

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF TEXAS  
AUSTIN DIVISION

ALABAMA-COUSHATTA TRIBE OF  
TEXAS,

Plaintiff.

VS.

JACK ABRAMOFF, MICHAEL SCANLON  
JON VAN HORNE, NEIL VOLZ and  
RALPH REED,

Defendants.

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CIVIL ACTION NO. \_\_\_\_\_

**Plaintiff Alabama-Coushatta Tribe of Texas’s Original Complaint**

Plaintiff Alabama-Coushatta Tribe of Texas (“Alabama-Coushatta Tribe”), files this Original Complaint against Jack Abramoff, Michael Scanlon, Jon Van Horne, Neil Volz and Ralph Reed (collectively “Defendants”) and will show as follows:

**I. Background**

1. This case chronicles Jack Abramoff (“Abramoff”) and his associates’ greed, corruption and deceit and their devastating impact on Texas’ oldest recognized Indian Tribe - the Alabama-Coushatta Tribe of Texas. The Defendants defrauded the Alabama-Coushatta Tribe, the people of Texas, and the Texas Legislature in order to line their pockets with money and to stop the Alabama-Coushatta Tribe from gaming.

2. The Alabama-Coushatta Tribe, a Christian community, was poised to operate and briefly operated a non-drinking casino on its modest reservation in Polk County, Texas. The Alabama-Coushatta Tribe used the casino revenues as a resource for providing healthcare for elders, educational opportunities for youth, and vital social services for its population. The Alabama-Coushatta Tribe had the general support of Polk County, which is economically depressed and benefited from the creation of job opportunities.

3. The Defendants convinced the Louisiana-Coushatta Tribe, who operates a casino in Kinder, Louisiana, that the Alabama-Coushatta Tribe posed a threat to their business. The Defendants manipulated the Louisiana-Coushatta Tribe into paying millions of dollars to stop competition in Texas. Their immediate goal was to halt a Texas legislative measure that would grant the Alabama-Coushatta Tribe the unquestionable right to game under Texas State law. The Defendants violated Texas lobbying laws, set up sham entities and waged a lobbying battle fraught with misrepresentations and lies. The Defendants convinced the people of Texas, Texas legislators and the Alabama-Coushatta Tribe that Christian organizations opposed the bill on moral grounds. The Defendants failed to disclose that they created the opposition through fraud and false pretenses in order to protect an out-of-state casino from competition in Texas. The Defendants' unlawful acts effectively stopped the passage of the bill. In so doing, they pitted Christian against Christian, Tribe against Tribe and cousin against cousin.

4. The Defendants continued goading the public, Texas government officials and the Louisiana-Coushatta Tribe into perceiving the Alabama-Coushatta Tribe as a threat. They went after the Alabama-Coushatta Tribe with the fury to "kill, kill, kill" the Alabama-Coushatta Tribe's casino. When the Alabama-Coushatta Tribe's small casino was finally shuttered from Defendants' efforts, the Defendants turned around and tried to get even more money - this time by attempting to obtain the Alabama-Coushatta Tribe as a client. They wrangled money from the Alabama-Coushatta Tribe and used it for corrupt schemes and bribery at the federal level.

5. Ultimately, the Defendants' greed and corruption led to the Alabama-Coushatta Tribe permanently shutting its casino. The funding for economic programs evaporated, over 300 jobs were lost in Polk County, and the Alabama-Coushatta Tribe has spent years struggling to recover and revitalize its economy through other means. But for the Defendants' actions, today,

the Alabama-Coushatta Tribe would have gaming on its Reservation, flourishing social programs, and burgeoning economic redevelopment, and Polk County would have a revitalized job market.

## **II. Parties**

6. Plaintiff Alabama-Coushatta Tribe of Texas (“Alabama-Coushatta Tribe”) is a federally recognized Indian tribe located in the State of Texas.

7. Defendant Jack Abramoff (“Abramoff”) is a resident of Maryland. He also controlled the Capital Athletic Foundation (“Capital Athletic”), a limited liability corporation organized under the laws of Maryland, and having its principal place of business in Washington, D.C. Abramoff was a non-attorney principal at Greenberg Traurig, LLP (“Greenberg”), an international law firm with offices in 32 locations, including Texas and Washington, D.C. Abramoff was doing business in the State of Texas and the causes of action in the Complaint arose out of that business. Capital Athletic was doing business in the State of Texas and the causes of action in the Complaint arose out of that business.

8. Defendant Michael Scanlon (“Scanlon”) is a resident of the District of Columbia. He also controlled Capital Campaign Strategies (“Capital Strategies”), a limited liability corporation, organized under the laws of the District of Columbia, and having its principal place of business in Washington, D.C. In addition, he controlled the American International Center (“AIC”), a foundation having its principal place of business in Rehoboth Beach, Delaware. Scanlon, Capital Strategies and AIC were doing business in the State of Texas and the causes of action in the Complaint arose out of that business.

9. Defendant Ralph Reed (“Reed”) is a resident of Georgia. He also controlled Century Strategies, L.L.C. (“Century Strategies”), a limited liability corporation, organized under

the laws of the Delaware, and having its principal place of business in Norcross, Georgia. Moreover, he also controlled the Committee Against Gambling Expansion (“Committee Against Gambling”), a nonprofit corporation organized under the laws of Louisiana, and having its principal place of business in Houston, Texas. Reed and Century Strategies were doing business in the State of Texas and the causes of action in the Complaint arose out of that business.

10. Defendant Jon Van Horne (“Van Horne”) is a resident of Maryland. Van Horne was doing business in the state of Texas and the causes of action in the Complaint arose out of that business.

11. Defendant Neil Volz (“Volz”) is a resident of the District of Columbia. Volz was doing business in the state of Texas and the causes of action in the Complaint arose out of that business.

### **III. Jurisdiction and Venue**

12. This is a civil action arising under the racketeering laws of the United States, 18 U.S.C. § 1964(c). This Court therefore has original jurisdiction over this action pursuant to 28 U.S.C. § 1331 and supplemental jurisdiction over the remaining claims pursuant to 28 U.S.C. §1367.

13. Personal jurisdiction exists as to each of the Defendants. Each and every one of the defendants was doing business in the state of Texas related to the causes of action in this complaint.

14. Venue is proper in this district pursuant to 28 U.S.C. § 1391.

### **IV. Count 1: Civil RICO (Against All Defendants)**

At all times pertinent to this Complaint:

**A. Introduction**

15. Abramoff, Scanlon, Reed, Van Horne, and Volz devised schemes and artifices to defraud the Alabama-Coushatta Tribe and utilized the mails, wires, and radio to accomplish their schemes, in violation of 18 U.S.C. §1341 and § 1343.

16. Defendants, among other things, schemed to: (1) prevent the Alabama-Coushatta Tribe from lawfully gaming in Texas by fraudulently depriving the Alabama-Coushatta Tribe and the public of honest government services; (2) fraudulently obtain Alabama-Coushatta Tribe as a lobbying client and defraud the Alabama-Coushatta Tribe out of a share of their gaming revenues in perpetuity; and (3) defraud the Alabama-Coushatta Tribe out of their rightful property by soliciting monies to be utilized in a bribery scheme. Having utilized the mails, wires, and radio to accomplish their schemes and artifices, Defendants conducted racketeering activity as defined by 18 U.S.C. § 1961(B).

17. Defendants violated 18 U.S.C. § 1962(C), by associating with an enterprise engaged in activities that affect interstate commerce, and by conducting and participating in the conduct of the enterprise through a pattern of racketeering activity.

**B. The Enterprise**

18. Abramoff, Scanlon, Reed, Greenberg, Van Horne, and Volz formed an association in fact.

19. The enterprise was formed to promote, obtain and conduct lobbying business through both legitimate and illegitimate means. The enterprise had an existence well beyond the racketeering acts complained of herein.

20. The enterprise engaged in a pattern of defrauding Indian tribes. Indeed, the enterprise was used to defraud not only the Alabama-Coushatta Tribe, but also the Louisiana-

Coushatta Tribe, Mississippi Band of Choctaw Indians, the Agua Caliente Band of Cahuilla Indians, the Sandia Pueblo, the Saginaw Chippewa and the Tigua of Ysleta del Sur Pueblo.

21. In the Western District of Texas and elsewhere, Abramoff, Scanlon, Reed, Greenberg, Van Horne, and Volz being persons associated with the enterprise described in paragraph 12 above, which was engaged in, and the activities of which, affected interstate and foreign commerce, did unlawfully and willfully conduct and participate, directly and indirectly, in the conduct of affairs of the enterprise through a pattern of racketeering activity, as defined by Title 18, United States Code, Section 1961(5), involving multiple acts of mail fraud and wire fraud, as chargeable in violation of Title 18, United States Code §§ 1341, 1343, and 1346.

### **C. Members of the Enterprise**

22. Abramoff was the Senior Director of Government Affairs for Greenberg from January 2001 through March of 2004. Abramoff also formed Capital Athletic, allegedly to operate a charity to aid in sportsmanship programs for youth. Instead, Abramoff used the charity to funnel money from lobbying clients into projects the clients were not involved with and to support the illegal activities of the enterprise. Abramoff was associated with the enterprise. There was a nexus between Abramoff, the enterprise and the pattern of racketeering.

23. Scanlon was a public affairs executive at his own firm, Capital Strategies. Capital Strategies was formed by Scanlon and was used by Scanlon and Abramoff to funnel funds from lobbying clients and to provide kickbacks to Scanlon, Abramoff, Van Horne and others. Abramoff and Scanlon marketed Capital Strategies as a public relations firm that could achieve lobbying goals. At times, Scanlon was billed out to clients through Greenberg. Indeed, e-mails from Greenberg indicate that Scanlon billed hours to tribal clients through Greenberg and that members of the firm, including Kevin Ring, Shawn Vasell, Stephanie Leger, Todd Boulanger,

and others, fabricated hours and time entries for Scanlon. Scanlon was associated with the enterprise. There was a nexus between Scanlon, the enterprise and the pattern of racketeering.

24. Van Horne was an attorney and shareholder in Greenberg, and he worked with Abramoff in the Government Affairs Group. Van Horne was associated with the enterprise. There was a nexus between Van Horne, the enterprise and the pattern of racketeering.

25. Volz was a non-attorney lobbyist who joined Greenberg's Government Affairs Group in 2002 and worked with Abramoff. Volz was formerly the chief of staff to Congressman Bob Ney (R-Ohio). Volz was associated with the enterprise. There was a nexus between Volz, the enterprise and the pattern of racketeering.

26. Reed was a paid political lobbyist at his own firm, Century Strategies. In addition, he formed the Committee Against Gambling, an entity used by Reed, Abramoff and Scanlon to illegally lobby members of the Texas Legislature. Reed was associated with the enterprise. There was a nexus between Reed, the enterprise and the pattern of racketeering.

27. Greenberg is a Miami-based 1,350-lawyer full-service international law firm "with the fourth-largest number of lawyers in the United States and eighth-largest worldwide." Greenberg has a lobbying practice that functions in the firm's Government Affairs Group. Abramoff joined Greenberg's Government Affairs Group in 2001 and escalated the firm into one of the top ten lobbying firms in the country. Abramoff generated an estimated \$10,000,000 a year in lobbying fees. Indeed, in 2000, prior to Abramoff's arrival, Greenberg generated approximately \$3,310,000 in lobbying fees. In 2001, after Abramoff joined the practice, Greenberg generated approximately \$16,190,000 in lobbying fees. As Abramoff continued to build the firm's lobbying practice, in 2002, Greenberg generated approximately \$17,700,000 in lobbying fees. Greenberg's lobbying fees rose to an all-time high in 2003, reaching

approximately \$25,500,000. After Abramoff departed from Greenberg, the firm's lobbying revenues dropped by approximately ninety percent. Greenberg was associated with the enterprise. There was a nexus between Greenberg, the enterprise and the pattern of racketeering.

