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AND JUDICIAL REFORM INITIATIVES**

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Political Contributions in New York in 2007 from Racing and Gaming Interests

The world of contributions from racing and gambling interests in New York shifted greatly in 2007 from 2006. 2006 saw massive contributions from people and entities interested in obtaining the NYRA franchise for thoroughbred racing and from thoroughbred interests in Kentucky who gave large donations to Eliot Spitzer's campaign for governor. See generally <http://www.governmentlaw.org/files/NewYorkCampaignContributions.pdf>. 2007 – which was not an election year in New York - saw very limited contributions from the franchise applicants and none from the major 2006 Kentucky donors to Governor Spitzer, who included B. Wayne Hughes, Bill Casner, Tracy Farmer, Angela Levy Beck, R.D. Hubbard, and Brereton Jones.

Instead, the big contributors in 2007 were the existing racino interests. 2007 saw large contributions from Jeff Gural (the owner of Vernon and Tioga Downs), the Rooney family of Yonkers Raceway, Saratoga Harness, Delaware North (the owner of Finger Lakes and the operator of the VLT's at Saratoga Harness), and Monticello Raceway.

There were contributions from individuals and entities involved with the application for the NYRA franchise, but they were markedly less than they were in 2006. In fact, a number of horsemen's and breeder's groups made political contributions that were larger than the political contributions of some of the franchise bidders.

Perhaps as part of the overall battle for political control of the State Senate 2007 saw the Senate Democrats receive far more in political contributions than they had received from racing and gaming interests. Democratic Senator Sabini, who is the ranking minority member of the Senate Racing Gaming and Wagering Committee, received fairly large contributions from the racing and gaming industries in 2007. It is rare that the minority members of the legislature receive as much from contributors as Senator Sabini did in 2007.

The Racino Contributors

The major New York racing contributor was Jeff Gural, the owner of both Tioga and Vernon Downs. The Board of Elections filing shows \$121,000 in 2007 contributions from the Gural family plus a \$2,500 contribution from Tioga Downs LLC. Nearly \$50,000 of the Gural contributions were for New York City politicians who may be seeking citywide office in 2009. Given the fact that Mr. Gural heads the real estate firm, Newmark Realty in New York City, his New York City contributions are both understandable and clearly unrelated to his racino interests.

On the state level his family contributions were given to a wide variety of interests other than Governor Spitzer. The Gural family gave \$7,000 to Attorney General Cuomo and \$1,000 to Lieutenant Governor Paterson. On the Republican Senate side the family donated \$1,000 to Senator Winner, \$1,500 to Senator Larkin, \$5,000 to Senator Libous, \$850 to Senator Griffio, and \$2,250 to the Senate Republicans. Gural, on the Assembly Democratic side, gave \$500 to Assemblyman Weprin, \$500 to Assemblyman Magee, and \$5,000 to the Democratic Assembly Committee. He also gave \$10,000 to the State Democratic Campaign Committee.

Unique among the major contributors, the Gural's donated significant funds to the minority Democrats in the Senate. Senator Klein received \$2,500, Senator Sabini \$500, Senator Duane \$1,000, and future Senate candidate Dahroug \$500. Senate Minority Leader Smith received \$2,500 and the Senate Democratic Campaign Committee received \$11,000. The Gural's gave considerably more to the Senate minority than to the Senate majority – even if you credit their \$2,000 donation to the Tioga County Republican Party as an indirect donation to Senator Libous, who represents Tioga County.

Saratoga Harness was also a major political contributor in 2007. It gave \$30,000 to the Democratic Assembly Campaign Committee, \$25,000 to the Senate Republican Campaign Committee and \$1,000 to Senator Bruno. Skip Carlson from Saratoga gave \$500 to Assemblyman Pretlow, and Daniel Gerrity, one of the owners of the track, donated \$2,000 to Senator Bruno.

The Rooney family which owns Yonkers Raceway was a significant contributor to the Senate majority. Three members of the Rooney family, in toto, gave \$10,500 to the Senate Republicans, and the Yonkers Raceway PAC donated \$3,250 to the Senate Republicans. The Palm Beach Kennel Club, which is owned by the Rooney family, gave \$5,000 to the Senate Republicans. Yonkers Raceway's PAC also donated \$500 to Assemblyman Mike Spano who was elected as a Republican but became a Democrat in 2007. The donation was made after he became a Democrat.

