

SUMMARY

AB 221 streamlines the existing Tribal Nation Grant Fund (TNGF) process to provide annual equal distribution grants, upon application, to all federally recognized tribes that either have no gaming (“nongaming”) or operate less than 350 Class III gaming devices (“limited gaming”).

BACKGROUND

The TNGF was established for the receipt and deposit of monies received by the state from Indian tribes pursuant to the terms of tribal-state gaming compacts. Notably, the TNGF consists solely of monies paid for by federally recognized Indian tribes for the benefit of eligible federally recognized nongaming and limited gaming tribes. Under state law, the TNGF’s funds must be used exclusively for tribal purposes.

From 2000 through the fourth quarter of 2024, gaming tribes have contributed more than \$1.8 billion in Revenue Sharing Trust Fund (RSTF) payments to eligible nongaming and limited gaming tribes, pursuant to tribal-state compacts. For FY 2024-25, an estimated 72 Tribes will be eligible for RSTF distributions, totaling approximately \$79.2 million.

PROBLEM

The Tribal Nation Grant Fund process, enacted in 2017 by AB 880, has struggled to provide the consistent, broad funding needed to sustain tribal government programs and services. Tribal leaders emphasize that the existing grant application and distribution process undermines the development of tribal communities and strong tribal governments. After all, how can any government effectively deliver services to its constituents and plan for the future without reliable funding?

SOLUTION

Under AB 221, eligible nongaming and limited gaming tribes who apply would receive annual equal grants of \$600,000, or at least 85% of the available monies in the fund, whichever is greater. The grants would be used to fund effective self-governance, self-determined community, economic development, and other vital tribal programs and services including housing, support for compliance with the Indian Child Welfare Act, vocational training, investments in tribal schools and colleges, investment in public health, public safety, renewable energy, water conservation, cultural preservation or awareness, educational programs, or scholarships, and more. These equal grants would be distributed on a quarterly basis and are projected to increase revenue sharing payments to eligible tribal governments by nearly 55%.

A consistent equal distribution grant from the TNGF would help stabilize funding for eligible tribal governments. This would augment the existing \$1.1 million distribution from the RSTF, pursuant to tribal-state gaming compacts, by \$600,000 or more per year. AB 221 will not result in new costs to the state.

SUPPORT

Tribal Alliance of Sovereign Indian Nations (Sponsor)
California Nations Indian Gaming Association (Sponsor)
Agua Caliente Band of Cahuilla Indians
Barona Band of Mission Indians
Cahuilla Band of Indians
California Chamber of Commerce
Elk Valley Rancheria
Enterprise Rancheria
Federated Indians of Graton Rancheria
Habematolel Pomo of Upper Lake
Iipay Nation of Santa Ysabel
Middletown Rancheria
Morongo Band of Mission Indians
Pechanga Band of Indians
Pit River Tribe

Pulikla Tribe of Yurok People
Redding Rancheria
Santa Ynez Band of Chumash Indians
Soboba Band of Luiseno Indians
Table Mountain Rancheria
Tejon Indian Tribe
Tule River Indian Tribe
Twenty-Nine Palms Band of Mission Indians
Yoche Dehe Wintun Nation
Yuhaaviatam of San Manuel Nation
Yurok Tribe

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