

## CHAPTER V

### YSLETA DEL SUR PUEBLO (TIGUA)

ABRAMOFF: Fire up the jet baby, we're going to El Paso!!  
SCANLON: I want all their MONEY!!!

Email between Jack Abramoff and Michael Scanlon, February 6, 2002

I wish those moronic Tiguas were smarter in their political contributions. I'd love us to get our mitts on that moolah!! Oh well, stupid folks get wiped out.

Email from Jack Abramoff to Ralph Reed, February 11, 2002

A rattlesnake will warn you before it strikes. We had no warning. They did everything behind our back.

Carlos Hisa, Lieutenant Governor, Ysleta del Sur Pueblo, commenting on Abramoff and Scanlon, November 17, 2004

#### A. INTRODUCTION

"Is life great or what!!!" exclaimed Jack Abramoff to his friend and business partner Michael Scanlon on February 19, 2002.<sup>1</sup> Few would have quibbled with Abramoff at the time. The two men enjoyed a secret partnership, their self-styled "gimme five" scheme. In less than one year, it had yielded \$6 million in ill-gotten gains. Over the next couple years, it would generate almost \$36 million more. In February 2002, the money flowed; life was indeed great for Jack Abramoff and Michael Scanlon.

At the same time, life was not so good for the Ysleta del Sur Pueblo Indian Tribe of El Paso, Texas ("Tigua").<sup>2</sup> The Tribe was fighting for its financial life in the Texas courts and legislature, trying to keep open the doors to its Speaking Rock Casino. Indeed, Abramoff penned his "Is life great or what" email in reaction to a front-page *El Paso Times* article reporting that the Tigua had just terminated 450 casino employees.<sup>3</sup>

At the beginning of 2002, little did the Tigua know that Abramoff and Scanlon had played a role in thwarting the Tribe's efforts to keep open its casino. Little could the Tribe know that it would soon become another victim of the duo's "gimme five" scheme.

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<sup>1</sup> Email from Jack Abramoff, Greenberg Traurig, to Michael Scanlon, Capitol Campaign Strategies (GTG-E000001141) (February 19, 2002).

<sup>2</sup> From the pamphlet *The Tiguas People of the Sun*, obtained from the Tigua Indian Cultural Center: "Ysleta del Sur Pueblo is the historical and legal name of the American Indian tribe commonly known in the El Paso, Texas area as the 'Tiguas' or 'Tigua Indians'. 'Tigua' or 'Tihua', an even older spelling, is the Spanish phonetic spelling of the term 'Tiwa' and is the name of the Indian language spoken by this tribe."

<sup>3</sup> Email between Jack Abramoff, Greenberg Traurig, and Michael Scanlon, Capitol Campaign Strategies (GTG-E000001141) (February 19, 2002).

## B. BACKGROUND ON THE TRIBE

The Tigua are the only Pueblo tribe still residing in Texas.<sup>4</sup> Although there are several versions of their migration to Texas, most believe that the Tigua were once inhabitants of Pueblo Gran Quivera, south of modern-day Albuquerque, New Mexico.<sup>5</sup> In 1680 the Pueblo Indians revolted against the Spanish and drove them out of New Mexico.<sup>6</sup> Some Ysleta Pueblo Indians either by force or by choice left with the Spanish and joined the first migration of Tigua from Gran Quivera in El Paso.<sup>7</sup>

The Tigua follow a typical Pueblo governing organization with a cacique or religious leader appointed by the tribal council, a governor, lieutenant governor, war captain, and tribal council working together to run the government.<sup>8</sup>

In 1751 the King of Spain granted the Tigua thirty-six square miles of land upon which they built their Pueblo and a mission, which is now the oldest mission in Texas.<sup>9</sup> Through extreme poverty and deceit by land hungry speculators, the Tigua lost all of this land.<sup>10</sup> However, in 1967 the State of Texas finally recognized the Tigua as a tribe.<sup>11</sup>

In 1968, the Federal Government recognized the Tigua as an Indian tribe but simultaneously transferred responsibility for the Tribe to the State of Texas.<sup>12</sup> Texas administered the Tribe's affairs, which included holding the Tribe's 100-acre reservation in trust and providing economic development funds to the Tribe.<sup>13</sup> In 1983, however, Texas became concerned that its trust relationship with the Tribe violated state constitutional law.<sup>14</sup> Consequently, the United States and the Tribe began the process of granting the Tribe federal trust status.<sup>15</sup> The culmination of those efforts came in the form of the 1987 Restoration Act, which established a trust relationship between the Federal Government and the Tribe.<sup>16</sup>

In 1993, the Tigua opened its Speaking Rock Casino near El Paso, Texas.<sup>17</sup> This casino offered bingo games and Las Vegas-style gaming activities, and was a significant source of revenue for the Tribe.<sup>18</sup> In 1999, however, based on an interpretation of the Tribe's

<sup>4</sup> *The Tigua Indians of Texas* (visited March 23, 2006) <<http://www.texasindians.com/tigua.htm>> (providing a basic history of the Tigua).

<sup>5</sup> *Tigua Indians* (visited March 23, 2006) <<http://www.tsha.utexas.edu/handbook/online/articles/TT/bmt45.html>> (detailing the history of the Tigua); Thomas A. Green, *Folk History and Cultural Reorganization: A Tigua Example*, *The Journal of American Folklore* v. 89, no. 353, pp. 310–18 (1976).

<sup>6</sup> *The Tigua Indians of Texas* (visited March 23, 2006) <<http://www.texasindians.com/tigua.htm>> (providing a basic history of the Tigua).

<sup>7</sup> *Id.*; *Clayhound Web* (visited March 23, 2006) <<http://www.clayhound.us/sites/ysleta.htm>> (describing the history of the Tigua).

<sup>8</sup> *Tigua Indians* (visited March 23, 2006) <<http://www.tsha.utexas.edu/handbook/online/articles/TT/bmt45.html>> (detailing the history of the Tigua).

<sup>9</sup> *The Tigua Indians of Texas* (visited March 23, 2006) <<http://www.texasindians.com/tigua.htm>> (providing a basic history of the Tigua); *Tigua Indians* (visited March 23, 2006) <<http://www.tsha.utexas.edu/handbook/online/articles/TT/bmt45.html>> (detailing the history of the Tigua).

<sup>10</sup> *Tigua Indians* (visited March 23, 2006) <<http://www.tsha.utexas.edu/handbook/online/articles/TT/bmt45.html>> (detailing the history of the Tigua).

<sup>11</sup> *Id.*

<sup>12</sup> *Texas v. del Sur Pueblo*, 220 F.Supp.2d 668, 673 (W.D. Tex. 2001).

<sup>13</sup> *Id.*

<sup>14</sup> *Id.*

<sup>15</sup> *Id.*

<sup>16</sup> *Id.*

<sup>17</sup> *Id.*

<sup>18</sup> *Id.*

1987 Restoration Act, the State of Texas brought a legal action challenging the Tribe's ability to operate the casino.<sup>19</sup> The Restoration Act provides that "[a]ll gaming activities which are prohibited by the laws of the State of Texas are hereby prohibited on the reservation and on lands of the tribe."<sup>20</sup> The State of Texas argued that this provision prohibited the Tiguas from operating any type of gaming that was not allowed under Texas law, and that the gaming activities offered at the casino were prohibited by Texas law. The Fifth Circuit, in an unpublished opinion, affirmed a decision by the Texas district court agreeing with the State's argument thereby forcing the Tribe to close its casino in 2002.<sup>21</sup>

### C. ABRAMOFF, SCANLON, AND REED WORK AGAINST THE TIGUA

The Committee has seen no evidence suggesting that Jack Abramoff, Michael Scanlon, or Ralph Reed had any influence over the State of Texas' decision to file suit against the Tigua in 1999. In fact, it was not until 2001, after the suit was well under way, that Abramoff and Scanlon took an interest in the Tigua and its fight with Texas.

Abramoff and Scanlon's mutual client the Coshatta Tribe of Louisiana ("Louisiana Coshatta") long understood that legalized gaming in Texas would erode its casino's customer base and revenue.<sup>22</sup> The majority of the Louisiana Coshatta casino's customers are from Texas, particularly the Houston area.<sup>23</sup>

While the State of Texas was pursuing its case to close the Tigua's Speaking Rock Casino,<sup>24</sup> press reports indicated that another tribe, the Alabama-Coshatta, was considering opening its own casino in eastern Texas.<sup>25</sup> Abramoff and Scanlon were insistent with the Louisiana Coshatta Tribal Council that Texas was on the verge of legalizing gaming.<sup>26</sup> Abramoff and Scanlon said that if the Tigua succeeded in its efforts to keep open its casino, the State of Texas would have no choice but to allow the Alabama Coshatta to have a casino.<sup>27</sup> The Tribe therefore authorized Abramoff and Scanlon to pursue anti-gaming efforts in Texas against the Tigua and the Alabama Coshatta.<sup>28</sup>

<sup>19</sup> *Id.*

<sup>20</sup> 25 U.S.C.S. § 1300g-6 (2001).

<sup>21</sup> *Fifth Circuit Rules Against Tribe in State of Texas v. Ysleta Del Sur Pueblo* (visited Mar. 23, 2006) <http://www.indiangaming.org/info/pr/press-releases-2002/texas-v-ysleta.shtml> (describing the Tigua casino, Speaking Rock Casino); *Texas v. del Sur Pueblo*, 220 F.Supp.2d 668 (W.D. Tex. 2001).

<sup>22</sup> "Tribal Lobbying Matters," *Hearings before the Committee on Indian Affairs*, 109th Cong. at 113 (November 2, 2005) (prepared statement of David Sickey, Councilman, Coshatta Tribe of Louisiana).

<sup>23</sup> *Id.*

<sup>24</sup> *Indians Bet on casino bills/Texas Legislature May Settle Legal Dispute Targeting Tribe's Casino Plans*, Houston Chronicle, March 25, 2001; Email from Wilson Padgett to DCChoctaw (SENCREA 10/04 000001) (March 26, 2001) (attaching James Kimberly's text).

<sup>25</sup> Email from Brian Mann, American International Center, to Michael Scanlon, Capitol Campaign Strategies (GTG-E000000626) (November 22, 2001) (attaching Gary Susswein, *Two More Tribes Are Ready To Join Casino Battle*, Austin American Statesman, November 22, 2001).

<sup>26</sup> "Tribal Lobbying Matters," *Hearings before the Committee on Indian Affairs*, 109th Cong. at 113 (November 2, 2005) (prepared statement of David Sickey, Councilman, Coshatta Tribe of Louisiana). *Accord* "Tribal Lobbying Matters," *Hearings before the Committee on Indian Affairs*, 109th Cong. at 19 (November 2, 2005) (statement of William Worfel, former Vice-Chairman, Coshatta Tribe of Louisiana).

<sup>27</sup> Interview of William Worfel, former Vice-Chairman, Coshatta Tribe of Louisiana, in Washington, D.C. (September 13-14, 2005).

<sup>28</sup> *Id.*

To pursue a grassroots effort against the Tigua, Abramoff turned once again to his long-time friend and business associate Ralph Reed. On November 12, 2001, Abramoff wrote to Reed: “Remember I mentioned the NIGC [National Indian Gaming Commission] today? We are going to get them on the Alabama Coushattas and I told our guy to get them on the Tiguas as well. Cornyn<sup>29</sup> needs to get Indians to lead the way. Let us help with that.”<sup>30</sup>

Reed replied, “great work. Get me details so I can alert cornyn and let him know what we are doing to help him.”<sup>31</sup> Reed claimed he was already working with Ed Young, pastor of the Second Baptist Church of Houston, Texas, to mobilize the top pastors in Houston to provide cover for the State’s anti-gambling efforts.<sup>32</sup> According to Reed, “[W]e have over 50 pastors mobilized, with a total membership in those churches of over 40,000—that includes second baptist, which has 12,000 members.”<sup>33</sup>

In an effort to sway public opinion, the Tigua had earlier embarked upon a public relations campaign. Earlier that day, the Tigua had run articles in newspapers in Austin, Houston, Dallas, San Antonio and Fort Worth, imploring people to contact then-Texas Attorney General John Cornyn and “beg him to save our families.”<sup>34</sup> The Tigua also ran a similar full-page ad in *The Washington Post*, in the form of a letter to the President.<sup>35</sup>

Upon reading about the Tigua’s public relations campaign, Reed advised Abramoff, “i [sic] strongly suggest we start doing patch-throughs to perry and cornyn. [W]e’re getting killed on the phones.”<sup>36</sup> Apparently, Scanlon had already started.<sup>37</sup> Reed again claimed he had already mobilized 50 pastors to provide “moral support” to then-Texas Attorney General Cornyn.<sup>38</sup>

On November 15, 2001, Isidro Garza, Chairman of the Kickapoo Tribe informed Abramoff that then-Texas Attorney General Cornyn was “fixing to get hammered in El Paso” and asked “are we prepared to have Ralph Reed move in?”<sup>39</sup>

Abramoff replied, “Absolutely. Ralph and I spoke last night. Cornyn is supposed to call Ralph as soon as he can make it to a phone after El Paso. We should be in good shape.”<sup>40</sup>

<sup>29</sup> Cornyn is U.S. Senator John Cornyn of Texas, who was then the Attorney General for the State of Texas.

