

STATE OF NEW YORK
COMMISSION ON PUBLIC INTEGRITY

In the Matter

of

Powers, Crane and Company,
LLC Crane & Vacco,
LLC Crane Consulting,
LLC and James Crane II

EXAMINATION UNDER OATH of WILLIAM J. BISSETT,
held at 540 Broadway, Albany, New York, on December 15,
2008, commencing at 10:00 a.m., before Jeanne
O'Connell, Registered Professional Reporter and Notary
Public, in and for the State of New York.

A P P E A R A N C E S:

STNY Commission on Public Integrity
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Delaware North Companies, Inc.
40 Fountain Plaza
Buffalo, New York 14202-2285
By: D. Charles Roberts, Jr.,
Corporate Counsel

1 WILLIAM J. BISSETT,
2 After first having been duly sworn, was examined and
3 testified as follows:

4 BY MR. MICCIO:

5 Q. Mr. Bissett, thank you for coming today
6 voluntarily. I appreciate that. So does the
7 Commission.

8 We are here in the matter of Powers Crane &
9 Company, Crane & Vacco, LLC, Crane Consulting, LLC
10 and James Crane II. The Commission, the former New
11 York State Commission on Lobbying, issued referrals
12 to part of the registered lobbyists. And we have a
13 continuing action of entities and the individuals.

14 If I might start the questions. I have with
15 me Bridget Holohan, Associate Counsel, and Shari
16 Calnero, Associate Counsel with the Commission, here
17 assisting me today.

18 Could you please state your name and business
19 title for the record, please.

20 A. William J. Bissett, President of the Gaming and
21 Entertainment Company, one of the Delaware North
22 Companies. Our address is 40 Fountain Plaza, Buffalo,
23 New York.

24 Q. What was your position with Delaware North in
25 the years 2003, 2004?

1 A. I was the Vice President of External Affairs for
2 Delaware North.

3 Q. Can you explain what the duties of that position
4 were?

5 A. I had a number of duties in those years. I was
6 responsible for the government affairs business of the
7 company, which meant that we had legislative issues at
8 the federal or state level in all the states we do
9 business in. I was involved in monitoring and setting
10 those legislative agendas.

11 If we had procurement issues in a city,
12 county, state, federal jurisdiction, I was involved
13 in those procurement processes.

14 Q. Generally government relations; is that correct?

15 A. That was one facet of it. I was responsible for
16 the public relations of communications part at Delaware
17 North at the time as well, which meant that anything
18 that we were doing in the public domain that had a
19 communications or public relations component to it, I
20 was involved in establishing the policy and seeing it
21 was implemented out of our office.

22 I was responsible for the charitable giving
23 activities of a company at the Buffalo office and
24 around the country, as well. I was doing a number
25 of things.

1 Q. How long were you in that position,
2 approximately?

3 A. Seven or eight years, I would think. I don't
4 know the exact timeline.

5 Q. In that position did you retain lobbyists for
6 Delaware North?

7 A. I did, yes.

8 Q. Was it also your responsibility in choosing the
9 lobbying firms that were retained by Delaware North?

10 A. I was part of the decision-making process to
11 retain a firm, yes.

12 We also, depending upon what the nature of
13 the need was -- if it was procurement, for example,
14 and we needed a person to introduce us to local
15 businesses in a jurisdiction, oftentimes the
16 subsidiary president who was involved in the
17 procurement at Delaware North would make a joint
18 decision with me. So, it depends on the nature of
19 the assignment, frankly.

20 Q. But you are usually the party to the retaining
21 of lobbyists of any type?

22 A. I was.

23 Q. What lobbying firms did Delaware North retain in
24 the years 2003, 2004 in New York State?

25 A. Did we retain or did we have existing

1 relationships with or?

2 Q. Well, were under contract with, put it that way.

3 A. I believe we had a contractual relationship with
4 Brian Mirra, and I believe we had a relationship with
5 or had entered into a relationship with -- I am not
6 sure of the dates -- with Powers Crane.

7 Q. Was your relationship with Crane & Vacco in
8 2004?

9 A. I am not sure of the dates, but whenever Crane
10 would have left Powers and set up another firm, if that
11 was the general timeline, yes.

12 Q. He left in 2004.

13 A. That would have been a transition period to
14 Crane & Vacco, yes.

15 Q. What was the basis on which the Powers Crane &
16 Company firm and Crane & Vacco firm were selected by
17 Delaware North?

