



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, DC 20240

JAN 21 2026

The Honorable Leona L. Williams
Chairperson, Pinoleville Pomo Nation, California
500 Pinoleville Drive
Ukiah, California 95482

Dear Chairperson Williams:

On October 14, 2025, the Office of Indian Gaming received for review and approval the First Amendment to the Tribal-State Compact Between the State of California and the Pinoleville Pomo Nation, California (Amendment). The Amendment details the Tribe's contribution requirements to the Special Distribution Fund, eliminates the payment to the Revenue Sharing Trust Fund, and creates an Impact Mitigation Fund.

Under the Indian Gaming Regulatory Act (IGRA), the Secretary of the Interior (Secretary) may approve or disapprove a compact within 45 days of its submission. 25 U.S.C. § 2710(d)(8). If the Secretary does not affirmatively approve or disapprove the compact within 45 days, IGRA provides that the compact is considered to have been approved by the Secretary by operation of law, "but only to the extent that the compact is consistent with the provisions of [IGRA]." *Id.*

No action was taken on the Amendment within 45 days of its submission. As a result, the Amendment is "considered to have been approved by the Secretary, but only to the extent [it] is consistent with the provisions of [IGRA]." *Id.* The Amendment takes effect when notice of approval is published in the *Federal Register*, as required by 25 U.S.C. § 2710(d)(8)(D).

The Amendment was received during the 2025 Federal Government shutdown (2025 Shutdown), which prevented substantive work on the Amendment during the first 30 days of the review period. For example, the Office of Indian Gaming, if it had sufficient time, would have sought additional information from the Tribe and the State on certain terms in the Amendment including changes in the revenue sharing provisions.

Changes to the Revenue Sharing Provision

Under the 2012 Compact, the Tribe's revenue sharing obligations to the State, the Tribe was required to pay a percentage share of net win per gaming device into the State's Special Distribution Fund (SDF) and a dollar amount per gaming device operated into the Revenue Share Trust Fund (RSTF). Those revenue sharing obligations were offset by the State's grant of exclusivity over class III gaming to the Tribes.

The Amendment requires the Tribe to pay a 'pro rata' share to the SDF based on the number of gaming devices operated but removes the requirement for the Tribe to pay into the RSTF. The Amendment also establishes an "Impact Mitigation Fund" into which the Tribe will contribute 0.5% of net win of gaming devices operated exceeding 349 to help fund non-tribal fire protection districts, law enforcement, and service agencies with demonstrated impacts from the Tribe's gaming activities.

The Department's regulations governing its revenue sharing analysis at 25 C.F.R. § 293.27(b)-(c) provide that:

(b) The Department reviews revenue sharing provisions with great scrutiny beginning with the presumption that a Tribe's payment to a State or local government for anything beyond § 293.18 regulatory fees is a prohibited "tax, fee, charge, or other assessment."

For the Department to approve revenue sharing, the parties must show through documentation, such as a market study or other similar evidence, that:

- (1) The Tribe has requested and the State has offered specific meaningful concessions the State was otherwise not required to negotiate;
 - (2) The value of the specific meaningful concessions offered by the State provides substantial economic benefits to the Tribe in a manner justifying the revenue sharing required by the compact; and
 - (3) The Tribe is the primary beneficiary of the gaming measured by projected revenue to the Tribe against projected revenue shared with the State.
- (c) The inclusion of revenue sharing provisions to the State that is not justified by meaningful concessions of substantial economic benefit to the Tribe may be considered evidence of a violation of IGRA.

The Part 293 regulations at § 293.2(h) define “meaningful concessions” as:

- (1) Something of value to the Tribe;
- (2) Directly related to gaming activity;
- (3) Something that carries out the purposes of IGRA; and
- (4) Not a subject over which a State is otherwise obligated to negotiate under IGRA.

Additionally, the Department has consistently permitted parties to renegotiate an underlying revenue sharing arrangement, so long as the expected revenue sharing burden on the Tribe either remains the same or is reduced, and the value of the State’s concession continues to justify the revenue sharing rate. In some instances, the Department has also approved increases in total revenue sharing when the State has provided new concessions that justify increased revenue sharing.

Under normal circumstances, the Office of Indian Gaming would have requested additional information from the Tribe and the State seeking an explanation of, and justification for, the changes in the revenue sharing provisions, including financial information. Due to staff members being furloughed during the 2025 Shutdown, the Office of Indian Gaming was unable to send the Tribe and the State a timely request for information. While it appears that these provisions may represent a decrease in the value of the State’s meaningful concession without a corresponding decrease in the State’s demand for revenue sharing, without additional information from the parties we were unable to determine whether that is the intent of the provision and how it is anticipated to impact the Tribe’s revenue sharing obligations over the extended term of the Amendment. Since we cannot conclude that the regulatory presumption at 25 C.F.R. § 293.27 has successfully been rebutted, we are concerned that the Amendment’s changes to the revenue sharing provisions may be inconsistent with IGRA.

