

Casino deal under attack

Conway – Political sparks flew Monday as Horry County Council prepared for a final vote on a 10-year contract with the casino boat industry.

A Little River councilman and a state lawmaker called the contract a „sweetheart deal“ that will hurt Little River and said they would ask the courts to examine whether it’s legal.

Councilman Harold Worley and Rep. Tracy Edge, R-North Myrtle Beach, aired the criticisms at a news conference at the county justice center.

Florida-based SunCruz Casino shot back, saying it’s being unfairly attacked after agreeing to pay the county as much as USD 23 million over a decade and recently spending USD 1 million to improve the Little River docks.

County Council meets tonight to make a final decision on the casino boat industry contract, which allows gambling operations in Little River to expand in exchange for a decade-long per-passenger boarding fee that would begin at USD 5 and increase to USD 6 in five years.

„I believe the county should tax the boats and not give them a sweetheart deal,“ Edge said. „The boats will not be paying their fair share and will increase their business.“

If the fee contract is approved, Edge and Worley vowed to ask the courts for a „declaratory judgment,“ a ruling on whether the contract is constitutional. If ruled unconstitutional, the county could be sent back to square one in its long struggle to regulate the casino boat industry.

Little River’s two gambling boats attract about 275,000 visitors to the waterfront each year, and the county estimates the proposed boarding fee will generate at least USD 1.37

million per year.

Worley and Edge say the county should tax the industry's gross gambling proceeds as allowed under a state law passed last year. That law allows a 5 percent tax on all money a casino boat wins and pays out. The county could also ban the boats under the law.

„We have these guys backed up against a wall, and this [USD 5 fee] ordinance turns them loose,“ Worley said.

SunCruz says it is willing to pay the county but that a tax on gross proceeds is unconstitutional because gambling is illegal in South Carolina and all gaming occurs outside state waters. The company is fighting the state Department of Revenue in court over the agency's attempts to collect financial information on its gaming machines.

„The intent was good, and we appreciate that, but you can't tax something that doesn't happen in your state,“ SunCruz Chairman Robert Weisberg said.

Weisberg said he doesn't understand why Worley and Edge are trying to derail the agreement at the last moment.

The boarding fee agreement will equal USD 23 million to the county and could be used for public upgrades such as new EMS equipment in Little River, Weisberg said.

Meanwhile, Weisberg and his partner, SunCruz Executive Vice President Spiros Naos, recently bought up a large chunk of the Little River waterfront and made USD 1 million worth of upgrades, he said.

„We love Little River. That's why we put our money where our mouth is,“ Weisberg said.

Naos said the debate on boarding fees often has been clouded by inaccuracies and political attacks, such as Worley's assertions that the casino boat industry is associated with

crime.

„As the days have gone by, I think more of [the council members] have gotten to know us and they know what the real story is and hopefully we will get a resolution,“ Naos said.

Council Chairwoman Liz Gilland, who along with Councilman Mark Lazarus hammered out the boarding fee contract with the industry, said she favors getting money from the casino boat industry instead of fighting them in court.

„My bottom line is, if they are going to stay they must pay. I am tired of waiting,“ Gilland said.