<sup>30</sup> Email between Jack Abramoff, Greenberg Traurig, and Ralph Reed, Century Strategies (GTG-E000023259-61) (November 12, 2001).

<sup>31</sup> *Id.*

<sup>32</sup> *Id.*

<sup>33</sup> Email from Ralph Reed, Century Strategies, to Jack Abramoff, Greenberg Traurig (GTG-E000023274) (November 12, 2001).

<sup>34</sup> Email from Michael Scanlon, Capitol Campaign Strategies, to Jack Abramoff, Greenberg Traurig (GTG-E00023240-41) (November 13, 2001) (attaching Gary Scharrer, *Tiguas seek support with state, DC ads*, El Paso Times, November 13, 2001).

<sup>35</sup> *Id.* Later that day, Abramoff forwarded an email from Isidro Garza to Reed. See Email from Jack Abramoff, Greenberg Traurig, to Ralph Reed, Century Strategies (GTG-E000023257) (November 12, 2001). Abramoff apparently believed that the Kickapoo nation would help them on Tigua. *Id.* To date, the Committee has not learned what, if any, assistance the Kickapoo nation rendered.

<sup>36</sup> Email between Ralph Reed, Century Strategies, and Jack Abramoff, Greenberg Traurig (GTG-E000023240) (November 13-14, 2001).

<sup>37</sup> *Id.*

<sup>38</sup> *Id.*

<sup>39</sup> Email between Isidro Garza, Kickapoo Traditional Tribe of Texas, and Jack Abramoff, Greenberg Traurig (GTG-E000023504) (November 15, 2001).

<sup>40</sup> *Id.* Other than Abramoff’s email, the Committee has seen no evidence that such a call occurred.

By December 2001, Reed apparently was not achieving satisfactory results. With respect to the Alabama Coushatta's new casino, Abramoff wrote, "We are going to lose this client [Louisiana Coushatta] if we can't get this thing closed. What can we do? What are they waiting for?"<sup>41</sup>

Reed reported on everything he was doing to ensure the casino would be shut down, and added, "Let's talk today about what else we might do. But if the client loses us in the meantime, they will not get anyone better to advance their cause."<sup>42</sup>

On January 7, 2002, Reed reported on his discussions with the Attorney General's Office, adding "[h]ope these developments help with client".<sup>43</sup> Reed also reminded Abramoff that the information he had earlier passed on turned out to be true, and confirmed that he had gotten pastors riled up the week before to call the Attorney General's office.<sup>44</sup> Reed purportedly continued to supply Abramoff with information from the Attorney General's office, claiming he was having direct conversations with the Texas Attorney General himself.<sup>45</sup>

While the trio worked to support the State's legal efforts, evidence also suggests that Abramoff, Scanlon, and Reed worked behind the scenes in Texas to quash the Tigua's attempts at a legislative solution. In 2003, Abramoff boasted to a colleague:

A bill is moving (HB809) in the Texas state house which will enable the Indians in Texas to have totally unregulated casinos. It passed out of the house Criminal Jurisprudence Committee by a 6-2 vote.

The current Republican Speaker Tom Craddick is a strong supporter. Last year we stopped this bill after it passed the house using the Lt. Governor (Bill ratcliff) [sic] to prevent it from being scheduled in the state senate.<sup>46</sup>

In fact, former Texas Lt. Governor Ratliff did refuse to schedule the legislation for a floor vote in the previous session, the state's legal efforts succeeded, and the Tigua officially closed its casino on February 12, 2002.<sup>47</sup>

It was a low point for the Tigua. According to Tribal representatives, the revenue generated by the Speaking Rock Casino had helped the Tribe lift its members out of poverty, had enabled the Tribe to provide education for its children and health care for its elders.<sup>48</sup> It created hope where there was none. Into their desperation and despair entered Abramoff and Scanlon.

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<sup>41</sup> Email between Jack Abramoff, Greenberg Traurig, and Ralph Reed, Century Strategies (GTG-E000023491-93) (December 5, 2001).

<sup>42</sup> *Id.*

<sup>43</sup> Email from Ralph Reed, Century Strategies, to Jack Abramoff, Greenberg Traurig (GTG-E000010854) (January 7, 2002).

<sup>44</sup> *Id.*

<sup>45</sup> Email from Ralph Reed, Century Strategies, to Jack Abramoff, Greenberg Traurig (GTG-E000076007) (January 23, 2002).

<sup>46</sup> Email from Jack Abramoff, Greenberg Traurig, to Shawn Vasell, Greenberg Traurig (GTG-E000076245) (February 27, 2003).

<sup>47</sup> Interview of Carlos Hisa, Lieutenant Governor, Ysleta del Sur Pueblo, in El Paso, Texas (October 28, 2004).

<sup>48</sup> *Id.*

## D. ABRAMOFF AND SCANLON SEEK THE TRIBE'S MONEY

At the same time Abramoff and Scanlon were working to have the Tigua's casino in El Paso closed, they began actively soliciting the Tigua for money to re-open its casino. According to an internal memorandum from Norman J. Gordon to Tom Diamond, both of whom were outside counsel for the Tigua:

I had a telephone conversation this afternoon with Bryant Rogers, a lawyer in Santa Fe, who represents a number of Indian Tribes. He advises me that he was asked by Mr. Jack Abramoff, a lobbyist in Washington, D.C. whether the Tiguas were attempting a solution to the order that may be outside the courts. According to Mr. Rogers, Mr. Abramoff is with a firm that is well connected to the Bush Administration (Greenberg Trauring [sic] Firm in Washington, D.C. which represented the Bush Campaign in the Florida dispute-lobbying arm) and has been effective in the past in efforts for other tribes. He is willing to come to El Paso and meet with the Council at no cost to discuss whether he can be of assistance. His phone number is [REDACTION].<sup>49</sup>

Meanwhile, Reed forwarded to Abramoff an email from one of Reed's Texas operatives reporting that the operative "[j]ust spoke with a source close to the Attorney General who tells me they anticipate either February 8 (this Friday) or February 11th—next Monday—will be the date Judge Eisele shuts down the Tigua casino. His order would dispatch federal marshals to the facility to close it."<sup>50</sup> In forwarding Reed's email to Scanlon, Abramoff was clear about his lack of care and concern for the Tigua's plight: "Whining idiot. Close the f'ing thing already!"<sup>51</sup>

Despite his disdain, the very next day, Abramoff was quickly on the telephone with Tigua public relations representative Marc Schwartz seeking the Tigua's business.<sup>52</sup> During their first telephone conversation, Abramoff lamented over the Tigua's plight, and offered to visit the Tribe in El Paso to discuss a solution to the Tigua's problem.<sup>53</sup> According to Schwartz, Abramoff "expressed his indignation over what had occurred with the tribe and specifically referred to the need to right the terrible injustice that had been brought upon the tribe."<sup>54</sup>

To Schwartz, Abramoff appeared to have the right credentials. Abramoff claimed to be a close friend of Congressman Tom

<sup>49</sup>Marc Schwartz document production (no Bates number) (February 4, 2002) (Memorandum from Norman J. Gordon, Esq., Diamond, Rash, Gordon & Jackson, to Tom Diamond, Esq., Diamond, Rash, Gordon & Jackson).

<sup>50</sup>Email from Ralph Reed, Century Strategies, to Jack Abramoff, Greenberg Trauring (GTG-E006970-JA) (February 5, 2002).

<sup>51</sup>Email from Jack Abramoff, Greenberg Trauring, to Michael Scanlon, Capitol Campaign Strategies (GTG-E006970-JA) (February 5, 2002).

<sup>52</sup>"Tribal Lobbying Matters," *Hearings before the Committee on Indian Affairs*, 108th Cong. at 228 (November 17, 2004) (statement of Marc Schwartz, president, Partners Group Consultants).

<sup>53</sup>Interview of Marc Schwartz, president, Partners Group Consultants, in Washington, D.C. (November 10, 2004).

<sup>54</sup>"Tribal Lobbying Matters," *Hearings before the Committee on Indian Affairs*, 108th Cong. at 228 (November 17, 2004) (statement of Marc Schwartz, president, Partners Group Consultants).

DeLay.<sup>55</sup> He also discussed his friendship with Reed, recounting some of their history together at College Republicans.<sup>56</sup> When Schwartz observed that Reed was an ideologue, Schwartz recalled that Abramoff laughingly replied “as far as the cash goes.”<sup>57</sup> Abramoff also mentioned his representation of the Mississippi Band of Choctaw Indians (“Choctaw”) and his ability to get appropriations for them.<sup>58</sup>

Abramoff “offered the service of both himself and his firm at no charge.”<sup>59</sup> He later expressed a hope that the Tribe would hire him, if he succeeded in achieving a Federal legislative fix.<sup>60</sup>

After his call with Schwartz, Abramoff told Scanlon, “Fire up the jet baby, we’re going to El Paso!!”<sup>61</sup>

Scanlon replied, “I want all their MONEY!!!”<sup>62</sup>

Later that day, Reed sent Abramoff the Saturday copy of an *El Paso Times-News* article reporting that the Tigua had filed for a stay of the closing of its casino while the Tribe’s appeal was pending before the Fifth Circuit Court of Appeals with the note “here’s the latest move, just as we predicted.”<sup>63</sup>

On February 7, 2002, Schwartz reported to Tigua Governor Albert Alvidrez, Lt. Governor Carlos Hisa, and the Tribal Council that he “spoke with Mr. Abramoff this morning and he would like to make a short presentation to the Council next week. He could be in El Paso for a meeting on Tuesday.”<sup>64</sup> Schwartz scheduled the meeting with Abramoff and the Tigua leadership for Tuesday, February 12, 2002, at the Tribal Council offices for Abramoff to make “a short presentation on his capabilities.”<sup>65</sup>

Before meeting with Abramoff, the Tigua undertook some due diligence, reviewing stories about Abramoff in *The New York Times* and *The Wall Street Journal*.<sup>66</sup> The articles described Abramoff as an “uber lobbyist.”<sup>67</sup> The Tigua also reviewed information about the law firm Greenberg Traurig, which the Tribe determined was one of the top law firms, and concluded that Abramoff’s “creden-

<sup>55</sup> Interview of Marc Schwartz, president, Partners Group Consultants, in Washington, D.C. (November 10, 2004).

<sup>56</sup> *Id.*

<sup>57</sup> *Id.*

<sup>58</sup> *Id.*

<sup>59</sup> “Tribal Lobbying Matters,” *Hearings before the Committee on Indian Affairs*, 108th Cong. at 228 (November 17, 2004) (statement of Marc Schwartz, president, Partners Group Consultants).

<sup>60</sup> *Id.*

<sup>61</sup> Email between Jack Abramoff, Greenberg Traurig, and Michael Scanlon, Capitol Campaign Strategies (GTG-E0075991) (February 6, 2002).

<sup>62</sup> *Id.*

<sup>63</sup> Email from Ralph Reed, Century Strategies, to Jack Abramoff, Greenberg Traurig (GTG-E006969-JA) (February 6, 2002).

<sup>64</sup> Marc Schwartz document production (no Bates number) (February 7, 2002) (Memorandum from Marc Schwartz, president, Partners Group Consultants, to Governor Albert Alvidrez, Lt. Governor Carlos Hisa, and Tribal Council, Ysleta del Sur Pueblo).