A similar letter is being sent to the Honorable Gavin Newsom, Governor of California. If you have any questions, please contact Mr. Troy Woodward, Acting Director, Office of Indian Gaming at Indian.gaming@bia.gov or by telephone at (202) 219-4066.

Sincerely,



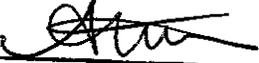
William Henry Kirkland III
Assistant Secretary – Indian Affairs

Enclosure

RECEIVED
OCT 14 2025
AS - IA
Office of Indian Gaming

FILED
in the office of the Secretary of State
of the State of California

OCT 10 2025

By: 
Deputy Secretary of State

FIRST AMENDMENT TO THE

TRIBAL-STATE COMPACT

BETWEEN

THE STATE OF CALIFORNIA

AND THE

PINOLEVILLE POMO NATION,

CALIFORNIA

**FIRST AMENDMENT TO THE TRIBAL-STATE COMPACT
BETWEEN THE STATE OF CALIFORNIA
AND THE PINOLEVILLE POMO NATION, CALIFORNIA**

WHEREAS, the State of California (State) and the Pinoleville Pomo Nation, California (Tribe) entered into a class III gaming compact on August 8, 2011 (2011 Compact); and

WHEREAS, the 2011 Compact took effect on February 3, 2012, upon publication of notice in the Federal Register that the Secretary of the United States Department of the Interior (Secretary) (77 Fed. Reg. 5,566 (Feb. 3, 2012)); and

WHEREAS, the 2011 Compact authorizes the Tribe to operate specified Gaming Activities, as provided therein, pursuant to the Indian Gaming Regulatory Act, 18 U.S.C. §§ 1166-1168, 25 U.S.C. § 2701 et seq. (IGRA); and

WHEREAS, the State and the Tribe agreed to terms governing the negotiation of amendments to the 2011 Compact in Section 15.0; and

WHEREAS, pursuant to Section 15.0, the Tribe has requested negotiations for amendments to the 2011 Compact; and

WHEREAS, pursuant to Section 15.0, the State was not obligated to enter into negotiations for amendments to the 2011 Compact; and

WHEREAS, nonetheless, the State agreed to enter negotiations in furtherance of the sovereign-to-sovereign relationship between the State and the Tribe and to provide the Tribe with substantial economic benefit; and

WHEREAS, the Tribe and the State agree that this First Amendment to the Tribal-State Compact Between the State of California and the Pinoleville Pomo Nation, California (Amendment) provides the Tribe with substantial economic benefit by reducing the total amount of payments that the Tribe would otherwise owe under the 2011 Compact and by enhancing the Tribe's ability to access tribal-government financing; and

WHEREAS, this Amendment respects the Tribe's primary responsibility and sovereign authority over the regulation of its Gaming Facility and is intended to continue to support the Tribe's economic development and self-sufficiency; and

WHEREAS, the State enters into this Amendment out of respect for the sovereignty of the Tribe; to enhance tribal-state cooperation in areas of mutual concern; and in recognition that the voters of California approved Proposition 5 in 1998 and then amended the State Constitution through approval of Proposition 1A in 2000 to authorize the operation of slot machines and banked and percentage card games by Tribes on Indian lands; and

WHEREAS, the State and the Tribe have a legitimate interest in promoting the purposes of IGRA for all federally recognized Indian tribes in California, whether gaming or non-gaming; and

WHEREAS, the Tribe and the State share a joint sovereign interest in ensuring that tribal Gaming Activities are free from criminal and other undesirable elements; and

WHEREAS, the State and the Tribe have concluded that this Amendment protects the interests of the Tribe and its members, the surrounding community, and the California public, and will promote and secure long-term stability, mutual respect, and mutual benefits; and

NOW, THEREFORE, the State and the Tribe, for good and valuable consideration, hereby amend the 2011 Compact as follows:

Section 2.10 is repealed and replaced by the following:

Section 2.10. “Gaming Facility” or “Facility” means the buildings or structures in which Class III Gaming, as authorized by this Compact, is conducted.

Section 2.16, the definition of “Interested Persons” is deleted in its entirety.