18 A. Well, we wanted to make certain someone had the
19 ability to introduce us to people involved in our
20 businesses, to keep track of our businesses where we
21 had issues at the time, had the reputation we were
22 looking for at the time to conduct those businesses.
23 Generally, that was the case.

24 Q. Did you negotiate, have oversight approval of,
25 the lobbying agreements with these two firms, 2003,

1 2004?

2 A. I would have been party to negotiating the
3 financial terms of those agreements, yes.

4 Q. Also as to the duties involved with those firms?

5 A. Yes, for the most part, yes.

6 Q. I am going to ask you who Delaware North retains
7 today as New York lobbyists?

8 A. Yes. We have Crane & Vacco still represents us.
9 Brian Mirra represents us to this day, and Patricia
10 Lynch and Associates represent us at this time.

11 Q. With regard to Powers Crane & Company, in 2003
12 you say you negotiated a retainer agreement with them?

13 A. Yes.

14 Q. Who were the individuals at Powers Crane &
15 Company who worked with Delaware North in its lobbying
16 efforts in New York?

17 A. Well, initially it was Bill Powers and Connie
18 Crane. I don't remember the exact time when I would
19 have been introduced to Jim Crane, but at the time we
20 first hired them it was Bill Powers and Connie Crane.

21 Q. Did you speak with or have contact with Jim
22 Crane while Powers Crane & Company was still
23 representing Delaware North?

24 A. You know, I don't recall. My main contacts were
25 Bill Powers and Connie while that firm represented us.

1 Q. In 2004, when Crane & Vacco became
2 representatives or lobbyists -- I believe that was the
3 year -- who was your contact with Crane & Vacco?

4 A. Jim Crane was the primary contact.

5 Q. Do you recall any particular -- this is a very
6 broad question. It's framed this way.

7 Do you recall any particular conversations
8 with Bill Powers, Connie Crane, Jim Crane, Dennis
9 Vacco or any other employee of either of the firms
10 about the representation of Delaware North,
11 particularly regarding the issues they'd be lobbying
12 about, compensation, reimbursement for expenses,
13 political contributions? Any of those things were
14 discussed in any detail with those people?

15 MR. KEARNEY: Object to the form.

16 MR. MICCIO: I can go through this
17 individually if you want me to.

18 MR. KEARNEY: The question is: Do
19 you have a specific recollection of a specific
20 conversation or not? Do you generally recall
21 you had such conversations?

22 MR. MICCIO: Right. That's the
23 first part of the question.

24 THE WITNESS: I have a specific
25 recollection of the occasion where we hired

1 Powers and Crane. I went to their offices,
2 spent several hours with them, talked both to
3 Bill Powers and Connie Crane about their general
4 representation, who their client list was.

5 Gave them a sense of what our company
6 was doing, both nationally and internationally,
7 and in New York, the types of businesses that we
8 had actively in New York -- and there are many
9 of them -- and the nature of the representation
10 that may be required.

11 And asked them how they felt about their
12 ability to represent us given what they now knew
13 about our company. It was a two- or three-hour
14 conversation.

15 Q. Did you talk about compensation?

16 A. We had a general discussion about -- I asked
17 them to give some thought to -- given the nature of the
18 representation what they thought their time would be to
19 represent us in a competent fashion. And to give me
20 some sense of what they thought a monthly retainer
21 ought to look like.

22 And I would evaluate it, get back to them and
23 set a number after I heard from them after they
24 thought about it.

25 Q. That was eventually done?

1 A. That was eventually done.

2 Q. How about reimbursement of expenses?

3 A. At the time our policy was to reimburse
4 out-of-pocket expenses.

5 Q. How did you define out-of-pocket expenses?

6 A. Travel, long distance, copying. That's
7 generally the areas of reimbursement.

8 Q. Did you discuss documentation of those expenses?

9 A. Not in the first meeting, no.

10 Q. Did you ever have a conversation where you asked
11 for documentation of those expenses?

12 A. No.

13 MR. KEARNEY: Object to the form.

14 As a general matter or a specific instance?

15 Q. As a general matter.

16 A. I don't -- I think the way we left it was we
17 would develop an agreement between the two of us. And
18 we would outline the requirements that each of us would
19 undertake in the terms of the agreement.

20 I don't recall a general conversation about
21 specific expenses other than to give them a sense of
22 what types of activities we were willing to consider
23 reimbursement for.

24 Q. Would it be fair to say that there was a
25 political element to the hiring of Powers Crane &

1 Company?

2 MR. KEARNEY: Object to the form.

3 You can answer if you can.

4 A. I am not sure -- can you help me -- when you say
5 "political element"?

6 Q. Well, is the fact that William Powers was a
7 former chairman of the State Republican Party an
8 element in retaining Powers Crane & Company?

