SDF include the Tyme-Maidu Berry Creek Rancheria and the Concow-Maidu Mooretown Rancheria. The nexus test is based on the geographical proximity of the city or county to an individual Indian land upon which a Tribal casino is located, and is used to determine priority for grants, pursuant to the following criteria:

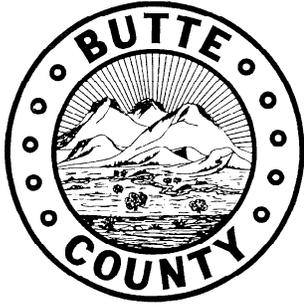
- a. City or County borders the Indian lands on all sides;
- b. City or County partially borders Indian lands;
- c. City or County maintains a highway, road, or other thoroughfare that is the predominant access route to a casino that is located within 4 miles;
- d. All or part of the City or County is located within 4 miles of the casino.

- ✓ Fifty percent (50%) of the Nexus funds shall be awarded in equal proportions to Cities and Counties meeting all four of the nexus test criteria;
- ✓ Thirty percent (30%) of the Nexus funds shall be awarded in equal proportions to Cities and Counties that meet three of the nexus test criteria;
- ✓ Twenty percent (20%) of the Nexus funds shall be awarded in equal proportions to Cities and Counties that meet two of the nexus test criteria.
- ✓

Non-Nexus Grants

B. Forty percent (40%) of each Individual Tribal Casino Account is available for discretionary grants to local jurisdictions impacted by tribes that are paying into the SDF (tribes noted above). These discretionary grants will be made available to all local jurisdictions in the County, irrespective of any geographical nexus.

Grant Public Notice



GRANT APPLICATIONS FOR
INDIAN GAMING SPECIAL DISTRIBUTION FUNDS
NOW BEING ACCEPTED

The County of Butte Indian Gaming Local Community Benefit Committee (IGLCBC) is currently accepting grant applications from local government agencies impacted by Tribal gaming for funds from the Indian Gaming Special Distribution Fund (SDF). The IGLCBC began the grant cycle for Fiscal Year 2008-2009 on January 23, 2009. The Fiscal Year 2008-2009 cycle will also include consideration of grant applicants seeking reimbursement for expenses expended in Fiscal Year 2007-2008 as well. The SDF allocation to Butte County totals \$1,328,145.15. This includes \$470,037.85 from the Tyme Maidu Berry Creek Rancheria for Gold Country Casino and \$858,107.30 from the Concow Maidu Mooretown Rancheria for Feather Falls Casino.

All grant uses must address an impact of Indian Gaming on local government entities.

Application forms, guidelines for applicants, supplemental information and agendas for Committee meetings are available from the County's Administrative Office at 25 County Center Drive, Oroville, or online at www.buttecounty.net. As required by California Government Code Section 12715, priority will be given to projects related to law enforcement, fire services, emergency medical services, environmental impacts, water supplies, waste disposal, behavioral health, planning and adjacent land uses, public health, roads, recreation and youth programs, and child care programs.

To be considered by the IGLCBC, eligible jurisdictions (cities, counties, and special districts) must submit an original application and eight (8) copies to the County's Administrative Office no later than 5:00 p.m. on **February 20, 2009**. No facsimilies or other electronically transmitted copies will be accepted. Questions relating to the grant application process should be directed to Marion Reeves, Compliance Officer and staff to the IGLCBC, Butte County Administration, 25 County Center Drive, Oroville, 530-538-2867.

Reference Materials



JOHN CHIANG
California State Controller
Division of Accounting and Reporting

November 19, 2008

INDIAN GAMING LOCAL BENEFIT COMMITTEE MEMBERS
COUNTY BOARD OF SUPERVISORS
COUNTY CHIEF ADMINISTRATIVE OFFICER

Assembly Bill (AB) 158 (Chapter 754, Statutes of 2008) appropriates \$30 million from the Indian Gaming Special Distribution Fund (SDF) for allocation to local governments. Attached is a spreadsheet reporting the various amounts that were deposited into the Individual Tribal and County Tribal Casino Accounts, which was prepared pursuant to Government (GC) section 12715 and in consultation with the California Gambling Control Commission.

