

United States Department of the Interior

OFFICE OF THE SECRETARY WASHINGTON, D.C. 20240

OCT 2 1 2016

The Honorable Adam Dalton Chairman, Jackson Band of Miwuk Indians P.O. Box 1090 Jackson California 95642

Dear Chairman Dalton:

On September 13, 2016, the Department of the Interior received the First Amendment to the Tribal-State Compact between the State of California and the Jackson Rancheria Band of Miwuk Indians (Amendment) providing for the regulation of class III gaming conducted by the Tribe.

We have completed our review of the Amendment and conclude that it does not violate the Indian Gaming Regulatory Act (IGRA), any other provision of Federal law that does not relate to jurisdiction over gaming on Indian lands, or the trust obligations of the United States to Indians. ¹ 25 U.S.C. § 2710(d)(8)(B). Therefore, pursuant to my delegated authority and Section 11 of IGRA, I approve the Amendment. 25 U.S.C. § 2710(d)(8)(A). This Amendment shall take effect when the notice of this approval is published in the Federal Register. 25 U.S.C. § 2710(d)(3)(B).

A similar letter is being sent to the Honorable Jerry Brown, Governor of the State of California.

Sincerely,

Lawrence S. Roberts

Principal Deputy Assistant Secretary -

Indian Affairs

Enclosure

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We note that the Tribe's existing Compact, which is amended here, was deemed approved on October 23, 2015, but only to the extent the Compact is consistent with IGRA. 80 Fed. Reg. 64442 (Oct. 23, 2015). The approval of the amendments to Sections 5.2 and 5.3 here does not change that determination.

FIRST AMENDMENT TO THE TRIBAL-STATE COMPACT BETWEEN THE STATE OF CALIFORNIA AND THE JACKSON RANCHERIA BAND OF MIWUK INDIANS

The Jackson Rancheria Band of Miwuk Indians (Tribe), a federally recognized Indian tribe, and the State of California (State) enter into this amendment to the Tribal-State Compact Between the State of California and the Jackson Rancheria of Miwuk Indians (Compact), that was entered into in 2015 pursuant to the Indian Gaming Regulatory Act of 1988 (IGRA).

PREAMBLE

WHEREAS, on June 17, 2015 the Tribe was the first of a significant number of California tribes that had not previously amended or renegotiated their 1999 Compacts to enter into a new class III gaming compact with the State, which was deemed approved by the Secretary of the Interior on October 16, 2015; and

WHEREAS, sections 5.2 and 5.3 of the Compact provide that the Tribe shall pay to the State for deposit into the Revenue Sharing Trust Fund or the Tribal Nation Grant Fund eight percent (8%) of its Net Win from its operation of Gaming Devices in excess of three hundred fifty (350); for an annual credit to the Tribe for up to forty percent (40%) of the payments otherwise due under section 5.2; and that during any quarter in which the Tribe operates less than nine hundred (900) Gaming devices the Tribe shall pay to the State the sum paid in the most recent quarter in which it operated at least nine hundred (900) Gaming Devices to ensure the solvency of the Revenue Sharing Trust Fund; and

WHEREAS, Compact section 5.2, subdivision (h), provides that either party may request a reopening of negotiations of section 5.2, subdivision (a) if, among other things, the balance of funds within the Revenue Sharing Trust Fund is not expected to fall short of the amount reasonably required to meet the long-term obligations of that fund; and

WHEREAS, Compact section 15.1 provides that its terms may be amended at any time by mutual agreement of the parties; and

WHEREAS, as a result of a variety of factors, including the number of California tribes willing to consider a framework that respects the discretion of tribal governments to make mutually beneficial investments in their local community

and make increased contributions to non-gaming or limited gaming tribes, the revenue sharing provisions in subsequent class III gaming compacts provide for a six percent (6%) of net win, or equivalent, payment instead of eight percent (8%), into the Revenue Sharing Trust Fund or the Tribal Nation Grant Fund, an annual credit for that tribe of up to sixty percent (60%) instead of forty percent (40%), with no reference to a minimum payment for nine hundred (900) Gaming Devices, and technical clarifications about the use of credits; and

WHEREAS, the State wishes to ensure that each California tribe has compact terms that are consistent with federal law, and to the extent practicable, reflect the circumstances of that tribe, but are also fair and generally consistent with provisions in other compacts involving similarly situated tribes; and