<sup>65</sup> Marc Schwartz document production (no Bates number) (February 8, 2002) (Memorandum from Marc Schwartz, Partners Group Consultants, to Governor Albert Alvidrez, Lt. Governor Carlos Hisa, and Tribal Council, Ysleta del Sur Pueblo); *see also* Marc Schwartz document production (no Bates number) (February 10, 2002) (Memorandum from Marc Schwartz, Partners Group Consultants, to Governor Albert Alvidrez, Lt. Governor Carlos Hisa, and Tribal Council, Ysleta del Sur Pueblo).

<sup>66</sup> “Tribal Lobbying Matters,” *Hearings before the Committee on Indian Affairs*, 108th Cong. at 235 (November 17, 2004) (statement of Carlos Hisa, Lieutenant Governor, Ysleta del Sur Pueblo).

<sup>67</sup> Interview of Marc Schwartz, president, Partners Group Consultants, in Washington, D.C. (November 10, 2004).

tials appeared to be extremely legitimate.”<sup>68</sup> At a Tribal Council meeting, the Tribe considered Abramoff’s credentials: he was a top-notch lobbyist; he represented the Choctaw, widely known and respected in Indian country; and, his firm had represented President Bush in the 2000 presidential election dispute.<sup>69</sup>

Meanwhile, Abramoff and Scanlon continued to monitor the Tigua’s fight. On Saturday, February 9, 2002, the *El Paso Times-News* reported that, following the Fifth Circuit Court’s denial of the Tigua’s application for a stay pending appeal, the Tigua intended to file an emergency request to the United States Supreme Court.<sup>70</sup> Concerned by the Tigua’s latest actions, Scanlon wrote to Abramoff: “Uh oh?” and Abramoff responded, “We have to strategize on this one.”<sup>71</sup>

A day or so before Abramoff’s meeting with the Tribe, Abramoff called Schwartz to inform the Tribe that he was bringing Michael Scanlon, whom he called an associate.<sup>72</sup> Abramoff said that Scanlon was Congressman DeLay’s former spokesman.<sup>73</sup> Abramoff called Scanlon one of his best friends; said they worked together all the time; and, claimed that Scanlon was one of the pre-eminent political strategists in the nation.<sup>74</sup>

During their conversation, Abramoff never called Scanlon his business partner.<sup>75</sup> According to Schwartz, Abramoff was always very careful to make it clear to the Tigua that “you’re hiring Scanlon independently. I use him because he’s the best. He has his own company.”<sup>76</sup> Abramoff never disclosed that he and Scanlon were partners; never said he would receive money from Scanlon that the Tigua paid; and, never mentioned any referral fee from Scanlon.<sup>77</sup> To the contrary, when Schwartz asked whether Scanlon Gould was connected to Abramoff, Abramoff replied “no.”<sup>78</sup>

The day he was supposed to meet with the Tigua leadership, Abramoff’s disdain for the Tribe again surfaced. Reed had reported that the Tigua was prepared to close its casino.<sup>79</sup> Reed highlighted for Abramoff “major victory ... but note they plan a legislative battle now that they have lost in the courts.”<sup>80</sup>

Abramoff responded, “I wish those moronic Tiguas were smarter in their political contributions. I’d love us to get our mitts on that moolah!! Oh well, stupid folks get wiped out.”<sup>81</sup>

<sup>68</sup> “Tribal Lobbying Matters,” *Hearings before the Committee on Indian Affairs*, 108th Cong. at 235 (November 17, 2004) (statement of Marc Schwartz, president, Partners Group Consultants).

<sup>69</sup> Interview of Carlos Hisa, Lieutenant Governor, Ysleta del Sur Pueblo, in El Paso, Texas (October 28, 2004).

<sup>70</sup> Email between Jack Abramoff, Greenberg Traurig, and Michael Scanlon, Capitol Campaign Strategies (GTG-E00000353) (February 9, 2002).

<sup>71</sup> *Id.*

<sup>72</sup> “Tribal Lobbying Matters,” *Hearings before the Committee on Indian Affairs*, 108th Cong. at 239 (November 17, 2004) (statement of Marc Schwartz, president, Partners Group Consultants).

<sup>73</sup> Interview of Marc Schwartz, president, Partners Group Consultants, in Washington, D.C. (November 10, 2004).

<sup>74</sup> *Id.*

<sup>75</sup> *Id.*

<sup>76</sup> *Id.*

<sup>77</sup> *Id.*

<sup>78</sup> *Id.*

<sup>79</sup> Email between Ralph Reed, Century Strategies, and Jack Abramoff, Greenberg Traurig (GTG-E006967-JA) (February 11–12, 2002).

<sup>80</sup> *Id.*

<sup>81</sup> *Id.*

Abramoff and Scanlon met with the Tigua Tribal Council on February 12, 2002.<sup>82</sup> Ironically, it was the same day that the Tigua's casino was going to close.<sup>83</sup> The meeting occurred at the Tribal Administration Building, and lasted forty-five (45) minutes.<sup>84</sup> Attendees at the meeting included the Tribe's then-Governor Albert Alvidrez, Schwartz, and Tribal attorney Tom Diamond.<sup>85</sup> As Lt. Governor Hisa later learned, at that meeting, Abramoff made a proposal for a lobbying effort led by himself and Scanlon's firm to gain a federal legislative fix to the Tigua's problem.<sup>86</sup>

The Tribe had no idea that Abramoff, Scanlon, and Reed had just worked to ensure the closure of its casino.<sup>87</sup> According to Hisa, Alvidrez said that Abramoff disclosed his friendship with Reed, but Abramoff said that Reed was "crazy, like other folks in the Christian Coalition."<sup>88</sup> According to Tom Diamond, counsel to the Tigua, Abramoff also claimed that as Reed was leading the anti-gambling efforts among Christian conservatives, Reed was supplying Abramoff with information about the effort and, therefore, Abramoff knew their strategy.<sup>89</sup>

Abramoff also disclosed his representation of the Louisiana Coushatta, but said the Louisiana Coushatta did not have any problem with the Tigua.<sup>90</sup> Abramoff bragged about getting the Choctaw millions of dollars in appropriations.<sup>91</sup>

During the Committee's hearing, Schwartz testified that Abramoff introduced Scanlon as "the preeminent expert in grass-roots politics and that with his experience with Representative Tom DeLay had developed a reputation as 'the go-to guy for the most difficult campaigns'."<sup>92</sup> According to Schwartz, Abramoff further described Scanlon as a "bulldog", "tenacious", "people were afraid of him", he was "DeLay's attack dog," and was one of the reasons that Congressman DeLay was so successful.<sup>93</sup> According to Lt. Governor Hisa, Scanlon claimed he would try to convince Representative DeLay to work for the Tigua's benefit and try to use

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<sup>82</sup> "Tribal Lobbying Matters," *Hearings before the Committee on Indian Affairs*, 108th Cong. at 228 (November 17, 2004) (statement of Marc Schwartz, president, Partners Group Consultants).

<sup>83</sup> *Id.* at 239.

<sup>84</sup> Interview of Tom Diamond, Esq., Diamond, Rash, Gordon & Jackson, outside counsel, Ysleta del Sur Pueblo, in El Paso, Texas (October 28, 2004).

<sup>85</sup> "Tribal Lobbying Matters," *Hearings before the Committee on Indian Affairs*, 108th Cong. at 231 (November 17, 2004) (statement of Carlos Hisa, Lieutenant Governor, Ysleta del Sur Pueblo).

<sup>86</sup> *Id.*

<sup>87</sup> "Tribal Lobbying Matters," *Hearings before the Committee on Indian Affairs*, 108th Cong. at 228, 239 (November 17, 2004) (statement of Marc Schwartz, president, Partners Group Consultants).

<sup>88</sup> Interview of Carlos Hisa, Lieutenant Governor, Ysleta del Sur Pueblo, in El Paso, Texas (October 28, 2004).

<sup>89</sup> Interview of Tom Diamond, Esq., Diamond, Rash, Gordon & Jackson, outside counsel, Ysleta del Sur Pueblo, in El Paso, Texas (October 28, 2004).

<sup>90</sup> Interview of Marc Schwartz, president, Partners Group Consultants, in Washington, D.C. (November 10, 2004).

<sup>91</sup> *Id.*

<sup>92</sup> "Tribal Lobbying Matters," *Hearings before the Committee on Indian Affairs*, 108th Cong. at 228 (November 17, 2004) (statement of Marc Schwartz, president, Partners Group Consultants).

<sup>93</sup> Interview of Marc Schwartz, president, Partners Group Consultants, in Washington, D.C. (November 10, 2004).

Representative DeLay's credibility to convince other representatives to support the Tigua.<sup>94</sup>

Abramoff said that Scanlon did the groundwork on his projects.<sup>95</sup> When Schwartz asked whether Abramoff used Scanlon exclusively, Abramoff said that he liked to use Scanlon for the tough fights: "He always gets results", recalled Schwartz.<sup>96</sup>

At that first meeting, Scanlon said he worked in public affairs and direct response.<sup>97</sup> Scanlon explained grassroots campaigns, and how he could get thousands of telephone calls to flood a senator's office, or even the President's office.<sup>98</sup> Scanlon claimed he was "DeLay's guy" and had an ongoing relationship with Congressman DeLay.<sup>99</sup>

Abramoff and Scanlon proposed a nationwide political campaign for the Tigua.<sup>100</sup> The duo brought a laptop with an example of the database they were proposing to construct for the Tigua.<sup>101</sup> Abramoff told the Tribe that his plan was to have a friendly lawmaker sneak some fairly innocuous language into a federal bill permitting the Tigua to re-open the Speaking Rock Casino.<sup>102</sup> But the Tribe would have to make contributions to grease the process: "You have to have some friends," Schwartz recalled Abramoff saying.<sup>103</sup>

Schwartz further recalled Abramoff saying "my part is easy; the hard part is keeping this from being undone. Once the law is printed, someone's going to know it and that's where Mike comes in."<sup>104</sup> Abramoff described Scanlon's role as a submarine: once the bill passed, opponents would try to strip it or repeal it.<sup>105</sup> Abramoff said that Scanlon's operation would then surface, blanketing members' offices with letters and phone calls, to "bring them in line."<sup>106</sup> Scanlon would implement this "submarine strategy" through the database he was supposedly going to construct for the Tribe.<sup>107</sup>

Abramoff also said that he and Greenberg Traurig would represent the Tribe pro bono until the casino was up and running, but then wanted to represent the Tigua for \$150,000 per month.<sup>108</sup> Abramoff said he had done this arrangement before: he would work pro bono, but Scanlon had to be paid.<sup>109</sup>

<sup>94</sup> "Tribal Lobbying Matters," *Hearings before the Committee on Indian Affairs*, 108th Cong. at 242 (November 17, 2004) (statement of Carlos Hisa, Lieutenant Governor, Ysleta del Sur Pueblo).

<sup>95</sup> Interview of Marc Schwartz, president, Partners Group Consultants, in Washington, D.C. (November 10, 2004).

<sup>96</sup> *Id.*

<sup>97</sup> *Id.*

<sup>98</sup> *Id.*

<sup>99</sup> *Id.*

<sup>100</sup> *Id.*

<sup>101</sup> *Id.*

<sup>102</sup> *Id.*; Interview of Carlos Hisa, Lieutenant Governor, Ysleta del Sur Pueblo, in El Paso, Texas (October 28, 2004).

<sup>103</sup> Interview of Marc Schwartz, president, Partners Group Consultants, in Washington, D.C. (November 10, 2004).

<sup>104</sup> *Id.*

<sup>105</sup> *Id.*; Interview of Tom Diamond, Esq., Diamond, Rash, Gordon & Jackson, outside counsel, Ysleta del Sur Pueblo, in El Paso, Texas (October 28, 2004) (recalling Abramoff said that Scanlon would "bring them [opponents] in line").

<sup>106</sup> *Id.*; Interview of Marc Schwartz, president, Partners Group Consultants, in Washington, D.C. (November 10, 2004).

<sup>107</sup> Interview of Tom Diamond, Esq., Diamond, Rash, Gordon & Jackson, outside counsel, Ysleta del Sur Pueblo, in El Paso, Texas (October 28, 2004).

