

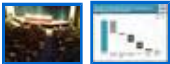
Talks between governor, racinos 'not going well'



By State of Delaware

Above, Gov. Jack Markell speaks to reporters about the \$750 million state budget shortfall last month. Part of his proposal to address the shortfall was gaming expansion throughout the state.

[Photos](#)



ADVERTISEMENT

An advertisement with a dark blue background. At the top, it says "Submit a Mother's Day gift announcement, online and in-paper... with a guest book and slideshow" in white and yellow text. Below that, it says "Click on this ad then find the LIFE MOMENTS button to submit today!" in white and yellow text. At the bottom, it says "A nice photo of your mom or wife, with some words from your heart, thanking her for all she's done over the years" in white text. On the right side of the ad, there is a photograph of a young child hugging an older woman.

By Doug Denison, Staff Writer

Dover Post

Wed Apr 22, 2009, 02:56 PM EDT

STATEWIDE -

Gov. Jack Markell on April 22 said negotiations with the gaming industry over his proposal to reintroduce sports betting in Delaware have made little progress since the start of the legislature's spring recess last week.

"There hasn't been a meeting of the minds," he said Wednesday morning after addressing a state summit on child poverty at Dover Downs Hotel & Casino. "We made some additional suggestions that [racino representatives] weren't really open to."

The governor said he would not provide additional details on the negotiations and only would say the talks have not gone well.

Ed Sutor, President and CEO of Dover Downs Hotel & Casino, confirmed that negotiations have stalled.

"We've tried hard, we've had four separate meetings with the administration, but we as the industry feel that we've given up more and more each step of the way," he said. "We're hoping that some common sense will

prevail and they come to some sort of agreement with us.”

Executives from the state's three racinos expressed strong opposition to the governor's plan for sports betting, which would allow up to 13 new gaming venues across the state and raise the state's share of gambling revenues by eight percentage points.

Sutor said Markell's proposed revenue split, combined with increased competition from soon-to-open slots parlors in Maryland, would put his company's loans in jeopardy and force Harrington Raceway out of business.

Before the recess, House Majority Leader Peter C. Schwartzkopf, D-Rehoboth, put forward a revised version of the sports lottery bill that eliminated the provision for additional venues but preserved the increased state take.

Schwartzkopf delayed House action on the bill until legislators return to Dover April 28, with the hope the administration and the state's three racinos could meet over the break and hammer out a compromise.

However, the governor has indicated he's unlikely to budge on the core elements of his plan, which he says has the potential to raise \$55 million for the state.

“This is an exclusive franchise granted by the taxpayers,” Markell said. “By law, it belongs to the taxpayers.”

Sutor said the racinos presented several proposals in recent days that would kick more money to the state, but the administration rejected them.

“We got to \$39 million and they said, ‘Come back to us with something between the \$39 million and the \$55 million that we're looking for,’ and we got to \$46 million and they said, ‘We want 55.’ That's not negotiating,” he said. “Nothing will satisfy them unless they get 100% of what they want.”

If no compromise is reached on the governor's plan, it is likely the legislature will wage a pitched battle over the bill in the coming weeks.

Markell said new projections from the Delaware Economic and Financial Advisory Council showing the state's 2010 budget shortfall has increased to \$780 million place even more urgency on his sports betting proposal.

“I don't want to cut anymore than I already have,” he said. “A \$750 million problem has become a \$780 million problem and it makes the sports lottery all the more important.”

Before the recess the governor directed the Office of Management and Budget to identify additional areas where the state could cut costs, but he said he is not yet ready to unveil any of those proposals.

Comments (0)

Login or register to post a comment:

Login

Username:

Password:

[Forgot password](#)

Register

Email:

First Name:

Last Name:

I agree to the [terms of use](#)

I am over 13 years of age

NOTE: Your inbox must accept emails from "no-reply@gatehousemedia.com"

[Register](#)



[Georgetown Area Content](#)

WEB BROWSING REDEFINED  FIREFOX 3

GateHouse DE Network | [Dover](#) | [Hockessin](#) | [Georgetown](#) | [Middletown](#) | [Milford](#) | [Smyrna](#)