Section 2.21, the definition of “Significant Effect(s) on the Off-Reservation Environment” is deleted in its entirety.

Section 4.3.1 is repealed and replaced by the following:

Sec. 4.3.1 Special Distribution Fund.

- (a) The Tribe shall pay to the State for deposit into the Special Distribution Fund created by the Legislature on a pro rata basis the State’s actual and reasonable 25 U.S.C. § 2710(d)(3)(C) costs incurred

for purposes consistent with IGRA, including for the performance of all its duties under this Compact, the administration and implementation of tribal-state Class III Gaming compacts and Secretarial Procedures, and funding for the Office of Problem Gambling, as determined by the monies appropriated in the annual Budget Act each fiscal year to carry out those purposes (Appropriation). The Appropriation and the maximum number of Gaming Devices operated by all federally recognized tribes in California determined to be in operation during the previous State fiscal year shall be reported annually by the State Gaming Agency to the Tribe on or before December 15. The term “operated” or “operation” as used in this Compact in relation to Gaming Devices describes each and every Gaming Device available to patrons (including slot tournament contestants) for play at any given time.

- (b) The Tribe’s pro rata share of the State’s 25 U.S.C. § 2710(d)(3)(C) actual and reasonable costs incurred in any given year this Compact is in effect shall be calculated by the following equation:

The maximum number of Gaming Devices operated in the Tribe’s Gaming Facility(ies) during the previous State fiscal year as determined by the State Gaming Agency, divided by the maximum number of Gaming Devices operated by all federally recognized tribes in California pursuant to tribal-state Class III Gaming compacts or Secretarial Procedures during the previous State fiscal year, multiplied by the Appropriation, equals the Tribe’s pro rata share.

- (1) Beginning the first full quarter after the Tribe has commenced Gaming Activities under this Compact, as amended by this First Amendment, the Tribe shall pay its pro rata share to the State Gaming Agency for deposit into the Indian Gaming Special Distribution Fund established by the Legislature (Special Distribution Fund). The payment shall be made in four (4) equal quarterly installments due on the thirtieth (30th) day following the end of each calendar quarter (i.e., by April 30 for the first quarter, July 30 for the second quarter, October 30 for the third quarter, and January 30 for the fourth quarter); provided, however, that in the event the Tribe commences Gaming Activities under this Compact, as amended by this First

Amendment, during a calendar quarter, payment shall be prorated for the number of days remaining in that initial quarter, in addition to any remaining full quarters in the first calendar year of operation to obtain a full year of full quarterly payments of the Tribe's pro rata share specified above. A payment year will run from January through December. If any portion of the Tribe's quarterly pro rata share payment is overdue, the Tribe shall pay to the State for purposes of deposit into the appropriate fund, the amount overdue plus interest accrued thereon at the rate of one percent (1%) per month or the maximum rate permitted by state law for delinquent payments owed to the State, whichever is less. All quarterly payments shall be accompanied by the report specified in section 4.6.

- (2) If the Tribe objects to the State's determination of the Tribe's pro rata share, or to the amount of the Appropriation as including matters not consistent with IGRA or this Compact, the matter shall be resolved in accordance with the dispute resolution provisions of section 13.0. Any State determination of the Tribe's adjusted pro rata share challenged by the Tribe shall govern and must be paid when due by the Tribe into an escrow account established to hold such funds until final resolution of the dispute pursuant to dispute resolution provisions set forth in section 13.0, and the Tribe's payment is a condition precedent to invoking the section 13.0 dispute resolution provisions. Any funds held in the escrow account shall be disbursed in accordance with the final outcome of the dispute resolution provisions of section 13.0. In the resolution of any challenge to the Appropriation used to determine the Tribe's pro rata share based on the inclusion of matters not consistent with IGRA or this Compact, the Legislature's inclusion of the costs at issue in the Appropriation alone will not be sufficient to establish that the costs are consistent with IGRA or this Compact.
- (3) Only for purposes of calculating the Tribe's annual pro rata share under section 4.3.1, subdivision (b), any increase in the Appropriation for the current year shall be capped at an amount equal to five percent (5%) from the Appropriation used to calculate the Tribe's pro rata share in the immediately

preceding year. The Appropriation, so capped, will be used to calculate the Tribe's pro rata share under the equation set forth in section 4.3.1, subdivision (b). The Tribe and the State anticipate and intend that annual increases in the Tribe's pro rata share payment will be significantly less than five percent (5%) annually on an ongoing basis, and that this five percent (5%) cap will be rarely, if ever, implemented.