NOW, THEREFORE, the Tribe and the State agree as set forth herein:

- 1. Compact section 5.2, subdivision (a) is hereby repealed and replaced by the following:
 - (a) If the Tribe operates more than three hundred fifty (350) Gaming Devices at any time in a given calendar year, it shall thereafter, including in that calendar year, pay to the State Gaming Agency, for deposit into the Revenue Sharing Trust Fund or the Tribal Nation Grant Fund, six percent (6%) of its Net Win from its operation of Gaming Devices in excess of three hundred fifty (350).
- 2. Compact section 5.2, subdivision (b) is hereby repealed.
- 3. Compact section 5.3 is hereby repealed and replaced by the following:

Notwithstanding anything to the contrary in section 5.2, the State agrees to provide the Tribe with an annual credit for up to sixty percent (60%) of the payments otherwise due under section 5.2 for the following:

(a) Payments by the Tribe to the County of Amador and local jurisdictions operating facilities or providing services within the County for purposes of improved fire, law enforcement, public transit, education, tourism, and other services and infrastructure improvements intended to include serving off-reservation needs of County residents and not otherwise required by section 11.0. Such payments shall be subject to approval by the County or local jurisdiction in the County. At least twenty percent (20%) of the

- annual credits authorized by this section 5.3 shall be utilized for the purposes described in this subdivision (a);
- (b) Payments by the Tribe to reimburse Amador County for any loss of sales tax revenues to the County that would otherwise be due for retail sales at the Tribe's Gaming Facility or transient occupancy tax at the Tribe's hotel if it was not located on Indian lands. Such reimbursements shall be subject to approval by the County;
- (c) Payments to support operating expenses and capital improvements for non-tribal governmental agencies or facilities operating within Amador County;
- (d) Non-gaming related capital investments and economic development projects by the Tribe on or off tribal trust lands that the State or State Designated Agency agrees provide mutual benefits to the Tribe and the State because, for instance, they have particular cultural, social or environmental value, or diversify the sources of revenue for the Tribe's general fund;
- Investments in, and any funds paid to the State in connection with, (e) renewable energy projects that, in part, serve the Gaming Facility, and facilities that incorporate charging stations for electric or other zeroemission vehicles that are available to patrons and employees of the Gaming Facility. For purposes of this subdivision (e), "renewable energy projects" means projects that utilize a technology other than a conventional power source, as defined in section 2805 of the Public Utilities Code, as may be amended, and instead uses as a power source biomass, geothermal, small hydroelectric, solar, or wind, as those power sources are defined in section 1391, subdivision (c), of title 20 of the California Code of Regulations, as may be amended from time to time; the power source must not utilize more than twenty-five percent (25%) fossil fuel; and "facilities" shall include but not be limited to, parking areas, parking garages, and refueling stations. To address changes in technology, the State and the Tribe may meet and agree that specified projects and facilities meet the intent of this subdivision; and
- (f) Payments (not including direct or indirect state or federal funding) to support capital improvements and operating expenses for facilities

within California that provide health care services to tribal members, Indians, and non-Indians.

All excess authorized credits that cannot be applied in any one (1) year under this section 5.3 because they would exceed the sixty percent (60%) of the payments otherwise due under section 5.2 may be applied as an annual credit in all following years that this Compact is in effect, in the same percentages expressed in this section 5.3, until completely exhausted.

The Tribe shall provide notice to the State of its intent to exercise any of its options under subdivisions (c), (d), and (e) of this section 5.3. The State shall have the right to review proposals under subdivisions (c), (d), and (e), and in the exercise of its reasonable discretion disapprove it for receipt of credit under this section 5.3 within ninety (90) days if it does not meet the purposes set out above.

IN WITNESS WHEREOF, the undersigned sign this First Amendment to the Tribal-State Compact Between the State of California and the Jackson Rancheria of Miwuk Indians on behalf of the State of California and the Jackson Rancheria Band of Miwuk Indians.

STATE OF CALIFORNIA

By Edmund G. Brown Jr.

Governor of the State of California

Executed this 22-day of June 2016, at Sacramento, California

JACKSON RANCHERIA BAND OF MIWUK INDIANS

By Adam Dalton

Chairman of the Jackson Band of Miwuk Indians

Executed this 23 day of 2016, at Jackson

May , California

ATTEST:

Alex Padilla

Secretary of State, State of California

