

By BRIAN ACKLEY
WIN Columnist

Is it any wonder George Pataki made headlines in far flung places like Florence, Alabama, when he yet again backed down on the New York legislature's demand to collect sales tax on Native American cigarette sales?

Indeed, that was a collective nicotine-filled exhale of relief coming from all corners of the continental forty-eight last week when the governor yet again backed down on efforts to collect what could amount to hundreds of millions of dollars in lost state revenues on such sales.

Why? Because one in every three cigarettes sold in New York passes through an Indian reservation in general, and the Seneca Nation of Indians in particular. Our Native American neighbors sell more cigarettes than every other tribe in the state, combined. In all, some 350 million packs of smokes will be sold tax-free this year – roughly half from the Senecas -- which in turn could generate as much as \$600 million in revenue for New York State.

If only Pataki could collect.

He can't, and won't, not at least from the Senecas. "We're losing our land. We're losing our rights. This is the last stand for the Seneca Nation. This is it for us," James Ray told an Albany newspaper back in November. Ray is a former nation president, and chief of staff for current Seneca leader Ricky Armstrong. Not exactly the words of a tribal leader ready to write a Pay-to-the-Order-of-George money order.

Pataki, ever insatiable for revenue to feed spending habits that sometimes make even Mario Cuomo envious, has coined cute catch phrases like "cooperation rather than confrontation" and "price parity" when talking about the issue. The line he's dancing on is thinner than the parchment on which the applicable treaties are written. And all the while, the debate over collecting reservation tariffs is giving waterfront development a run for its tax-free money in the Buffalo Niagara Inertia Sweepstakes.

Pataki can prod, plead and promise until the last quarter hits the Seneca Niagara slot machines, but like casinos, smoke shops aren't going away. And, like the casinos, maybe there's some creative collaboration waiting to happen that lets both sides find a solution where the payout is more than just a one-time, short-term, feel-good compromise benefiting a privileged few.

Ever take a drive down Route 438? Few people have. It runs between one of the central Seneca smoke shop hubs, near the intersection of Routes 5 and 20, and Gowanda, almost entirely on reservation land. It's lightly traveled by outsiders, since most gas stops are nothing more than a splash and dash. For miles – interrupted by sound and needed investments in health and educational facilities – are tar-papered shacks and trailers that stand as testament to the only kind of "development" most Senecas have for decades known.

Pataki knows this can't be a naked money grab – as much as he would like it to be. And Senecas could seize the initiative to create meaningful opportunities for not only their own people, but neighbors as well.

Which can be the point of any compromise. Although the experiment is far from being tabbed a success – and argue all you want for or against casinos – but the notion of channeling local casino profits specifically into economic development in Niagara Falls

was an inspired compromise that has the potential – done right – to benefit the entire region.

What if cigarette and gas taxes were earmarked in a similar fashion? What if, say, the major portion of the collected money – and how about 75-cents a pack as a compromise while we're at it -- stays with the Senecas, but is funneled into bricks and mortar other than smoke shops, hotels or casinos. Wouldn't it be best for everyone if those funds helped develop industrial and white collar jobs that involve something other than packing a box?

Pataki needs a creative deal. As a whole, it could help the Seneca's too. It would be a shame to see one, like so many other things, go up in smoke.

(Brian Ackley is a columnist for the Weekly Independent Newspapers (WIN) of Western New York. WIN is a consortium of 19 community weekly newspapers in Erie and Niagara counties with a combined paid circulation of 75,000 homes, providing collaborative advertising and editorial support for member publications. For more information on WIN, or to provide feedback on this column, visit our website at www.wnynewspapers.com. Opinions expressed here are those of the author.)