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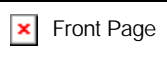
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The Philadelphia Inquirer

Indian gaming dealt new hand

By John Sullivan and Carrie Budoff
Inquirer Staff Writers

HARRISBURG - Indian gaming in Pennsylvania, a concept once pronounced dead at the state Capitol, has been revived in a Senate bill that would provide licenses to two Oklahoma tribes - if they agreed to be treated as any other gambling entity.

The proposal, described by gaming experts as a first, would spare the Delaware Tribe and the Delaware Nation years of legal battles in the uncertain pursuit of federal approval to run gambling halls. In exchange, they would be taxed and regulated by the state.

The bill, being drafted by Sen. Vince Fumo (D., Phila.) as the latest in a series of bills to legalize slot machines in Pennsylvania, represents the first attempt to expand the slots proposal to include the Indian tribes since they surfaced in May. It also sheds light on the strategy that the tribes will use to press their case.

The prospects of the bill, however, are uncertain.

A top Fumo aide said that Indian gaming would be a reality and that the senator preferred it to be regulated, but critics say the tribes have little chance of winning their case.

Gov. Rendell, who was not available for comment yesterday, has been dismissive of the tribes' land claim in Northampton County. Senate Republicans, who must give the minority Democrats the votes they need to pass any slots bill, are likely to oppose it.

The latest twist in the billion-dollar battle over slots illustrates how cash-poor Indian tribes can influence the debate with the backing of wealthy investors and politically connected operatives.

The effort to bring Indian gaming to the state was spearheaded years ago by a Florida lawyer, who then hired two of the most connected figures in state politics - lobbyist Stephen Wojdak and lawyer

Stephen Cozen - to carry the proposal through the legal and political channels. Both men have donated heavily to candidates in the state, including Rendell.

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The investors include Richard S. Powell, whose family owns an interest in the company that owns the King of Prussia mall. The principal of the investment group is Luis Figueredo, a lawyer who works for the City of South Miami, Fla., and has been involved in other Indian gaming ventures.

Other investors were not disclosed.

Gaming experts called the bill unusual, saying they have never heard of such a tactic.

"I don't know that it's ever been done," said I. Nelson Rose, a gambling-law authority and professor at Whittier Law School in California. "It would be a precedent."

The bill is tailored so that only the Delaware tribes qualify, Cozen said. Only federally recognized tribes that do not operate high-stakes casinos in other states may apply. They must show they once resided in the state and waive their right to pursue gaming under federal law, as well as their sovereign immunity.

A gaming board created by the legislation would then issue no more than two licenses for Indian gaming operations, which could not be located in a city of the first or second class without the board's approval.

"It was carefully thought out by a lot of smart people who wanted to understand and balance out the interests of the relative players," Figueredo said.

But Sen. Robert "Tommy" Tomlinson (R., Bensalem), who has authored a competing bill that would have limited slots to racetracks, said the bill assumes the tribes could win a legal claim for gambling in the state.

"I think they have a tougher road in Pennsylvania than people expect," Tomlinson said. "We've researched that with people in other states and we think we have a good case in Pennsylvania to keep them out."

Tomlinson, whose district includes Philadelphia Park racetrack, said he believed the move was more political than practical.

"I believe that there are lobbyists and interests that would love to see [Indian gaming]," he said.

The team working on the tribes' behalf include some of state's most prolific contributors to campaigns.

Wojdak, the chief lobbyist for the gaming venture, and his lobbying firm's political action committee have donated at least \$275,000 to candidates or political action committees in the last four years, records show. At least \$44,000 has gone to Rendell since 1991, with half of that flowing in during his successful 2002 run for governor.

Cozen and his law firm's political action committee contributed at least \$530,000 to candidates over the last four years, including \$67,000 to Fumo, and at least \$94,000 to Rendell.

Cozen said he hoped to be an investor in the Delaware Casino Development & Management L.L.C., which has been formed to press the tribes' case.

Powell gave \$25,000 to Rendell's gubernatorial campaign in 2002, records show.

Kevin Feeley, a spokesman for the tribe's development group and a former spokesman for Rendell, said contributions had nothing to do with the venture.

"Absolutely not," he said. "This will move up or down on the merits and not on campaign contributions."

The prospect of Indian gaming emerged earlier this year when the tribes announced at a Capitol news conference that they would file a land claim in federal court to win back 315 acres in the Lehigh Valley they said was stolen from their ancestors 200 years earlier.

While it did not become public until May, the partnership, which spans at least three states, was formed years ago.

Figueredo said he approached the Delaware Tribe of eastern Oklahoma about "three or four years ago" and secured the rights to pursue gaming options on their behalf. Eventually, they brought in the Delaware Nation of western Oklahoma as well.

"Since it was my legal opinion that the tribes had the statutory right to game in Pennsylvania, I looked for a lobbying firm that could help me navigate the process," Figueredo said, referring to Wojdak's firm. He also hired Cozen's firm, which began investigating the land claim.

By early this year, Rendell and Mayor Street had received details of the land claim.

Wojdak met with Street this year to discuss Indian gaming in the city.

"This was essentially a heads-up to say what's going on with Indian gaming," Feeley said.

But Indian gaming looked like a long-shot once the governor publicly

rejected the idea. "This is something that's not good for the state," Rendell said in May.

Over the summer, the development group was asked to participate in the legislative process.

"We simply just discussed the various approaches in getting us included in the legislation, and one of them was waiving our rights to federal gaming and to proceed under the state scheme," said Charles Naselsky, a lawyer at Cozen O'Connor.

Christopher Craig, author of the bill and chief counsel to Fumo, said the bill changed as Fumo's office learned more about Indian gaming. "This is essentially an insurance policy," he said. "The potential downside to unregulated gaming is just too hard to ignore."

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