<sup>108</sup> Interview of Marc Schwartz, president, Partners Group Consultants, in Washington, D.C. (November 10, 2004).

<sup>109</sup> *Id.*

Speaking about the grassroots efforts, Scanlon said there was a necessity of money.<sup>110</sup> Scanlon was going to write a proposal for the Tigua.<sup>111</sup> Schwartz recalled Abramoff saying “you won’t pay me, you’ll pay him a lot”, indicating Scanlon.<sup>112</sup> According to Schwartz, Abramoff said two or three times “I’m the only guy who’s gonna work for you and get results first and you pay second.”<sup>113</sup> Abramoff said his efforts “couldn’t exist without Scanlon.”<sup>114</sup> At the meeting, Abramoff and Scanlon suggested a ballpark figure of \$5,000,000 for the plan, in addition to \$1,000,000 in political contributions.<sup>115</sup>

During that same meeting, Scanlon represented that his part in the campaign “would be expensive, essential and exclusive.”<sup>116</sup> The Tribe had no understanding that Scanlon would pay Abramoff out of the funds paid to him by the Tribe.<sup>117</sup> The Tribe never paid Abramoff any money.<sup>118</sup> In discussing the project, Abramoff conveyed a sense of urgency.<sup>119</sup> At the meeting, Abramoff again insisted the proposal was critical, that it needed to be done, the Tribe needed this defense, and Scanlon had done this before.<sup>120</sup>

At that meeting, neither Abramoff nor Scanlon disclosed that they were partners; that Abramoff had any type of financial interest in Scanlon’s operations; or, that Scanlon would pay Abramoff any part of what the Tribe paid Scanlon.<sup>121</sup>

After Abramoff met with the Tigua leadership, Schwartz sent an email to Abramoff: “Certainly enjoyed your visit and efforts to help our client. I look forward to receiving your proposal and we will do everything possible to make it come to fruition.”<sup>122</sup> Forwarding Schwartz’s email to Scanlon, Abramoff commented, “This guy NEEDS us to save his ass!!”<sup>123</sup>

After Abramoff and Scanlon’s trip to El Paso, Abramoff pushed the Tigua to decide on Scanlon.<sup>124</sup> Abramoff said that “bills were moving, timing is critical, he needed Scanlon ASAP.”<sup>125</sup> Abramoff insisted that if a bill moved quickly, he needed Scanlon in place working on the database along with some other elements of the strategy.<sup>126</sup> At this point, Abramoff did not specify which law-makers would help, or where the contributions would go.<sup>127</sup>

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<sup>110</sup> *Id.*

<sup>111</sup> *Id.*

<sup>112</sup> *Id.*

<sup>113</sup> *Id.*

<sup>114</sup> *Id.*

<sup>115</sup> *Id.*

<sup>116</sup> “Tribal Lobbying Matters,” Hearings before the Committee on Indian Affairs, 108th Cong. at 228 (November 17, 2004) (statement of Marc Schwartz, president, Partners Group Consultants).

<sup>117</sup> *Id.* at 242 (testimony of Carlos Hisa, Lieutenant Governor, Ysleta del Sur Pueblo).

<sup>118</sup> *Id.*

<sup>119</sup> Interview of Marc Schwartz, president, Partners Group Consultants, in Washington, D.C. (November 10, 2004).

<sup>120</sup> *Id.*

<sup>121</sup> Interview of Carlos Hisa, Lieutenant Governor, Ysleta del Sur Pueblo, in El Paso, Texas (October 28, 2004).

<sup>122</sup> Email from Marc Schwartz, Partners Group Consultants, to Jack Abramoff, Greenberg Traurig (GTG-E006968-JA) (February 13, 2002).

<sup>123</sup> Email from Jack Abramoff, Greenberg Traurig, to Michael Scanlon, Capitol Campaign Strategies (GTG-E006968-JA) (February 13, 2002).

<sup>124</sup> Interview of Marc Schwartz, president, Partners Group Consultants, in Washington, D.C. (November 10, 2004).

<sup>125</sup> *Id.*

<sup>126</sup> *Id.*

<sup>127</sup> *Id.*

Scanlon was responsible for drafting the Tigua strategy. On February 16, 2002, Scanlon reported to Abramoff that he was “still working—I’ll have it done befoer [sic] noon tomorrow so you can get it deon [sic] to schartz [sic].”<sup>128</sup> The next day, Abramoff responded: “Dawg, we’re going to miss the meeting on Tuesday at this rate. Let’s not blow this one because we don’t get them a proposal. Get me something asap!”<sup>129</sup>

Upon receiving the proposal, Abramoff sent Schwartz an email on February 18, 2002, reiterating that his and Greenberg Traurig’s services were free:

As we discussed, until we are able to achieve the Federal legislative fix, we at Greenberg Traurig will not be engaged by the tribe for services officially. All our work will be done on a pro bono basis. Once the legislation is signed by the President, we would anticipate the tribe engaging us to represent it at the Federal level and assist with efforts to obtain a class III compact. Our normal rate in our tribal government practice is between \$125,000 and \$175,000 per month.<sup>130</sup>

Abramoff attached to his email to Schwartz a proposal entitled “Operation Open Doors”. According to the document, the “singular objective of our strategy is to open the doors of the Speaking Rock Casino within the next 4 months.”<sup>131</sup> The document continued,

Our objective is clear, and in the following pages we are going to tell you exactly how we intend to reach our objective. Operation Open Doors is a massive undertaking fueled by a nation-wide political operation. This political operation will result in a Majority of both federal chambers either becoming close friends of the tribe or fearing the tribe in a very short period of time.

The network we our [sic] are building for you will give you the political clout needed to end around the obstacles you face in your own back yard. Simply put, you need 218 friends in the U.S. House and 51 Senators on your side very quickly, and we will do that through both love and fear.<sup>132</sup>

The document represented that “they” had “waged similar strategies in the past that have been successful and we will wage many more in the years to come.”<sup>133</sup> Although the document cautioned that the strategy was not “full proof”, it also emphasized that “under no circumstances do we believe it could be classified as high risk either.”<sup>134</sup> According to the document: “As we presented in our initial meeting, we firmly believe that if you execute this strategy in its entirety, your doors will be open and gaming will return in

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<sup>128</sup> Email between Michael Scanlon, Capitol Campaign Strategies, and Jack Abramoff, Greenberg Traurig (GTG-E000010895) (February 16–17, 2002).

<sup>129</sup> *Id.*

<sup>130</sup> Greenberg Traurig document production (GTG-000076141) (February 18, 2002).

<sup>131</sup> *Id.*

<sup>132</sup> *Id.*

<sup>133</sup> *Id.*

<sup>134</sup> *Id.*

the immediate future.”<sup>135</sup> Scanlon requested a total amount of \$5.4 million to execute his strategy.<sup>136</sup>

On February 19, 2002, the *El Paso Times* reported that 450 people received their final termination notice and 60-day severance packages one week after Tigua Tribal officials complied with a federal court order to shut down their Speaking Rock Casino.<sup>137</sup> Scanlon forwarded the story to Abramoff with the preface “This is on the front page of todays [sic] while they will be voting on our plan!”<sup>138</sup> Abramoff could hardly contain his excitement: “Is life great or what!!!”<sup>139</sup> Mere minutes later, Abramoff sent another email to Scanlon: “1 hour 45 minutes and counting my friend.”<sup>140</sup>

Before voting on Operation Open Doors, the Tribe asked Abramoff and Scanlon to return. Abramoff therefore met with Tigua leadership again in El Paso on February 22, 2002.<sup>141</sup> Abramoff was alone; Scanlon supposedly had health problems and was unable to attend.<sup>142</sup>

At that second meeting, Abramoff made a proposal on the legislative strategy, including Operation Open Doors and the database to be developed by Scanlon Gould.<sup>143</sup> Later that day, through Schwartz, the Tribal Council requested that the cost of Operation Open Doors be reduced to \$4.2 million.<sup>144</sup> Abramoff accepted the Tribe’s counter-offer on Scanlon Gould’s behalf.<sup>145</sup>

On March 5, 2002, the Tribe executed a contract with Scanlon Gould for the implementation of Operation Open Doors.<sup>146</sup> In less than a month, the Tribe paid Scanlon \$4,200,000.

*Payments by Tigua to Scanlon Gould*

03/05/02 .....	\$2,100,000
03/06/02 .....	\$817,000
03/26/02 .....	\$1,283,000
Total .....	\$4,200,000

Having collected about \$4,200,000 from the Tigua during the relevant period, Scanlon secretly kicked back to Abramoff about \$1,850,000—about 50% of his total profit from the Tribe.<sup>147</sup> The

<sup>135</sup> *Id.*

<sup>136</sup> *Id.*

<sup>137</sup> Email from Brian Mann, American International Center, to Michael Scanlon, et. al., Capitol Campaign Strategies (GTG–E000001141) (February 19, 2002).

<sup>138</sup> Email between Michael Scanlon, Capitol Campaign Strategies, and Jack Abramoff, Greenberg Traurig (GTG–E000001141) (February 19, 2002).

<sup>139</sup> *Id.*

<sup>140</sup> Email from Jack Abramoff, Greenberg Traurig, and Michael Scanlon, Capitol Campaign Strategies (GTG–E000001140) (February 19, 2002).

<sup>141</sup> “Tribal Lobbying Matters,” *Hearings before the Committee on Indian Affairs*, 108th Cong. at 232 (November 17, 2004) (statement of Carlos Hisa, Lieutenant Governor, Ysleta del Sur Pueblo).

<sup>142</sup> Interview of Marc Schwartz, president, Partners Group Consultants, in Washington, D.C. (November 10, 2004).

<sup>143</sup> “Tribal Lobbying Matters,” *Hearings before the Committee on Indian Affairs*, 108th Cong. at 232 (November 17, 2004) (statement of Carlos Hisa, Lieutenant Governor, Ysleta del Sur Pueblo).

<sup>144</sup> *Id.*

<sup>145</sup> *Id.*

<sup>146</sup> Contract between Ysleta del Sur Pueblo and Scanlon Gould Public Affairs (March 5, 2002) (no Bates number).

<sup>147</sup> Discussion and analysis of how Abramoff and Scanlon successfully perpetrated their “gimme five” scheme on the Tribe, on an entity-by-entity basis, is contained in Part 2 of this Report.

Tribe never knew that Scanlon would pay Abramoff with the Tribe's money,<sup>148</sup> and had no way of knowing of the scam the duo was running.<sup>149</sup>

#### E. SECRECY AND CONTRIBUTIONS

Secrecy was a key element of Abramoff and Scanlon's program. According to Schwartz, Abramoff claimed, "Nobody can know I'm working on this deal. Stealth is the key."<sup>150</sup> Abramoff repeatedly emphasized that his involvement in the effort needed to be kept secret.<sup>151</sup> Neither Abramoff nor any other lobbyist on his team registered with the Clerk of the House or the Secretary of the Senate as lobbyists for the Tigua. Abramoff claimed that part of the reason for representing the Tigua *pro bono* was to avoid filing the required lobbying disclosure forms.<sup>152</sup> According to Schwartz, Abramoff explained that the lawmakers who would advance the legislative measure required secrecy.<sup>153</sup>

When Schwartz sent a number of Tigua-related articles to a list of people—including Abramoff—Abramoff forwarded the articles to Scanlon with the note: "That fucking idiot put my name on an email list! What a fucking moron. He may have blown our cover!! Dammit. We are moving forward anyway and taking their fucking money."<sup>154</sup>

Another key component of the program, so Abramoff claimed, were the political contributions that Abramoff directed the Tigua to make.<sup>155</sup> Abramoff gave the Tribe a list of contributions at the moment he made his second presentation.<sup>156</sup> According to Schwartz, "Those checks were required by Mr. Abramoff, directed that the Tribe do those immediately."<sup>157</sup>

During four or five conversations that Schwartz had with Abramoff between March 1–5, 2002, Abramoff said that political contributions were critical to the Tribe's language going through.<sup>158</sup> Abramoff told Schwartz that the Tribe needed to make the contributions to have lawmakers carry the Tribe's water.<sup>159</sup> Schwartz recalled Abramoff plainly saying that unless the Tribe made contributions, "it will not work" and "they will not vote for us."<sup>160</sup>

What Abramoff did not tell the Tribe was that he was going to use its contributions to achieve legislative results for other clients.

