

DEPARTMENT OF GAMING

Stephen Hart, Director

A.R.S. § 5-601

JLBC Analyst: Brian Schmitz

Tribal State Compact Fund	FY 1998 Actual	FY 1999 Estimate	FY 2000 Approved	FY 2001 Approved
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Program Summary

Enforcement	2,835,300	3,326,500	3,515,500	3,536,300
Certification	919,600	1,181,500	1,177,400	1,196,800
Total Appropriations	3,754,900	4,508,000	4,692,900	4,733,100

Expenditure Detail

FTE Positions	71.0	71.0	71.0	71.0
Personal Services	2,056,000	2,315,100	2,355,400	2,402,600
Employee Related Expenditures	412,000	514,800	493,600	514,700
Professional and Outside Services	223,400	465,200	466,900 ^{1/}	470,400 ^{1/}
Travel - In State	128,600	165,000	165,000	165,000
Travel - Out of State	62,500	136,000	136,000	136,000
Other Operating Expenditures	449,700	656,300	669,000	669,000
Equipment	144,000	35,600	67,000	35,400
Operating Subtotal	3,476,200	4,288,000	4,352,900	4,393,100
Arbitration Expense	278,700	220,000	340,000 ^{2/}	340,000 ^{2/}
Total Appropriations	3,754,900	4,508,000	4,692,900^{3/4/}	4,733,100^{3/4/}

Agency Description — *The Department of Gaming regulates Indian gaming activities authorized by the state-tribal gaming compacts. The program is funded from the Tribal State Compact Fund, which receives monies from Indian tribes that have compacts with the state to reimburse the state for administrative and regulatory expenses. The fund also receives monies from gaming employees to finance investigations of their backgrounds. A portion of the monies remaining in the fund at the end of the fiscal year is returned to the Indian tribes.*

Computer Equipment — The approved FY 2000 amount includes an increase of \$16,600 for a total of \$52,200 for the purchase of computer equipment. The one-time appropriation of \$52,200 will enable the department to replace outdated computers, upgrade its database, and purchase a new Web server for the Flagstaff office. In FY 2001, the amount approved for Equipment is reduced by \$(16,800) for a total of \$35,400. The one-time appropriation of \$35,400 provides for the purchase of further computer hardware and software equipment. The department has obtained the required project approval from the Government Information Technology Agency (GITA).

Photocopy Machine — The approved FY 2000 amount includes one-time funding of \$14,800 for replacement of the department's photocopy machine.

Arbitration Expense — The approved FY 2000 amount includes an increase of \$120,000 for the Arbitration Expense Special Line Item. This amount is continued in FY 2001. The Indian gaming compacts allow for disputes between the state and the tribes to be resolved through arbitration. The increased appropriation will enable the department to meet the increasing demand for arbitration. If this amount proves to be more than necessary for a given year, the unused money will be reverted to the tribes unless the department receives Joint Legislative Budget Committee approval to transfer it to the department's operating budget (*see footnote 2*).

^{1/} Includes an adjustment for Office of the Attorney General legal services. (*See the Salary Adjustment table at the front of this report for more information.*)

^{2/} Before the transfer of monies from the Arbitration Expense Special Line Item for other enforcement expenditures, the Department of Gaming shall submit its proposal to the Joint Legislative Budget Committee for review. (General Appropriation Act footnote)

^{3/} If the second of the two Salt River Pima-Maricopa Indian Community's casinos has not opened by July 1, 1999, the \$199,700 appropriated for its regulation reverts on a quarterly basis to the Tribal State Compact Fund in each quarter that the new casino does not open. (General Appropriation Act footnote)

^{4/} General Appropriation Act funds are appropriated as an Operating Lump Sum with Special Line Items by Agency.