

CONCURRENCE IN SENATE AMENDMENTS
CSA1 Bill Id:AB 221 Author:(Ramos and Valencia)
As Amended Ver:August 29, 2025
Majority vote

SUMMARY

This bill makes various changes to the Tribal Nation Grant Fund (TNGF) and the processes used by the TNGF Panel (Panel) for awarding grants from the fund's available resources and for distributing funds to eligible tribes, as specified. Specifically, this bill revises the grant distribution by authorizing the Panel to award grants as specific distribution grants to fund a specifically described purpose or project, or as equal shares grants for distribution to eligible tribes in equal amounts, as specified

Senate Amendments

- 1) Clarify that in the event that equal shares of \$600,000 per eligible tribe exceeds 100 percent of the available moneys in the TNGF, the panel shall distribute as equal shares grants a proportional amount per eligible tribe that in total equals 100 percent of the available moneys in the fund.
- 2) Provide the Panel shall distribute amounts awarded as annual equal shares grants in quarterly distributions within 45 days of the end of each fiscal quarter. The distributions shall be made at or around the same time as the California Gambling Control Commission makes its quarterly payments from the Indian Gaming Revenue Sharing Trust Fund, as specified.
- 3) Make a related statement of legislative intent.
- 4) Make technical changes.
- 5) Add co-authors.

COMMENTS

Background.

The federal Indian Gaming Regulatory Act (IGRA) of 1998 distinguishes between three classes of gaming: (a) class I gaming includes social games for minor prizes, (b) class II gaming includes bingo and card games not explicitly prohibited by state law, and (c) class III gaming includes all other games, such as blackjack and slot machines. California currently has tribal-state class III gaming compacts signed and ratified with 66 tribes. Additionally, the U.S. Department of the Interior secretary has issued "secretarial procedures" by which certain tribes may conduct class III gaming without a tribal-state compact. There are currently 15 tribes with secretarial procedures in California.

The TNGF is a fund of tribal dollars created through many of the California tribal-state compacts for the purposes of effective self-governance, self-determined community, and economic development.

The 2012 tribal-state gaming compact between the State of California and the Federated Indians of Graton Rancheria was the first compact to provide for the TNGF. Since that time, numerous tribal-state compacts have included the TNGF.

In September 2018, Governor Jerry Brown signed AB 880 (Gray, Chapter 801) which established the TNGF in law. The bill also established, within state government, the Tribal Nation Grant Fund Panel that is composed of nine total members, and the Tribal Nation Grant Fund program, through which the panel may award grants and make other distributions from the fund to eligible tribes, as defined, with the assistance from the Tribal Advisor, the Bureau of Gambling Control, and the CGCC, as specified.

Only non-gaming and limited gaming (350 or fewer gaming devices) tribes in California are eligible for these funds. Approximately 72 tribes are eligible for participation in the TNGFP.

Eligible tribes can apply for more than one grant, and more than one eligible tribe can apply jointly, but the funds cannot be used for gaming or per capita payments. Eligible purposes or projects may include, but are not limited to, development of curricula in a tribal language or culture, housing, support for compliance with the federal Indian Child Welfare Act, vocational training, community development, investments in tribal schools and colleges, support of tribal government institutions and tribal courts, non-gaming economic diversification, or investment in public health, information technology, renewable energy, water conservation, cultural preservation or awareness, educational programs, or scholarships.

The Panel of tribal leaders, with the assistance of the Governor's Tribal Advisor, is responsible for awarding grants and other distributions from the fund to eligible tribes and for creating the policies for the administration of the TNGF program, pursuant to the provisions of the TNGF authorizing legislation.

In fiscal year 2019-20, the Panel established the Equal Distribution Grant of \$400,000 per eligible tribe. The Panel awarded 65 grants that year to eligible tribes, a total distribution of \$26 million. The Panel has continued to award an Equal Distribution Grant each year, ranging from \$450,000 to \$600,000 per eligible tribe. Over the years, the Panel has also created other grant awards for specific purposes, such as the COVID-19 Emergency Grant and Capacity Building Grant to support eligible tribes in pursuing sustainable community and economic development.