<sup>148</sup> "Tribal Lobbying Matters," *Hearings before the Committee on Indian Affairs*, 108th Cong. at 242 (November 17, 2004) (testimony of Carlos Hisa, Lieutenant Governor, Ysleta del Sur Pueblo).

<sup>149</sup> *Id.* at 238.

<sup>150</sup> Interview of Marc Schwartz, president, Partners Group Consultants, in Washington, D.C. (November 10, 2004).

<sup>151</sup> *Id.*

<sup>152</sup> Interview of Carlos Hisa, Lieutenant Governor, Ysleta del Sur Pueblo, in El Paso, Texas (October 28, 2004).

<sup>153</sup> "Tribal Lobbying Matters," *Hearings before the Committee on Indian Affairs*, 108th Cong. at 229 (November 17, 2004) (statement of Marc Schwartz, president, Partners Group Consultants).

<sup>154</sup> Email from Jack Abramoff, Greenberg Traurig, to Michael Scanlon, Capitol Campaign Strategies (GTG-E000053576) (February 25, 2002).

<sup>155</sup> "Tribal Lobbying Matters," *Hearings before the Committee on Indian Affairs*, 108th Cong. at 229 (November 17, 2004) (statement of Marc Schwartz, president, Partners Group Consultants).

<sup>156</sup> *Id.* at 237.

<sup>157</sup> *Id.*

<sup>158</sup> Interview of Marc Schwartz, president, Partners Group Consultants, by telephone (November 14, 2004).

<sup>159</sup> *Id.*

<sup>160</sup> *Id.*

On February 24, 2002, Abramoff's associate Todd Boulanger wrote about the "Tigua Contribution Budget Proposal":

I'm compiling this information now. How soon will be [sic] get this money ... [sic] since we are going to use this to leverage our friends for this year's approps requests, prior to March 20th is best, since March 22nd is the general deadline. We're looking strong on the school for the Sagchips. \$4.5 million in da-bank. call [sic] me at the office if you get this soon ...<sup>161</sup>

The Tribe contributed approximately \$300,000 at Abramoff's direction.<sup>162</sup>

#### F. ABRAMOFF AND HIS COLLEAGUES SET THE PLAN IN MOTION IN THE HOUSE

On March 18, 2002, Tony Rudy, an Abramoff colleague and former Deputy Chief of Staff to Congressman Tom DeLay, told Abramoff, "We need to meet with ney [sic]. I think you should be in on it."<sup>163</sup>

Abramoff responded, "I agree. when [sic] can we see him? We need to show him the list of those to whom they [the Tribe] gave. Was he on it? if [sic] not, find out the name of his PAC and his personal committee with addresses and we'll get checks right now."<sup>164</sup>

Two days later, Abramoff exclaimed to Scanlon, "Just met with Ney!!! We're fing gold!!!! He's going to do Tigua."<sup>165</sup>

At the hearing before the Committee, Schwartz testified that Abramoff reported in March 2002 that he and his staff had spoken to Representative Bob Ney, who allegedly agreed to carry the Tigua provision by placing it in the Election Reform Bill.<sup>166</sup>

Congressman Ney had a different recollection of events. According to Congressman Ney, Abramoff told him that Senator Dodd wanted to insert a provision into the Election Reform Bill that would benefit a gaming tribe in Connecticut.<sup>167</sup> Congressman Ney said there was never any mention of any Tribe in El Paso, Texas and no reference to any Tigua Indian tribe.<sup>168</sup> As of the date of his interview with Committee staff, Congressman Ney said he was not at all familiar with the Tigua.<sup>169</sup>

To effect his legislative strategy, Abramoff enlisted other lobbyists at Greenberg Traurig, including Neil Volz, Jon van Horne, and

<sup>161</sup> Email from Todd Boulanger, Greenberg Traurig, to Jack Abramoff, Greenberg Traurig (GTG-E000076355) (February 24, 2002).

<sup>162</sup> "Tribal Lobbying Matters," *Hearings before the Committee on Indian Affairs*, 108th Cong. at 236 (November 17, 2004) (testimony of Carlos Hisa, Lieutenant Governor, Ysleta del Sur Pueblo).

<sup>163</sup> Email between Tony Rudy, Greenberg Traurig, and Jack Abramoff, Greenberg Traurig (GTG-E000089648) (March 18, 2002).

<sup>164</sup> *Id.*  
<sup>165</sup> Email from Jack Abramoff, Greenberg Traurig, to Michael Scanlon, Capitol Campaign Strategies (GTG-E000076443) (March 20, 2002).

<sup>166</sup> "Tribal Lobbying Matters," *Hearings before the Committee on Indian Affairs*, 108th Cong. at 229 (November 17, 2004) (statement of Marc Schwartz, president, Partners Group Consultants). The actual name of the bill was the Help America Vote Act of 2002, Public Law 107-252.

<sup>167</sup> Interview of Honorable Robert W. Ney, Member, United States House of Representatives, in Washington, D.C. (November 12, 2004).

<sup>168</sup> *Id.*

<sup>169</sup> *Id.*

Shawn Vasell.<sup>170</sup> In particular, Volz was the former chief of staff to Congressman Ney and staff director for the House Committee on Administration, which Congressman Ney chaired at the time.<sup>171</sup> Volz went to work for Team Abramoff at Greenberg Traurig on February 19, 2002.<sup>172</sup>

According to Schwartz, Volz was supposedly working on the Tigua issue on the House side.<sup>173</sup> Abramoff told Schwartz that Volz, as Congressman Ney's former chief of staff, was important to the process.<sup>174</sup> Schwartz remembered Abramoff saying that "Volz was Ney's guy and was working it for Ney."<sup>175</sup> Volz was on the Hill to get information and to influence the Conference Committee.<sup>176</sup> According to Abramoff, Volz was talking to Congressman Ney about the Tigua.<sup>177</sup> Abramoff said that Volz had convinced Congressman Ney that supporting the effort was the right thing to do.<sup>178</sup>

Schwartz met Volz twice while working on the Tigua issue.<sup>179</sup> He also spoke to him in conference calls with Abramoff.<sup>180</sup> According to Schwartz, Volz told him that Congressman Ney got involved in the Tigua project because of Volz.<sup>181</sup> Volz was supposedly talking with Congressman Ney or his staff daily, Schwartz told Committee staff in his interview.<sup>182</sup> Volz told Schwartz that he was working with Congressman Ney's Chief of Staff and knew him by name.<sup>183</sup>

Congressman Ney contradicted Volz's representations to Schwartz. During his interview with Committee staff, Congressman Ney said that, aside from Abramoff, no one—including Volz—approached him about the provision that Abramoff had brought to his attention.<sup>184</sup>

Meanwhile, on or about March 26, 2002, Abramoff called Schwartz and said that Congressman Ney had set up a new political action committee ("PAC") called American Liberty.<sup>185</sup> Abramoff said it was imperative that the Tribe send checks that day.<sup>186</sup>

Abramoff and Schwartz had another conversation about the contributions.<sup>187</sup> Volz was present during this conversation, Schwartz

<sup>170</sup> Interview of Marc Schwartz, president, Partners Group Consultants, in Washington, D.C. (November 10, 2004).

<sup>171</sup> Email from Mayra Zilio, to Jack Abramoff, Greenberg Traurig (GTG-E000089431) (February 8, 2002).

<sup>172</sup> Email from Neil Volz, Greenberg Traurig, to himself (GTG-E000089433) (February 6, 2002). He was therefore subject to the one-year lobbying ban prohibiting him from lobbying both Congressman Ney and his office, as well as the Committee.

<sup>173</sup> Interview of Marc Schwartz, president, Partners Group Consultants, in Washington, D.C. (November 10, 2004).

<sup>174</sup> *Id.*

<sup>175</sup> *Id.*

<sup>176</sup> *Id.*

<sup>177</sup> Interview of Marc Schwartz, president, Partners Group Consultants, by telephone (November 14, 2004).

<sup>178</sup> *Id.*

<sup>179</sup> Interview of Marc Schwartz, president, Partners Group Consultants, in Washington, D.C. (November 10, 2004).

<sup>180</sup> *Id.*

<sup>181</sup> *Id.*

<sup>182</sup> *Id.*

<sup>183</sup> *Id.*

<sup>184</sup> Interview of Honorable Robert W. Ney, Member, House of Representatives, in Washington, D.C. (November 12, 2004).

<sup>185</sup> Interview of Marc Schwartz, president, Partners Group Consultants, by telephone (February 22, 2005).

<sup>186</sup> *Id.*

<sup>187</sup> *Id.*

recalled.<sup>188</sup> During the conversation, Volz chimed in that the checks needed to be delivered quickly.<sup>189</sup> According to Schwartz, Abramoff said that the political contributions were necessary, often saying “this has to be done”, “this is not optional”, and went as far as to say that “in order to make this thing work, he [Ney] needs the money in his PAC so he can make contributions to members of his Committee to make it glide through.”<sup>190</sup> “This is not what I think you should do; this is what Bob needs to be done”, Schwartz remembered Abramoff saying.<sup>191</sup>

After Schwartz’s conference call with Abramoff and Volz, Abramoff’s assistant Allison Bozniak sent Schwartz an email with information for donations to American Liberty PAC and Bob Ney for Congress.<sup>192</sup> On March 27, 2002, the Tribe made the following contributions:

\$2,000 to Bob Ney for Congress  
 \$5,000 to American Liberty PAC Hard Money Account  
 \$25,000 to American Liberty PAC Soft Money Account<sup>193</sup>

On April 12, 2002, Abramoff again informed Schwartz that the Tigua language would be included in the Election Reform Bill.<sup>194</sup>

#### G. SCANLON PURPORTEDLY SETS THE PLAN IN MOTION IN THE SENATE

While Abramoff was lobbying the House, Scanlon was apparently responsible for supervising the lobbying of the Senate. To that end, he was supposedly hiring two Democratic operatives: Harold Ickes and Lottie Shackelford. On March 30, 2002, Abramoff instructed Scanlon, “Ickes has to move now. They might go to conference as soon as they get back. let [sic] me know when he is ready. Ney is ready to approach Dodd, but is waiting to hear back from us first.”<sup>195</sup>

Scanlon assured Abramoff, “Will do onthis [sic]. Ill [sic] give udatelater [sic].”<sup>196</sup>

There apparently was some problem on Scanlon’s end, but he assured Abramoff, “OK—Im [sic] back in the driver seat—We got Dodds [sic] Finacne [sic] comitte [sic] chairman on board and we have the vice Char [sic] of the DNC—the one who actually sponsored the resolution now on the team.”<sup>197</sup>

<sup>188</sup> *Id.*

<sup>189</sup> *Id.*

<sup>190</sup> *Id.*

<sup>191</sup> *Id.*

<sup>192</sup> Email from Allison Bozniak, Greenberg Traurig, to Marc Schwartz, Partners Group Consultants (no Bates number) (March 26, 2002).

<sup>193</sup> Tigua document production (no Bates number) (check from Tigua to “Bob Ney For Congress”) (March 27, 2002); Tigua document production (no Bates number) (check from Tigua to “American Liberty PAC Hard Money Account”) (March 27, 2002); Tigua document production (no Bates number) (check from Tigua to “American Liberty PAC Soft Money Account”) (March 27, 2002).

<sup>194</sup> Interview of Marc Schwartz, president, Partners Group Consultants, by telephone (February 22, 2005).

<sup>195</sup> Email from Jack Abramoff, Greenberg Traurig, to Michael Scanlon, Capitol Campaign Strategies (GTG-E000089650) (March 30, 2002).

<sup>196</sup> Email from Michael Scanlon, Capitol Campaign Strategies, to Jack Abramoff, Greenberg Traurig (GTG-E000089670) (April 1, 2002).

<sup>197</sup> Email from Michael Scanlon, Capitol Campaign Strategies, to Jack Abramoff, Greenberg Traurig (GTG-E000089681) (April 15, 2002).

