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N.Y. tribe balks at sharing casino revenues with state
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Sharing casino revenues with the state of New York threatens thousands of jobs, a leader of the Oneida Nation said on Thursday.

In a speech to more than 1,000 employees of the tribe's successful casino, Oneida representative Ray Halbritter said the state wants a revenue sharing gaming compact. But he rejected the idea as a "gamble" with the jobs the tribe has created since opening the Turning Stone resort in 1993.

"I'm telling you and I'm telling the state, we are not negotiating these jobs," he said in remarks that were distributed by the tribe's press department.

The tribe's compact is up in the air due to a lawsuit brought by an anti-treaty rights group. Upstate Citizens for Equality (UCE) successfully argued that the agreement was invalid because it was not ratified by the state Legislature.

UCE says it doesn't want the casino to close. Instead, the group wants the tribe to share a portion of its revenues with the state and local governments to address effects on the local tax base.

Halbritter said that wasn't going to happen. "If the state takes that to mean that negotiations on other issues are on hold, then that's what it means," he told the employees.

The state was fighting the UCE case and a related one brought against a compact with the St. Regis Mohawk Tribe. But last month, the U.S. Supreme Court refused to hear the dispute. The United South and Eastern Tribes (USET), which represents tribes from New York to Florida, had urged the justices to get involved.

The changing legal landscape prompted the state to drop its objections to the UCE case. [[PDF: Letter from state assistant attorney general.](#)] That coincided with the state's demand for casino revenues, which Halbritter said came at a meeting with tribal officials last week.

The state is already depending on money from other tribal casinos to patch up holes in its budget. In the wake of the September 11, 2001, terrorist attacks Gov. George Pataki (R) convinced the Legislature to approve three casinos with the Seneca Nation and three more in the Catskills.

Under the agreement, the Seneca Nation shares 25 percent of slot machine revenues from its off-reservation casino in Niagara Falls. The tribes who are vying for the Catskills facilities also face making payments to local governments and to

the state.

With Indian gaming taking in an estimated \$14.5 billion a year, tribes are under increased pressure to make such concessions. So far, six states -- Arizona, California, Connecticut, New Mexico, New York and Wisconsin -- have implemented these provisions. A court-approved compact in Michigan also imposed revenue sharing.

But some tribal leaders around the country say these deals amount to legalized bullying. "Compact negotiations have become a smoke screen for extortion," said Jacob Viarrial, the governor of Pojoaque Pueblo in New Mexico, a tribe that has refused to sign a revenue sharing agreement.

Others see the deals as an inevitability and say they show that tribes are good neighbors. In California, recently signed agreements call for "mitigation" payments to offset the impacts the casinos have on traffic, the environment and non-Indian communities.

The federal government reviews compact agreements as part of the Indian Gaming Regulatory Act (IGRA). But the law, passed in 1998, provides no guidance on revenue sharing. Generally, the Department of Interior will approve sharing only when a tribe is granted a certain amount of exclusivity.

Sen. Ben Nighthorse Campbell (R-Colo.), chairman of the Senate Indian Affairs Committee, introduced a bill to give the government greater latitude to reject compacts that don't "meet the needs of tribal governments and their members." S.1529, amendments to IGRA, remains locked up in committee.

In New York, the Oneida Nation has an annual payroll of \$85 million. The tribe expects the expansion of its casino, which brings in an estimated \$70 million in profits a year, to create 1,000 more jobs.

Relevant Documents:

[Text of S.1529](#) | [Campbell Statement on S.1529](#)

Senate Testimony:

[Written Witness Testimony \(July 9, 2003\)](#)

Relevant Links:

Oneida Nation - <http://www.oneida-nation.net>

National Indian Gaming Commission - <http://www.nigc.gov>

National Indian Gaming Association - <http://www.indiangaming.org>

Upstate Citizens for Equality - <http://www.upstate-citizens.org>

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