#### **D. General Allegations**

28. The Louisiana-Coushatta Tribe is a federally recognized Indian tribe located near Kinder, Louisiana. During Abramoff's tenure at Greenberg, the Louisiana-Coushatta Tribe was one of the firm's largest Government Affairs clients. The Tribe operates a successful tribal casino in Kinder, and hired Greenberg, Abramoff, Scanlon, and Reed to prevent the Alabama-Coushatta Tribe from opening and operating a tribal casino near Livingston, Texas.

29. The Alabama-Coushatta Tribe is a federally recognized Indian tribe located near Livingston, Texas. In 1954, Congress terminated the trust relationship between the Tribe and the United States. In 1980, the Tribe asked the Native American Rights Fund to represent it in securing Congressional legislation to restore the federal trust relationship. On August 18, 1987, President Ronald Reagan signed public law 100-89 (*see* 25 U.S.C. § 1300g-1 *et seq.*), restoring federal recognition and the federal trust relationship between the Alabama-Coushatta Tribe and the United States.

30. At the time public law 100-89 was pending before Congress, the United States Supreme Court ruled in *California v. Cabazon Band of Mission Indians*, 480 U.S. 202 (1987), that States did not have the authority to regulate gaming on tribal lands. Because of concerns raised by the *Cabazon* decision, Congress added section 207 of public law 100-89, which provides: "All 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."

31. In 1988, Congress enacted the Indian Gaming Regulatory Act (“IGRA”), 25 U.S.C. §§ 2701–21, to permit tribal gaming under certain conditions. IGRA was intended to balance the right of tribes to self-government with the need to protect the tribes and the gaming public from unscrupulous persons. *See generally*, S.REP. NO. 446, 100<sup>th</sup> Cong., 2d Sess. 1-3 (1988), reprinted in 1988 U.S.C.C.A.P.N. 3071, 3071-73. On October 24, 1994, the Fifth Circuit Court of Appeals ruled that the Restoration Act, not IGRA, governed the Tigua’s gaming activity. *Ysleta del Sur Pueblo v. State of Texas*, 36 F.3d 1325 (5<sup>th</sup> Cir. 1994). On January 17, 2002, in a separate suit, the Fifth Circuit affirmed the Western District of Texas’ order enjoining the Tigua from gaming. *See Texas v. Ysleta Del Sur Pueblo*, Case No. 01-51129 (5th Cir. January 17, 2002).

32. The Ysleta del Sur Pueblo Tribe of Texas (“Tigua Tribe”) is a federally recognized Indian tribe located in El Paso, Texas. The Tigua Tribe was restored in the same Act as the Alabama-Coushatta Tribe. After the Fifth Circuit affirmed the injunction against the Tigua Tribe, *Texas v. Ysleta Del Sur Pueblo*, Case No. 01-51129 (5th Cir. January 17, 2002), it hired Greenberg, Abramoff, and Scanlon to help the Tribe gain the right to conduct Indian gaming under IGRA.

33. In September of 2004, the Senate Indian Affairs Committee, chaired by Senator John McCain, began an investigation into the activities of Abramoff and Scanlon. On September 29, 2004, the first Senate hearing concerning the investigation occurred. On that date, the first documents related to Abramoff’s schemes were released. Additional hearings were held on November 17, 2004, June 22, 2005, November 2, 2005, and November 11, 2005. Additional documents were released at each of the Senate hearings. The Alabama-Coushatta Tribe did not

discover the misrepresentations, fraud, negligence, conspiracy and racketeering acts undertaken by the Defendants until certain of the Senate documents were released.

## **E. Racketeering Activity**

### **1. Act One: Theft of Honest Services**

34. On January 9, 2001, Texas State Representative Juan “Chuy” Hinojosa (D-McAllen) introduced legislation that would have permitted the Alabama-Coushatta Tribe and the Tigua Tribe to conduct gaming on their reservations. Representative Hinojosa’s bill was designated as HB 514.

35. On February 27, 2001, the Criminal Jurisprudence Committee of the Texas House of Representatives held a hearing on HB 514. Among those testifying in support of the bill were the Chairman of the Alabama-Coushatta Tribe, Kevin Battise, and the Governor of the Tigua Tribe, Albert Alvidrez. After making revisions to the bill, HB 514 was reported out favorably from the Criminal Jurisprudence Committee. At the February 27, 2001 hearing, prior to Defendants’ unlawful lobbying, only two people showed up to voice opposition to the measure.

36. In approximately March 2001, Greenberg, Abramoff and Scanlon convinced the Louisiana-Coushatta Tribe to hire them to lobby the Texas Legislature to prevent HB 514 from becoming law. The Louisiana-Coushatta Tribe paid \$1.7 million to Greenberg in 2001 and \$1.3 million in 2002.

37. Also in approximately March 2001, on behalf of the Louisiana-Coushatta Tribe, Abramoff and Scanlon hired Reed and his company, Century Strategies, to lobby the Texas Legislature to prevent HB 514 from becoming law. Reed has admitted to lobbying through stealth stating “I want to be invisible. I do guerrilla warfare. I paint my face and travel at night. You don’t know it’s over until you’re in a body bag.”

38. To disguise the fact that Reed was receiving money from the Louisiana-Coushatta Tribe, Abramoff, Reed and Scanlon used stealth and arranged to pay Century Strategies and Reed through AIC, the bogus “international think tank” that Scanlon controlled.

39. AIC was set up under the direction of two of Scanlon’s friends, Brian Mann and David Grosh. At the Senate Hearing on this matter, Grosh testified that Scanlon called him and asked him if he wanted to be the head of an international corporation. Grosh asked what he would have to do and Scanlon replied “nothing.” AIC never functioned as a think tank.

40. As evidenced by facsimile cover sheets from April of 2001, Abramoff routinely requested checks from the Louisiana-Coushatta Tribe to AIC. Kathryn Van Hoof (“Van Hoof”), the Louisiana-Coushatta Tribe’s legal counsel, arranged for the Tribe to write the checks to AIC. Van Hoof would then federal express the checks to Abramoff at Greenberg. The funds were transferred from Greenberg to AIC. AIC would then send a check to Reed for the amount owed.

41. As a March 15, 2001 e-mail from Reed to Abramoff indicates, Reed was well aware that the funds from the Louisiana-Coushatta Tribe were coming from hidden entities to mask the origins. On March 15, 2001, Reed stated that he was waiting for the wire because his organization was burning through money. Abramoff responded that the originating entity had to transfer the money to a separate account before sending the money to Reed. Reed has long been acquainted with Abramoff’s tribal clients. Indeed, as early as April of 1999, Abramoff and Reed discussed payments being made from the Mississippi Band of Choctaw Indians for anti-gambling activities. The money trail to Reed for wires and checks was set up to hide the origin of the lobbying funds from the legislature and the public. In testimony before Congress, Choctaws’ main contact with Abramoff and Scanlon, Nell Rogers, testified that Abramoff and Scanlon used “intermediaries” such as AIC to pay for anti-gambling campaigns because of “public perception

concerns – about some of the recipients, about not being associated with a tribe or with a gaming tribe.”

42. Between March 6, 2001 and July 16, 2001, Abramoff, Scanlon and Greenberg caused AIC to send through the interstate mail at least sixteen checks to Reed’s company Century Strategies. The combined total of the checks was \$3,382,350.00.

43. To disguise his involvement in the effort to defeat HB 514, Reed formed the Committee Against Gambling.

44. Reed’s efforts to defeat HB 514 included convincing religious leaders to speak out against HB 514, setting up phone call centers to place calls in opposition to HB 514 to members of the Texas Legislature, sending targeted mailings to voters in key legislators’ districts, and running radio advertisements calling for the defeat of HB 514.

45. In testimony before the United States Senate, Aaron Stetter, a former employee of Capital Strategies, admitted that bogus organizations were set up to make phone calls to various constituents on issues. The organizations were just telephones that were all in a drawer and when the telephone would ring, Mr. Stetter would open the drawer and figure out which phone was ringing and would answer the name of the correct organization.

46. Abramoff, Scanlon, Reed, and Greenberg conspired to keep their lobbying activities and funding source a secret by breaking the Texas lobbying laws. The legislative advertising activities being engaged in on behalf of the Louisiana-Coushatta Tribe were conducted in stealth without the disclaimer required by Texas Government Code § 305.027. Specifically, targeted mailings were sent and radio advertisements launched with no identification of the actual person being represented by the contract. In violation of Texas Government Code §§ 305.021, 305.27 and 305.031, steps were taken to conceal the true origins

of the legislative advertising to ensure it appeared to be derived from Christian concerns rather than anti-competitive measures by a competing tribal casino.

47. The purpose of the Texas lobbying laws is to preserve and maintain the integrity of the legislative and administrative process by providing fair, honest and open communication. It is illegal to make false statements and misrepresentations to members of the legislature to improperly influence the legislative process. *See* Texas Government Code § 305.001 *et seq.* The Defendants deprived Texas legislators of the opportunity to make fully informed decisions concerning HB 514.

48. Although the fraud and illegal lobbying engaged in by the Defendants was broad based and impacted the public and the Texas Legislature, the true target of the activities was the Alabama-Coushatta Tribe. Indeed, the Defendants' deceit was aimed at keeping a casino out of Livingston, where the Alabama-Coushatta Tribe was located.

49. By concealing the true origins of the opposition, the Defendants purposefully prevented the Alabama-Coushatta Tribe from launching a complete counter-campaign that would reveal to the public and the Texas Legislature the anti-competitive origins of the gaming opposition. Had the Alabama-Coushatta Tribe or the public been aware that the Louisiana-Coushatta Tribe was behind the efforts, the Christians would have been less mobilized and the opposition efforts less effective. Moreover, the Defendants deceived the Texas Legislature by depriving the members of accurate and correct information on which to base their decisions.

50. Additionally, the Alabama-Coushatta Tribe and the Louisiana-Coushatta Tribe are closely related. The members of each Tribe have sisters-in-law, brothers-in-law, and cousins who are members of the other Tribe. If the Alabama-Coushatta Tribe had known that the Louisiana-Coushatta Tribe was behind the opposition tactics, the Alabama-Coushatta Tribe

could have exerted its government-to-government and family relationships to convince the Louisiana-Coushatta Tribe to cease the campaign Abramoff manipulated the Tribe into conducting. Indeed, had the general membership of the Louisiana-Coushatta Tribe been informed of the attack against their close family members in Texas, the outcry would have impacted the viability of the campaign.

51. On March 28, 2001, Reed sent two e-mails to Abramoff on when HB 514 might come to the floor of the Texas House for a vote and asking for money from the Louisiana-Coushatta Tribe to start up a phone call center to fight the bill.

52. Also on March 28, 2001, Abramoff forwarded Reed's e-mails to Van Hoof.

53. On March 30, 2001, Reed sent an e-mail to Abramoff explaining that HB 514 was not reported out of the calendar committee, but the committee would take up the bill again on April 3, 2001. In the meantime, Reed reported to Abramoff that he was patching through 8,000 calls to the committee and causing 100,000 opposition mail pieces to be mailed statewide. Again, none of these opposition mailing pieces disclosed that they were being paid for by a competing tribal casino as required by Texas Government Code §§ 305.021 and 305.027; rather, they made it appear that Christian organizations were concerned about the expansion of gambling. Moreover, Abramoff, Scanlon, Reed, and Greenberg conspired to knowingly cause false statements to be made to members of the legislative branch concerning HB514 by having Reed's bogus organizations patch through calls solicited and made under false pretenses, in violation of Texas Government Code § 305.021.

54. Also on March 30, 2001, Abramoff forwarded Reed's e-mail to Van Hoof.

55. On March 31, 2001, Reed sent an e-mail to Abramoff informing Abramoff that he caused 1,000 calls to be placed to the calendar committee and the opposition mail pieces would

be mailed on Saturday (April 1, 2001), so that they would be delivered on Monday (April 3, 2001). The calls and the opposition mail pieces were conducted in violation of Texas Government Code §§ 305.021, 305.027, 305.031.

56. Also on March 31, 2001, Abramoff forwarded Reed's e-mail to Van Hoof.

57. On April 1, 2001, Reed caused thousands of postcards calling for the defeat of HB 514 to be sent through the United States mail to registered voters in Texas. Once again, these postcards did not have the required disclosures revealing the true origin of the communication, as required by Texas Government Code § 305.027.

