



**CALIFORNIA STATE ASSOCIATION OF COUNTIES**  
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## **CSAC Fact Sheet**

### **Amended Tribal/Gaming Compact: Agua Caliente Band of Cahuilla Indians**

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On August 8, 2006, Governor Schwarzenegger signed an amended Tribal/State Compact with the Agua Caliente Band of Cahuilla Indians (Tribe). The renegotiated compact extends the current 1999 compact term ending July 1, 2020, until 2030. The renegotiated compact will increase the number of slots allowed from the Tribe's current 2,000 limit to 5,000, as well as allow the Tribe to build a third casino on its existing tribal lands with local community approval. The new slot machine allotment limits the Tribe to 2,000 slots at each of its existing two casinos, Spa Resort Casino and Agua Casino, located in Riverside County.

#### **Financial Aspects**

The amended compact requires the Tribe to pay the State a flat rate annual payment of \$23.4 million and an annual payment of 15% of the net win generated from the additional gaming devices over the existing 2,000 gaming devices. The compact also requires the Tribe make annual payments of \$2 million to the Indian Gaming Revenue Sharing Trust Fund. The amended compact no longer requires the Tribe to pay into the Special Distribution Fund (SDF). The Tribe has made a commitment to support local communities through voluntary grants at the same level in which the Tribe contributed to the SDF in the past (about \$2.2 million in 2005).

#### **Environmental Protection**

The Tribe is required to prepare a Tribal Environmental Impact Report (TEIR) to analyze the potentially significant off-reservation environmental impacts before the commencement of a project as defined in the compact. A "project" is defined as any activity occurring on Indian lands, a principal purpose of which is to serve the Tribe's gaming activities or gaming operation and which is reasonably likely to cause either a direct physical change in the off-reservation environment, or a reasonably foreseeable indirect physical change in the off-reservation environment. Once a project is undertaken by the Tribe, the amended compact language would require a notice of preparation and the development of a TEIR, which requires detailed information on the significant effects on the environment, mitigation and project alternatives. The Tribe's failure to prepare a TEIR when required could result in the State obtaining an injunction to stop the project.

#### **Intergovernmental Agreement**

The amended compact includes provisions that require negotiation and intergovernmental agreements to be undertaken with affected communities in relation to off-reservation environmental impact mitigation, service responsibilities, including law enforcement, fire protection, emergency medical services, and other public services provided by the local government. Additionally, the amended compact requires the Tribe to provide reasonable compensation for programs designed to address gambling addiction. A binding arbitration process, as detailed in the amended compact, will be triggered should impasse occur in reaching agreement between the local government and the Tribe 45 days after the submission of the final TEIR.

#### **Enforceability**

The amended compact includes a waiver of sovereignty by the Tribe to permit local governments to enforce the arbitration decision through execution of a judgment in a court of law.

#### **Other Provisions**

The amended compact includes other provisions such as building code compliance based on local government standards, slot machine compliance subject to state inspection and audits, and tort law compliance in relation to patron injury.

#### **Consistency with CSAC Policy Objectives**

The local government-related provisions in the amended compact appear to fulfill the policy objectives outlined in CSAC's Indian Gaming policy in relation to the current Tribal/State Compacts and address the deficiencies in previous compacts that affect the counties' ability; 1) to mitigate off-reservation impacts, 2) to provide services on tribal lands and 3) protect affected communities.