On April 18, 2002 Abramoff reported to Volz that “Dodd is ready.”<sup>198</sup> He explained, “We need to get to Ney to give him the green light to raise it with Dodd whenever he wants.”<sup>199</sup>

Volz responded, “Ney is in Florida this weekend, I talked with him yesterday and will talk with [then-House Administration Committee staff director] Paul [Vinovich] on Sunday to get teed up to get ready to implement.”<sup>200</sup>

The next day, Rudy urged Abramoff, “We better get folks to talk to dodd [sic].”<sup>201</sup>

Abramoff assured Rudy, “We’re all set. he [sic] is ready and Ney knows to chat with him now.”<sup>202</sup>

Rudy also asked, “Is vinovich on board the tiquas [sic]?”<sup>203</sup>

Including Volz in the exchange, Abramoff replied, “I think so. Ney told Neil he was going to tell him, right Neil?”<sup>204</sup>

Volz reported that “Ney told vinovich last night and I will talk through with Paul on the golf course Sunday.”<sup>205</sup>

It appears, however, that Scanlon had not paved the way in the Senate, as he had said. The Committee has seen no evidence suggesting, much less establishing, that Scanlon had hired Ickes. In fact, in a January 9, 2003 memorandum from Scanlon to Schwartz on the political campaign Scanlon supposedly waged on the Tigua’s behalf, nowhere does Scanlon mention Ickes.<sup>206</sup> According to Scanlon,

We began to target Senator Dodd using a system of repeated contact from influential members of his political family. At the cornerstone of the project was the vice chairperson of the DNC and a member of his finance committee, Lottie Shackelford. Her support and access was critical for our ongoing efforts to influence the Senator. We directed her to make personal contact with the Senator throughout the campaign starting in April and lasting through the passage of the legislation in October.<sup>207</sup>

Even Scanlon’s summary was not true. Brian Lunde, whom Scanlon used “as a silent sub[contractor] in letter-writing, legislative-monitoring, and other projects for his Tribal clients,” told Committee staff that Scanlon approached him in 2002 about the Tigua.<sup>208</sup> Scanlon told Lunde that he was going to have an amendment inserted into the House version of Election Reform, and wanted to know whether the provision had any chance in the Senate.<sup>209</sup> Lunde told Scanlon that the Democratic National Committee (“DNC”) had issued a resolution supporting the Tigua’s sov-

<sup>198</sup> Email between Jack Abramoff, Greenberg Traurig, and Neil Volz, Greenberg Traurig (GTG-E000089698) (April 18, 2002).

<sup>199</sup> *Id.*

<sup>200</sup> *Id.*

<sup>201</sup> Email between Tony Rudy, Greenberg Traurig, and Jack Abramoff, Greenberg Traurig (GTG-E000089701) (April 19, 2002).

<sup>202</sup> *Id.*

<sup>203</sup> Email between Tony Rudy, Greenberg Traurig, and Jack Abramoff, Greenberg Traurig, and Neil Volz (GTG-E000089703-04) (April 19, 2002).

<sup>204</sup> *Id.*

<sup>205</sup> *Id.*

<sup>206</sup> See Capitol Campaign Strategies document production (BB/TI 000824-25) (January 9, 2003).

<sup>207</sup> See *id.*

<sup>208</sup> Interview of Brian Lunde, formerly, Lunde & Burger, by telephone (November 16, 2004).

<sup>209</sup> *Id.*

ereignty.<sup>210</sup> Lunde identified Senator Dodd as the key Senator on this issue; the question was if the provision was in the House version, would Senator Dodd support it.<sup>211</sup>

Scanlon asked Lunde who knew Senator Dodd and could get the DNC's position to him.<sup>212</sup> Lunde identified Lottie Shackelford.<sup>213</sup> Since Scanlon did not know Shackelford, he asked Lunde to have her advise Dodd's office on the DNC's position.<sup>214</sup>

Lunde apparently called Shackelford about this in the fall of 2002.<sup>215</sup> In their interviews with Committee staff, Shackelford and Lunde similarly recalled Shackelford's role. Shackelford was supposed to do two things: (1) make sure Senator Dodd's office was aware of the DNC's resolution on the Tigua; and, (2) monitor the Election Reform Bill in the Senate.<sup>216</sup> Lunde never discussed with Scanlon having Shackelford lobby Senator Dodd's office for inclusion of the Tigua provision in the Senate version of Election Reform.<sup>217</sup> Lunde, therefore, never asked Shackelford to lobby Senator Dodd or his office for inclusion of the Tigua language in the Senate's version of Election Reform bill.<sup>218</sup>

After speaking with Lunde, Shackelford called Sheryl Cohen, Senator Dodd's Chief of Staff, to make her aware of the DNC resolution.<sup>219</sup> Shackelford recalled telling Cohen that "we" are hearing that an amendment may be attached to the House election Reform Bill to restore the Tribe's sovereignty and told her the DNC supported the Tribe's sovereignty rights.<sup>220</sup> There was no discussion of the Tribe's casino or the language that would allow the Tribe to reopen its casino.<sup>221</sup> Shackelford told Committee staff she never spoke to Senator Dodd directly about the Tigua.<sup>222</sup>

Cohen did not recall specifics of her conversations with Shackelford about the Tigua.<sup>223</sup> Nevertheless, Cohen was clear she would have deemed any rider about the Tigua a "non-starter", because it was not relevant to the bill.<sup>224</sup> Consistent with Cohen's recollection, Shackelford told Committee staff that Cohen told her that Senator Dodd did not want Election Reform bogged down by non-germane provisions.<sup>225</sup> Indeed, when the bill went to conference, Lunde recalled telling Scanlon that Dodd's chief of staff

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<sup>210</sup> *Id.*

<sup>211</sup> *Id.*

<sup>212</sup> *Id.*

<sup>213</sup> *Id.*

<sup>214</sup> *Id.*

<sup>215</sup> Interview of Lottie Shackelford, Democratic political consultant, in Washington, D.C. (November 12, 2004). Lunde could not recall when he first reached out to Shackelford. Interview of Brian Lunde, formerly, Lunde & Burger, by telephone (November 16, 2004).

<sup>216</sup> *Id.*; Interview of Lottie Shackelford, Democratic political consultant, in Washington, D.C. (November 12, 2004).

<sup>217</sup> Interview of Brian Lunde, formerly, Lunde & Burger, by telephone (November 16, 2004).

<sup>218</sup> *Id.*; Interview of Lottie Shackelford, Democratic political consultant, in Washington, D.C. (November 12, 2004).

<sup>219</sup> *Id.*

<sup>220</sup> *Id.*

<sup>221</sup> *Id.*

<sup>222</sup> *Id.*

<sup>223</sup> Interview of Sheryl Cohen, chief of staff, Senator Christopher J. Dodd, in Washington, D.C. (November 16, 2004).

<sup>224</sup> *Id.*

<sup>225</sup> Interview of Lottie Shackelford, Democratic political consultant, in Washington, D.C. (November 12, 2004).

told Shackelford that no new provisions were going to make it into the legislation.<sup>226</sup>

#### H. THINGS BEGIN TO UNRAVEL

On June 5, 2002, Schwartz provided the Tigua Governor, Lt. Governor, and Tribal Council with an update on Abramoff and Scanlon's efforts in Washington, D.C., saying, "the conference committee staffs [were] meeting everyday to negotiate the issues in the bill."<sup>227</sup> Schwartz further advised, "Our portion is still agreed to and as you can see from the [Abramoff's] e-mail, there is no problem with our part being kept on the bill."<sup>228</sup>

Meanwhile, Abramoff instructed Volz to give him regular updates on Election Reform.<sup>229</sup>

Volz reported, "I talked to Paul yesterday and keep hearing the same thing", and assured Abramoff "I am keeping in daily contact with Paul and Chet in Ney's office on this."<sup>230</sup>

The following month, however, Volz reported to Abramoff and Rudy, "Election Reform negotiations have slowed. Ney, Paul, and Chet all think it is possible to finish negotiations before August, but now not likely until later."<sup>231</sup> Furthermore, according to Volz, "With that being said, Ney and Paul have said things are moving and would like to get all our specifics in line, so I am working to get a meeting with Tony and Paul and Bob this week to exchange specifics—since Paul was not in original meeting."<sup>232</sup>

The next day, Volz reported to Abramoff and Rudy:

I just talked with Ney, [sic] He is all set to meet you Tony at 2:00 at 1309 Longworth HOB today. He said he would meet with you first and then bring Paul [Vinovich] in for the meeting. ... The question is, should Tony bring in the Tigua and the Alabama Coushatta language or just the specific Tigua language. ... Please do not forward this, but you need to know I get the sense Bob is still a little jumpy on letting Paul in on the entire situation here, but knows he is the guy to place this language in the bill ...<sup>233</sup>

Abramoff continued his reports to the Tribe, as reflected in contemporaneous memoranda prepared by Schwartz. In mid-July, Schwartz reported that the conference report on the election reform legislation had been reported and was "eligible for consideration": "The two Chairmen (Congressman Ney and Senator Dodd) have requested floor time [for the bill] from their respective bodies for this week."<sup>234</sup>

<sup>226</sup> Interview of Brian Lunde, formerly, Lunde & Burger, by telephone (November 16, 2004).

<sup>227</sup> Marc Schwartz document production (no Bates number) (June 5, 2002) (Memorandum from Marc Schwartz, Partners Group Consultants, to Governor Albert Alvidrez, Lt. Governor Carlos Hisa, and Tribal Council, Ysleta del Sur Pueblo).

<sup>228</sup> *Id.*

<sup>229</sup> Email between Jack Abramoff, Greenberg Traurig, and Neil Volz, Greenberg Traurig (GTG-E000089758) (June 12, 2002).

<sup>230</sup> *Id.*

<sup>231</sup> Email from Neil Volz, Greenberg Traurig, to Jack Abramoff, Greenberg Traurig, and Tony Rudy, Greenberg Traurig (GTG-E000089523) (July 10, 2002).

<sup>232</sup> *Id.*

<sup>233</sup> Email from Neil Volz, Greenberg Traurig, to Tony Rudy, Greenberg Traurig, copied to Jack Abramoff, Greenberg Traurig (GTG-E000206101) (July 11, 2002).

<sup>234</sup> Marc Schwartz document production (no Bates number) (July 18, 2002) (Memorandum from Marc Schwartz, Partners Group Consultants, to Tribal Council, Ysleta del Sur Pueblo).

In late July, Congressman Ney apparently approached Senator Dodd about the Tigua provision. Scanlon's failure to get a commitment from Senator Dodd then became evident. On July 25, 2002, Abramoff sent Scanlon an urgent email:

I just spoke with Ney who met today with Dodd on the bill and raised our provision. Dodd looked at him like a "deer in headlights" and said he has never made such a commitment and that, with the problems of new casinos in Connecticut, it is a problem!!! Mike, please call me immediately to tell me how we wired this, or were supposed to wire it. Ney feels we left him out to dry. Please call me!!!<sup>235</sup>

Neither Scanlon nor Abramoff ever advised the Tigua about the problems they were having in the Senate. To the contrary, Abramoff and Scanlon both said that it was moving along well.<sup>236</sup> Indeed, the day after Abramoff's urgent e-mail to Scanlon, Abramoff reported that "Senate Democrats and House Republicans are at odds over one issue that cropped up. The issue is whether the Justice Department (Democrats favor) or individual state's Election Departments (Republicans favor) will have jurisdiction over precinct approval, ballot design, etc."<sup>237</sup>

Schwartz reported that "it doesn't appear that the conference report will make it to the floor before recess."<sup>238</sup> Consequently, Abramoff sought a meeting between the Tigua and Congressman Ney.<sup>239</sup>

#### I. ABRAMOFF ASKS THE TIGUA TO FINANCE A GOLFING JUNKET TO SCOTLAND

Although Abramoff and Scanlon's efforts on the Tigua's behalf were failing, it apparently did not stop Abramoff from soliciting funds from Tigua for a golfing junket to Scotland.

On May 15, 2002, Abramoff advised his close friend Ralph Reed that "[t]he package on the ground is \$4K per person. that [sic] covers rooms, tee times and ground transportation. One idea is that we could use one of my foundations for the trip—Capital Athletic Foundation—and get and make contributions so this is easier. OK?"<sup>240</sup>

Reed responded, "OK but we need to discuss. It is an election year."<sup>241</sup>

About a week later, Rudy informed Abramoff that "Ney may want to do Scotland."<sup>242</sup>

<sup>235</sup> Email from Jack Abramoff, Greenberg Traurig, to Michael Scanlon, Capitol Campaign Strategies (GTG-E000076719) (July 25, 2001).