GC section 12715 (b)(1) created the Indian Gaming Local Community Benefit Committee (IGLCBC) to establish application policies and procedures for grants that follow the priorities specified in GC section 12715 (g). The IGLCBC is to assess the eligibility of applications for grants from local jurisdictions impacted by tribal gaming. The IGLCBC shall determine the appropriate amount of reimbursement for county administrative costs, not to exceed 2 percent of the aggregate county tribal account in any given fiscal year.

Each county's IGLCBC shall submit to the SCO a list of approved projects for funding from the Tribal Casino Accounts. Upon receipt of this list, the SCO shall release the funds directly to the local government entities for which the committee has approved a grant. Funds not allocated by June 30, 2009, shall revert back to the Indian Gaming Special Distribution Fund. These funds are now available so please submit your grant forms as soon as possible and no later than May 15, 2009 to allow time for processing. Please submit your approved list of projects and any changes to:

Office of the State Controller
Attention: Linda Brida
Division of Accounting and Reporting
P.O. Box 942850
Sacramento, CA 94250

If you have any questions about the format of the report, please contact Linda Brida in the Division of Accounting and Reporting at (916) 324-8605.

Sincerely,

MICHAEL J. HAVEY, CHIEF
Division of Accounting and Reporting

Enclosures

MAILING ADDRESS P.O. Box 942850, Sacramento, CA 94250
STREET ADDRESS 3301 C Street, Suite 500, Sacramento, CA 95816

State Controller's Office
 Division of Accounting and Reporting
 Indian Gaming Special Distribution Fund-County and Individual Tribal Casino Accounts
 November 19, 2008

County/Tribe	Grandfathered 1-Sep-99 Exceeding 200	95% Individual Tribal Casino Accounts	5% County Tribal Casino Accounts
Amador Jackson Rancheria	235 235	\$616,826.30 616,826.30	
Butte Berry Creek Rancheria Mooretown Rancheria	506 206 300	1,328,145.15 470,037.85 858,107.30	
Colusa Colusa Rancheria	323 323	847,808.07 847,808.07	
Del Norte Resighini Elk Valley Smith River			\$70,110.12
Fresno Big Sandy Rancheria Table Mountain Rancheria	674 39 635	1,769,110.33 9,617.77 1,759,492.56	
Humboldt Bear River Blue Lake Hoopa Valley Trinidad			\$177,889.57
Imperial Quechan Torres-Martinez			\$82,943.83
Inyo Bishop Reservation	73 73	191,609.87 191,609.87	
Kings Santa Rosa Rancheria	272 272	713,943.64 713,943.64	
Lake Big Valley Rancheria Robinson Rancheria	333 153 180	874,056.00 241,509.30 632,546.70	
Lassen Susanville			\$25,667.43
Madera Picayune			\$213,895.26
Mendocino Hopland Rancheria	107 107	280,852.83 280,852.83	

State Controller's Office
 Division of Accounting and Reporting
 Indian Gaming Special Distribution Fund-County and Individual Tribal Casino Accounts
 November 19, 2008

County/Tribe	Grandfathered 1-Sep-99 Exceeding 200	95% Individual Tribal Casino Accounts	5% County Tribal Casino Accounts
Modoc Alturas			\$17,468.11
Placer United Auburn			\$290,778.74
Riverside	5,392	14,152,882.66	
Agua Caliente Reservation	953	2,097,265.70	
Cabazon Reservation	541	432,083.93	
Cahuilla Reservation	7	11,491.43	
Morongo Reservation	1,427	4,836,549.80	
Pechanga Reservation	1,133	4,839,705.71	
Soboba Reservation	791	1,476,012.03	
Twenty Nine Palms Rsvtn	540	459,774.06	
San Bernardino	774	2,031,589.61	
San Manuel Reservation	774	2,031,589.61	
San Diego	1,176	3,086,756.30	
Barona Reservation	857	2,520,924.93	
Sycuan Reservation	319	565,831.37	
Santa Barbara	560	1,469,883.96	
Santa Ynez Reservation	560	1,469,883.96	
Shasta	201	527,583.35	
Redding Rancheria	201	527,583.35	
Sonoma Dry Creek			\$186,683.04
Tehama Paskenta			\$91,856.14
Tulare	208	545,956.90	
Tule River Reservation	208	545,956.90	
Tuolumne	24	62,995.03	
Chicken Ranch Rancheria	24	62,995.03	
Yolo Rumsey Rancheria			\$342,707.76
Total	10,858	\$28,500,000.00	\$1,500,000.00

Assembly Bill No. 158

CHAPTER 754

An act to amend Sections 12712, 12715, 12716, and 12718 of the Government Code, relating to gaming, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor September 30, 2008. Filed with
Secretary of State September 30, 2008.]