58. On April 2, 2001, Abramoff forwarded to Van Hoof an e-mail message that Reed was sending postcards to Texas voters that called for the defeat of HB 514.

59. Also on April 2, 2001, Reed sent an e-mail to Abramoff discussing the actions he was taking to defeat HB 514. In particular, Reed stated he was lobbying Representative Talmadge Heflin (R-Houston) to see what his position was on HB 514, meeting with the Christian Coalition, the Texas Family Policy Council, and the Eagle Forum to make sure they all opposed HB 514, and trying to determine which member of the Texas House was close to Representative Gary Walker (R-Plains) and asked that member to ask Representative Walker to hold HB 514 in the calendar committee. Additionally, Reed wrote that he was waiting to hear from Chuck Anderson ("Anderson") of the Texas Christian Coalition as to whether Texas Governor Rick Perry would either tell the calendar committee that he did not want HB 514 reported out to the floor for a vote or if the Governor would state that he planned to veto HB 514 if it were passed by both houses of the Texas Legislature. Abramoff, Scanlon, Reed, and Greenberg conspired to keep the true origin of the opposition a secret and to violate the Texas lobbying laws. Indeed, Century Strategies and Reed had these direct contacts with members of

the legislative branch without registering as lobbyists or disclosing the actual client whose interests were being served, in violation of Texas Government Code § 305.001 *et seq.* The Defendants deprived the Representatives of the opportunity to have fair, honest and open discussions about HB 514 by making material misrepresentations and failing to disclose the true nature of the alleged opposition to HB 514.

60. Also on April 2, 2001, Abramoff forwarded Reed's e-mail to Van Hoof.

61. On April 5, 2001, Reed e-mailed Abramoff and informed Abramoff that HB 514 was likely to be sent to the floor for a vote, and that he was continuing to send calls to key members of the calendar committee to try to keep HB 514 from being voted out of the committee. Again, these calls were conducted under false pretenses and contained material misrepresentations concerning the origins and support for the opposition efforts, in violation to Texas Government Code §§ 305.021 and 305.031.

62. Also on April 5, 2001, Abramoff forwarded Reed's e-mail to Van Hoof.

63. On April 6, 2001, Reed e-mailed Abramoff to inform him that Reed had succeeded in keeping HB 514 from being voted out of the calendar committee. Reed reported that Anderson caused 5,000 calls to be placed to the committee, and that he caused 50,000 anti-HB 514 mailings to be sent to Texas voters. Again, the true nature of these calls and mailings was never disclosed, in violation of Texas Government Code §§ 305.021, 305.027, and 305.031. The Defendants thwarted the operation of responsible democratic government by corrupting the legislative and administrative process through misrepresentations and lies.

64. Also on April 6, 2001, Abramoff forwarded Reed's e-mail to Van Hoof.

65. Also on April 6, 2001, Reed sent a second e-mail to Abramoff to inform him that one of Reed's "operatives" attended the same church as the vice-chair of the calendar committee,

Barry Telford (D-DeKalb), and that the operative got the pastor of the church to urge Representative Telford in person to vote against allowing HB 514 to get to the floor hours before the committee took up the matter. Representative Telford was not told of the true source of the opposition and was deprived of the opportunity to make legislative decisions based on direct, honest and open communication.

66. Also on April 6, 2001, Abramoff forwarded Reed's second e-mail to Van Hoof, writing, "Don't you love this guy!"

67. Despite the efforts to keep HB 514 in the calendar committee, on April 24, 2001, HB 514 was voted out of the calendar committee and allowed to go to the floor.

68. On April 25, 2001, HB 514 passed the Texas House of Representatives by a margin of 83 votes.

69. Also on April 25, 2001, Reed e-mailed Abramoff a budget for efforts to defeat HB 514 once it was sent to the Texas Senate. The budget was for \$397,200. That money was to be spent on renting mailing lists, mailing anti-HB 514 postcards, renting buses to transport people to anti-HB 514 rallies, anti-HB 514 radio advertisements, and operating a phone call center.

70. Also on April 25, 2001, Abramoff forwarded Reed's budget to Van Hoof.

71. On April 30, 2001, Abramoff and Scanlon caused AIC to write a check (#1006) in the amount of \$398,000 to Century Strategies. AIC then used the United States mail to deliver the check to Reed.

72. On May 1, 2001, National Media, Inc. faxed to Century Strategies an invoice in the amount of \$8,000.05 for radio advertising from April 27, 2001 through May 4, 2001. This

legislative advertising was bought and broadcasted without the required disclosures under Texas Government Code § 305.027.

73. Once HB 514 was referred to the Texas Senate, it became SB 253 and its sponsor was Senator Eliot Shapleigh (D-El Paso).

74. In stark contrast to the February 27, 2001 hearing on HB 514, when hearings were held on SB 253, the room was packed with ministers and alleged anti-gaming advocates. Senator Shapleigh was surprised by the turnout and wondered how they had gotten there and who had paid for it. The Defendants bused in these individuals for the hearing on false pretenses.

75. Around this time, Scanlon sent a memorandum out that indicated that after a preliminary count, they did not have enough votes to prevent SB 253 from getting to the floor for a final vote. He stated that “Eric Criss, Century Strategies VP, is flying to Texas on Monday morning to meet with the staff of the governor and attorney general, as well as the Christian Coalition Executive Director and Director of Public Policy for the Baptist State Convention of Texas.” The key question was whether the Lieutenant Governor would “use his exceptional power in the Senate to stop the casino bills.” The memorandum continued by stating that Reed had a call in to the Lieutenant Governor’s office. Abramoff, Scanlon, Reed, Greenberg and the Committee Against Gambling conspired to keep the funding source and true nature of their activities a secret by violating the Texas lobbying statutes. Neither Century Strategies, Eric Criss, nor Reed registered as lobbyists prior to having direct contact with the executive and legislative branch members as required by Texas Government Code § 305.001 *et seq.* Moreover, they failed to disclose the true purpose of their lobbying efforts, which was maintaining the competitive advantage of an out-of-state gaming tribe by preventing the Alabama-Coushatta

Tribe and the Tigua Tribe from operating casinos in Texas. Consequently, Century Strategies, Eric Criss and Reed made material misrepresentations and false statements to members of the legislative and executive branches in violation of Texas Government Code §§ 305.021 and 305.031.

76. Between on or about May 2, 2001, and on or about May 7, 2001, Senator Shapleigh approached Lieutenant Governor Bill Ratliff, and informed the Lieutenant Governor that he wanted SB 253 to come to the floor. At that point, it was too late, the Defendants had already approached Ratliff under false pretenses and made material misrepresentations concerning the opposition to SB 253 in an attempt to unlawfully influence the legislative process.

77. Under the Texas Constitution, the lieutenant governor serves as president of the senate. The lieutenant governor wields substantial power over legislative matters, including the power to recognize a senator to allow a bill to come to the floor for a vote.

78. When Ratliff was running for the office of Lieutenant Governor he made a campaign promise to the Senate that he would allow the “Senate to be the Senate” and if a Senator had at least a two-thirds vote, they would “have a run on the floor.” This practice became the standing practice in the Senate while Ratliff was Lieutenant Governor.

79. When Senator Shapleigh told Lieutenant Governor Ratliff that he had at least a two-thirds vote on SB 253, Lieutenant Governor Ratliff informed Senator Shapleigh that he would not recognize him and would not allow SB 253 to come to a vote.

80. Senator Shapleigh had enough votes to pass SB 253. Indeed, Senator Shapleigh kept a copy of the vote card that reflects which Senators were in favor of allowing the bill to have a run on the floor.

81. Lieutenant Governor Ratliff refused to recognize Senator Shapleigh when he tried to call SB 253 for a vote of the senate for the remainder of the legislative session. The only time in that entire legislative session that Lieutenant Governor Ratliff refused to recognize a call for a vote on a bill where two-thirds of the members of the senate wanted it to come to the floor for a vote was SB 253.

82. The 77<sup>th</sup> Texas Legislative Session ended on May 28, 2001.

83. On February 27, 2003, Abramoff wrote in an e-mail that after HB 514 passed the House, he and Reed prevented SB 253 from passing the senate by, “using Lt. Governor (Bill Ratcliff [sic]) to prevent it from being scheduled in the state senate.” The Defendants waged a campaign of deceit and deprived the Texas legislators of the opportunity to make informed decisions and take specific actions based on honest communication.

84. Greenberg, Abramoff, Scanlon, and Reed conspired to keep their activities and funding source a secret by conspiring to violate the Texas lobbying laws, which would have required the source of the funds be disclosed. Century Strategies, Eric Criss and Reed failed to register as lobbyists while actively lobbying members of the Texas Legislature on behalf of the Louisiana-Coushatta Tribe to prevent HB 514 and SB 253 from passing, as required by the Texas Government Code § 305.001 *et seq.*

85. These unlawful lobbying activities interfered with the Alabama-Coushatta Tribe’s prospective economic advantage by preventing the Tribe from lawfully gaming under Texas law, without the necessity of a federal ruling or federal solution to the Restoration Act language that prevented both the Alabama-Coushatta Tribe and the Tigua Tribe from gaming under IGRA.

86. Although the fraud was broad-based and extended to the general public and the Texas Legislature, the Alabama-Coushatta Tribe was the intended victim of the fraud and

racketeering acts. Moreover, by hiding the true origin of the opposition efforts, Defendants fraudulently prevented the Alabama-Coushatta Tribe from effectively lobbying in Texas and from exerting their family and government-to-government relationships with the Louisiana-Coushatta Tribe to convince them to stop their anti-competitive efforts.

**2. Act Two: Fraudulently Working to Close Alabama-Coushatta Tribe's and Tigua Tribe's Casino and Attempting to Obtain Tigua Tribe and Alabama-Coushatta Tribe as Clients**

87. Although the State legislative fix that would have conclusively authorized the Alabama-Coushatta Tribe to game in Texas, there remained some question as to whether the Alabama-Coushatta Tribe and the Tigua Tribe could game under federal law pursuant to IGRA without the necessity of a Texas State legislative fix.

88. In the fall of 2001, the Alabama-Coushatta Tribe announced that the Tribe planned to open a casino on its reservation near Livingston.

89. On October 5, 2001, Scanlon e-mailed Abramoff concerning the program they wanted to put in place to prevent the Alabama-Coushatta Tribe from gaming. Scanlon stated that the "objective of the Texas program is to block the Alabama-Coushatta Tribe from securing a gaming facility by proactively pushing a political or legislative vehicle making approval of Indian gaming in Texas next to impossible." Scanlon went on to state "What we need now is for the Gov, Lt Gov and AG to issue the vehicle and publicly support it." Abramoff replied that if Reed could get the program in place for \$100,000 "we are happy."

90. On October 8, 2001, Scanlon's e-mail was forwarded around Greenberg and then on to Reed, asking if he could put the program into place for \$100,000. Reed responded that he could. Abramoff then e-mailed Scanlon to let him know that Reed had agreed and asked him to call Ralph to "get him moving" and then asked Scanlon to let him know via fax at his house and e-mail how the call went in great detail.

91. On October 10, 2001, Reed e-mailed Abramoff and told him the Texas project was underway and asked if he should invoice as usual. Abramoff responded with the request that Reed invoice Capital Strategies. Reed agreed to do so and to meet with Abramoff while he was in town.

92. During this same time period, the Lobbying Disclosure Act (“LDA”) paperwork was being prepared at Greenberg for filing. It appears that Greenberg’s position in the “top ten” list for lobbying firms in Washington, D.C. was in jeopardy. Consequently, on October 24, 2001, Abramoff sent an e-mail to Scanlon requesting that \$1,000,000 of the Louisiana-Coushatta Tribe’s funds be sent directly to Greenberg to make sure that the LDA was high enough in the second half so that the firm would not fall out of the top ten list. Scanlon agreed to do so.

93. Later on October 24, 2001, Scanlon indicated that Van Hoof was taking the approval over to the Chairman to cut a check to Greenberg. Scanlon asked Abramoff whether he was “sure Bagget will let you rip it back out?” Abramoff replied “it’ll be a cold day in hell that they get this check from my grubby hands!”

