

# THE BUFFALO NEWS

Search | ARTICLES | ARCHIVE | PHOTOS | MORE

GO TO BUFFALO.COM

Friday, May 21, 2004



Partly cloudy  
69°F / 21°C

more weather>>



HOMES • COMMERCIAL • CHURCHES

1-888-341-6489

Marketplace | CARS | HOMES | JOBS | CLASSIFIEDS | SUBSCRIBE | PLACE AN AD

## City&Region

Front Page > City&Region > Special Report:Senecas

Email | Print | Most Popular | Headlines by Email

SPECIAL REPORT: ONE HERITAGE, TWO WORLDS  
LAST OF FIVE PARTS

### Senecas becoming big-spending players on the political scene

By JERRY ZREMSKI,  
MICHAEL BEEBE and DAN HERBECK  
News Staff Reporters  
5/20/2004



To gauge the growing power of the Seneca Nation of Indians, look at the schedule of Rep. Thomas M. Reynolds, a Republican rising star in the House, for 2001 and 2002.

Reynolds, a key player in the House GOP fund-raising machinery, devoted about 15 hours - and perhaps more to the deal in Albany that brought the Senecas their three casinos, private law firm records show.

Reynolds lives in Clarence. His district does not include the tribe's reservations or casino sites.

But he had a long-standing friendly relationship with the Senecas, who now have something politicians want: money. And after the Senecas opened their first casino in 2002, the pols got what they wanted.

The Seneca Nation, never a big political donor before, gave \$89,500 to Washington politicians and political committees in 2003 and 2004. More than a third of it went to committees tied to Reynolds.

That's just one sign that the Seneca Nation is spending the kind of money that equals power in Washington and Albany - and using that power to get its way. For example, the tribe:

- Won federal approval for its casinos with

News

- ▶ Front Page
- ▼ City & Region
  - ▶ Buffalo
  - ▶ Northern Suburbs
  - ▶ Eastern Suburbs
  - ▶ Southern Suburbs
  - ▶ Erie County
  - ▶ Western New York
  - ▶ Niagara County
  - ▶ Niagara Weekend
  - ▶ Ontario/Niagara
  - ▶ AroundTown
  - ▶ Columns
  - ▶ Schools
  - ▶ Corrections
  - ▶ Sunday Neighborhoods
  - ▶ Statistics
  - ▶ Special Report:Bridges
  - ▶ Special Report:Senecas
- ▶ Sports
- ▶ Business Today
- ▶ National/World
- ▶ Opinion
- ▶ Deaths
- ▶ Life & Arts
- ▶ Entertainment
- ▶ Classifieds

Weekly Features

- ▶ NeXt (Wed.)
- ▶ Gusto (Fri.)
- ▶ First Sunday
- ▶ TV Topics (Sun.)

More from Buffalo.com

- ▶ Airport Arrivals/Departures
- ▶ BuffaloJobFinder.com
- ▶ Classroom Connection
- ▶ Lottery Results
- ▶ Pets911
- ▶ Postcards from WNY
- ▶ Recent Home Sales
- ▶ Traffic
- ▶ WNY WebCams

WNY Web Sites

- ▶ Education

Robert Kirkham/Buffalo News  
"Greed started to take over our nation a long time ago. These (councillors) say they represent the people, but they don't." - Edna Gordon

- Car
- Len
- Buil

▶ Family  
 ▶ Government  
 ▶ Your Community  
 Directory Search

**MAX SEARCH**  
 Powered by  
 The Talking Phone Book®

Keyword

Yellow Page Categories:  
 A B C D E F G H I J K L M N O P  
 Q R S T U V W X Y Z

[People Search](#)

Reverse Phone Lookup:

-  -

Use our printed directory  
[View or Download](#)



Robert Kirkham/Buffalo News  
 A protester in state trooper's hat waving a Seneca flag atop a police cruiser became a symbol of the violent 1997 clash over state plans to tax Seneca cigarette and gas sales.



### The series

- Sunday One heritage, two worlds
- Monday Tobacco and gas: Who makes the money?
- Tuesday Who runs the Seneca Nation?
- Wednesday Gambling
- Today Power, influence and the future

in 1999.