LEGISLATIVE COUNSEL'S DIGEST

AB 158, Torrico. Tribal gaming: local agencies.

Existing law creates in the State Treasury the Indian Gaming Special Distribution Fund for the receipt and deposit of moneys received by the state from certain Indian tribes pursuant to the terms of gaming compacts entered into with the state. Existing law authorizes moneys in that fund to be used for specified purposes, including for grants for the support of state and local government agencies impacted by tribal government gaming.

Existing law, until January 1, 2009, creates a County Tribal Casino Account in the treasury of each county that contains a tribal casino. Existing law requires the Controller to divide the County Tribal Casino Account for each county that has gaming devices that are subject to an obligation to make contributions to the Indian Gaming Special Distribution Fund into a separate account, known as an Individual Tribal Casino Account, for each tribe that operates a casino within the county. Existing law provides for a certain portion of funds in an Individual Tribal Casino Account to be used for grants to local agencies impacted by tribes that are paying into the Indian Gaming Special Distribution Fund, and a certain portion for grants to local agencies impacted by tribes that are not paying into that fund. Existing law establishes an Indian Gaming Local Community Benefit Committee in each county in which gaming is conducted, specifies the composition of that committee, and requires that committee to make the selection of grants from the casino accounts.

This bill would modify the composition of an Indian Gaming Local Community Benefit Committee if only one city is located within 4 miles of a tribal casino, as specified, and would require an Indian Gaming Local Community Benefit Committee to select only grant applications that mitigate impacts from casinos on local jurisdictions. The bill would provide that, if a local jurisdiction uses a grant for any unrelated purpose, the grant shall terminate immediately and any moneys not yet spent shall revert to the Indian Gaming Special Distribution Fund. It would require a local jurisdiction that receives a grant from an Individual Tribal Casino Account to deposit all funds received in an interest-bearing account and use the interest from those funds only to mitigate an impact from a casino. The bill

would require that, as a condition of receiving further funds, a local jurisdiction, upon request, demonstrate to the county that all expenditures made from the account have been in compliance with these provisions.

Existing law requires each county that administers grants from the Indian Gaming Special Distribution Fund to provide an annual report to certain legislative and executive branch members by October 1 of each year detailing the specific projects funded by all grants in the county's jurisdiction in the previous fiscal year, as specified.

This bill would provide that a county that does not provide an annual report pursuant to these provisions shall not be eligible for funding from the Indian Gaming Special Distribution Fund for the following year.

This bill would extend the operation of these provisions until January 1, 2010.

This bill would appropriate \$30,000,000 from the Indian Gaming Special Distribution Fund to the California Gambling Control Commission to provide grants to local government agencies under the provisions described above. The bill would authorize counties to utilize the appropriated moneys for expenditures made in the 2007–08 and 2008–09 fiscal years.

This bill would declare that it is to take effect immediately as an urgency statute.

Appropriation: yes.

The people of the State of California do enact as follows:

SECTION 1. Section 12712 of the Government Code is amended to read:

12712. As used in this chapter:

(a) "County Tribal Casino Account" means an account consisting of all moneys paid by tribes of that county into the Indian Gaming Special Distribution Fund after deduction of the amounts appropriated pursuant to the priorities specified in Section 12012.85.

(b) "Individual Tribal Casino Accounts" means an account for each individual tribe that has paid money into the Indian Gaming Special Distribution Fund. The individual tribal casino account shall be funded in proportion to the amount that the individual tribe has paid into the Indian Gaming Special Distribution Fund.

(c) "Local government jurisdiction" or "local jurisdiction" means any city, county, or special district.

(d) "Special district" means any agency of the state that performs governmental or proprietary functions within limited boundaries. "Special district" includes a county service area, a maintenance district or area, an improvement district or improvement zone, or any other zone, district, or area that meets the requirements of this subdivision. "Special district" does not include a city, county, school district, or community college district.