94. On October 25, 2001, Scanlon e-mailed to Van Hoof and Abramoff a copy of the two invoices for the new political program. One was for a payment to Greenberg for \$1,000,000 and the remainder was for Capital Strategies. The check for \$1,000,000 was sent from the Coushatta Tribe of Louisiana Housing Account to Greenberg on October 30, 2001. Laura Lippy, an administrative assistant at Greenberg, received the check and let Abramoff and Rodney Lane, an administrative assistant in Greenberg’s Government Affairs practice, know it had arrived on November 2, 2001.

95. On November 2, 2005, during testimony before the Committee on Indian Affairs, Fred Baggett, Greenberg’s Chair of its National Government Affairs practice, testified that

Greenberg did not treat the \$1 million as income and that the firm had no knowledge of that invoice. However, on November 5, 2001, Abramoff sent an e-mail to Mr. Baggett with the re line “Coushatta million dollar check.” He stated to Baggett “It is burning a hole in my pocket. Please let’s chat about this today to get it worked out. Are you going to be in town today?”

96. On November 9, 2001, an e-mail was sent from the accounting department at Greenberg concerning instructions to wire funds for Abramoff to the Capital Athletic Foundation.

97. When the year-end lobbying reports were drafted, Abramoff made it a point in the Government Affairs e-mails that the Greenberg team needed to remember to add on the extra \$1,000,000 that the Louisiana-Coushatta Tribe spent “politically” that year. Stephanie Leger e-mailed Abramoff on January 25, 2002 and indicated that she would add the funds to the report.

98. After the Louisiana-Coushatta Tribe funds were paid out, the Texas project moved forward. On November 9, 2001, Reed e-mailed Abramoff and informed him that Reed was getting pastors and lobbying groups to pressure the Texas Attorney General and Governor to stop the Alabama-Coushatta Tribe from opening a casino.

99. On November 11, 2001, Scanlon e-mailed Reed, Abramoff and Eric Criss, and asked if Reed could get the Texas Attorney General to speak out against the Alabama-Coushatta Tribe’s plan to open its casino. Scanlon’s e-mail makes it clear that Reed was well aware that is was on the Louisiana-Coushatta Tribe’s behalf that they were trying to shut down the Alabama-Coushatta Tribe’s casino.

100. On November 12, 2001, Abramoff e-mailed Reed and asked Reed what he could do to get the Attorney General to speak out.

101. Later on November 12, 2001, Reed e-mailed Abramoff and responded that he would get Houston Pastor Ed Young to call the Attorney General and ask him to stop the Alabama-Coushatta Tribe from opening its casino. Under false pretenses, Reed used his stealth and Christian connections to put public pressure on the Attorney General.

102. On November 12, 2001, Scanlon sent an article from the Houston Chronicle regarding the Alabama-Coushatta Tribe's plan to open a tribal casino near Livingston, Texas to Abramoff and Van Horne, indicating to Van Horne that it was good background concerning what the Tribe was up to. Abramoff forwarded the e-mail to Reed. In Abramoff's e-mail, he wrote that he was going to ask the National Indian Gaming Commission to "get" Alabama-Coushatta Tribe and to "get" the Tigua Tribe as well.

103. On November 13, 2001, Abramoff sent an e-mail to Reed and informed Reed that Scanlon had learned that the Alabama-Coushatta Tribe was unloading slot machines to be installed in the Tribe's soon-to-be opened casino. Abramoff instructed Reed to contact the Texas Attorney General and ask that Alabama-Coushatta tribal members be arrested.

104. The Attorney General has reported that he had no contact with Abramoff or Reed.

105. Later, on November 13, 2001, Abramoff spoke via an interstate telephone call with C. Bryant Rogers ("Rogers"), an attorney working with the Alabama-Coushatta Tribe in connection with the Tribe's desire to revise its Constitution. During this conversation, Abramoff told Rogers that he had spoken with White House officials about the Alabama-Coushatta Tribe, and he had learned that the Tribe had unloaded slots that day for its casino. Abramoff claimed that White House officials told him that the White House was ready to "cream" the Tribe, seeking at least a Johnson Act prosecution (15 U.S.C. § § 1171 – 1178), and possibly moving to

get Congress to withdraw the Tribe's federal status. Finally, Abramoff said that Texas might also seek criminal charges against the Tribe.

106. Also on November 13, 2001, Rogers spoke via an interstate telephone call with the general counsel for the Alabama-Coushatta Tribe, Christopher Rule ("Rule"), and relayed Abramoff's warnings.

107. Rule then conferred with the Alabama-Coushatta Tribe's outside counsel, Scott Crowell ("Crowell"), and they decided to inform Rogers that no one other than the Tribe's current lawyers or lobbyists was permitted to speak on the Tribe's behalf.

108. On November 14, 2001, Rule spoke via an interstate telephone call with Rogers to convey the Tribe's alarm at the information Rogers had provided the previous day. Rule informed Rogers that the Tribe was very concerned that anyone was purporting to speak for the Tribe without the Tribe's authority, and that the Tribe wanted to know who made the threats, the exact nature of the threats, and when the threats were made.

109. Thereafter, Rogers spoke via an interstate telephone call with Abramoff to seek answers to the Tribe's questions. Abramoff claimed that he merely heard the information during his regular White House visits and that whatever the merits of the Alabama-Coushatta Tribe's case, the Fifth Circuit decision in *Texas v. Ysleta Del Sur Pueblo* would control. Abramoff stated that the White House was seriously looking at proposed legislation to withdraw the Tribe's federal status. Abramoff concluded his conversation with Rogers by asserting that someone from the Tribe would go to jail over the decision to operate slot machines.

110. Rogers then spoke via an interstate telephone call with Rule and reported on his follow-up conversation with Abramoff.

111. On December 11, 2001, Abramoff convinced several Congressmen to write to United States Attorney General John Ashcroft, asking the Department of Justice to take immediate action to close down Alabama-Coushatta Tribe's fledgling casino.

**Abramoff and Scanlon Work to Shut Down the Alabama-Coushatta Tribe's Casino**

112. Also in his November 12, 2001 e-mail to Reed, Abramoff wrote that they needed to support the Texas Attorney General's efforts to shut down the Alabama-Coushatta Tribe and the Tigua Tribe's casinos. These efforts were being undertaken unbeknownst to the Attorney General and on behalf of the Louisiana-Coushatta Tribe, who had hired Abramoff for the purpose of preventing the Alabama-Coushatta Tribe from gaming. Abramoff informed Reed that he would help find Tribes that would support the Texas Attorney General's efforts to shut down tribal gaming in Texas.

113. Reed responded to Abramoff that he would inform the Attorney General about their efforts to help him shut down gaming in Texas. Reed indicated that he had spoken with Pastor Ed Young of Second Baptist Church and that Young stated he was planning to host a breakfast with the top pastors in Houston "to get them all mobilized and to provide cover for [the Attorney General]."

114. The Attorney General later reported that he did not know Abramoff and was unaware that Reed was working with Abramoff. Reed did not disclose that the gaming opposition being offered in support of the Attorney General's efforts was being organized on behalf of an out-of-state gaming interest that was seeking to prevent competition from Texas Indian tribes. Young informed the Attorney General that the pastors were supporting him "because of the pastors' concern about gambling."

115. On November 14, 2001, Reed sent Abramoff an e-mail indicating he was sending “50 pastors” to give the Attorney General support. Abramoff responded that such actions were fine, but he still hoped that the Attorney General got “whacked” in El Paso, so that Reed and Abramoff could get additional support.

116. On December 3, 2001, Abramoff e-mailed Reed and told him not to forget the Kickapoos, a federally recognized Indian tribe in Texas that had the ability to game under IGRA. Reed responded that they were on it in ways that would greatly please Abramoff. Abramoff replied that such actions were great because they needed to “shutter Alabama-Coushatta and fast.”

117. On December 5, 2001, Scanlon sent e-mails to Abramoff and Reed concerning a news article that revealed the Tigua Tribe had made political donations to candidates, including Texas Governor Rick Perry.

118. Reed replied to Scanlon’s e-mail, writing that Perry needed to return the money immediately and to take decisive and public action to “smash” both the Tigua Tribe and the Alabama-Coushatta Tribe. The Alabama-Coushatta Tribe had opened its casino on November 23, 2001.

119. On December 19, 2001, Scanlon forwarded a news article to Abramoff stating “any day now Ralph,” indicating Reed was taking too long to get the Alabama-Coushatta Tribe’s casino closed. Abramoff replied by asking if they had launched on the Texas Attorney General, ostensibly through the public pressure allegedly originating from Christian organizations. Scanlon responded that they had not, but would do so. Abramoff replied, “kill kill kill.”

120. On January 6, 2002, Todd Boulanger, an associate at Greenberg working in the Government Affairs group, sent an article to other Greenberg Government Affairs practice group

members, Abramoff, Shawn Vasell, Kevin Ring, and Tony Rudy, concerning the Texas Attorney General's efforts to close down the Alabama-Coushatta Tribe's casino through the federal courts. The subject line of the e-mail stated, "Jack will be happy to know...."

121. Also on January 6, 2002, Scanlon drafted a memorandum to William Worfel of the Louisiana-Coushatta Tribe, copying Abramoff, asserting that as a result of their "political pressure," the Texas Attorney General had filed a lawsuit in federal court to shut down the Alabama-Coushatta Tribe's entertainment center in Livingston.

122. The Attorney General, upon hearing of the e-mails claiming Abramoff and Reed's political pressure resulted in the shutdown of the casinos, publicly stated that "[i]t's kind of eye-opening to me that apparently people make money claiming credit for something I decided to do under the law."

123. On January 7, 2002, Abramoff e-mailed Reed and asked whether they could get one of their guys in the Texas Legislature to introduce a bill disqualifying from State contracts any vendor who provided goods or services to a casino in Texas. Reed responded that it was a good idea, but that the Texas Legislature only met every other year.

124. Also in the January 7, 2002 e-mail string, Reed informed Abramoff about Reed's discussions with the Texas Attorney General's office concerning both the Alabama-Coushatta Tribe and the Tigua Tribe's current litigation. The Tigua Tribe was waiting for a decision from the Fifth Circuit concerning their right to game in the *Texas v. Ysleta Del Sur Pueblo* Case. The Alabama-Coushatta Tribe had filed a declaratory judgment action in the federal district court in Lufkin, Texas requesting a finding that the Alabama-Coushatta Tribe could game under federal law pursuant to IGRA. The Attorney General had responded to that suit by filing his own action seeking to shut down the Tribe's casino. Reed had direct contacts with a member of the Texas

Attorney General's Office without registering as a lobbyist as required under Texas Government Code § 3005.003. Abramoff, Scanlon, Greenberg, and Reed conspired to hide the true nature of their activities and the source of the funding by breaking the Texas lobbying laws. The Alabama-Coushatta Tribe was the targeted victim of these fraudulent and illegal activities.

125. In the January 7, 2002 e-mail, Reed stated that the Attorney General believed that the Fifth Circuit would rule that week in the *Texas v. Ysleta Del Sur Pueblo* case that the Tigua Tribe could not game. Reed further stated that the Attorney General believed the district court judge hearing the Alabama-Coushatta Tribe's matter would not rule until the Fifth Circuit ruled on the Tigua Tribe's case and that the district court would be bound by the Fifth Circuit's decision. Reed was allegedly getting this information from a "source close to the AG."

126. The January 7, 2002 discussion continued with Abramoff requesting that they get a member of the Texas Legislature to announce that during the next session he would introduce a bill barring vendors who do business with Texas tribal casinos from doing work with the State of Texas. The Defendants continued hatching unlawful schemes designed to deprive the public, the Texas Legislature, and the Alabama-Coushatta of honest government services.

127. On January 24, 2002, Reed e-mailed Abramoff and asked if he could get the "budget" for Texas. Abramoff responded that he was pushing, but that until the place was "shuttered" it would be hard to get more money from the Louisiana-Coushatta Tribe. He stated that he would "continue to push." Reed responded by asking that he "please do . . . we're getting asked for cover and support and organization in el passo and Livingston . . ."

