

# Ruling could slow pace of Indian casino development

By Steve Green, Las Vegas Sun

Wall Street analysts say a U.S. Supreme Court ruling could stall development of some Indian casinos around the country – a situation that casino opponents are already seizing upon.

The court on this month allowed a lawsuit to proceed in which a foe of the Gun Lake Casino in Michigan, David Patchak, is challenging the federal government's decision to take land into trust on behalf of the Gun Lake tribe – a key step in establishment of Indian reservations and casinos.

The Gun Lake casino was developed in partnership with Station Casinos LLC of Las Vegas, which has a 50 percent interest in the casino management company. It opened in February 2011. Gun Lake won't be affected anytime soon – if at all – by the court ruling since the court didn't rule on the merits of the casino foe's lawsuit. It simply allowed his suit to proceed.

Nevertheless, analysts at Fitch Ratings on Tuesday said the ruling could have "several key credit implications for the gaming sector."

The ruling is likely to increase challenges from Indian casino foes to land-into-trust decisions for tribes, Fitch said.

That's partly because it lengthens the statute of limitations for court review of such decisions from 30 days to six years, the Fitch analysts said in a report.

"Raising capital for Native American casino projects could become more difficult/expensive, as investors are likely to have heightened concern about potential challenges regarding land-into-trust decisions," Fitch said.

But in a bit of good news for established Indian gaming operations, the decision may benefit them by delaying competing projects, Fitch said.

Some of the tribes that could be affected are the Graton Rancheria and North Fork Rancheria in California, Fitch said.

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