In 2024, Equal Distribution Grants were designed to ensure maximum accessibility while adhering to legal requirements. The approved amount was set at \$600,000 per eligible tribe. Applications meeting the Grant's minimum requirements were approved through a vote by the Panel during their June 2024 meeting. Eligible tribes were required to be in compliance with all outstanding TNGF grants.

This bill updates the TNGF statute to include a class III gaming tribe with secretarial procedures as both a contributor to and beneficiary of the program, and requires the Panel to annually award each eligible tribe an Equal Distribution Grant of \$600,000, or at least 85% of available TNGF funds, whichever is greater, and authorizes the Panel to distribute remaining funds as specific distribution grants.

The author states that "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. This bill will not result in new costs to the state."

According to the Author

According to the author, "The TNGF was established as a means for federally recognized tribes to fund effective self-governance and other vital tribal programs. However, the current structure in place has struggled to provide the consistent funding needed to sustain these programs, which include housing, support for compliance with the Indian Child Welfare Act, investments in tribal schools and colleges, investment in public health, public safety, cultural preservation, or educational programs. With AB 221, we aim to streamline the system to provide equal annual grants to eligible federally recognized tribes, which would support funding for these vital tribal programs. This is crucial for economically disadvantaged tribes, which only emphasizes the importance of streamlining the system to ensure they get the funding needed."

Arguments in Support

According to the California Nations Indian Gaming Association, "following months of statewide discussions, tribal leaders reached consensus on the need to simplify and streamline the TNGF grant process. This new streamlined system would provide equal annual grants, paid quarterly, to all eligible federally recognized nongaming and limited gaming tribes that apply. Under AB 221, eligible tribes who apply would receive annual equal grants of \$600,000, or at least 85% of the available moneys in the fund - a nearly 55% increase in revenue sharing payments to eligible tribal governments. This funding would support vital tribal programs including effective self-governance, economic development, housing, vocational training, tribal education, public health and safety, renewable energy, water conservation, cultural preservation, and scholarships."

Arguments in Opposition

None on file

FISCAL COMMENTS

According to the Senate Committee on Appropriations, "unknown fiscal impact to the Gambling Control Commission for workload associated with administering the TNGF. The Commission notes there may be workload associated with managing and tracking an ever-growing number of grants. This increased workload may be absorbable, to the extent the Commission may streamline TNGF distribution workload with its other fund distribution responsibilities."

VOTES:**ASM GOVERNMENTAL ORGANIZATION: 22-0-0**

YES: Blanca Rubio, Davies, Alvarez, Berman, Bryan, Carrillo, Dixon, Fong, Gabriel, Gipson, Macedo, McKinnor, Nguyen, Pacheco, Ramos, Michelle Rodriguez, Sanchez, Solache, Soria, Ta, Valencia, Wallis

ASM APPROPRIATIONS: 14-0-1

YES: Wicks, Arambula, Calderon, Caloza, Dixon, Elhawary, Fong, Mark González, Hart, Pacheco, Pellerin, Solache, Ta, Tangipa
ABS, ABST OR NV: Sanchez

ASSEMBLY FLOOR: 70-0-9

YES: Addis, Aguiar-Curry, Ahrens, Alanis, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Calderon, Caloza, Carrillo, Castillo, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Stefani, Ta, Valencia, Wallis, Wicks, Wilson, Zbur, Rivas

ABS, ABST OR NV: Alvarez, Bryan, Chen, Nguyen, Sharp-Collins, Solache, Soria, Tangipa, Ward

SENATE FLOOR: 40-0-0

YES: Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez, Grayson, Grove, Hurtado, Jones, Laird, Limón, McGuire, McNerney, Menjivar, Niello, Ochoa Bogh, Padilla, Pérez, Reyes, Richardson, Rubio, Seyarto, Smallwood-Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener

UPDATED

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CONSULTANT: Eric Johnson / G.O. / (916) 319-2531

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