<sup>236</sup> Interview of Marc Schwartz, president, Partners Group Consultants, in Washington, D.C. (February 22, 2005).

<sup>237</sup> Marc Schwartz document production (no Bates number) (July 26, 2002) (Memorandum from Marc Schwartz, Partners Group Consultants, to Governor Albert Alvidrez, Lt. Governor Carlos Hisa, and Tribal Council, Ysleta del Sur Pueblo).

<sup>238</sup> *Id.*

<sup>239</sup> *Id.*

<sup>240</sup> Email between Jack Abramoff, Greenberg Traurig, and Ralph Reed, Century Strategies (GTG-E000019854) (May 15, 2002).

<sup>241</sup> *Id.*

<sup>242</sup> Email from Tony Rudy, Greenberg Traurig, to Jack Abramoff, Greenberg Traurig (GTG-E000089721) (May 23, 2002).

Almost two weeks later, as details of the trip were coming together, Abramoff told Rudy, “We need to lock. Try to nail 2 stars to go with us: ney [sic] for sure!”<sup>243</sup>

When Rudy confirmed that he was trying, Abramoff asked him to “stay on this feverishly.”<sup>244</sup>

Abramoff asked the Tigua to finance the trip. In an email to Schwartz entitled “our friend”, Abramoff wrote:

asked if we could help (as in cover) a Scotland golf trip for him and some staff (his committee chief of staff) and members for August. The trip will be quite expensive (we did this for another member—you know who) 2 years ago. I anticipate that the total cost—if he brings 3–4 members and wives—would be around \$100K or more. I can probably get another one of my tribes to cover some of it. let [sic] me know if you guys could do \$50K and I’ll get them to do the other \$50K, though I’ll have to get him to bring someone who has relevance to their matters—our friend does not as you can imagine. They would probably do the trip through the Capital Athletic Foundation as an educational mission. I have to start planning this now to make sure they can get tee times. Can you let me know if this would be OK, and possibly start to process it as a donation to Capital Athletic Foundation? Thanks.<sup>245</sup>

Schwartz testified before the Committee that he spoke with Abramoff about his request. During a telephone conversation before Abramoff sent the email, Abramoff told Schwartz that “our friend” referred to Congressman Bob Ney.<sup>246</sup> Based on that same conversation, Schwartz understood that Representative Tom DeLay was the “you know who” who attended a trip two years before to Scotland.<sup>247</sup> Abramoff never mentioned that CAF was a private charity or that he was involved in CAF.<sup>248</sup> Abramoff described CAF as a group that arranged educational trips, junkets, and further described CAF as “a group that paid for golf outings.”<sup>249</sup>

In a July 10, 2002 memorandum to Hisa, Schwartz wrote about Abramoff’s request:

The Chairman of the committee handling our issue, and several of his Congressional colleagues have had an opportunity presented to travel to Scotland for a fact-finding mission during the August recess. You will recall that he and his colleagues have committed themselves to a solution to the dilemma faced by the Tigua Tribe and Alabama-Coushatta Tribe.

<sup>243</sup> Email from Jack Abramoff, Greenberg Traurig, to Tony Rudy, Greenberg Traurig (GTG–E000089736–37) (June 4, 2002).

<sup>244</sup> *Id.*

<sup>245</sup> Email from Jack Abramoff, Greenberg Traurig, to Marc Schwartz, Partners Group Consultants (GTG–E000076582) (June 7, 2001).

<sup>246</sup> “Tribal Lobbying Matters,” *Hearings before the Committee on Indian Affairs*, 108th Cong. at 240 (November 17, 2004) (statement of Marc Schwartz, president, Partners Group Consultants).

<sup>247</sup> *Id.*

<sup>248</sup> Interview of Marc Schwartz, president, Partners Group Consultants, in Washington, D.C. (November 10, 2004).

<sup>249</sup> *Id.*

Toward this end, I have determined that the cost of the delegation, their wives, and senior staff will be \$100,000. Neither the Tiguas nor the Alabama-Coushattas has been solicited to underwrite this educational trip abroad, but I would strongly recommend that both Tribes consider a donation towards this effort.

The chairman is the one person who has taken on our issue and has single-handedly carried the effort to this point. I believe it would be a very powerful vote of confidence if this contribution were made. There is an educational foundation that will actually be sending the delegation abroad and if you and the Alabama-Coushatta Tribe were to divide this cost, it would send a very strong message to a very powerful member of the Congressional leadership team.<sup>250</sup>

Schwartz successfully convinced the Alabama-Coushatta to donate to the trip. Thanking the Alabama-Coushatta for their donation, Schwartz wrote: "Thanks to you and your Council for agreeing to assist in the effort. Your \$50,000 check should be made payable to the Capital Athletic Foundation."<sup>251</sup> Because language favorably affecting the Alabama-Coushatta was supposed to be included along with the Tigua's provision, the Alabama Coushatta donated \$50,000 to the Capital Athletic Foundation, a private foundation established and operated by Jack Abramoff.<sup>252</sup>

The check was not forthcoming, however. Abramoff asked Schwartz about the status of the CAF money on August 2 and again on September 12.<sup>253</sup> That Abramoff knew that his and Scanlon's efforts on Election Reform were essentially dead in the water did not stop Abramoff from soliciting and accepting the money for the golf trip.

In an interview with Committee staff, Congressman Ney said he never requested Abramoff to ask the Tigua to finance his trip to Scotland.<sup>254</sup> Of the trip, Congressman Ney said the CAF sponsored it, and that Abramoff did not tell him CAF was his private foundation.<sup>255</sup> Congressman Ney said the purpose of the trip was to raise money for underprivileged kids in Scotland and Washington, D.C.<sup>256</sup> The itinerary consisted of golfing, meeting two parliamentarians, and watching the Marine Band.<sup>257</sup>

#### J. THE TRIBE MEETS WITH CONGRESSMAN NEY

At the Committee's November 17, 2004, hearing, Schwartz testified, "As the election reform measure languished throughout the

<sup>250</sup> Marc Schwartz document production (no Bates number) (July 10, 2002) (Memorandum from Marc Schwartz, Partners Group Consultants, to Lt. Governor Carlos Hisa, Ysleta del Sur Pueblo).

<sup>251</sup> Marc Schwartz document production (no Bates number) (July 18, 2002) (Memorandum from Marc Schwartz, Partners Group Consultants, to Chairman Kevin Battise, Alabama-Coushatta Tribe of Texas).

<sup>252</sup> Capital Athletic Foundation, 2002 Return of Private Foundations Form 990PF.

<sup>253</sup> See Email from Jack Abramoff, Greenberg Traurig, to Marc Schwartz, Partners Group Consultants (GTG-E000076845) (August 2, 2002); Email from Jack Abramoff, Greenberg Traurig, to Marc Schwartz, Partners Group Consultants (GTG-E000076899) (September 12, 2002).

<sup>254</sup> Interview of Honorable Robert W. Ney, Member, United States House of Representatives, in Washington, D.C. (November 12, 2004).

<sup>255</sup> *Id.*

<sup>256</sup> *Id.*

<sup>257</sup> *Id.*

summer, Abramoff and Scanlon continued to report on substantial progress and a virtual guarantee of success. During that time, I requested a meeting between tribal representatives and Congressman Ney.”<sup>258</sup> Abramoff set up the meeting for early August 2002.<sup>259</sup>

According to Schwartz, Abramoff claimed that “Congressman Ney did not want his trip to Scotland brought up, as he would show his appreciation for the Tribe later.”<sup>260</sup>

On August 14, 2002, representatives of the Tigua and Alabama-Coushatta met with Congressman Ney in Washington, D.C.<sup>261</sup> Both Schwartz and Hisa recalled that the meeting lasted approximately one-and-a-half hours.<sup>262</sup> In testimony before the Committee, Schwartz described Congressman Ney as “extremely animated about Mr. Abramoff and his ability as a representative lobbyist in the city.”<sup>263</sup> According to Schwartz, Congressman Ney spoke about his district, the Tigua’s plight, the political ramifications for Republicans of the Tigua casino closing, and the federal legislative process, especially the process by which committee reports are done.<sup>264</sup>

Schwartz also told the Committee that Congressman Ney gave them assurances that he was working to help the Tigua.<sup>265</sup> Thereafter, Schwartz recalled Congressman Ney giving Lt. Governor Hisa and another tribal council member a tour of his hearing room.<sup>266</sup> According to Lt. Governor Hisa, at that meeting (which was attended by not only Hisa but also Schwartz, Tribal Council Member Raul Gutierrez, Abramoff and Congressman Ney) Congressman Ney said that “everyone who needs to be involved, is on board.”<sup>267</sup> Congressman Ney said that he and Senator Dodd were committed to getting the language in the bill and that he did not foresee any problem with the Tigua-related provision, Hisa recalled.<sup>268</sup> Hisa also remembered that, about Abramoff, Congressman Ney said that he was a “good friend”; “you’re working with the right guy”; and “this is the man to work with for changes in Washington.”<sup>269</sup>

According to Schwartz, Congressman Ney’s chief of staff gave Abramoff a huge bear hug.<sup>270</sup> Schwartz recalled that Congressman

<sup>258</sup> “Tribal Lobbying Matters,” *Hearings before the Committee on Indian Affairs*, 108th Cong. at 229 (November 17, 2004) (statement of Marc Schwartz, president, Partners Group Consultants).

<sup>259</sup> *Id.*

<sup>260</sup> *Id.*

<sup>261</sup> Marc Schwartz document production (no Bates number) (August 2, 2002) (Memorandum from Marc Schwartz, Partners Group Consultants, to Chairman Kevin Battise, Alabama-Coushatta Tribe of Texas).

<sup>262</sup> “Tribal Lobbying Matters,” *Hearings before the Committee on Indian Affairs*, 108th Cong. at 240–41 (November 17, 2004) (statement of Marc Schwartz, president, Partners Group Consultants); *Id.* at 231 (statement of Carlos Hisa, Lieutenant Governor, Ysleta del Sur Pueblo).

<sup>263</sup> *Id.* at 241 (statement of Marc Schwartz, president, Partners Group Consultants).

<sup>264</sup> *Id.*

<sup>265</sup> *Id.*

<sup>266</sup> *Id.*

<sup>267</sup> Interview of Carlos Hisa, Lieutenant Governor, Ysleta del Sur Pueblo, in El Paso, Texas (October 28, 2004). Schwartz recalled that Congressman Ney’s chief of staff was also present but stayed for ten minutes. Interview of Marc Schwartz, president, Partners Group Consultants, in Washington, D.C. (November 10, 2004).

<sup>268</sup> Interview of Carlos Hisa, Lieutenant Governor, Ysleta del Sur Pueblo, in El Paso, Texas (October 28, 2004).

<sup>269</sup> *Id.*

<sup>270</sup> Interview of Marc Schwartz, president, Partners Group Consultants, in Washington, D.C. (November 10, 2004).

Ney went out of his way to say he would take care of the Tigua's problems and kept calling the Tigua "deserving."<sup>271</sup>

During his interview with Committee staff, Congressman Ney said he was not familiar with the Tigua.<sup>272</sup> He could not recall ever meeting with any member of the Tigua.<sup>273</sup> When asked about a possible two-hour meeting, Congressman Ney said he "wouldn't even meet with the President for two hours."<sup>274</sup> After the interview, counsel to Congressman Ney, who was present during the interview, indicated that, according to an internal email describing Congressman Ney's calendar for the relevant period, a meeting was scheduled in Congressman Ney's office with the "Taqua," from 11:00–11:30 a.m.