- (4) The foregoing payments have been negotiated between the Tribe and the State to reimburse the State for the State's costs of regulating and mitigating certain impacts of tribal Gaming Activities
- (c) Notwithstanding anything to the contrary stated in subdivisions (a) and (b) of this section 4.3.1, in any given State fiscal year, to the extent permissible and only in accordance with the conditions of California Government Code section 12012.96, the State Gaming Agency, upon approval by the California Department of Finance shall reduce, or eliminate, the Tribe's pro rata share payment obligation to the Special Distribution Fund.

Sec. 4.3.2 Use of Special Distribution Funds.

Revenue placed in the Special Distribution Fund shall be available for appropriation by the Legislature for the purposes specified in California Government Code section 12012.85 consistent with IGRA.

Sec. 4.3.3. Effective Date of Contribution Provisions.

The provisions of this Compact establishing or superseding existing revenue sharing obligations of the Tribe will take effect on the first day of the first month following the effective date of this Compact.

Sec. 4.3.4. Quarterly Payments and Quarterly Contribution Report.

- (a) (1) The Tribe shall remit quarterly to the State Gaming Agency (i) the payments described in section 4.3.1, for deposit into the Special Distribution Fund. The payments shall be due thirty (30) days following the end of each calendar quarter (i.e., by April 30 for the first quarter, July 30 for the second quarter,

October 30 for the third quarter, and January 30 for the fourth quarter).

- (2) If the Gaming Activities authorized by this Compact commence during a calendar quarter, the first payment shall be due on the thirtieth (30th) day following the end of the first full quarter of the Gaming Activities and shall cover the period from the commencement of the Gaming Activities to the end of the first full calendar quarter.
 - (3) All quarterly payments shall be accompanied by the certification specified in subdivision (b).
- (b) After the Tribe has commenced Gaming Activities under this Compact, at the time each quarterly payment is due, regardless of whether any monies are owed, the Tribe shall submit to the State Gaming Agency a certification (the "Quarterly Contribution Report") prepared by the chief financial officer of the Gaming Operation that specifies the following:
- (1) The calculation of the maximum number of Gaming Devices operated in the Gaming Facility for each day during the given quarter;
 - (2) The amount due, if any, pursuant to section 4.3.1; and
 - (3) The total amount of the quarterly payment paid to the State.
- (c) The State Gaming Agency shall have access to all records deemed necessary by the State Gaming Agency to verify the maximum number of Gaming Devices operated in the Gaming Facility during the given quarter, including access to the Gaming Device accounting systems and server-based systems and software, and to the data contained therein on a read-only basis. The parties expressly acknowledge that the Quarterly Contribution Reports provided for in subdivision (b) are subject to section 8.4, subdivision (h).
- (d) If any portion of the payments under subdivision (a) of this section is overdue after the State Gaming Agency has provided written notice to the Tribe of the overdue amount with an opportunity to cure of at least fifteen (15) business days, and if more than sixty (60) calendar days

have passed from the due date, then the Tribe shall cease operating all of its Gaming Devices until full payment is made.

Section 5.2 is repealed and replaced by the following:

Sec. 5.2. Revenue Sharing Trust Fund

Under the terms of this Compact, the Tribe has no obligation to make payments into the Revenue Sharing Trust Fund.

Section 6.4.5(e)(1)(D): is repealed and replaced by the following:

Section 6.4.5(e)(1)(D): Any agency of the federal government, or of a tribal, state, or local government providing financing, together with any person purchasing any debt securities or other forms of indebtedness of the agency to provide such financing.

Section 11.0: is repealed and replaced by the following:

SECTION 11.0. TRIBAL DISTRIBUTIONS TO MITIGATE IMPACTS OF GAMING ON LOCAL GOVERNMENTS.

Sec. 11.1. Establishment of the Impact Mitigation Fund.

- (a) The Tribe recognizes that activities associated with operation of its Gaming Facilities may impact law enforcement, emergency services, and other public services of neighboring jurisdictions and place an increased burden on them. For each fiscal year in which the Tribe operates 350 or more Gaming Devices, the Tribe agrees to establish an Impact Mitigation Fund for purposes of providing assistance to fire protection districts and non-tribal law enforcement, emergency services, and service agencies with demonstrated impacts from the Gaming Facilities and to deposit into the Impact Mitigation Fund one-half of one percent (0.5%) of its Net Win generated from the operation of all Gaming Devices in excess of 349 devices. Permissible uses of the Impact Mitigation Fund include, but are not limited to, any payments that the Tribe would otherwise make to local governments for the purposes identified in this paragraph. The Tribe shall have no obligation to fund the Impact Mitigation Fund in any fiscal year in which it operates fewer than 350 Gaming Devices.