128. During these efforts to shut down the Alabama-Coushatta Tribe's casino by actively lobbying on behalf of the Louisiana-Coushatta Tribe to develop support for the action taken by the Attorney General for the State of Texas, Abramoff, Reed, Scanlon, Century

Strategies and Greenberg conspired to hide the true nature of their activities and the source of funding by violating the Texas lobbying laws. Century Strategies and Reed failed to register as lobbyists as required by the Texas Government Code § 305.003 and made material misrepresentations in violation of Texas Government Code §§ 305.021 and 305.031.

129. Again, these unlawful lobbying efforts affected Alabama-Coushatta Tribe's prospective economic advantage by effectively preventing any Texas legislator from seeking a legislative solution to allow the Tribe to game under Texas law. The people of Texas, the Texas Legislature and the Alabama-Coushatta Tribe were deprived of relevant information that would have assured the integrity of the legislative and administrative process.

130. Although the fraudulent and illegal activities of the Defendants was broad-based and included the government and the general public, the Alabama-Coushatta Tribe was the intended victim of the fraud. The goal of the racketeering acts was to prevent the Alabama-Coushatta Tribe from operating a casino in Texas.

### **Greenberg, Abramoff and Scanlon Attempt to Gain Tigua Tribe as a Client**

131. On February 4, 2002, Abramoff asked Rogers to contact lawyers for the Tigua Tribe to inquire whether the Tigua Tribe might want to hire Abramoff to help the Tribe secure the right to game.

132. That same day, Rogers spoke via an interstate telephone call to one of the Tigua Tribe's lawyers, Norman Gordon ("Gordon"), in an attempt to get Abramoff hired. During this conversation, Rogers stated that Abramoff was well connected to the Bush Administration and that Abramoff effectively represented other tribes in the past. Rogers claimed that Abramoff was willing to travel at no cost to El Paso to meet with the Tribal Council to see if he could assist the Tigua Tribe.

133. Subsequently, Gordon recommended that the Tigua Tribe meet with Abramoff. The Tigua Tribal Council authorized its public relations representative, Marc Schwartz (“Schwartz”), to contact Abramoff regarding the possibility of Abramoff representing the Tigua Tribe.

134. On February 5, 2002, Reed sent an e-mail to Abramoff concerning what the Texas Attorney General was planning to do to get the district court in El Paso to shut down the Tigua Tribe’s casino. Reed allegedly made contacts inside the Attorney General’s office and told Abramoff the information came from a “source close to the AG.” Reed also discussed what the Attorney General planned to do concerning the Alabama-Coushatta Tribe’s casino, writing that, “the AG is considering going back to the judge in the Alabama Coushatta case on the same day to request an expedited order to shut down the Livingston casino.” Reed wrote further that the Attorney General planned to argue that the judge had no choice based on the Fifth Circuit ruling, and the Attorney General wanted the Alabama-Coushatta Tribe’s casino shut down immediately. In response to Reed’s e-mail, Abramoff wrote Scanlon and stated, “Whining idiot. Close the f’ing thing already!!”

135. On February 6, 2002, Scanlon sent an e-mail to Abramoff captioned, “I’m on the phone with Tigua!” In the body of the e-mail, Scanlon wrote, “Fire up the jet baby, we’re going to El Paso.” Abramoff replied, “I want all their MONEY!!!”

136. On February 11, 2002, Reed e-mailed to Abramoff a copy of a news article regarding the United States Supreme Court’s refusal to grant a stay to keep the Tigua Tribe’s casino open.

137. Also on February 11, 2002, Reed sent an e-mail to Abramoff attaching an Associated Press article concerning the Tigua Tribe’s Governor Albert Alvidrez’s claim that if

the court did not recognize the merits of the Tigua Tribe's case, the Tribe planned to seek a legislative solution. Reed stated that it "looks like we need to gear up for more fireworks, including a legislative battle - - perhaps during an election year."

138. Reed then e-mailed Abramoff again on February 11, 2002, attaching an Associated Press article related to Tigua Tribe's situation. Reed wrote that it was a "major victory" and it was now "on to Livingston." In response, Abramoff wrote, "Ultimately, as you can imagine, the main target is the AC [Alabama-Coushatta]. 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. Now let's get AC [Alabama-Coushatta]." The following day, Reed replied, "Got it. We're talking to our contacts today, now that we have the supremes on board, we're pushing hard for immediate lower court action on the AC [Alabama-Coushatta Tribe]. They want to do that and are willing, but in the end it's up to the judge. If they push too hard and insult the judge, the judge becomes difficult and it backfires. Expect to have an update for you later today."

139. On February 12, 2002, Abramoff and Scanlon met with the Tigua Tribal Council in El Paso. The following day, Schwartz wrote to Abramoff and thanked him for visiting with the Council. Abramoff forwarded the e-mail to Scanlon and wrote, "This guy NEEDS us to save his ass!!"

140. On February 18, 2002, Abramoff sent Schwartz his and Scanlon's plan to reopen the Tigua Tribe's casino. In his e-mail attaching the plan, Abramoff stated that he and Scanlon would get a federal legislative fix that would allow the Tigua Tribe to game again. Abramoff also wrote that, "coupled with this plan, we anticipate that the Tribe will have to make

approximately \$300,000 in federal political contributions.” In the plan itself, Scanlon wrote that the total cost to the Tigua Tribe would be \$5.4 million.

141. On February 19, 2002, Scanlon sent an e-mail to Abramoff attaching an article in the El Paso Times about the fact that the Tigua Tribe had to fire 450 people because it had to shut down its casino. In this e-mail, Scanlon wrote to Abramoff “this was on the front page of today’s paper while they will be voting on our plan!” Abramoff replied, “Is life great or what!!”

142. Tigua Tribe decided to hire Abramoff and Scanlon and on March 5, 2002, agreed to pay Scanlon’s company \$4.2 million.

### **Abramoff’s and Scanlon’s Proposed Legislative Fix**

143. After being hired by the Tigua Tribe, Abramoff and Scanlon devised a plan to fix the Tigua Tribe’s gaming problem by amending the language in Section 107 of the Tigua Tribe’s Restoration Act (codified at 25 U.S.C. § 1300g-6). Section 107 contains the language that the Fifth Circuit relied on in determining that the Tigua Tribe’s Restoration Act, rather than IGRA, governed whether the Tribe’s proposed gaming activities were permissible.<sup>1</sup> Abramoff and Scanlon believed that they could get a member of Congress to insert an amendment into pending legislation that would strike Section 107, thereby allowing the Tigua Tribe to game under IGRA.

144. On March 7, 2002, Abramoff and Scanlon discussed various bills in which they could insert the “Tigua provision.” During their e-mail exchange, they considered an energy bill, a terrorism insurance bill, and an employment insurance bill as potential vehicles.

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<sup>1</sup> The Restoration Act restored not only the Tigua Tribe’s trust status, but also the federal trust status of the Alabama-Coushatta Tribe. Title I (25 U.S.C. § 1300g) concerns the Tigua Tribe, and Title II (25 U.S.C. § 731) concerns the Alabama-Coushatta Tribe. The language at issue in Sections 107 (Tigua Tribe) and 207 (Alabama-Coushatta Tribe), provides: “All 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. Any violation of the prohibition provided in this subsection shall be subject to the same civil and criminal penalties that are provided by the laws of the State of Texas . . . .”

145. On March 20, 2002, Abramoff sent an e-mail to Scanlon in which he reported that Congressman Bob Ney (R-Ohio) would help them pass the Tigua bill. In his e-mail Abramoff wrote, “Just met with Ney!!! We’re f’ing gold!!!! He’s going to do Tigua. Call me.” The bill in which the Tigua Tribe’s legislative fix was to be inserted was the 2002 Election Reform Act, a bill designed in part to prevent unions and corporations from making unregulated, “soft” money contributions. Versions of the bill passed in both the House and Senate, and Congressman Ney was the House’s Manager to the joint House/Senate Conference Committee on the bill. Senator Christopher Dodd (D-Connecticut) was the Senate’s Manager to the same joint House/Senate Conference Committee.

146. During this same time period, on March 22, 2002, Reed sent Abramoff an e-mail titled “Texas plan,” which was devised to benefit the Louisiana-Coushatta Tribe. This plan was to fight efforts in the Texas Legislature that would allow the Texas Tribal casinos to re-open, including targeting pro-gaming politicians for defeat in the upcoming elections. This would allow them to “preserve our hard fought victories in Texas.”

147. On March 26, 2002, Abramoff sent an e-mail to Schwartz asking the Tigua Tribe to make \$32,000 in contributions to Congressman Ney or a Political Action Committee associated with the Congressman. In his e-mail, Abramoff wrote that Congressman Ney was the chairman of the committee doing election reform and the Tribe needed to get the money to the Congressman as soon as possible. The Tigua Tribe paid the \$32,000 requested by Abramoff.

148. On May 13, 2002, Scanlon wrote to Schwartz to give him an update on the proposed legislative fix to the Tigua Tribe’s gaming problem. In the memo, Scanlon reported to Schwartz that, “all of the major players on the election reform package have given their support.”

## **Efforts to Derail the Alabama-Coushatta Tribe's Legitimate Congressional Efforts**

149. At approximately the same time that Abramoff convinced Congressman Ney to insert the proposed legislative fix for the Tigua Tribe in the 2002 Election Reform Act, the Alabama-Coushatta Tribe was successful in getting the Senate Indian Affairs Committee to hold a hearing on the implementation of the Texas Restoration Act and its impact on the Tribe's ability to game under IGRA. The hearing was scheduled for June 18, 2002.

150. The Alabama-Coushatta Tribe asked the Tigua Tribe to participate in the hearing.

151. Schwartz discussed the Alabama-Coushatta Tribe's request with Abramoff. Because he wanted to keep his proposed legislative fix from being discovered and because he feared a hearing on the Texas Restoration Act might draw attention to his plan, Abramoff advised the Tigua Tribe not to participate in the hearing.

152. On June 5, 2002, Schwartz sent an e-mail to Abramoff with a draft of a memo he was preparing to provide to the Tigua Tribal Council. In his memo, Schwartz wrote, "with respect to the Senate hearing later this month, Jack is extremely concerned that it not take place. Toward that goal he suggested, and I passed this along to the governor and lieutenant governor last week, that we use our representatives in Washington to stop the hearing." Abramoff replied that the draft memorandum was "great."

153. The Tigua Tribe did not participate in the hearing on June 18, 2002.

## **Abramoff and Scanlon, in Violation of Their Ethical Duties to the Louisiana-Coushatta Tribe, Decide to Obtain the Alabama-Coushatta Tribe as a Client**

154. In the spring of 2002, Schwartz discussed with Abramoff the need to include the Alabama-Coushatta Tribe in the proposed legislative fix. The Tigua Tribe was concerned that if only their Restoration Act was amended to permit them to game under IGRA, then the Alabama-Coushatta Tribe would object and Congress might rescind the Tigua Tribe's amendment.

Abramoff indicated that the Alabama-Coushatta Tribe could not be included in the fix unless they were willing to pay for the effort.

155. On April 18, 2002, Abramoff sent Van Horne an e-mail requesting that he draft language that would repeal Section 207, the section of the Restoration Act that affected the Alabama-Coushatta Tribe. In the e-mail Abramoff stated, "I might have worked the deal with the Alabama-Coushattas. Don't tell anyone for now."

156. Van Horne replied that he only needed to add a section number to the draft they already had. On April 22, 2002, Van Horne sent Abramoff some additional language that would include Section 207.

157. On June 27, 2002, Abramoff again wrote to Van Horne and requested language, which would include the Alabama-Coushatta Tribe in the repeal of the anti-gaming provisions of the Restoration Act. He stated, "I believe we have come to terms with them, though Neil Volz, you and I might be the only ones who will know about this on our side." At this time, Volz was employed by Greenberg and was prohibited by federal law from lobbying his former employer, Congressman Ney. Indeed, in Volz' May 8, 2006 plea agreement, he admitted to lobbying Congressman Ney despite the one-year ban that prohibited Volz from lobbying him.

