

Massachusetts Gaming Commission airs possible commercial casino license for southeast region

By Dan Ring, The Republican

on March 21, 2013 at 9:27 PM, updated March 21, 2013 at 9:30 PM

FALL RIVER -- Political leaders in southeast Massachusetts on Thursday clashed on whether state gaming regulators should allow a commercial casino in the southeast to compete with a planned Indian <u>casino</u>.

The <u>Massachusetts Gaming Commission</u> held a hearing at Bristol Community College in Fall River on whether the panel should seek bids for a <u>commercial casino</u> in the southeast region. Under the state's 2011 casino law, the Mashpee Wampanoag have exclusive rights for a casino in the region, but the commission also must consider bids for a commercial casino if the panel decides the U.S. Department of the Interior will not approve land in trust for a tribal casino.

<u>Stephen P. Crosby</u>, chairman of the commission, said the commission would take testimony under advisement and could possibly make a decision in several weeks.

The Mashpee tribe, one of two federally-recognized Indian tribes in the state, is planning to build a casino resort in an industrial park in Taunton near the intersection of Routes 24 and 140 but it faces some legal obstacles. The tribe and Gov. Deval L. Patrick unveiled a new agreement on Wednesday that calls for the tribe to pay the state 17 percent of gaming revenues, down from the 21.5 percent in a prior agreement that was turned down by the federal government as too high.

Cedric Cromwell, chairman of the Wampanoag Tribe, told gaming commissioners that he wanted to make it "quite clear" there is no need to open up the southeast region to a commercial casino.

"Once this agreement is approved by the Legislature and submitted to the Department of Interior, we expect speedy approval," he said.

The tribe would pay 21 percent tax on revenues if commercial casinos in Western Massachusetts and the Boston area never open, but that seems

improbable, given the competition in those two regions.

Cromwell said the tribe is on track for approval by the federal Department of Interior.

Cromwell said the National Indian Gaming Commission has approved the tribe's gaming ordinance and the tribe has negotiated an agreement with Taunton. The agreement with the city calls for the tribe to pay Taunton at least \$8 million a year. Taunton voters last year also overwhelmingly approved a ballot question on the planned casino.

Cromwell said that on Wednesday the lead lawyer at the Department of Interior told the tribe that it is making substantial progress in its review of the tribe's application and considers the determination a top priority.

"Put simply, it means that we expect to have our land taken into trust by the Department of Interior this year and that we will have shovels in the ground by this time next year," Cromwell told the gaming commission. "We will be open for gaming by early 2015."

That timeframe would put the tribe a year ahead of a Western Massachusetts casino, which is on pace to possibly open in 2016.

Supporters of a commercial casino for southeast Massachusetts cited a recent Supreme Judicial Court ruling, known as the Carcieri decision, that said the federal government could only take land into trust if the tribe was federally recognized by 1934 when the Indian Reorganization Act became law. The Mashpee tribe received federal recognition in 2007.

Cromwell said the tribe is working with the federal government under the guidelines of that court ruling.

If the commission does allow a commercial casino in the region, the tribe could still pursue a casino under the federal Indian Gaming Regulatory Act, which gives federally-recognized tribes special rights to open a casino. But the tribe would not have exclusive rights in the southeast region, dominated by old manufacturing cities like Fall River and New Bedford that are experiencing high rates of unemployment.

Some top politicians in the region were divided on the issue, depending on the communities they represent.

Rep. Shauna L. O'Connell, a Taunton Republican, said the tribe has met every requirement of the state law.

Fall River Mayor William A. Flanagan urged the commission to accept bids for a commercial casino in the region.

Taunton Mayor Thomas Hoye warned that if the tribe opens as a fourth casino in the state, using its rights under the federal Indian gaming law, the state

and the city would lose the ability to receive revenues from the Indian casino.

A couple of New Bedford lawmakers pleaded for a commercial casino for the area.

Rep. Antonio F.D. Cabral, a New Bedford Democrat, said the commission should immediately move to allow a commercial casino in the southeast region.

"We in southeastern Massachusetts should not be left behind the rest of the state," Cabral said.

Cabral said the market should determine if the southeast region can support both a commercial and a tribal casino.

Rep. Robert M. Koczera, a New Bedford Democrat, said the tribe faces "insurmountable obstacles" to getting land into trust for a casino

"The Gaming Commission cannot afford to wait months and years from today to revisit a commercial license," for southeastern Massachusetts, Koczera said. "The commission must act today to ensure that (the southeast) region will derive the same benefits from casino gaming as the other two regions of the state."

KG Urban Enterprises of New York has been working on a plan for a waterfront casino in New Bedford.

The state's gaming law allows for three casino resorts in separate geographical zones of the state and one slots facility that could be anywhere.

Western Massachusetts currently has the most competition with four casino giants vying for the area's lone license.

MGM Resorts International is proposing an \$800 million casino in the South End of Springfield and Penn National Gaming is proposing \$807 million casino in the North End including on properties owned by The Republican.

Springfield Mayor Domenic J. Sarno is currently negotiating agreements with both companies. Sarno will determine if one or both of those agreements go on the ballot for possible voter approval.

The Mohegan Sun is proposing a casino on 152 acres near Exit 8 of the Massachusetts Turnpike in Palmer.

Hard Rock International is proposing a \$700 million to \$800 million casino resort in West Springfield on the grounds of the Eastern States Exposition, the organization that holds the annual 17-day "Big E" fair.

The gaming commission is planning to award the first casino resort license in February of next year. The commission might award the slots-only license as soon as September.

At least three major casino companies are seeking the commercial license reserved for the Boston area.

© masslive.com. All rights reserved.