

(e) The Legislature has no power to authorize, and shall prohibit casinos of the type currently operating in Nevada and New Jersey.

(f) Notwithstanding subdivisions (a) and (e), and any other provision of state law, the Governor is authorized to negotiate and conclude compacts, subject to ratification by the Legislature, for the operation of ~~slot machines~~ gaming devices and for the conduct of lottery games and banking and percentage card games by federally recognized Indian tribes on Indian lands in California in accordance with federal law. Accordingly, ~~slot machines~~ gaming devices, lottery games, and banking and percentage card games are hereby permitted to be conducted and operated on tribal lands subject to those compacts.

(f)(g) Notwithstanding subdivision (a), the Legislature may authorize private, nonprofit, eligible organizations, as defined by the Legislature, to conduct raffles as a funding mechanism to provide support for their own or another private, nonprofit, eligible organization's beneficial and charitable works, provided that (1) at least 90 percent of the gross receipts from the raffle go directly to beneficial or charitable purposes in California, and (2) any person who receives compensation in connection with the operation of a raffle is an employee of the private nonprofit organization that is conducting the raffle. The Legislature, two-thirds of the membership of each house concurring, may amend the percentage of gross receipts required by this subdivision to be dedicated to beneficial or charitable purposes by means of a statute that is signed by the Governor.

(h) Notwithstanding subdivisions (e) and (f), and any other provision of state law, the Governor is authorized to negotiate and conclude amendments to all existing compacts with all Indian tribes in accordance with the provisions of this subdivision (h). An "existing compact" means a gaming compact entered into between the State and an Indian tribe prior to the effective date of the Gaming Revenue Act of 2004. All compacts amended pursuant to this subdivision (h) shall include the following terms, conditions and requirements:

- (1) The Indian tribe shall agree to pay twenty-five percent (25%) of its net win from all gaming devices operated by it or on its behalf to the Gaming Revenue Trust Fund. Such payments shall be made monthly and shall be due within 30 days of the end of each month. "Net win" means the wagering revenue from all gaming devices operated by the Indian tribe or on its behalf retained after prizes or winnings have been paid to players or to pools dedicated to the payment of such prizes and winnings, and prior to the payment of operating or other expenses. Such payments shall commence immediately after federal approval of the amended compact.
- (2) The Indian tribe shall agree to report to the Division of Gambling Control the net win on all gaming devices operated by or on behalf of it. Such reports shall be submitted monthly, shall be due within 30 days of the end of each month, and shall be available to the public upon request.
- (3) The Indian tribe shall agree to pay for an annual audit performed by an independent firm of certified public accountants approved by the California Gambling Control Commission to ensure that the net win is properly reported and the payment is properly paid to the Gaming Revenue Trust Fund. The audit report shall be available to the public upon request.

- (4) The Indian tribe shall agree to comply with the California Political Reform Act.
- (5) The Indian tribe shall agree that its casino facilities shall comply with the California Environmental Quality Act.
- (6) The Indian tribe shall agree to enter into good faith negotiations with any city or county within which the Indian lands are located where Class III gaming is conducted to mitigate local gaming related impacts within a reasonable time following the State's execution of the compact. The state courts shall have exclusive jurisdiction to resolve any dispute regarding the failure to reach an agreement or the enforcement of the agreement.
- (7) The Indian tribe shall agree to comply with all provisions of the Gambling Control Act, and shall agree to be subject to the jurisdiction of the California Gambling Control Commission and Division of Gambling Control.
- (8) The Indian tribe shall agree that state courts shall have exclusive jurisdiction over any criminal or civil proceeding arising from or related to the Gaming Revenue Act, arising from or related to the compact, or arising from or related to any act or incident occurring on the premises of a tribal casino.

The powers of the State and the applicability of state law to Indian tribes and Indian casinos pursuant to this subdivision (h) are to be construed consistently with the fullest extent of State's rights and powers under federal law to reach agreements with Indian tribes with tribal consent. No tribe with an existing compact is required by this subdivision (h) to agree to amend its existing compact. Nothing in this Act waives or restricts the civil or criminal jurisdiction of the State under Public Law 280 (18 U.S.C. Sec. 1162), and the State may not waive such jurisdiction in any compacts.

(i) Notwithstanding subdivisions (a) and (e), and any other provision of state or local law, in the event amendments to all existing compacts with all Indian tribes as provided in subdivision (h) are not entered into and submitted to the Secretary of Interior within 90 days of the effective date of the Gaming Revenue Act of 2004, owners of authorized gambling establishments and owners of authorized horseracing tracks shall immediately thereafter be authorized to operate not more than a combined total of 30,000 gaming devices. In the event tribal monopolies are adjudicated to be illegal, in the event the amended compacts are not approved or considered approved pursuant to the Indian Gaming Regulatory Act, or in the event subdivision (h) is invalidated, or delayed more than 90 days after this Act would otherwise take effect, by the State, the federal government, or any court, owners of authorized gambling establishments and owners of authorized horseracing tracks shall immediately thereafter be authorized to operate the gaming devices authorized by this section. For purposes of this Act, "authorized gambling establishment" shall mean a site in the counties of Los Angeles, San Diego, Contra Costa or San Mateo at which 14 or more gaming tables were authorized to be operated as of September 1, 2003 pursuant to the Gambling Control Act, except such sites that were actually taken into trust for an Indian tribe or Indians after September 1, 2003. For purposes of this Act, "authorized horseracing track" shall mean a site in the counties of Alameda, Los Angeles, Orange or San Mateo at which horseracing was conducted by a thoroughbred

racine association or quarter horse racing association that was licensed pursuant to the Horse Racing Law to conduct more than 50 days or nights of racing in 2002. For purposes of this Act, "site" shall mean the real property on which an authorized horseracing track or an authorized gambling establishment was located as of September 1, 2003 and shall include real property adjacent to the site.

The operation of these gaming devices shall be subject to the following provisions:

(1) Payments.

- a. Owners of authorized gambling establishments and authorized horseracing tracks shall pay thirty percent (30%) of the net win from gaming devices operated by them to the Gaming Revenue Trust Fund created pursuant to this section. Such payments shall be made monthly and shall be due within 30 days of the end of each month. "Net win" means the wagering revenue from gaming devices operated pursuant to this Act retained after prizes or winnings have been paid to players or to pools dedicated to the payment of such prizes and winnings, and prior to the payment of operating or other expenses.
- b. Owners of authorized gambling establishments and authorized horseracing tracks shall report to the Division of Gambling Control the net win on all gaming devices operated by or on behalf of them. Such reports shall be submitted monthly, shall be due within 30 days of the end of each month, and shall be available to the public upon request.
- c. Owners of authorized gambling establishments and authorized horseracing tracks shall pay for an annual audit performed by an independent firm of certified public accountants approved by the California Gambling Control Commission to ensure that the net win is properly reported and the payment is properly paid to the Gaming Revenue Trust Fund. The audit report shall be available to the public upon request.
- d. Owners of authorized gambling establishments and authorized horseracing tracks shall pay two percent (2%) of their respective net win from gaming devices operated by them to the city in which each authorized horseracing track and authorized gambling establishment is located. In the event an authorized gambling establishment or an authorized horseracing track is not located within the boundaries of a city, the payment imposed by this Act shall be made to the county in which the authorized gambling establishment or authorized horseracing track is located. Such payments shall be made monthly and shall be due within 30 days of the end of each month.
- e. Owners of authorized gambling establishments and authorized horseracing tracks shall pay one percent (1%) of their respective