Monticello gave \$1,000 to Assemblyman Pretlow, \$1,000 to Senator Larkin, and \$2,800 to Senator Bonacic. The leadership at Monticello was the only racino group to give to Governor Spitzer. Monticello executives, Tom Aro and Cliff Ehrlich each gave \$500 to the governor, and Morad Tahbaz donated \$1,000 to the governor. Director David Hanlon of Monticello donated \$250 to Senator Sabini and \$1,000 to Assemblywoman Gunther. Fox Hollow Lane LLC which is part of Empire Racing gave \$250 to Senator Sabini.

It is somewhat difficult to determine all of the contributions that should be credited to Delaware North. Delaware North donated under a variety of names including under its own name, Finger Lakes Racing, DNC Travel Hospitality, DNC Gaming and Entertainment, American Park N Swap Inc., and Finger Lakes Foodservice. The Jacobs family – which owns Delaware North - itself often gives large political donations, but in 2007, most of their donations were given in local races in Erie County. The largest recipients of Delaware North funds were the State Democratic Committee with \$10,000 and the Democratic Assembly Committee which received \$7,000. Senator Nozzolio received \$5,500, and Senator Masiarz received \$1,950. The Senate Republicans received \$1,500, and the Assembly Republicans received \$1,000. The State Republican Party received \$1,000.

The Franchise Contributors

Of the four competitors for the racing franchise, NYRA's PAC, trustees, and employees gave the most in contributions. But it needs to be said that the donations are nowhere near where they were in the past,

and the majority of the NYRA trustees gave nothing. The trustees who serve as officer of the NYRA gave nothing. NYRA Trustee Leonard Riggio gave \$25,000 to the Senate Democrats and \$10,000 to Governor Spitzer. Trustee Dennis Dammerman gave \$2,000 to Senator Bruno. Trustee Chester Broman through his own donations and those of his family and companies gave \$500 to Senator Johnson, \$3,000 to the Senate Republicans, and \$2,000 to Governor Spitzer. Trustee Albert Fried gave \$1,500 to Assemblyman Cahill and \$2,000 to Senator Bruno. Trustee Joseph Shields gave \$250 to the Assembly Republicans, and trustee John Hettinger's spouse gave \$300 to Senator Leibell. Trustee Charles Wait donated \$5,000 to Senator Bruno, and his bank, the Adirondack Trust Company, gave \$875 to Senator Bruno. NYRA's PAC gave \$5,000 to the Assembly Democrats and \$500 to Senator Saland. No donations were received in 2007 by NYRA's PAC.

NYRA official Bob Palumbo donated \$250 to the Assembly Democrats, and NYRA lobbyist Bill Crowell donated \$300 to Senator Sabini. Finally, NYRA's PR consultant Ed Lewi donated \$1,000 to both Senator Bruno and the Senate Republicans.

Empire Racing donated \$3,000 to the State Democratic Party and \$2,000 to the Senate Democrats. Additionally, Dennis Brida of Empire Racing donated \$200 to Assemblyman Magee. SL Green, which served as the real estate consultant on the Empire bid, contributed \$10,000 to Governor Spitzer. This donation was made in November of 2007, and by that time, SL Green may have withdrawn from the Empire bid.

Capital Play donated \$5,000 to the Senate Republicans and \$5,000 to the Assembly Democrats. Karl O' Farrell, the head of Capital Play, gave \$1,500 to Senator Sabini, and \$5,000 to the Conservative Party. Blue Chip Farms, which is also part of the Capital Play bid, donated \$1,000 to Senator Sabini.

A few components of the Excelsior Racing bid made contributions. Jerry Bailey contributed \$500 to the Senate Republicans and Gary Contessa (Professional Thoroughbred Training of Petersburg, NY.) apparently donated \$1,000 to the Senate Republicans. Steven Roth – the real estate consultant on the 2007 revised Excelsior bid - gave \$25,000 to Attorney General Cuomo and \$10,000 to Governor Spitzer. The Roth contribution to Governor Spitzer came in March of 2007 which may have been before Roth joined the Excelsior bid. Given the massive contributions to candidate Spitzer in 2006 from Excelsior team leader Richard Fields, the 2007 Excelsior contributions represent a minute fraction of what the applicant donated in 2006.