Reynolds attended a meeting with lobbyists on the tribe's casino deal as early as September 2001, according to Akin Gump's billing records for the year ending in August 2002, which The Buffalo News obtained.

The congressman, a close friend of Gov. George E. Pataki, acted as a facilitator when the state and the tribe were at an impasse over issues including union access to possibly organize workers at the new casino.

Reynolds, who frequently gets involved in issues beyond his district lines, said he has been close to the Senecas since he played sports against them while growing up in Springville, near the Cattaraugus Reservation.

the aid of a federal lawyer who later went to work for Akin Gump, the tribe's lobbying firm.

- Spent \$1.4 million in 2002 for the services of Akin Gump, which drew up the deal for the Seneca casinos and suggested language that may allow the tribe to build a casino in Cheektowaga.

- Spent more than \$4 million since early 2003 on what appears to be a successful effort to repel state and federal efforts to crack down on the tribe's tobacco millionaires.

Looking back at it all, even some politicians who've dealt with the Senecas are stunned by the vast power that the tribe of 7,300 now wields. Buffalo Mayor Anthony M. Masiello, who lobbied the Senecas for a downtown casino, said the tribe has more power than he has.

"We can't afford the kind of lobbyists they have," he said.

Obviously, this Seneca Nation is not the tribe of old, which was so powerless that it couldn't stop Uncle Sam from swallowing a third of its Allegany Reservation for the Kinzua Dam in the 1960s.

"People are being scared off by the Seneca Nation . . . because we're building power and clout," said Cyrus M. Schindler Jr., a former Seneca president who now heads the tribe's casino corporation. "It's all about money, and to survive in today's world, you need lobbyists and public relations."

## Big-bucks world

In other words, you need friends in high places. And in Tom Reynolds, the Senecas have a friend who's risen quickly in the Republican ranks since coming to Congress

- Pre
- Ton
- Mar
- Stei
- Ken
- Sim
- Rec Wai
- Lati
- Tra
- GM
- Stat

"Unless we brought some economic development opportunities to Niagara Falls, it would be the ghetto to Niagara Falls, Ont.," Reynolds added.

Reynolds said his actions were not related to the Senecas' political donations.

Federal campaign records show that, in recent months, the Senecas gave \$25,000 to the National Republican Congressional Committee of which Reynolds is chairman and another \$7,000 to Reynolds' political action committee.

The Senecas also gave \$25,000 to the Democratic Congressional Campaign Committee, which competes with Reynolds' efforts to elect Republicans. But overall, 57 percent of the Senecas' Washington donations went to Republicans.

Reynolds was by no means the only person connected to state Republican politics who helped the Senecas get their casinos.

When the tribe hired Akin Gump Strauss Hauer & Feld as its Washington lobbying firm in 2001, it got more than top-shelf lawyers with expertise in Indian affairs. It got access to Bill Paxon.

Paxon, a Buffalo-area politician who rose to power in both the State Legislature and the House of Representatives, is now regarded as one of Washington's leading lobbyists.

Akin Gump's billing records show that Paxon spent 11 hours - at \$600 an hour - working for the Senecas. Sources close to the casino negotiations said he weighed in with key advice at key times.

The Senecas' Republican political connections don't end there.

Michael Rossetti of Buffalo, a Republican political appointee who served as counsel to Interior Secretary Gale A. Norton, helped push the Senecas' casino compact through the U.S. Department of the Interior.

Norton was reluctant to approve the compact, fearing it would lead to a proliferation of off-reservation Indian casinos. But Rossetti suggested a compromise: Norton could let the casino deal take effect without formal approval.

"It was always just his idea; he never said somebody wanted it done," said Wayne Smith, deputy assistant interior secretary at the time.

In February, 15 months after Norton let the casino deal go through, Rossetti joined Akin Gump.

Putting it all together, retired Rep. John J. LaFalce contends that the casino approval stemmed from its lobbyists' Republican connections.

"It's not surprising to me," said LaFalce, a Town of Tonawanda Democrat who left office at the end of 2002. "But it's distasteful."

## **Lobbying in Albany**

The Senecas and Akin Gump are flexing muscles in Albany, too.

The firm has spent \$100,050 on Albany political contributions in recent years, most of it going to Republican committees. The Senecas are Akin Gump's only Albany client.