SEC. 2. Section 12715 of the Government Code is amended to read:

12715. (a) The Controller, acting in consultation with the California Gambling Control Commission, shall divide the County Tribal Casino Account for each county that has gaming devices that are subject to an obligation to make contributions to the Indian Gaming Special Distribution Fund into a separate account for each tribe that operates a casino within the county. These accounts shall be known as Individual Tribal Casino Accounts, and funds may be released from these accounts to make grants selected by an Indian Gaming Local Community Benefit Committee pursuant to the method established by this section to local jurisdictions impacted by tribal casinos. Each Individual Tribal Casino Account shall be funded in proportion to the amount that each individual tribe paid in the prior fiscal year to the Indian Gaming Special Distribution Fund.

(b) (1) There is hereby created in each county in which Indian gaming is conducted an Indian Gaming Local Community Benefit Committee. The selection of all grants from each Individual Tribal Casino Account or County Tribal Casino Account shall be made by each county's Indian Gaming Local Community Benefit Committee. In selecting grants, the Indian Gaming Local Community Benefit Committee shall follow the priorities established in subdivision (g) and the requirements specified in subdivision (h). This committee has the following additional responsibilities:

(A) Establishing all application policies and procedures for grants from the Individual Tribal Casino Account or County Tribal Casino Account.

(B) Assessing the eligibility of applications for grants from local jurisdictions impacted by tribal gaming operations.

(C) Determining the appropriate amount for reimbursement from the aggregate county tribal account of the demonstrated costs incurred by the county for administering the grant programs. The reimbursement for county administrative costs may not exceed 2 percent of the aggregate county tribal account in any given fiscal year.

(2) Except as provided in Section 12715.5, the Indian Gaming Local Community Benefit Committee shall be composed of seven representatives, consisting of the following:

(A) Two representatives from the county, selected by the county board of supervisors.

(B) Three elected representatives from cities located within four miles of a tribal casino in the county, selected by the county board of supervisors. In the event that there are no cities located within four miles of a tribal casino in the county, other local representatives may be selected upon mutual agreement by the county board of supervisors and a majority of the tribes paying into the Indian Gaming Special Distribution Fund in the county. When there are no cities within four miles of a tribal casino in the county, and when the Indian Gaming Local Community Benefit Committee acts on behalf of a county where no tribes pay into the Indian Gaming Special Distribution Fund, other local representatives may be selected upon mutual agreement by the county board of supervisors and a majority of the tribes operating casinos in the county. However, if only one city is within four miles of a tribal casino and that same casino is located entirely within the

unincorporated area of that particular county, only one elected representative from that city shall be included on the Indian Gaming Local Community Benefit Committee.

(C) Two representatives selected upon the recommendation of a majority of the tribes paying into the Indian Gaming Special Distribution Fund in each county. When an Indian Gaming Local Community Benefit Committee acts on behalf of a county where no tribes pay into the Indian Gaming Special Distribution Fund, the two representatives may be selected upon the recommendation of the tribes operating casinos in the county.

(c) Sixty percent of each individual tribal casino account shall be available for nexus grants on a yearly basis to cities and counties impacted by tribes that are paying into the Indian Gaming Special Distribution Fund, according to the four-part nexus test described in paragraph (1). Grant awards shall be selected by each county's Indian Gaming Local Community Benefit Committee and shall be administered by the county. Grants may be awarded on a multiyear basis, and these multiyear grants shall be accounted for in the grant process for each year.

(1) A nexus test based on the geographical proximity of a local government jurisdiction to an individual Indian land upon which a tribal casino is located shall be used by each county's Indian Gaming Local Community Benefit Committee to determine the relative priority for grants, using the following criteria:

(A) Whether the local government jurisdiction borders the Indian lands on all sides.

(B) Whether the local government jurisdiction partially borders Indian lands.

(C) Whether the local government jurisdiction maintains a highway, road, or other thoroughfare that is the predominant access route to a casino that is located within four miles.

(D) Whether all or a portion of the local government jurisdiction is located within four miles of a casino.

(2) Fifty percent of the amount specified in subdivision (c) shall be awarded in equal proportions to local government jurisdictions that meet all four of the nexus test criteria in paragraph (1). If no eligible local government jurisdiction satisfies this requirement, the amount specified in this paragraph shall be made available for nexus grants in equal proportions to local government jurisdictions meeting the requirements of paragraph (3) or (4).