9 A. I am sure it went to his reputation, in our
10 view, that he was -- held some esteem in the city,
11 yeah. I am sure that impact -- it wasn't the sole
12 determiner, but I'm sure it had some impact.

13 Q. Were his connections to the Senate majority at
14 that time a factor that was discussed in part of your
15 evaluation of the firm?

16 A. I don't recall any conversations about Senate
17 majority issue, frankly.

18 Q. With regard to the political part of this
19 relationship, if there is one, were political
20 contributions discussed at any time with Powers Crane &
21 Company?

22 A. I don't recall any specific conversation about a
23 specific individual, but I feel certain that over the
24 time they represented us there was an occasion whereby
25 we talked about potential contributions. I feel

1 certain there was, yes.

2 Q. So there was no specific conversation you recall
3 regarding how those contributions would be made or what
4 name or what events would be appropriate for those
5 kinds of contributions?

6 A. I am certain I shared with them the process I
7 would require them to go through to make one, but I
8 can't recall a specific individual we talked about.

9 Q. You say you know Jim Crane; is that correct?

10 A. Yes.

11 Q. Do you know Dennis Vacco?

12 A. Yes.

13 Q. How do you know Dennis Vacco?

14 A. I knew Dennis Vacco when he was Attorney
15 General. He's from western New York. Our company is
16 in western New York. I knew him by reputation. I had
17 occasion to meet him at a dinner or two, charitable
18 dinners in town.

19 We weren't friends, but I knew him by
20 association in those environments.

21 Q. When Delaware North decided to change its
22 lobbyist from Powers Crane & Company to Crane & Vacco
23 in 2004 what was the basis of that change?

24 A. I was dissatisfied with the representation that
25 Bill Powers was giving the company. He was very hard

1 to find. He was not accessible for communications.
2 You would go weeks without a return call when you
3 called him.

4 I didn't think that was reasonable and made a
5 decision to find someone else. I was impressed with
6 the relationship that we had established with Connie
7 Crane when she was with Powers.

8 She was much more available, much more
9 communicative, provided good service. And at some
10 point -- I can't recall the exact date -- I would
11 have met Jim Crane through Connie Crane, and was
12 impressed with Jim Crane, his ability to represent
13 us.

14 I knew Dennis by reputation. I felt if they
15 were going to join up, it wouldn't be the worst
16 marriage and felt it was something we should do.

17 Q. I will ask also when you did retain Crane &
18 Vacco did you have a similar conversation with the
19 principals of that firm regarding compensation,
20 expenses, etcetera?

21 A. Yes, it would have been similar.

22 Q. Similar as you talked to Powers Crane & Company
23 about?

24 A. Uh-huh.

25 Q. You arrived at an agreement as you did with

1 Powers Crane & Company regarding retainer, expenses and
2 so forth?

3 A. Yes.

4 Q. Do you recall what the monthly retainer was for
5 each of those contracts with Powers Crane & Company and
6 with Crane & Vacco?

7 MR. KEARNEY: At any time?

8 MR. MICCIO: 2003, 2004?

9 A. I think it was \$10,000 a month, I think.

10 Q. Yeah, it was. Now, regarding expenses of each
11 of these firms, did you ever question a member or
12 employee of either firm regarding any invoiced expenses
13 they submitted for payment by Delaware North?

14 MR. KEARNEY: You mean Mr. Bissett
15 personally?

16 MR. MICCIO: Yes, yes.

17 Q. Did you ever question?

18 A. Question as to?

19 Q. What it was for?

20 A. I don't recall the conversation with Crane or
21 Vacco or Powers about their individual monthly
22 expenses. No, I don't.

23 Q. Did you ever ask about documentation from any
24 expenses they were asking for reimbursement for either
25 firm?

1 A. I don't recall a specific conversation about
2 reimbursement of a specific invoice, no.

3 Q. How often and what manner was Delaware North
4 billed by each of the firms?

5 A. As I recall, it was generally monthly.

6 Q. Going back to when I asked did you ever ask
7 these questions, did anyone from Delaware North ever
8 ask these questions that you know of?

9 A. Not that I know of. I don't know what the legal
10 department would have asked them to put together, their
11 biannual or annual filings, frankly.

12 Q. Would you be aware of any such correspondence or
13 communication between the legal department and the
14 lobbyists?