158. In Abramoff's January 3, 2006 plea agreement, he admitted that in approximately June 2002 he obtained agreement from Congressman Ney to introduce and seek passage of legislation that would lift an existing ban against commercial gaming for two tribes in Texas. The tribes were the Tigua Tribe and the Alabama-Coushatta Tribe. In Volz' May 8, 2006 plea agreement, he admitted that he contacted Congressman Ney and members of his staff and senior members of the Committee's staff to seek official support for legislation to lift the federal ban on

behalf of two tribes in Texas. Volz further admitted that Congressman Ney agreed to introduce and seek passage of the requested legislation.

159. Also on June 27, 2002, Abramoff sent an e-mail to Van Horne asking him to “draft an airtight agreement between XYZ corporation (to be named later) and the Alabama-Coushatta Tribe of Texas. In exchange for getting the Alabama-Coushatta Tribe a legislative fix for their gaming issue, Abramoff wanted to receive 10 percent of the Tribe’s gaming revenue in perpetuity.

160. On June 27, 2002, Van Horne replied asking Abramoff for details to help with drafting the agreement.

161. In discussing the structure of the agreement, they considered how to “avoid [the National Indian Gaming Commission] sniffing about.” Van Horne made additional suggestions about the advantages of a foundation and suggested that for the time being they form a for-profit entity. Abramoff responded that it would be better to sort it out now because he did not “trust these guys and this is moving mega fast.” Abramoff stated that he needed the document that day and he needed it to say that it would stay in place forever.

162. On June 28, 2002, Van Horne finalized the consulting agreement and Abramoff e-mailed the document to Schwartz and asked him to get the Alabama-Coushatta Tribe to agree to the agreement’s terms.

163. On January 17, 2002, Abramoff and Scanlon agreed to “kick” Van Horne \$20,000 from Capital Strategies the next time they “scored.” Thereafter, Abramoff and Scanlon caused Van Horne to receive a \$20,000 kickback from Capital Strategies. During his November 2, 2005 testimony before the Senate Indian Affairs Committee, Fred W. Baggett, Greenberg’s Chair of

its National Governmental Affairs practice, stated that Van Horne's receipt of the \$20,000 kickback from Capital Strategies was inappropriate.

### **3. Act Three: Fraudulently Obtaining Money to Bribe Congressman Ney**

164. On June 7, 2002, Abramoff sent an e-mail to Schwartz saying, "our friend asked if we could . . . cover a Scotland golf trip for him and some staff . . . and members in August." When Abramoff referred to "our friend," he was referring to Congressman Ney. Abramoff indicated in his e-mail that the Scotland trip would probably be billed through the Capital Athletic Foundation so that it could be done "as an educational mission."

165. Abramoff requested that the Tigua Tribe donate \$50,000 to underwrite the cost of the Ney trip to Scotland.

166. On June 13, 2002, Abramoff sent an e-mail to Schwartz concerning the Scotland trip. In the e-mail, Abramoff reminded Schwartz that the sponsoring foundation would be the Capital Athletic Foundation, and that the check should be sent to him as soon as possible.

167. On June 20, 2002, Tony Rudy, who was working in Greenberg's Government Affairs Group as a lobbyist, sent an e-mail to Todd Boulanger, a member of Greenberg's Washington, D.C. Government Affairs Group, concerning the Capital Athletic Foundation. Rudy was asking about contributions from various clients to the Capital Athletic Foundation, ostensibly for the Scotland trip. Boulanger asked what the Capital Athletic Foundation was. Rudy replied that it is something our "friends" are raising money for. Boulanger replied, "I'm sensing shadiness. I'll stop asking." Rudy replied, "your senses are good."

168. On March 31, 2006, Tony Rudy admitted in his plea agreement that he conspired with Abramoff, Scanlon and others to provide things of value to public officials to ensure favorable official action. In particular, Rudy admitted to offering Congressman Ney and members of his staff an all-expenses-paid golf trip to Scotland. Further, Rudy admitted that to

partially fund the golf trip, Rudy and Abramoff solicited \$50,000 from two clients of Greenberg by falsely representing that a Congressional Representative had requested the payments be made to the Capital Athletic Foundation.

169. On June 30, 2002, Abramoff sent an e-mail to Schwartz concerning the Scotland trip. In the e-mail, Abramoff asked Schwartz to get him confirmation and a check by the end of the week. Abramoff informed Schwartz that he was “out on a limb a bit on this.”

170. On July 2, 2002, Abramoff sent an e-mail to Schwartz concerning the proposed consulting agreement with the Alabama-Coushatta Tribe. Abramoff asked Schwartz to get the document executed by the Alabama-Coushatta Tribe as soon as possible.

171. On July 8, 2002, Abramoff e-mailed Schwartz for clarification. He asked about the consulting agreement with the Alabama-Coushatta Tribe. Abramoff stated that the Alabama-Coushatta Tribe would not be put into the bill if he didn't have something from the Tribe. Abramoff asked whether the Tribe was reviewing the document. Abramoff further stated that as soon as the Alabama-Coushatta Tribe was clear on the language in the agreement to let him know and he would give Schwartz the name of the entity. Abramoff also asked about the Scotland trip. He stated that he was getting nervous about how long it was taking and asked that Schwartz let him know if there was a problem so he could figure out how to get the trip paid for.

172. Following Abramoff's July 8, 2002 e-mail to Schwartz, the Lieutenant Governor of the Tigua Tribe, Carlos Hisa (“Hisa”), and Schwartz telephoned Abramoff. They informed Abramoff that they did not believe that the Alabama-Coushatta Tribe would sign Abramoff's “consulting agreement,” and that the Tigua Tribal Council would refuse to pay for the Scotland golf trip. Abramoff responded by stating that he would get the Alabama-Coushatta Tribe to sign

the consulting agreement. Abramoff instructed Hisa and Schwartz to get the Alabama-Coushatta Tribe to pay for Congressman Ney's trip to Scotland instead.

173. Hisa and Schwartz then met with Alabama-Coushatta Tribal Chairman, Kevin Battise. They informed Chairman Battise that they were working on changes to the Restoration Act and that Representative Ney and Senator Dodd had agreed to insert language into a bill that would permit the tribes to game under IGRA. Schwartz stated that the Tigua Tribe would be looking for support from the Alabama-Coushatta Tribe in connection with the legislative fix. Chairman Battise thought they were asking for money.

174. Chairman Battise believed that he needed to discuss the matter with the Tribal Council and a special meeting was called on July 4, 2002. During the Tribal Council meeting, Chairman Battise informed members of the Tribal Council that the Tigua Tribe was trying to get a federal legislative fix to the gaming problem. Chairman Battise also informed the Council that the Tigua Tribe had asked the Alabama-Coushatta Tribe to keep the matter confidential, including not discussing it with the Tribe's lawyers or lobbyists. Schwartz had complained to Battise that the Tribe's lobbyist, Tom Rodgers, "ran up and down the halls of the Rayborn building spreading gossip" and that if Rodgers knew about the bill, Senator Harry Ried (D-Nevada) would learn about it and kill the legislative fix.

175. On July 14, 2002, Hisa called Chairman Battise and told him that it was now time for the Alabama-Coushatta Tribe to help support the Tigua Tribe's legislative effort. Hisa informed the Chairman that the Tigua Tribe needed help paying for an educational trip to Scotland for Congressman Ney.

176. On July 15, 2002, Schwartz and Hisa faxed a July 10, 2002 memo related to the Scotland trip to Chairman Battise. In that memo, Schwartz wrote that Ney and several of his

congressional colleagues had an opportunity to travel to Scotland for a fact- finding mission during the August recess, and the cost of the trip would be \$100,000. Schwartz went on to suggest that the Tigua Tribe and the Alabama-Coushatta Tribe would divide the cost of the trip (\$50,000 per tribe) and that such donations would send a strong message to Congressman Ney.

177. On July 18, 2002, Chairman Battise called a Special Meeting of the Tribal Council. During this meeting, he passed out a copy of Schwartz's July 10, 2002 memo to the other members of the Tribal Council. Based on the memo, Chairman Battise and the other Council members believed that both the Alabama-Coushatta Tribe and the Tigua Tribe would be underwriting an educational trip to Scotland and that both tribes would contribute \$50,000 for the trip. What Chairman Battise and the Alabama-Coushatta Tribal Council did not know was that the request for \$50,000 came from Abramoff and that the Tigua Tribe was not going to provide any funding for the trip.

178. At the end of the meeting, the Alabama-Coushatta Tribal Council voted to make the donation for the Scotland trip.

179. After the meeting, Schwartz faxed a memo to Chairman Battise telling him that the Tribe's check should be made out to the Capital Athletic Foundation. Again, the memo suggested that the Tigua Tribe was also providing funds to pay for the Scotland trip.

180. On July 18, 2002, the Alabama-Coushatta Tribe issued a check to Capital Athletic Foundation in the amount of \$50,000.

181. On January 3, 2006, Abramoff admitted in his plea agreement that at his request the Alabama-Coushatta Tribe sent a check made out to Capital Athletic Foundation in the amount of \$50,000 for a golfing trip to Scotland for Representative Ney and others.

182. On July 24, 2002, Abramoff caused the \$50,000 he received from the Alabama-Coushatta Tribe to be deposited into the Capital Athletic Foundation account at the Sun Trust Bank.

183. On that same day, Reed sent Abramoff an e-mail attaching a news article discussing United States District Court Judge Hannah's order requiring Alabama-Coushatta Tribe to close their tribal casino. Reed announced that this was evidence of a "total victory."

184. Abramoff forwarded the e-mail to Scanlon, telling him to ignore Reed. Instead, Abramoff told Scanlon to call the Louisiana-Coushatta Tribe and tell the Tribe that Abramoff and Scanlon needed more money to fight the Alabama-Coushatta Tribe, even as the Alabama-Coushatta Tribe was preparing to shut down its casino.

185. Perhaps no single event demonstrates the true measure of the Defendants' corruption than the above one. On the very day Abramoff accepted money from the Alabama-Coushatta Tribe, purportedly to help get Congress to give the Tribe the right to game under IGRA, he was telling his co-conspirator Scanlon to get money from the Louisiana-Coushatta Tribe to fight the efforts of the Alabama-Coushatta Tribe to game under IGRA.

186. Indeed, Abramoff has readily admitted to such corruption. In Abramoff's January 3, 2006 plea agreement, he admitted that he knew he had a duty to disclose all relevant facts to his lobbying clients, including conflicts of interest and any financial interest in fees paid to others. Further, he admitted that at no time did Abramoff, Scanlon, or others working with them disclose that beginning in 2001, Abramoff, his firms, and Scanlon had collected millions of dollars in fees from a Louisiana Tribe to oppose all gaming in the Texas Legislature. Additionally, Abramoff admitted that he failed to disclose that he opposed legislation in the Texas legislature that would have provided a basis to open Texas tribal casinos under State law.

Abramoff admitted to knowing that while being supported by a Texas tribe to promote legislation to allow gaming in Texas, he worked to prevent the same on behalf of another client.

187. Moreover, an October 15, 2002 e-mail from within Greenberg indicates that the firm was aware that Abramoff was conducting work on behalf of the Tigua Tribe. A member of the firm, whose name has been redacted, sent Abramoff an email, “Hello Jack, who do we bill the Tigua stuff too [sic]?”

188. On July 25, 2002, Abramoff sent Scanlon an e-mail that said, “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.”

189. Within days of fraudulently soliciting the \$50,000 from the Alabama-Coushatta Tribe, Abramoff knew the legislative fix could not occur. Nevertheless, Abramoff never advised either the Alabama-Coushatta Tribe or the Tigua Tribe of this material information.

190. In August, the golf trip continued as planned. But, rather than Congressman Ney traveling with his staff, he was accompanied on the trip by Abramoff, Reed and Volz, the very individuals who worked to shut down the Alabama-Coushatta Tribe’s casino in the first place.