(3) Thirty percent of the amount specified in subdivision (c) shall be awarded in equal proportions to local government jurisdictions that meet three of the nexus test criteria in paragraph (1). If no eligible local government jurisdiction satisfies this requirement, the amount specified in this paragraph shall be made available for nexus grants in equal proportions to local government jurisdictions meeting the requirements of paragraph (2) or (4).

(4) Twenty percent of the amount specified in subdivision (c) shall be awarded in equal proportions to local government jurisdictions that meet

two of the nexus test criteria in paragraph (1). If no eligible local government jurisdiction satisfies this requirement, the amount specified in this paragraph shall be made available for nexus grants in equal proportions to local government jurisdictions meeting the requirements of paragraph (2) or (3).

(d) Twenty percent of each Individual Tribal Casino Account shall be available for discretionary grants to local jurisdictions impacted by tribes that are paying into the Indian Gaming Special Distribution Fund. These discretionary grants shall be made available to all local jurisdictions in the county irrespective of any nexus to impacts from any particular tribal casino, as described in paragraph (1) of subdivision (c). Grant awards shall be selected by each county's Indian Gaming Local Community Benefit Committee and shall be administered by the county. Grants may be awarded on a multiyear basis, and these multiyear grants shall be accounted for in the grant process for each year.

(e) (1) Twenty percent of each Individual Tribal Casino Account shall be available for discretionary grants to local jurisdictions impacted by tribes that are not paying into the Indian Gaming Special Distribution Fund. These grants shall be made available to local jurisdictions in the county irrespective of any nexus to impacts from any particular tribal casino, as described in paragraph (1) of subdivision (c), and irrespective of whether the impacts presented are from a tribal casino that is not paying into the Indian Gaming Special Distribution Fund. Grant awards shall be selected by each county's Indian Gaming Local Community Benefit Committee and shall be administered by the county. Grants may be awarded on a multiyear basis, and these multiyear grants shall be accounted for in the grant process for each year.

(A) Grants awarded pursuant to this subdivision are limited to addressing service-oriented impacts and providing assistance with one-time large capital projects related to Indian gaming impacts.

(B) Grants shall be subject to the sole sponsorship of the tribe that pays into the Indian Gaming Special Distribution Fund and the recommendations of the Indian Gaming Local Community Benefit Committee for that county.

(2) If an eligible county does not have a tribal casino operated by a tribe that does not pay into the Indian Gaming Special Distribution Fund, the money available for discretionary grants under this subdivision shall be available for distribution pursuant to subdivision (d).

(f) (1) For each county that does not have gaming devices subject to an obligation to make payments to the Indian Gaming Special Distribution Fund, funds may be released from the county's County Tribal Casino Account to make grants selected by the county's Indian Gaming Local Community Benefit Committee pursuant to the method established by this section to local jurisdictions impacted by tribal casinos. These grants shall be made available to local jurisdictions in the county irrespective of any nexus to any particular tribal casino. These grants shall follow the priorities specified in subdivision (g) and the requirements specified in subdivision (h).

(2) Funds not allocated from a county tribal casino account by the end of each fiscal year shall revert back to the Indian Gaming Special Distribution Fund. Moneys allocated for the 2003–04 fiscal year shall be eligible for expenditure through December 31, 2004.

(g) The following uses shall be the priorities for the receipt of grant money from Individual Tribal Casino Accounts: law enforcement, fire services, emergency medical services, environmental impacts, water supplies, waste disposal, behavioral, health, planning and adjacent land uses, public health, roads, recreation and youth programs, and child care programs.

(h) In selecting grants pursuant to subdivision (b), an Indian Gaming Local Community Benefit Committee shall select only grant applications that mitigate impacts from casinos on local jurisdictions. If a local jurisdiction uses a grant selected pursuant to subdivision (b) for any unrelated purpose, the grant shall terminate immediately and any moneys not yet spent shall revert to the Indian Gaming Special Distribution Fund. If a local jurisdiction approves an expenditure that mitigates an impact from a casino on a local jurisdiction and that also provides other benefits to the local jurisdiction, the grant selected pursuant to subdivision (b) shall be used to finance only the proportionate share of the expenditure that mitigates the impact from the casino.