#### K. ELECTION REFORM PASSES WITHOUT THE TIGUA PROVISION

From August through October, Abramoff and Scanlon continued to report that the Senate would not be a problem, because Senator Dodd had allegedly agreed to include the Tigua language through his side.<sup>275</sup> According to Senator Dodd and his staff, although Congressman Ney's staff and Lottie Shackelford approached Senator Dodd's office about including a provision that Senator Dodd termed "recognition," Senator Dodd never agreed to include the Tigua provision in the Election Reform bill.<sup>276</sup>

A little over one month later, Schwartz reported to the Tribal Council on another conversation that he had with Abramoff.<sup>277</sup> Schwartz was under the impression that "our language is in the report. We were asked by Chairman Ney to step up the support for the measure and, as I reported on Tuesday, Scanlon/Gould has achieved that."<sup>278</sup>

Weeks later, however, the Tigua's efforts were dead in the water. The Tigua language was not included in the final Election Reform legislation or accompanying report. Abramoff told Schwartz that "Congressman Ney had reported Senator Dodd had gone back on his word and stripped the measure from the committee report."<sup>279</sup>

However, there was never any language helping the Tigua in any draft that came across the desk of Senator Dodd's staff.<sup>280</sup> Congressman Ney confirmed that no such language was ever inserted.<sup>281</sup>

<sup>271</sup> *Id.*

<sup>272</sup> Interview of Honorable Robert W. Ney, Member, United States House of Representatives, in Washington, D.C. (November 12, 2004).

<sup>273</sup> *Id.*

<sup>274</sup> *Id.*

<sup>275</sup> "Tribal Lobbying Matters," *Hearings before the Committee on Indian Affairs*, 108th Cong. at 229 (November 17, 2004) (statement of Marc Schwartz, president, Partners Group Consultants).

<sup>276</sup> *Id.* at 252 (prepared statement of Hon. Christopher J. Dodd, U.S. Senator from Connecticut).

<sup>277</sup> Marc Schwartz document production (no Bates number) (September 19, 2002) (Memorandum from Marc Schwartz, Partners Group Consultants, to Governor Albert Alvidrez, Lt. Governor Carlos Hisa, and Tribal Council, Ysleta del Sur Pueblo).

<sup>278</sup> *Id.*

<sup>279</sup> "Tribal Lobbying Matters," *Hearings before the Committee on Indian Affairs*, 108th Cong. at 230 (November 17, 2004) (statement of Marc Schwartz, president, Partners Group Consultants).

<sup>280</sup> Interview of Sheryl Cohen, chief of staff, Senator Christopher J. Dodd, in Washington, D.C. (November 16, 2004).

<sup>281</sup> Interview of Honorable Robert W. Ney, Member, United States House of Representatives, in Washington, D.C. (November 12, 2004).

Shawn Maher, who worked for Senator Dodd during the relevant period, recalled that in the waning hours of the conference on election reform, Congressman Ney's staff approached him about getting the Tigua fix into the report accompanying the bill.<sup>282</sup> Maher said Paul Vinovich, former Staff Director to the House Committee on Administration, raised the issue, describing it as "a fix" to help a Southwestern tribe's gaming.<sup>283</sup> Maher recalled telling Vinovich that "that was not where his boss was."<sup>284</sup> According to Maher, Vinovich did not press the issue further.<sup>285</sup>

In the waning moments of election reform, Schwartz wrote to Abramoff: "Jack: Ney's phone call tomorrow? Did we have a miracle and get back on? What's next?"<sup>286</sup>

Abramoff responded: "We did not get back on. We are strategizing on the Hill with Ney's guys and other friends (recipients of contributions from the tribe included) at 1 PM today. Call is on for tomorrow, but I don't have the precise time yet. I'll get it to you shortly."<sup>287</sup> Later that day, Abramoff wrote "Bob Ney will be available at 11 am East Coast time tomorrow, Tuesday. We will use our conference call facility."<sup>288</sup>

Schwartz told Committee staff that on October 8, the Tribe had a conference call with Congressman Ney that lasted 20–30 minutes.<sup>289</sup> During that teleconference, Congressman Ney blamed Senator Dodd for the demise of the Tigua's provision.<sup>290</sup>

On October 8, the Tigua Tribal Council had a conference call with Congressman Ney, Jack Abramoff, Tom Diamond and Marc Schwartz.<sup>291</sup> During that telephone conference, Schwartz testified, Congressman Ney expressed "disbelief that Senator Dodd had gone back on his word" and "further reported that he would continue to work on the issue and believed that the tribe was entitled to their gaming operation."<sup>292</sup> During the call, according to Schwartz, Congressman Ney apologized for the Tigua provision not making it in the bill.<sup>293</sup> Schwartz also recalled that Congressman Ney complained about Senator Dodd and expressed outrage over his alleged last-minute withdrawal of support.<sup>294</sup> Congressman Ney said he would not give up and he would work to get the Tigua language on other measures in 2003, Schwartz recollected.<sup>295</sup> And, according to Schwartz, he also thanked the Tribe for its support and contributions.<sup>296</sup>

<sup>282</sup> Interview of Shawn Maher, legislative director, Senator Christopher J. Dodd, in Washington, D.C. (November 16, 2004).

<sup>283</sup> *Id.*

<sup>284</sup> *Id.*

<sup>285</sup> *Id.*

<sup>286</sup> Email between Marc Schwartz, Partners Group Consultants, to Jack Abramoff, Greenberg Traurig (no Bates number) (October 7, 2002).

<sup>287</sup> *Id.*

<sup>288</sup> *Id.*

<sup>289</sup> Interview of Marc Schwartz, president, Partners Group Consultants, in Washington, D.C. (November 10, 2004).

<sup>290</sup> *Id.*

<sup>291</sup> *Id.* See also "Tribal Lobbying Matters," *Hearings before the Committee on Indian Affairs, 108th Cong.* at 230 (November 17, 2004) (Statement of Marc Schwartz, president, Partners Group Consultants).

<sup>292</sup> *Id.*

<sup>293</sup> Interview of Marc Schwartz, president, Partners Group Consultants, in Washington, D.C. (November 10, 2004).

<sup>294</sup> *Id.*

<sup>295</sup> *Id.*

<sup>296</sup> *Id.*

## L. THE ELDER LEGACY PROJECT

After the failed effort on Election Reform, Abramoff continued hounding the Tigua for more money. He proposed that the Tribe take out life insurance policies on its elders, with the proceeds to be paid to the Eshkol Academy, the all boys Jewish school that Abramoff had established. Abramoff intended the program, which he called the Elder Legacy Program, to generate lobbying funds to pay for Abramoff's continued representation of the Tribe and provide funding for Eshkol.<sup>297</sup> When Duane Gibson, an Abramoff associate at Greenberg Traurig working on the Project, reminded Abramoff that he could not use the insurance proceeds to lobby, Abramoff's solution was to have the school use other funds to pay the lobbying fees.<sup>298</sup>

Gibson told the Committee that the Elder Legacy Program was trying to leverage funds for Indian tribes, but mostly charities, by acquiring life insurance policies for the tribe or charity.<sup>299</sup> The original pool of insureds were Indian tribes, Alaskan Natives, and black church elders.<sup>300</sup>

Abramoff told Gibson that Ralph Reed was going to be the entree for the black churches, because Reed "knows the Southern Black Christian community."<sup>301</sup> Apparently, Abramoff pitched the idea to Reed, who thought it was viable.<sup>302</sup>

According to Gibson, Abramoff said that the Tigua were "indebted to him because I [Abramoff] saved their asses and they want to do this for me."<sup>303</sup> Gibson believed "the whole Tigua thing was a perversion of the original purpose."<sup>304</sup> Although he was scheduled to meet with Schwartz in El Paso about the program, the meeting never took place.<sup>305</sup> The reason: after initially, internally approving the idea, the Tribal Council decided not to move forward on it.<sup>306</sup> Lt. Governor Hisa met with the Tribal elders, who rejected it.<sup>307</sup>

## M. ABRAMOFF AND SCANLON ATTEMPT TO OBSTRUCT THE INVESTIGATION

When *The Washington Post* articles about Abramoff and Scanlon were published in February 2004, Abramoff tried to downplay them: "The piece was the usual hit bullshit, but what's new. Funny part (for me, not Mike) was that 60% of the over 300 emails I got

<sup>297</sup> See Email from Jack Abramoff, Greenberg Traurig, to Marc Schwartz, Partners Group Consultants (no Bates number) (March 26, 2003).

<sup>298</sup> *Id.*

<sup>299</sup> Interview of Duane Gibson, Greenberg Traurig, in Washington, D.C. (March 17, 2006).

<sup>300</sup> *Id.*

<sup>301</sup> *Id.*

<sup>302</sup> *Id.*; see also Email between Jack Abramoff, Greenberg Traurig, and Ralph Reed, Century Strategies (GTG-E000018092-93) (July 22, 2003) (wherein Reed writes "yes, it looks interesting. I assume you'll set up a meeting in DC as a next step, or whatever we should do next, let me know.").

<sup>303</sup> Interview of Duane Gibson, Greenberg Traurig, in Washington, D.C. (March 17, 2006).

<sup>304</sup> *Id.*

<sup>305</sup> *Id.*

<sup>306</sup> "Tribal Lobbying Matters," *Hearings before the Committee on Indian Affairs*, 108th Cong. at 235 (November 17, 2004) (statement of Carlos Hisa, Lieutenant Governor, Ysleta del Sur Pueblo).

<sup>307</sup> *Id.* at 236.

thought it was a puff piece. Thank G-D for ADD!”<sup>308</sup> In a telephone call, Abramoff assured Schwartz “that there was nothing to the articles, that it was certainly more of a witch hunt than a reporter had done.”<sup>309</sup> Of the Committee’s proposed hearings, Abramoff said they “were nothing more than political payback.”<sup>310</sup>

After the second article ran in *The Washington Post* about the relationship between Abramoff and Scanlon, Abramoff called Schwartz to say that the Tribe did not have to cooperate in the Committee’s investigation.<sup>311</sup> In the event that Committee counsel or investigators called the Tribe, Abramoff wanted the Tribe to speak with his lawyers first.<sup>312</sup> Abramoff said that the Tribe had tribal sovereignty and that the Tribe did not need to cooperate with the Committee.<sup>313</sup> Abramoff said that the Mississippi Band of Choctaw Indians were not cooperating with the investigation, and suggested that the Tigua not cooperate as well.<sup>314</sup>

#### N. CONCLUSION

The \$4.2 million that the Tribe regrettably paid Scanlon could have lasted the Tribe for another year.<sup>315</sup> At a minimum, some of that money could have been used to hire lobbyists who could have represented the Tribe better in the legislative process.<sup>316</sup> The Tribe would have dedicated much of the money to education and health care.<sup>317</sup> As a result of the \$4.2 million payout to Scanlon, and the casino’s closure, key programs, namely an insurance program for the Tribal members, had to be cut back or eliminated.<sup>318</sup>

During the Committee’s November 17, 2004, hearing, when asked how he felt upon learning that the Tribe had paid for a golf outing for the man who had worked to shut down the Tigua casino, Lt. Governor Hisa replied, “A rattlesnake will warn you before it strikes. We had no warning. They did everything behind our back.”<sup>319</sup>

<sup>308</sup> Email from Jack Abramoff, Greenberg Traurig, to Marc Schwartz, Partners Group Consultants (GTG-E000075963) (February 23, 2004).

<sup>309</sup> “Tribal Lobbying Matters,” *Hearings before the Committee on Indian Affairs*, 108th Cong. at 236 (November 17, 2004) (statement of Marc Schwartz, president, Partners Group Consultants).

<sup>310</sup> *Id.*

<sup>311</sup> “Tribal Lobbying Matters,” *Hearings before the Committee on Indian Affairs*, 108th Cong. at 247 (November 17, 2004); see also Interview of Marc Schwartz, president, Partners Group Consultants, in Washington, D.C. (November 10, 2004).

<sup>312</sup> “Tribal Lobbying Matters,” *Hearings before the Committee on Indian Affairs*, 108th Cong. at 247 (November 17, 2004).

<sup>313</sup> Interview of Marc Schwartz, president, Partners Group Consultants, in Washington, D.C. (November 10, 2004).

<sup>314</sup> *Id.*

<sup>315</sup> Interview of Carlos Hisa, Lieutenant Governor, Ysleta del Sur Pueblo, in El Paso, Texas (October 28, 2004).

<sup>316</sup> *Id.*

<sup>317</sup> *Id.*

<sup>318</sup> *Id.*

<sup>319</sup> “Tribal Lobbying Matters,” *Hearings before the Committee on Indian Affairs*, 108th Cong. at 244 (November 17, 2004).