191. On August 10, 2002, members of the Tigua Tribe were scheduled to meet with Congressman Ney, allegedly to discuss the legislation. In an e-mail from Abramoff to Schwartz on August 10, 2002, Abramoff stated “[Ney] had a great time and is very grateful, but is not going to mention the trip to Scotland for obvious reasons. He said he’ll show his thanks in other ways which is what we want.”

192. In Abramoff's January 3, 2006 plea agreement, he admitted that he used the \$50,000 donation from the Alabama-Coushatta Tribe to illegally influence Congressman Ney.

193. The 2002 Election Reform Act passed without the proposed "fix" for Alabama-Coushatta Tribe or Tigua Tribe being inserted into the legislation.

194. In an October 8, 2002 e-mail, Scanlon wrote to Abramoff stating, "I know you are pissed about the Tigua thing but we gotta do the best we can to recover." Abramoff replied that he was not really pissed at Scanlon, that he had Ney on the phone with the tribal council that day, and that they were still fine with Schwartz. Abramoff further wrote, "get our money back from that mother fu[...]er who was supposed to take care of dodd."

195. To this day, the Alabama-Coushatta Tribe has not recovered from the Defendants' actions. The Defendants' engaged in continuous acts of fraud and racketeering that were designed to prevent the Alabama-Coushatta Tribe from operating a casino and to elicit money from the Tribe. The Defendants' schemes were successful and as a result of their activities the Texas legislative reform was stymied and a federal solution is yet to be realized.

#### **F. RICO Predicate Acts**

196. In connection with racketeering acts 1 through 3, in the Western District of Texas and elsewhere, Abramoff, Scanlon, Reed, Greenberg, Van Horne, and Volz aided and abetted by each other, devised and intended to devise a scheme and artifice to defraud the citizens of Texas, the Alabama-Coushatta Tribe, and the Tigua Tribe of honest governmental services, by failing to register as lobbyists under Texas law, and otherwise hiding the fact that they were lobbying against HB 514 and SB 253 on behalf of the Louisiana-Coushatta Tribe. Although the fraud was broad-based, the Alabama-Coushatta Tribe was the intended victim of the schemes and artifices. Indeed, the Defendants' goal was to prevent the Alabama-Coushatta Tribe from gaming pursuant

to Texas State law and the Defendants achieved that goal. In doing so, Defendants violated Title 18, United States Code, Sections 1341, 1343 and 1346.

**1. Act One: Predicate Acts**

197. For the purpose of executing and attempting to execute the scheme and artifice to defraud the citizens of Texas, the Texas Legislature and the Alabama-Coushatta Tribe of honest governmental services, by failing to register as lobbyists under Texas law, and otherwise hiding the fact that they were lobbying against HB 514 and SB 253 on behalf of the Louisiana-Coushatta Tribe, Abramoff, Scanlon, Reed, and Greenberg did cause to be delivered in the United States Mail and did transmit and cause to be transmitted in interstate commerce by means of wire communications, the following mailings and communications, in violation of Title 18, United States Code, Sections 1346 as incorporated through § 1341 and § 1343:

- a. March 28, 2001, e-mail from Reed to Abramoff;
- b. Second March 28, 2001, e-mail from Reed to Abramoff;
- c. March 28, 2001, e-mail from Abramoff to Van Hoof;
- d. March 30, 2001, e-mail from Reed to Abramoff;
- e. March 30, 2001, e-mail from Abramoff to Van Hoof;
- f. March 31, 2001, e-mail from Reed to Abramoff;
- g. March 31, 2001, e-mail from Abramoff to Van Hoof;
- h. April 1, 2001, mailing from Reed to Texas registered voters;
- i. April 2, 2001, e-mail from Abramoff to Van Hoof;
- j. April 2, 2001, e-mail from Reed to Abramoff;
- k. Second April 2, 2001, e-mail from Abramoff to Van Hoof;
- l. April 5, 2001, e-mail from Reed to Abramoff;

- m. April 5, 2001, e-mail from Abramoff to Van Hoof;
- n. April 6, 2001, e-mail from Reed to Abramoff;
- o. April 6, 2001, e-mail from Abramoff to Van Hoof;
- p. Second April 6, 2001, e-mail from Reed to Abramoff;
- q. Second April 6, 2001, e-mail from Abramoff to Van Hoof;
- r. April 25, 2001, e-mail from Reed to Abramoff;
- s. April 25, 2001, e-mail from Abramoff to Van Hoof;
- t. April 30, 2001, letter from American International to Century Strategies;  
and
- u. May 1, 2001 fax from National Media to Century Strategies.

**2. Act Two: Predicate Acts**

198. Abramoff, Scanlon, Reed, Greenberg, Van Horne, and Volz devised a scheme and artifice to defraud the Alabama-Coushatta Tribe, whereby while working on behalf of the Louisiana-Coushatta Tribe to shut down the Alabama-Coushatta Tribe and the Tigua Tribe's casinos, thereby creating a need for Defendants' services, sought to secure both the Alabama-Coushatta Tribe and the Tigua Tribe as clients. In doing so, Defendants violated Title 18, United States Code, Sections 1343 and 1346.

199. For the purpose of executing and attempting to execute the scheme and artifice to defraud the Alabama-Coushatta Tribe and the Tigua Tribe, whereby Defendants, while working on behalf of the Louisiana-Coushatta Tribe to shut down the Alabama-Coushatta Tribe and Tigua Tribe's casinos, thereby creating a need for Defendants' services, sought to secure both the Alabama-Coushatta Tribe and Tigua Tribe as clients, Abramoff, Scanlon, Reed, Greenberg, Van Horne, and Volz did transmit and cause to be transmitted in interstate commerce by means of

wire communications, the following communications, in violation of Title 18, United States Code, Sections 1343 and 1346:

- a. October 5, 2001, e-mails from Scanlon to Abramoff;
- b. October 5, 2001, e-mails from Abramoff to Scanlon;
- c. October 7, 2001, e-mail from Abramoff to Reed;
- d. October 8, 2001, e-mail from Rodney Lane to Linda Ingram;
- e. October 8, 2001, email from Linda Ingram to Reed;
- f. October 8, 2001, email from Reed to Ingram;
- g. October 8, 2001, email from Abramoff to Reed;
- h. October 8, 2001, email from Abramoff to Scanlon;
- i. October 10, 2001, e-mails from Reed to Abramoff;
- j. October 10, 2001, e-mails from Abramoff to Reed;
- k. November 9, 2001, e-mail from Reed to Abramoff;
- l. November 11, 2001, e-mail from Scanlon to Reed and copying Eric Criss;
- m. November 12, 2001, e-mail from Abramoff to Reed;
- n. November 12, 2001, e-mail from Reed to Abramoff;
- o. Second November 12, 2001, e-mail from Abramoff to Reed;
- p. November 13, 2001, e-mail from Abramoff to Reed;
- q. November 13, 2001, interstate telephone call between Abramoff (D.C.) and Rogers (New Mexico);
- r. November 13, 2001, interstate telephone call between Rogers (New Mexico) and Rule (California);

- s. November 14, 2001, interstate telephone call between Rogers (New Mexico) and Rule (California);
- t. November 14, 2001, interstate telephone call between Abramoff (D.C.) and Rogers (New Mexico);
- u. Second November 14, 2001, interstate telephone call between Rogers (New Mexico) and Rule (California);
- v. November 14, 2001, e-mail from Reed to Abramoff;
- w. November 14, 2001, e-mail from Abramoff to Reed;
- x. December 3, 2001, e-mail from Abramoff to Reed;
- y. December 3, 2001, e-mail from Reed to Abramoff;
- z. Second December 3, 2001, e-mail from Abramoff to Reed;
- aa. December 19, 2001, e-mails from Scanlon to Abramoff;
- bb. December 19, 2001 emails from Abramoff to Scanlon;
- cc. January 7, 2002, e-mail from Abramoff to Reed;
- dd. January 7, 2002, e-mail from Reed to Abramoff;
- ee. Second January 7, 2002, e-mail from Reed to Abramoff;
- ff. Second January 7, 2002, e-mail from Abramoff to Reed;
- gg. Third January 7, 2002, e-mail from Reed to Abramoff;
- hh. January 24, 2002, e-mails from Reed to Abramoff;
- ii. January 24, 2002, e-mails from Abramoff to Reed;
- jj. February 3, 2002, interstate telephone call between Rogers (New Mexico) and Gordon (Texas);
- kk. February 5, 2002, e-mail from Reed to Abramoff;

- ll. February 11, 2002, e-mail from Reed to Abramoff;
- mm. February 11, 2002, e-mail from Abramoff to Reed;
- nn. Second February 11, 2002, e-mail from Reed to Abramoff;
- oo. Second February 11, 2002, e-mail from Abramoff to Reed;
- pp. February 12, 2002, e-mail from Reed to Abramoff;
- qq. February 18, 2002, e-mail from Abramoff to Schwartz;
- rr. March 22, 2002, e-mail from Reed to Abramoff;
- ss. March 26, 2002, e-mail from Abramoff to Schwartz;
- tt. June 5, 2002, e-mail from Schwartz to Abramoff; and
- uu. June 28, 2002, e-mail from Abramoff to Schwartz.

**3. Act Three: Predicate Acts**

200. Abramoff, Scanlon, Reed, Greenberg, Van Horne, and Volz devised a scheme and artifice to defraud the Alabama-Coushatta Tribe, by causing the Tigua Tribe to solicit, in a deceptive manner, a \$50,000 donation from the Alabama-Coushatta Tribe, and thereafter using that money to illegally influence Congressman Bob Ney. In doing so, Defendants violated Title 18, United States Code, Sections 1343 and 1346.

201. For the purpose of executing and attempting to execute the scheme and artifice to defraud the Alabama-Coushatta Tribe, by causing the Tigua Tribe to solicit, in a deceptive manner, a \$50,000 donation from the Alabama-Coushatta Tribe, and thereafter using that money to illegally influence Congressman Bob Ney, Abramoff, Scanlon, Reed, Greenberg, Van Horne and Volz did transmit and cause to be transmitted in interstate commerce by means of wire communications, the following communications, in violation of Title 18, United States Code, Sections 1343 and 1346:

- a. June 7, 2 002, e-mail from Abramoff to Schwartz;
- b. June 13, 2002, e-mail from Abramoff to Schwartz;
- c. June 30, 2002, e-mail from Abramoff to Schwartz;
- d. July 2, 2002, e-mail from Abramoff to Schwartz;
- e. July 8, 2002, e-mail from Abramoff to Schwartz;
- f. October 8, 2002 e-mail from Scanlon to Abramoff; and
- g. October 8, 2002 e-mail from Abramoff to Scanlon.

**G. The Defendants Participated in the Affairs of Enterprise Through Pattern of Racketeering.**

202. Abramoff, Scanlon, Reed, Greenberg, Van Horne, and Volz participated in numerous predicate acts that were continuous and related, and constitute a pattern of racketeering activity as defined by 18 U.S.C. § 1961(5).

203. The predicate acts engaged in by Abramoff, Scanlon, Reed, Greenberg, Van Horne, and Volz are related in that each amounted to a scheme or schemes with the common goal to defraud the public, the Alabama-Coushatta Tribe and the Tigua Tribe in order to halt and interfere with tribal gaming in Texas.

204. The continuity of the illegal conduct can be shown because the predicate acts complained of began in March of 2001 and continued occurring through October of 2002, and thereby amounted to a closed period of repeated conduct incurring over a substantial period of time. In the alternative, the illegal conduct complained of threatened continued activity, thereby amounting to an open-ended period of repeated conduct.

**H. RICO Injury**

205. The Alabama-Coushatta Tribe has been and continues to be injured in its business and property as a result of Defendants' violations of 18 U.S.C. § 1962(c).

206. As a direct and proximate result of Defendants' acts, the Alabama-Coushatta Tribe suffered actual and consequential damages in an amount to be proven at trial.

207. Defendants are liable to the Alabama-Coushatta Tribe for treble damages, together with all costs and reasonable attorneys' fees, as provided for in Title 18, United States Code, Section 1964(c).

