

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2011

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SENATE BILL 582  
PROPOSED COMMITTEE SUBSTITUTE S582-PCS35315-RU-18

Short Title: Authorize Indian Gaming/Revenue.

(Public)

Sponsors:

Referred to:

April 14, 2011

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE ADDITIONAL CLASS III GAMING ON INDIAN LANDS  
PURSUANT TO A TRIBAL-STATE GAMING COMPACT, TO CREATE THE INDIAN  
GAMING EDUCATION REVENUE FUND, AND TO APPROPRIATE FUNDS.

Whereas, acting under her authority under the General Statutes, the Governor has negotiated on behalf of the State an Amended & Restated Tribal Gaming Compact (Compact) with the Eastern Band of Cherokee Indians that modifies the type of gaming activity authorized on Indian lands and generates revenue for the benefit of both the Eastern Band and the State; and

Whereas, the Compact is effective upon the General Assembly amending the General Statutes to authorize additional Class III gaming activities on Indian lands, as set out in the Compact and upon approval by the U.S. Department of Interior; and

Whereas, the Governor and the Eastern Band of Cherokee Indians intend for the State's portion of revenue derived from the Compact to be applied toward the improvement of classroom education in North Carolina by appropriation from a distinct fund, and have urged this General Assembly to consider making the necessary appropriations according to law to accomplish this goal; Now, therefore,  
The General Assembly of North Carolina enacts:

**SECTION 1.** Article 10 of Chapter 143C of the General Statutes is amended by adding a new section to read:

**"§ 143C-9-7. Indian Gaming Education Revenue Fund.**

(a) The "Indian Gaming Education Revenue Fund" is established in the State Treasury. Funds shall be expended from the Indian Gaming Education Revenue Fund only by specific appropriation by the General Assembly.

(b) Funds received in the Indian Gaming Education Revenue Fund are hereby appropriated as received to the State Public School Fund for quarterly allotment by the State Board of Education to local school administrative units, charter schools, and regional schools on the basis of allotted average daily membership. The funds allotted by the State Board of Education pursuant to this section shall be nonreverting. Funds received pursuant to this section by local school administrative units shall be expended for classroom teachers, teacher assistants, classroom materials or supplies, or textbooks."

**SECTION 2.** Article 37 of Chapter 14 of the General Statutes is amended by adding a new section to read:

**"§ 14-292.2. Class III gaming on Indian lands.**



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1       (a) Except as otherwise provided in this section, and notwithstanding any laws which  
2 make Class III gaming, as defined by the federal Indian Gaming Regulatory Act, 25 U.S.C. §  
3 2701, et seq., unlawful in this State, the Class III gaming activities listed in subsection (b) of  
4 this section may legally be conducted on Indian lands that are held in trust by the United States  
5 government for and on behalf of federally recognized Indian tribes, if all the following apply:

6           (1) The Class III games are conducted in accordance with a valid Class III  
7 Tribal-State Gaming Compact or an amendment to a compact, applicable to  
8 the tribe, that has been negotiated and entered into by the Governor under  
9 the authority provided in G.S. 147-12(a)(14) and G.S. 71A-8.

10          (2) The Tribal-State Gaming Compact has been approved by the U.S.  
11 Department of the Interior.

12          (3) The Tribal-State Gaming Compact requires that all monies paid by the tribe  
13 under the Compact be paid to the Indian Gaming Education Revenue Fund  
14 established by law.

15       (b) The following Class III games may lawfully be conducted pursuant to subsection (a)  
16 of this section:

17           (1) Gaming machines.

18           (2) Live table games.

19           (3) Raffles, as defined in G.S. 14-309.15(b).

20           (4) Video games, as defined in G.S. 14-306 and G.S. 14-306.1A.

21       (c) Nothing in this section shall modify or affect laws applicable to persons or entities  
22 other than federally recognized Indian tribes operating games in accordance with subsection (a)  
23 of this section.

24       (d) As used in this section, the following terms mean:

25           (1) Gaming machine. – A machine that meets the definition of any of the  
26 following:

27           a. As set forth in G.S. 14-306.

28           b. "Gaming machine" as set forth in 25 C.F.R. § 542.2.

29           c. "Gambling device" as set forth in 15 U.S.C. § 1171.

30           (2) Live table games. – Games that utilize real nonelectronic cards, dice, chips,  
31 or equipment in the play and operation of the game."

32 **SECTION 3.** G.S. 14-306.1A(e) is repealed.

33 **SECTION 4.** This act is effective when it becomes law.