

(6) **Other Laws.**

The Act shall supercede any inconsistent provisions of state, city or county law relating to gaming devices including, but not limited to, laws regarding the transportation, manufacture, operation, sale, lease, storage, ownership, licensing, repair or use of gaming devices authorized in this Act. In order to encourage the maximum generation of revenue for the Gaming Revenue Trust Fund, the operation of gaming devices authorized pursuant to this Act is not subject to any prohibition in state or local law now existing or hereafter enacted.

(j) **Gaming Revenue Trust Fund.**

- (1) There is hereby established the Gaming Revenue Trust Fund in the State Treasury that shall receive all payments pursuant to the requirements of subdivisions (h) and (i).
- (2) There is hereby established the Board of Trustees to administer the Gaming Revenue Trust Fund. The Board of Trustees shall be comprised of 5 members appointed by the Governor. Of the 5 members, 2 shall be engaged in public school education, 1 shall be engaged in law enforcement, 1 shall be engaged in fire protection and 1 shall be a certified public accountant. Each member shall be a citizen of the United States and a resident of this state. No more than 3 of the 5 members shall be members of the same political party. Of the members initially appointed, 2 shall be appointed for a term of two years, 2 shall be appointed for a term of three years, and 1 shall be appointed for a term of four years. After the initial terms, the term of office of each member shall be four years. The Governor shall appoint the members and shall designate one member to serve as the initial chairperson. The initial chairperson shall serve as chairperson for the length of his or her term. Thereafter, the chairperson shall be selected by the Board of Trustees. The initial appointments shall be made within three months of the operative date of this Act. The Board of Trustees shall approve all transfers of monies from the Gaming Revenue Trust Fund. The Board of Trustees shall engage an independent firm of certified public accountants to conduct an annual audit of all accounts and transactions of the Gaming Revenue Trust Fund.
- (3) The monies in the Gaming Revenue Trust Fund shall be distributed as follows:
 - (a) Not more than one percent of the monies annually to the Division of Gambling Control and the California Gambling Control Commission for the cost of carrying out its administrative duties pursuant to this Act, and for reimbursement of any State department or agency that provides any service pursuant to the provisions of this Act.
 - (b) Monies sufficient to guarantee that each non-gaming tribe shall receive \$1.2 million annually from the Indian Gaming Revenue

Sharing Trust Fund as codified in the California Government Code. "Non-gaming tribe" shall mean a federally recognized Indian tribe which operates fewer than 350 gaming devices.

(c) \$3 million to be awarded annually by the Board of Trustees to responsible gambling programs.

(d) After the distributions required pursuant to subdivisions (3)(a),(b), and (c), the remaining monies shall be distributed as follows:

1. Fifty percent (50%) to county offices of education to provide services for abused and neglected children and children in foster care. These monies shall be allocated to each county office of education according to each county's proportionate share of the annual statewide total of child abuse referral reports for the prior calendar year and shall be used to improve educational outcomes of abused and neglected children and children in foster care. Each county office of education shall allocate these funds to county child protective services agencies to provide these services. Funds received by each county child protective service agency shall be used for the following purposes:

i. Out-stationing county child protective services social workers in schools;

ii. Providing appropriate caseloads to ensure that professional staff will have sufficient time to provide services necessary to improve the educational outcomes of abused and neglected children and children in foster care;

iii. Providing services to children in foster care to minimize mid-year transfers from school to school;

iv. Hiring juvenile court workers whose responsibility it is to ensure the implementation of court orders issued by juvenile court judges affecting a foster child's educational performance.

Each county child protective service agency shall be subject to all accountability standards including student performance, enrollment, school stability and performance measured by the percentage of children at grade level on standardized tests as provided by state and federal law. Each county child protective agency shall use funds received pursuant to this section in a manner that maximizes the counties' ability to obtain federal matching dollars for services to children in the child protective services system.

(e) Thirty-five percent (35%) to local governments on a per capita basis for additional neighborhood sheriffs and police officers.

(f) Fifteen percent (15%) to local governments on a per capita basis for additional firefighters

(k) The Governor shall not consent, concur or agree to the location of any tribal casinos on newly acquired land pursuant to 25 U.S.C. §2719(b)(1)(a). Further, any compact entered into by the State pursuant to 25 U.S.C. §2710(d) shall only be for class III gaming on Indian lands actually taken into trust by the United States for the benefit of an Indian tribe prior to September 1, 2003, except for land contiguous to reservations existing as of that date.

SECTION 4. Section 19609 is added to the Business and Professions Code to read as follows:

19609.

(a) Unless otherwise defined in this chapter, the terms used in this section shall have the meaning ascribed to them in the Gaming Revenue Act of 2004 ("the Act").

(b) Three quarters of one percent (.75%) of the net win from all gaming devices operated by, or on behalf of, owners of authorized horseracing tracks upon which a thoroughbred racing meeting was conducted in 2002 shall be distributed for thoroughbred incentive awards and shall be payable to the applicable official registering agency and thereafter distributed as provided in the California Horse Racing Law.

(c) One and one-half percent (1½%) of the net win from all gaming devices operated by, or on behalf of, owners of authorized horseracing tracks upon which a thoroughbred racing meeting was conducted in 2002 shall be distributed to each of those thoroughbred racing associations and racing fairs that are not authorized horseracing tracks in the same relative proportions that such thoroughbred racing associations or racing fairs generated commissions during the preceding calendar year. A lessee of an authorized horseracing track as of the effective date of the Act shall not be deemed to be an authorized horseracing track for the purposes of this Section.

(d) Seventeen and three quarters percent (17.75%) of the net win from all gaming devices operated by, or on behalf of, owners of authorized horseracing tracks upon which a thoroughbred racing meeting was conducted in 2002 shall be pooled ("the pooled net win") and shall be distributed in the form of purses for thoroughbred horses in accordance with the provisions of this subdivision (d).

(i) The pooled net win shall be allocated to thoroughbred racing associations and racing fairs throughout the State of California and shall be distributed among each of them in such manner as to equalize on an average daily basis purses for thoroughbred races other than stakes and special events. Notwithstanding the foregoing, pooled net win may be allocated to supplement purses for thoroughbred races so the thoroughbred racing associations and racing fairs may maintain up to their historic relative proportions between overnight races, and stakes races and special events. Increases in the aggregate amount of purses for stakes races of thoroughbred racing associations and racing fairs resulting from pooled net win contributions shall be determined in accordance with an agreement signed by all the thoroughbred racing associations and the organization responsible for negotiating thoroughbred purse agreements on behalf of thoroughbred horsemen.