**V. Count 2: RICO Conspiracy  
(Against All Defendants)**

208. Plaintiff repeats and realleges each and every allegation contained in Paragraphs 1 through 207 of the Complaint as if fully set forth herein.

209. As evidenced by their acts and omissions set forth in Paragraphs 1 through 202 and incorporated herein by reference, Abramoff, Scanlon, Reed, Greenberg, Van Horne, and Volz agreed and conspired to participate in the conduct of the affairs of the enterprise through a pattern of racketeering in violation of Title 18, United States Code, Section 1962(d).

210. Abramoff, Scanlon, Reed, Greenberg, Van Horne, and Volz came to a mutual understanding to attempt to accomplish a common and unlawful plan. While being associated with the enterprise, they engaged in activities that affected interstate commerce, or conducted the affairs of the enterprise through a pattern of racketeering activity, in the manner alleged above.

211. Abramoff, Scanlon, Reed, Greenberg, Van Horne, and Volz knowingly and willfully became members of a conspiracy by objectively indicating, through their words and actions, their agreement to conduct or participate, directly or indirectly, in the conduct of the affairs of the enterprise through a pattern of racketeering activity.

212. At least one of the conspirators committed at least one overt act during the existence of the conspiracy in an effort to accomplish some object or purpose of the conspiracy, as shown by the overt acts described above.

213. The Alabama-Coushatta Tribe has been and continues to be injured in its business and property as a result of Defendants' violations of 18 U.S.C. § 1962(d).

214. As a direct and proximate result of Defendants' acts, the Alabama-Coushatta Tribe suffered actual and consequential damages in an amount to be proven at trial.

215. Defendants are liable to the Alabama-Coushatta Tribe for treble damages, together with all costs and reasonable attorneys' fees, as provided for in Title 18, United States Code, Section 1964(c).

**VI. COUNT 3: Tortious Interference With Contracts  
and Prospective Economic Advantage (Against All Defendants)**

216. Plaintiff repeats and realleges each and every allegation contained in Paragraphs 1 through 215 of the Complaint as if fully set forth herein.

217. There was a reasonable probability that the Alabama-Coushatta Tribe would have entered into multiple business relationships and contracts through the process of operating its casino lawfully in Texas.

218. The Defendants acted maliciously by intentionally preventing the business relationships and contracts from occurring with the purpose of harming the Alabama-Coushatta Tribe. Indeed, Defendants prevented HB 514 from becoming law in order to shutter the Alabama-Coushatta Tribe's casino and to prevent lawful gaming by the Tigua Tribe and the Alabama-Coushatta Tribe in Texas.

219. The Defendants directly lobbied members of the executive and legislative branch without registering as lobbyists in violation to Texas Government Code § 305.001 *et seq.* Defendants made misrepresentations of material facts and false statements to members of the executive and legislative branch concerning the origins of the lobbying they were conducting in violation to Texas Government Code § 305.021 and 305.031. Defendants pursued legislative

advertising through radio ads, post cards and mailing pieces without disclosing the true source of the opposition to HB 514 in violation of Texas Government Code § 305.027. Defendants prevented HB 514 and SB 253 from becoming law by preventing the bill from coming to the floor for a vote. Having failed to register as lobbyists, to disclose the true source of their opposition efforts, or to disclose the source of the legislative advertising, the Defendants were not privileged or justified in their actions.

220. As a proximate result of Defendants' conduct and the facts herein alleged, the Texas bill that would have allowed the Alabama-Coushatta Tribe to lawfully operate its casino without the necessity of a federal legislative fix was prevented from becoming law and the Alabama-Coushatta Tribe was unable to lawfully operate its casino. As a direct and proximate result of Defendants' conduct, the Alabama-Coushatta Tribe has been damaged in an amount to be determined at trial.

221. The aforementioned conduct of Defendants was committed with an evil mind, with the intent of depriving the Alabama-Coushatta Tribe of property and/or legal rights or otherwise causing injury, and was malicious and despicable conduct that subjects the Alabama-Coushatta Tribe to a cruel and unjust hardship in conscious disregard of the Alabama-Coushatta Tribe's rights so as to justify an award of exemplary and punitive damages.

**VII. Count 4: Common Law Fraud Concerning Scotland Trip  
(Against Greenberg, Scanlon, Van Horne, Volz)**

222. Plaintiff repeats and realleges each and every allegation contained in Paragraphs 1 through 221 of the Complaint as if fully set forth herein.

223. Defendants caused false statements to be made to the Alabama-Coushatta Tribe concerning making a \$50,000 donation to Capital Athletic Foundation. Abramoff instructed the Tigua Tribe to obtain \$50,000 from the Alabama-Coushatta Tribe to fund a trip for Congressman

Ney to Scotland. Abramoff caused the Tigua Tribe to send a false memorandum to the Alabama-Coushatta Tribe and to make false statements concerning the parties involved and the purposes behind the trip to Scotland.

224. The Alabama-Coushatta Tribe was led to believe that a contribution was being made to the Capital Athletic Foundation for an educational mission. The Tribe was further led to believe that the parties involved were working to obtain a legislative fix to their Restoration Act. The Alabama-Coushatta Tribe were not told that Abramoff, Greenberg, and Scanlon were involved or that Abramoff, Greenberg and Scanlon were actively working at the same time to shut down the Alabama-Coushatta Tribe's casino and to prevent it from re-opening on behalf of another client.

225. When Abramoff instructed the Tigua Tribe to make the false statements to the Alabama-Coushatta Tribe, Defendants knew the statements were false.

226. Defendants conspired and caused the statements to be made with the intention that the Alabama-Coushatta Tribe act upon the statements. Indeed, the concern was to obtain the \$50,000 check from the Alabama-Coushatta Tribe in time to cover the trip and to prevent the Alabama-Coushatta Tribe from moving forward with their legislative efforts to obtain a fix to their Restoration Act. Defendants even went so far as to tell the Alabama-Coushatta Tribe not to inform their lawyers or lobbyists about the donation and to stop all their efforts until the issue was settled.

227. The Alabama-Coushatta Tribe took the false memorandum and statements to the tribal council vote and acted in reliance upon the information in deciding to issue the \$50,000 check to the Capital Athletic Foundation.

228. The Alabama-Coushatta Tribe's check was used for an illegal bribe of Congressman Ney. Even after Defendants became aware that the legislation they were attempting to have passed would not be included in the election bill, they kept the \$50,000 from the Tribe and Abramoff, Volz, Ney, Reed and others took the trip to Scotland, in part using the Alabama-Coushatta Tribe's funds.

229. As a proximate result of Defendants' activities, the Alabama-Coushatta Tribe has been damaged in an amount to be determined at trial.

230. The aforementioned conduct of Defendants was committed with an evil mind, with the intent of depriving the Alabama-Coushatta Tribe of property and/or legal rights or otherwise causing injury, and was malicious and despicable conduct that subjects the Alabama-Coushatta Tribe to a cruel and unjust hardship in conscious disregard of the Alabama-Coushatta Tribe's rights so as to justify and award of exemplary and punitive damages.

**VIII. COUNT 5: Common Law Fraud Concerning HB 514  
(Against Abramoff, Scanlon, and Reed)**

231. Plaintiff repeats and realleges each and every allegation contained in Paragraphs 1 through 230 of the Complaint as if fully set forth herein.

232. Defendants Abramoff, Scanlon, Reed, and Greenberg made material misrepresentations and false statements concerning the origins of their lobbying activities, by representing that their opposition efforts concerning HB 514 and SB 253 were from Christian organizations, when in reality the efforts were being funded by an out-of-state gaming tribe wishing to protect its competitive advantage. The Defendants unlawfully directly lobbied members of the executive and legislative branches without registering as lobbyists, in violation of Texas Government Code § 305.001 *et seq.* Defendants unlawfully made misrepresentations of material facts and false statements to members of the executive and legislative branches

concerning the origins of the lobbying they were conducting, in violation of Texas Government Code § 305.021. Defendants unlawfully pursued legislative advertising through radio ads, post cards and mailing pieces without disclosing the true source of the opposition to HB 514 and SB 253, in violation of Texas Government Code § 305.027.

233. The Defendants made the false statements and misrepresentations with the knowledge of their falsity and with the intent to deceive the executive and legislative branches, the public, and the Texas gaming tribes, including the Alabama-Coushatta Tribe.

234. Defendants made the false statements and material misrepresentations with the intention that the executive and legislative branches act on them to prevent the legislation from passing. Additionally, Defendants made the false statements with the intention or with reason to expect that Alabama-Coushatta Tribe would refrain from launching a counter-campaign pointing out that a Louisiana tribal casino was making such efforts to prevent competition in Texas. Moreover, Defendants made the false statements with the intention or with reason to expect that the Alabama-Coushatta Tribe would refrain from making government-to-government and family contacts with the Louisiana-Coushatta Tribe to put a stop to the lobbying efforts.

235. The Alabama-Coushatta Tribe did not launch such a counter ad campaign in reliance on the fact that the opposition efforts were in fact from the Christian organizations. Moreover, members of the legislative branch took actions in reliance on the false statements and material misrepresentations of Defendants by initially plugging the bill in the calendar committee and later by preventing Senator Shapleigh from bringing the bill to the floor for a vote. Also, in reliance on the fact that the opposition efforts were in fact from Christian organizations the Alabama-Coushatta Tribe did not contact the Louisiana-Coushatta Tribe to request they cease their campaign.

236. As a direct and proximate consequence of Defendants' actions, the Alabama-Coushatta Tribe was prevented from lawfully operating a tribal casino under Texas law. The Alabama-Coushatta Tribe has been damaged in an amount to be determined at trial.

237. The aforementioned conduct of Defendants was committed with an evil mind, with the intent of depriving the Alabama-Coushatta Tribe of property and/or legal rights or otherwise causing injury, and was malicious and despicable conduct that subjects the Alabama-Coushatta Tribe to a cruel and unjust hardship in conscious disregard of the Alabama-Coushatta Tribe's rights so as to justify and award of exemplary and punitive damages.

**IX. Count 6: Civil Conspiracy Concerning HB 514  
(Against Abramoff, Scanlon, and Reed )**

238. Plaintiff repeats and realleges each and every allegation contained in Paragraphs 1 through 237 of the Complaint as if fully set forth herein.

239. Defendants Abramoff, Scanlon, Reed, and Greenberg conspired to defraud the Texas Legislature, the Lieutenant Governor of Texas, the citizens of Texas, the Tigua Tribe and Alabama-Coushatta Tribe concerning the origins of the lobbying efforts they undertook against the passage of HB 514.

240. There was a meeting of the minds on the course of action, as evidenced by all the activities undertaken to conceal the true origins of the funds used and the active concealment by all the Defendants of the fact that Louisiana-Coushatta Tribe was paying for the lobbying campaign.

241. It was unlawful for Defendants to lobby without registering under Texas Government Code 305.001 *et seq.* and to use legislative advertising without making the required disclaimers.

242. As a proximate result of Defendants' unlawful activities, they achieved their goal and stopped HB 514 from becoming law and its intended victim, the Alabama-Coushatta Tribe, was unable to lawfully operate their casino.

243. The Alabama-Coushatta Tribe was damaged in an amount to be determined at trial.

244. The aforementioned conduct of Defendants was committed with an evil mind, with the intent of depriving the Alabama-Coushatta Tribe of property and/or legal rights or otherwise causing injury, and was malicious and despicable conduct that subjects the Alabama-Coushatta Tribe to a cruel and unjust hardship in conscious disregard of the Alabama-Coushatta Tribe's rights so as to justify and award of exemplary and punitive damages.

WHEREFORE, the Plaintiff requests the Court for:

- a. General and compensatory damages as established at trial;
- b. Economic damages as established at trial;
- c. Treble damages, as provided for in Title 18, United States Code, Section 1964(c);
- d. Attorneys' fees under Title 18, United States Code, Section 1964(c) and other applicable statutes or law;
- e. All costs incurred herein;
- f. Prejudgment interest;
- g. Exemplary and punitive damages as established at trial; and
- h. Such other relief as the Court deems just.

DATED this 12<sup>th</sup> day of July, 2006.

Respectfully Submitted,

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