- (b) The Tribe will distribute funds from the Impact Mitigation Fund to neighboring jurisdictions, public agencies, and local charitable organizations to mitigate impacts upon those entities resulting from the operation of the Gaming Facilities, or other purposes as the Tribe may see fit, consistent with the request of a recipient.

Sec. 11.2. Tracking of Tribal Distributions from the Impact Mitigation Fund.

- (a) If applicable, on or before April 1 of each year, the Tribe shall prepare a report for the State for distributions made pursuant to section 11.1, stating for the prior calendar year the Impact Mitigation Fund's starting and ending balance, the total amount distributed to each entity receiving funds, and the purposes for which the Tribe made those distributions.
- (b) The Tribe will manage the distribution of funds from the Impact Mitigation Fund to ensure that the Impact Mitigation Fund's balance does not exceed the total amount contributed by the Tribe to the Impact Mitigation Fund for the prior three (3) years.

Section 12.5: is repealed and replaced by the following:

Sec. 12.5. Insurance Coverage and Claims.

- (a) Not later than thirty (30) days after the effective date of this Compact or at least sixty (60) days prior to the commencement of Gaming Activities under this Compact, whichever is later, the Tribe shall establish written procedures for the disposition of tort claims arising from personal injury or property damage alleged to have been suffered by any person who is a patron of the Gaming Facility or who is otherwise lawfully on the premises of the Gaming Facility (collectively, Claimant). The Tribe shall enact such tribal law as is necessary to implement these procedures. The procedures shall include all time limits applicable to the disposition of the tort claim and a provision that, upon request, the Claimant shall be provided with a copy of the procedures as well as the name, address and telephone number of the Gaming Operation and the appropriate contact information for the Claimant to provide any required information to initiate or process the tort claim. The procedures shall allow for the Claimant to designate a representative in the tort claim

process. The Tribe shall not be deemed to have waived its sovereign immunity from suit with respect to the tort claims by establishing the procedures or by any provision of this Compact, but agrees not to assert such immunity as provided in subdivision (b) of this section.

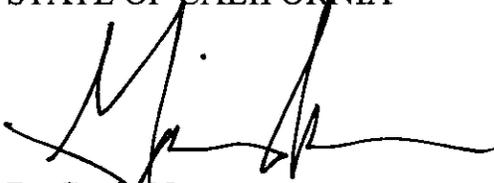
- (b) Not later than thirty (30) days after the effective date of this Compact or at least sixty (60) days prior to the commencement of Gaming Activities under this Compact, whichever is later, the Gaming Operation shall maintain a policy of commercial general liability insurance consistent with industry standards in the United States underwritten by an insurer with an AM Best rating of A or higher. Coverage shall be provided in an amount not less than two million dollars (\$2,000,000) per occurrence with an annual aggregate limit not less than five million dollars (\$5,000,000). The insurance policy shall include an endorsement providing that neither the insurer nor the Gaming Operation may invoke tribal sovereign immunity up to the limits of the policy set forth above with respect to any claim covered under the policy and disposed of in accordance with the Tribe's tort claim procedures. Neither the insurer nor the Gaming Operation shall be precluded from asserting any other defense and provided further that any award or judgment rendered in favor of the Claimant shall be satisfied solely from insurance proceeds.

Section 12.6(d), regarding recognition of child and spousal support orders, is deleted in its entirety.

Appendix A, the “Off-Reservation Environmental Impact Analysis Checklist” is deleted in its entirety.

IN WITNESS WHEREOF, the undersigned sign this Amendment on behalf of the State of California and the Pinoleville Pomo Nation, California.

STATE OF CALIFORNIA



By Gavin Newsom
Governor of the State of California

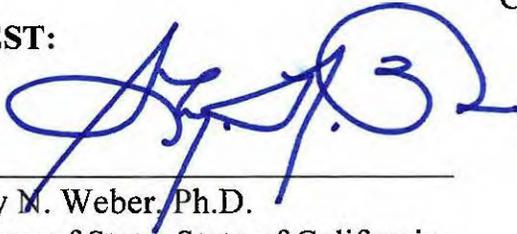
PINOLEVILLE POMO NATION,
CALIFORNIA

By Leona L. Williams
Chairperson for the Pinoleville Pomo
Nation, California

Executed this 30th day of July,
2025, at Sacramento, California

Executed this 16 day of July,
2025, at UKIAh,
California

ATTEST:



Shirley M. Weber, Ph.D.
Secretary of State, State of California