The Horsemen

Perhaps as part of the effort to make sure that they were treated well by the racino legislation, the standardbred and thoroughbred horsemen were active political contributors in 2007.

NYTHA – the horsemen at NYRA – contributed \$1,000 to Assemblyman Pretlow, \$500 to Senator Larkin, \$1,000 to the Senate Republicans, \$500 to Senator Libous, and \$250 to the Assembly Democrats.

The Finger Lakes horsemen gave \$250 to Assemblyman Reilich, \$500 to Assemblyman Morelle, \$250 to Assemblyman Errigo, \$400 to Senator Larkin, \$250 to Assemblyman Kolb, \$3,000 to Senator Nozzolio, \$2,000 to the Senate Republicans, and \$3,000 to the Finger Lakes PAC.

The Western New York Harness Horsemen gave \$250 to Senator Sabini and \$500 to the Senate Republicans.

The Monticello Horsemen gave \$250 each to the Senate Republicans and Assembly Democrats.

The Central New York Harness Horse Association (at Vernon Downs) gave \$500 to Assemblywoman Destito, \$750 to the Senate Republicans, and \$250 to Senator Sabini.

The Standardbred Owners Association (the horsemen at Yonkers) gave \$500 to Assemblyman Pretlow, \$300 to Assemblyman Weprin, \$2,500 to the Assembly Democrats, \$750 to the Senate Republicans, and \$500 to Assemblyman Farrell.

Indian Gaming

2007 marked the first year that the tribes made disclosures of their State contributions. The Oneida Indian Nation gave \$32,000 to the Senate Republicans, \$5,000 to the Democratic Party, \$2,000 to Senator Sabini, and \$1,000 to Senator Duane, and \$1,000 to Assemblywoman Destito. The tribe also made a number of donations to local candidates in Onondaga County.

The St. Regis Mohawks donated \$25,000 to the State Democratic Committee, \$2,500 to the Senate Republicans, \$1,000 to Senator Bruno, \$1,000 to the Republican State Committee, \$350 for Senator Lanza, \$150 to Senator Bonacic, \$600 to Assemblyman Sayward, and \$1,050 to Assemblyman Aubertine.

The Wilmot family which as been active in pursuing Indian gaming throughout the country - and in New York for the Seneca- Cayuga tribe – has made a large number of contributions to Governor Spitzer. Thomas Wilmot gave \$14,000 to Governor Spitzer, and the Wilmot family (largely based in Pittsford, NY) collectively donated \$44,000 to Governor Spitzer.

Len Wolman, who has actively been pursuing a casino for the Stockbridge Munsees in the Catskills donated \$1,000 to Assemblyman Pretlow, \$2,5000 to Attorney General Cuomo, and \$500 to Senator Larkin.

Miscellaneous Racing Contributions

Here are the miscellaneous racing contributions for 2007:

Harness Horse Breeders

\$500 Senator Larkin

\$400 Assemblyman Magee

\$300 Senator Sabini

OTB Employees from NYC

\$1,000 Senator Larkin

\$250 Assembly Democrats

\$300 Senator Sabini

John Simoni – Member, Racing and Wagering Board

\$1,000 Senator Bruno

NY Thoroughbred Breeders

\$26,000 Senator Bruno

\$6,500 Assembly Democrats

\$750 Senator Sabini

\$750 Senator Skelos

\$1,000 Senate Democrats

John Hendrickson – thoroughbred owner and spouse of Mary Lou Whitney

\$3,500 Senate Republicans

\$250 Assembly Democrats

Barry Schwartz

\$1,000 Assemblyman Brodsky

Kenny Noe

\$1,000 Senator Bruno

\$500 Senate Republicans

John Behrendt – thoroughbred owner

\$2,000 Senator Bruno

International Thoroughbred Racing Management

\$250 Senator Sabini

Adam Victor harness owner

\$500 Lt. Governor Paterson

Cranesville Block - firm of John Tesiero, longtime chair of the State Racing Commission

\$625 State Republican Party

\$300 Assemblyman Tedisco

\$150 Senator Farley

\$1,500 Senate Republicans

Michael Shanley – thoroughbred owner

\$500 Senate Republicans

Henry Hackel – partner in North Dakota OTB

\$10,000 Governor Spitzer

Jack Knowlton – thoroughbred owner

\$500 Senate Republicans