

For Immediate Release	Contact:
October 7, 2013	Susan Lerner: 212-691-6421

**New “Moreland Monday” analysis:
Gambling interests “stacking the deck” in favor of constitutional amendment**

**Since 2011, gambling interests have paid out nearly \$3.3 million to
New York politicians and committees**

NEW YORK, NY (10/07/13): Today, Common Cause/NY released the latest in a series of “Moreland Monday” analyses, this week focused on political giving from gambling interests since 2011.

The analysis is particularly relevant in light of the November 5th ballot referendum in which New Yorkers will vote whether or not to approve casino style gambling. The amendment language has been criticized for its nakedly pro-gambling slant, and recent news reports have also revealed the formation of a new PAC, NY Jobs Now,¹ which is expected to spend heavily² to sway voters in favor of the amendment.

The Common Cause/NY data is based on a previous report, *Stacking the Deck*,³ which showed that industry interests have been spending consistently since 2005 to advance gambling in New York State. The updated data reveal that during the last two and a half years, in which the Legislature voted twice to approve casino style gambling, the industry has contributed a total of **\$3.3 million** to individual politicians and political committees.

"New York's lax campaign finance laws make it possible for high rollers, like the gambling industry, to dictate public policy. The problem is that the rules of the game are stacked against average voters and the house always wins. We need campaign finance reform now to ensure that politicians are accountable to the people, not the highest pay-out," said Susan Lerner, Executive Director of Common Cause/NY.

¹ <http://blog.timesunion.com/capitol/archives/196035/ny-jobs-now-coalition-will-push-for-gaming-expansion/>

² Data on contributions to the “NY Jobs Now” PAC not yet available

³ Common Cause/NY. “Stacking the Deck: The Gambling Industry’s Political Spending in New York State.” September 2012. www.commoncause.org/ny/stackingthedeck

Top 10 Recipients of Gambling Industry Contributions 2011 – July 2013	Contributions
1. NYS DEMOCRATIC ASSEMBLY CAMPAIGN COMMITTEE (DACC) (hard and soft money committees combined)	\$414,750.00
2. NYS SENATE REPUBLICAN CAMPAIGN COMMITTEE (hard and soft money committees combined)	\$403,750.00
3. ANDREW CUOMO 2014, INC.	\$361,500.00
4. SCHNEIDERMAN 2014	\$129,500.00
5. CITIZENS TO ELECT JOHN BONACIC	\$86,806.58
6. NYS DEMOCRATIC SENATE CAMPAIGN COMMITTEE (NYS DSCC) (hard and soft money committees combined)	\$82,000.00
7. KENNEDY FOR SENATE	\$73,850.00
8. FRIENDS OF JAMES GARY PRETLOW	\$64,659.00
9. REPUBLICAN ASSEMBLY CAMPAIGN COMMITTEE (hard and soft money committees combined)	\$61,230.00
10. FRIENDS OF SENATOR LIBOUS COMMITTEE (2010)	\$51,800.00
10. JEFF KLEIN FOR NEW YORK / NEW YORKERS FOR KLEIN	\$51,800.00

The top three recipients of gambling industry money represent Albany’s classic “three men in a room” who control policy – the State Senate Republicans, the Assembly Democrats, and the Governor. The fourth highest recipient is the Attorney General and the fifth and eighth highest recipients are the Chairs of the Racing and Wagering Committees in the Senate, John Bonacic (R), and the Assembly, James Gary Pretlow (D), whom also sponsored the gambling bills in their respective houses.

The seventh highest recipient, Senator Tim Kennedy (D) represents downtown Buffalo where the Seneca Nation recently opened the Seneca Buffalo Creek casino after a long and controversial development process.⁴ \$46,050 of Senator Kennedy’s gambling contributions since 2011 are from the Seneca Nation.

Tied for tenth is the current “fourth man” in the room, Senate IDC leader Jeff Klein, and Senator Tom Libous (R) who represents Tioga County where Jeff Gural’s American Racing & Entertainment owns the Tioga Downs racino. American Racing is in prime position to win one of the four casino licenses offered by the amendment, and is Libous’ top gambling donor with \$20,500 give since 2011.

This pattern of money flowing to those in positions of power is one we find in all of our studies on New York campaign finance. Contribution flows to the committee chairs are particularly revealing.

⁴ <http://www.buffalonews.com/spotlight/buffalo-creek-casino-links-a-nation-with-a-neighborhood-20130915>

- Senator Bonacic became Chair of the Senate’s Racing and Wagering Committee in 2011. From 2005-2010, before his chairmanship, Senator Bonacic received less than \$4,000 in contributions from the gambling industry, compared to over \$85,000 since 2011 while chair of the committee.
- During the State Senate Democrats brief majority in 2009-2010, Senator Eric Adams chaired the Racing and Wagering Committee. From 2005-2008, Adams did not receive a single dollar from the gambling industry. After becoming Chair, Adams received nearly \$81,000 in industry contributions during 2009-2010. After the Senate Democrats lost their majority in the 2010 elections and Adams lost his chairmanship to Bonacic, the gambling money flow for Adams abruptly dried up and shifted to the new Chair, with Adams receiving only \$13,000 from the industry since 2011.
- In the Assembly, James Gary Pretlow (D) has been Chair of the Racing and Wagering Committee for over a decade and has received a steady flow of donations, over \$112,000 since with over \$64,000 coming just in the past two and a half years during the push for full casino legalization. In 2011-2012, Pretlow raised a total of \$132,000 – meaning that gambling industry money accounted for nearly half of his fundraising for the 2012 election. It’s no surprise that Pretlow has been perhaps the strongest booster of gambling and horseracing in the Legislature, sponsoring numerous bills to benefit