Donald R. Pongrace, a partner at the law firm, said those donations stem from Paxon's close

relationship with Pataki and not Akin Gump's connection to the Senecas, whose Albany political donations remain minimal.

But Akin Gump negotiators suggested the language in the casino deal that would allow the Senecas to look elsewhere in Erie County if things didn't work out in Buffalo.

Sure enough, the Senecas ran into roadblocks in Buffalo, so they went to Cheektowaga - to the dismay of many Western New Yorkers, business leaders and the Buffalo political establishment.

A recent Buffalo News poll found that a majority of local residents would prefer that the casino be in Buffalo and 52 percent of those polled said they felt shut out of the Senecas' decision.

That may be because neither Buffalo nor Cheektowaga had a seat at any table when the Senecas were negotiating with the governor about a casino. Neither did lawmakers.

"We have very little to say about it in Albany," said Assembly Majority Leader Paul Tokasz, a Democrat from Cheektowaga who opposes the casino that the Senecas intend to build in that town. "They can basically pick any spot they want in Western New York."

The Senecas can keep selling cigarettes and gasoline tax-free on their reservations, too, for the time being at least.

After the State Legislature last year ordered Pataki to begin collecting taxes on Indian sales of cigarettes and gasoline to non-Indians, the Senecas opened their checkbooks.

The tribe spent \$4 million on a statewide advertising campaign designed by the Buffalo firm Travers Collins and Co. In television commercials and newspaper ads, the Senecas complained that New York was about to strip away the tribe's treaty rights by taxing its non-Indian customers.

The Senecas have been pressing that point for years, sometimes through less sophisticated and less expensive means. In 1992 and 1997, for example, they set fire to tires along the New York State Thruway, shutting it down in protest of state tax collection efforts.

The state backed down both times, and that's just what Pataki did this year, delaying the tax collection for another year.

The Senecas' power over the state's ability to collect taxes is especially frustrating to convenience store owners, who are losing business to the tribe's online and brick-and-mortar smoke shops.

Some retailers were so angry that they jokingly discussed burning tires along the Thruway themselves, said Dan Finkle, a cigarette distributor who's involved with Fair Application of Cigarette Taxes, a group of health and business groups.

The Senecas also spent \$400,000 lobbying Washington in the past two years, partly to protect the nation's largest collection of online smoke shops.

This seems to be working. While the Senate passed a bill that would limit those sales, an even tougher measure remains stalled in the House.

Two weeks after Seneca leaders toured Capitol Hill in February, 11 House members wrote a letter to Speaker Dennis Hastert, complaining about the bill.

Since then, Hastert has refused to bring the bill up for a vote.

None of this is very amusing to Allison Shulman, a lobbyist for the National Association of Convenience Stores, who said lobbyists for Native American groups contacted House

members on behalf of the Senecas.

"They have been everywhere," she said. "They've put pressure on freshman members of Congress. They've put pressure on the leaders."

And this is all just the start of the Senecas' political efforts.

"We're looking at the different congressmen and legislators, even some New York State politicians," Seneca Nation President Rickey L. Armstrong Sr. said.

"Some of them by their views and their actions warrant support on Native American issues. And there are those who do not."

In other words, the Senecas plan on becoming just what other casino-rich tribes have become: permanent, big-spending players on the political scene.

That doesn't exactly thrill all Senecas.

Edna Gordon, 82, a Seneca elder from the Cattaraugus Reservation, complained that the tribal council spends millions on lobbying and advertising that, in her view, only benefit a handful of rich people - the cigarette and gasoline barons.

"Greed started to take over our nation a long time ago," she said. "These (councillors) say they represent the people, but they don't."

*e-mail: [jzremski@buffnews.com](mailto:jzremski@buffnews.com)*

*e-mail: [mbeebe@buffnews.com](mailto:mbeebe@buffnews.com)*

*e-mail: [dherbeck@buffnews.com](mailto:dherbeck@buffnews.com)*

[▲ TOP](#) [NEXT STORY ▶](#)



**Guaranteed Home Delivery  
of The Buffalo News.**

**[Click Here.](#)**

[FAQ](#) | [Help](#) | [Site Map](#) | [Subscribe to the News](#)  
Copyright 1999 - 2004 - The Buffalo News