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News Coverage on Casino Gambling

New York gambling tribes mistrusftul of Cuomo?s amendment push

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[During his](#) [4] [State of the State speech](#) [5] in January, Governor Andrew Cuomo said New Yorkers were living in a “state of denial” when it comes to “gaming” (or what most people consider gambling) in New York State.

“It is not a question of whether or not we should have gaming in this state; we *have* gaming in the state of New York,” the Governor said. “We have tribal casinos all across the state. We have racinos all across the state. We don’t realize it. We don’t regulate it. We don’t capitalize on it. But we have gaming.”

The answer, Cuomo says, is to change the constitution of the state to make gambling legal. He’s asked the legislature to support a plan that could see the proposal before voters as early as next year.

But the two largest tribal gaming nations in New York, the Senecas and Oneidas, say they have been shut out of the discussion about the future of gambling in New York. Neither nation says the Governor has said or done anything so far to allay fears that they could—once again—be on the losing end of state policy.

One Man’s Unregulated Gaming...

The Governor paints the reality of gambling in New York like something subterranean and disorganized, yet also pervasive. He’s got a point: New York already has full-blown gambling within its borders. But it is neither unregulated, nor undercapitalized upon. It’s a billion dollar-plus industry that employes thousands of New Yorkers.

Whether it's the Senecas' Niagara Falls resort or the Oneidas Turning Stone casino near Syracuse, they say gambling on tribal lands shows how highly-regulated, highly-profitable destination-style resort casinos already work in New York.

"...Indian game is not only probably the most highly regulated business in the state, all employees are drug tested, all employees are background check, all employees have to have approval from the state of new york, there's 24/7 presence of the New York State Police and New York State Racing and Wagering officials patrolling, they have unfettered access to all areas of the casino," said Ray Halbritter of the Oneida nation. "How many businesses can earn that particular situation?"

Cuomo spokesman Josh Vlasto says the Governor's goal is to bring together the disparate gambling systems in the state—whether tribal gaming, racinos or anything else. "What we're trying to bring is uniform to this system," he said.

After the broad-based amendment is passed, Vlasto said, "we're going to work with the various stakeholders on the specifics."

For the tribal nations, the question is, will the Governor recognize the sizeable stake they feel they have.

The Governor and the Nations

The relationship between the Cuomo administration and the sovereign nations since the Governor took office has been a mixed. On one hand, the nations say they have a conflict-free, seamless relationship with the state police and the Racing and Wagering Board. Both are inside the executive chamber's portfolio and their respective agency heads are governor appointees. Both agencies have permanent offices inside the gambling facilities and, according to tribal leadership, have unfettered access.

Additionally, last August Lieutenant Governor Robert Duffy and more than a half dozen officials met with the Seneca tribal leadership on their Allegany territory, one of the first times—if not the first—a sitting governor has sent that high-ranking an official to meet with a tribe on their land.

On the other hand, the tribal leaders say Cuomo's administration has been involved in disputes over tribal agreements or simply incommunicado altogether—something they see as another in a long line of problems with the state.

"Our relationship with the state is complicated," said Seneca nation president Robert Odawi Porter in a recent interview. "For most of the last 200 years it's been founded upon predatory actions by the state to take our land, to take jurisdiction over our remaining land, to try to tax activities on our land and frankly it's just this constant groundhog day-kind of replay of various efforts by the state government to interfere with our treaty rights and to take what we have. And that really hasn't stopped."

The Seneca's are locked in a battle with the state over what they say are violations of the agreement they signed with then-Governor George Pataki to give them exclusive rights to

operate casinos in a large section of Western New York. Seneca and Cuomo officials have confirmed that both sides have restarted talks to solve the dispute which has held up \$400 million in gambling revenue destined for state and local coffers—something that belies the Governor’s statement that the state doesn’t capitalize on what gambling is going on in New York.

This feeling of historical betrayal and mistrust hasn’t been tempered by the Cuomo administration’s push to legalize gambling.

“It’s disturbing because it does not indicate any willingness to adhere to the agreement that the legislature had approved, and on which we’ve been relying for these last ten years, and he’s really said nothing about it,” Porter said.

Dollars & Cents of the Penny Slots

Those sorts of agreements have allowed the Senecas and Oneidas, along with numerous other tribes in New York, to build a sizeable gambling industry upstate. Halbritter says the Oneida’s gambling operations have made them the third largest employer in Central New York with over 4,700 employees last year, 90 percent of which he says were non-Oneidas.

Out in Western New York, the Senecas employ about 2,400 people at their Niagara Falls resort, where they say they’ve invested hundreds of millions of dollars to develop abandoned land into a destination resort.

Not that everyone sees the gambling operations in the Niagara area as being an unmitigated success.

“You haven’t really seen a large economic spinoff, as far as other development up here that can be directly traced to the casino,” said Kory Schuler, Director of Government Affairs for the Niagara chamber of commerce. He went on to say that, while the Seneca’s gambling operations had a “large impact” on the local economy, without any competition, it’s hard to know how accurate the picture of that large impact really is.

Not Banking on a Groundhog-Day Miracle

While the scope of their economic impact may be in doubt, the collective experience of the Oneida and Seneca nations when it comes to gambling operations is not. As the discussion between the state and the tribes, they say they feel they’ve not only been excluded, but have been cast in an all-too familiar role.

“We really would like to work with the state—with our revenues and our economic position—to help develop a better future economically for where we live and the regions we live in,” Halbritter said. “I think that’s very possible but you can’t without a communication or a conversation and we haven’t had that opportunity.”

“We’ve had to accept that maybe we’re being held out as a scapegoat. We hear it from our opponents: the Indians don’t pay, Indian gaming doesn’t work—these oblique, backhanded slanders about not being sufficiently regulated,” said Porter. “We have no choice but to consider

the worst case scenario which is that we're being demonized.”

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