Gambling Industry Donors	Category	TOTAL CAMPAIGN CONTRIBUTIONS 2011-JUL 2013
New York Gaming Association	RACINO	\$543,051.58
Seneca Nation	TRIBE	\$525,650.00
SL Green	OTHER CORP	\$316,600.00
American Racing & Entertainment	RACINO	\$274,938.00
New York Racing Association	HORSE	\$260,242.40
Yonkers Raceway	RACINO	\$218,294.00
Genting New York	RACINO	\$191,175.00
Flaum Management	OTHER CORP	\$149,460.00
Saratoga Gaming	RACINO	\$123,430.00
Delaware North Companies	RACINO	\$122,613.00
Sterling Equities	OTHER CORP	\$102,140.00
Muss Development	OTHER CORP	\$79,750.00
Cappelli Enterprises / Concord Associates	OTHER CORP	\$66,000.00
GTech	OTHER CORP	\$55,500.00
Oneida Nation	TRIBE	\$40,000.00
Thoroughbred Horsemen of Western NY	HORSE	\$24,500.00

Whitney Industries	HORSE	\$23,800.00
Empire Resorts, Inc.	RACINO	\$22,550.00
New York Thoroughbred Horsemen's Association	HORSE	\$22,300.00
New York Thoroughbred Breeders, Inc.	HORSE	\$21,350.00
Standardbred Owners Association	HORSE	\$13,575.00
Churchill Downs	HORSE	\$12,000.00
NYC OTB	OTB	\$7,790.00
Western NY Harness Horsemen's Association	HORSE	\$7,650.00
Blue Chip Farms, LLC	HORSE	\$6,650.00
Buffalo Trotting Association	HORSE	\$5,175.00
Pinegrove Ranch & Family Resort	OTHER CORP	\$5,072.00
Harness Horse Association of Central New York	HORSE	\$4,450.00
Monticello Harness Horsmen's Association	HORSE	\$3,240.00
Saratoga Harness Horseperson's Association	HORSE	\$2,100.00
Entertainment Properties Trust	OTHER CORP	\$2,000.00
Stockbridge Munsee Tribe	TRIBE	\$500.00
Harness Horse Breeders of NY	HORSE	\$420.00

From 2011 to July 2013, the top gambling industry campaign contributor was the New York Gaming Association, the consortium of racino interests created in early 2011 and led by veteran Albany lobbyist and Saratoga racino part-owner James Featherstonhaugh.

While the racino interests did not win everything they wanted in this year's gambling legislation, the Gaming Association lobbied for and won a tax rate for new casino slot machines that will be competitive with the racino rate, and Saratoga Raceway, Tioga Downs (owned by American Racing & Entertainment led by New York City real estate executive Jeff Gural), and Empire Resorts (majority owned by Kien Huat, the parent company of Genting) appear poised to win 3 of the 4 new casino licenses. These three racinos are also among the top industry donors during this period.

After the Gaming Association, the Seneca Nation was the largest contributor with more than half a million in campaign contributions during this period. This year, the Seneca were successful in retaining exclusive rights to casino facilities in Western New York.

New York City real estate developer SL Green is a perennial major campaign contributor. In 2009-2010, SL Green partnered with Hard Rock Café to try to win the racino license at Aqueduct. While that bid was ultimately unsuccessful, SL Green the company remains interested in potential casino development and continues to retain a lobbyist on "regulatory and legislative issues pertaining to racing and wagering."

The list of industry donors is rounded out by horse racing interests and various corporations seeking to develop casinos in the Catskills or in association with Indian tribes.

ADDITIONAL BACKGROUND

In September 2012, Common Cause/NY released a highly detailed report called “*Stacking the Deck*”⁵ on the gambling industry’s efforts to influence public policy in New York. The report found that from 2005 through 2012, gambling and horseracing interests spent over \$52 million on campaign contributions and lobbying in New York State – \$43.6 million on lobbying and roughly \$8.7 million in campaign contributions.

The flows of gambling industry lobbying and contributions are clearly related to attempts to influence policy. The 2006-2008 bidding process for the New York Racing Association franchise triggered a flood of over \$2 million in lobbying and campaign contributions from the competing interests. Subsequent competitive rounds of bidding for the Aqueduct Racino license also triggered multi-million dollar flows of contributions and lobbying, as have the various competing efforts of corporations to partner with Indian tribes to bring more casinos to New York (e.g. the Stockbridge Munsee and Trading Cove LLC, the Shinnecock Nation and Gateway Casino Resorts).

⁵ Common Cause/NY. “Stacking the Deck: The Gambling Industry’s Political Spending in New York State.” September 2012. www.commoncause.org/ny/stackingthedeck