(i) All grants from Individual Tribal Casino Accounts shall be made only upon the affirmative sponsorship of the tribe paying into the Indian Gaming Special Distribution Fund from whose Individual Tribal Casino Account the grant moneys are available for distribution. Tribal sponsorship shall confirm that the grant application has a reasonable relationship to a casino impact and satisfies at least one of the priorities listed in subdivision (g). A grant may not be made for any purpose that would support or fund, directly or indirectly, any effort related to the opposition or challenge to Indian gaming in the state, and, to the extent any awarded grant is utilized for any prohibited purpose by any local government, upon notice given to the county by any tribe from whose Individual Tribal Casino Account the awarded grant went toward that prohibited use, the grant shall terminate immediately and any moneys not yet used shall again be made available for qualified nexus grants.

(j) A local government jurisdiction that is a recipient of a grant from an Individual County Tribal Casino Account or a County Tribal Casino Account shall provide notice to the public, either through a slogan, signage, or other mechanism, stating that the local government project has received funding from the Indian Gaming Special Distribution Fund and further identifying the particular Individual Tribal Casino Account from which the grant derives.

(k) (1) Each county's Indian Gaming Local Community Benefit Committee shall submit to the Controller a list of approved projects for funding from Individual Tribal Casino Accounts. Upon receipt of this list, the Controller shall release the funds directly to the local government entities for which a grant has been approved by the committee.

(2) Funds not allocated from an Individual Tribal Casino Account by the end of each fiscal year shall revert back to the Indian Gaming Special

Distribution Fund. Moneys allocated for the 2003–04 fiscal year shall be eligible for expenditure through December 31, 2004.

(l) Notwithstanding any other law, a local government jurisdiction that receives a grant from an Individual Tribal Casino Account shall deposit all funds received in an interest-bearing account and use the interest from those funds only for the purpose of mitigating an impact from a casino. If any portion of the funds in the account are used for any other purpose, the remaining portion shall revert to the Indian Gaming Special Distribution Fund. As a condition of receiving further funds under this section, a local government jurisdiction, upon request of the county, shall demonstrate to the county that all expenditures made from the account have been in compliance with the requirements of this section.

SEC. 3. Section 12716 of the Government Code is amended to read:

12716. (a) Each county that administers grants from the Indian Gaming Special Distribution Fund shall provide an annual report to the Chairperson of the Joint Legislative Budget Committee, the chairpersons of the Senate and Assembly committees on governmental organization, and the California Gambling Control Commission by October 1 of each year detailing the specific projects funded by all grants in the county's jurisdiction in the previous fiscal year, including amounts expended in that fiscal year, but funded from appropriations in prior fiscal years. The report shall provide detailed information on the following:

- (1) The amount of grant funds received by the county.
 - (2) A description of each project that is funded.
 - (3) A description of how each project mitigates the impact of tribal gaming.
 - (4) The total expenditures for each project.
 - (5) All administrative costs related to each project, excluding the county's administrative fee.
 - (6) The funds remaining at the end of the fiscal year for each project.
 - (7) An explanation regarding how any remaining funds will be spent for each project, including the estimated time for expenditure.
 - (8) A description of whether each project is funded once or on a continuing basis.
- (b) A county that does not provide an annual report pursuant to subdivision (a) shall not be eligible for funding from the Indian Gaming Special Distribution Fund for the following year.

SEC. 4. Section 12718 of the Government Code is amended to read:

12718. This chapter shall remain in effect only until January 1, 2010, and as of that date is repealed, unless a later enacted statute that is enacted before January 1, 2010, deletes or extends that date.

SEC. 5. There is hereby appropriated the sum of thirty million dollars (\$30,000,000) from the Indian Gaming Special Distribution Fund to the California Gambling Control Commission to provide grants to local agencies pursuant to Section 12715 of the Government Code.

SEC. 6. Notwithstanding any other law, the moneys appropriated pursuant to Section 5 may be utilized by the counties for expenditures made in the 2007–08 and 2008–09 fiscal years.

SEC. 7. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to reimburse local agencies for expenditures already made in the 2007–08 and 2008–09 fiscal years, it is necessary that this act take effect immediately.