15 A. Not by routine nature. They wouldn't have
16 copied me on filing. They wouldn't have said, hey, I
17 am going to file a report. Wouldn't have happened that
18 way. They would have done it on their own.

19 Q. Would they copy you on inquiries as to billings?

20 A. They may have, but I don't recall specifically.

21 Q. What was the procedure for Delaware North in
22 2003, 2004 regarding review and approval of these
23 lobbying firms' invoices?

24 A. My assistant would accumulate them in a file and
25 generally once a month she would bring them to me.

1 to read it and identify it if you would.

2 MR. KEARNEY: Can I just check.

3 A. Sure. It's an invoice from Powers Crane dated
4 July 1, 2003 directed to my attention. Consulting fee
5 for the period commencing July 1 through July 31, 2003,
6 \$10,000.

7 Q. You believe it to be an accurate copy of the
8 invoice your company received from Powers Crane &
9 Company?

10 A. I believe that it is.

11 Q. There is handwriting on the invoice. Whose is
12 that?

13 A. That's mine.

14 Q. Why is it there?

15 A. I was authorizing the invoice for payment.

16 Q. So, you reviewed it?

17 A. I did review it.

18 Q. The expenses listed on that invoice, legislative
19 reporting service, long distance calls, you received
20 those expenses?

21 A. I did.

22 Q. Do you know if these expenses were prorated over
23 all Powers Crane & Company clients or were they
24 itemized to indicate for whom they were incurred?

25 A. I don't know how they treated them internally.

1 I assume when I saw the invoice that they were our
2 expenses at Delaware North for our services.

3 Q. Would you tell me why you assumed that.

4 A. It was an invoice directed to our attention from
5 their company. I would assume they were services
6 provided for our company.

7 Q. You didn't ask for any backup on those?

8 A. No.

9 Q. You wouldn't want to pay somebody else's
10 expenses, though, would you?

11 A. No, I wouldn't.

12 Q. You didn't request backup to see whether they
13 were prorated or whether they were yours individually?

14 A. No.

15 Q. Were these typical commonly recurring expenses
16 on a monthly basis for the most part? Talking about
17 the legislative report, the long distance calls and
18 those kinds of things.

19 A. I would think telephone and courier service may
20 have been routine.

21 I can't -- legislative reporting service, if
22 that's a one-time event or not, I don't know. I
23 would assume telephone and courier are fairly
24 routine.

25 Q. Is it fair to say you never questioned Powers

1 Crane & Company or Crane & Vacco on those types of
2 expenses?

3 A. It's fair to say.

4 Q. With regard to Exhibit 1, would you read the
5 expense that begins with the word attend?

6 A. "Attend Senator Balboni event in New York, New
7 York on June 30, 2003. Attend Assemblyman Gianaris's
8 event in New York, New York on July 10, 2003.

9 Q. What is the amount for each of those?

10 A. \$500.

11 Q. Do you know what the expense was for?

12 A. I assumed it was for travel to attend the
13 events.

14 Q. You didn't ask for any backup on that?

15 A. I did not.

16 Q. Did Powers Crane & Company provide any backup or
17 documentation or explanation for that expense?

18 A. Not that I know of.

19 Q. Neither you nor anyone else at Delaware North
20 asked for backup or explanation for that expense?

21 A. I can only speak for me and I did not ask for
22 it.

23 Q. If someone else at Delaware North had done it,
24 would you have heard about it, you think?

25 A. I may have heard about it.

1 MR. KEARNEY: If you don't mind,
2 just so we can be clear, you are talking about
3 the 2003, 2004 time frame?

4 MR. MICCIO: Yes.

5 MR. KEARNEY: Asking about did
6 anybody follow up as opposed to a later time
7 period?

8 MR. MICCIO: Yes, we are only
9 talking about this invoice right now.

10 MR. KEARNEY: I want to make sure
11 even though we are talking about this invoice
12 there may have been a time later on when there
13 was some inquiry. That's not what we are
14 talking about.

15 MR. MICCIO: No.

16 BY MR. MICCIO:

17 Q. We can talk about that too now. Did there ever
18 come a time you asked for backup of this expense from
19 Powers Crane & Company or any successor firm that
20 followed Powers Crane & Company or Crane & Vacco
21 concerning this expense?

22 A. I think we followed up after we were here in
23 September of '06 pursuant to our agreement to do that
24 when we left. I don't think we received anything as a
25 result of that followup.

1 Q. You asked for nothing else but that one-time
2 backup after September of '06?

3 A. That's my recollection, yes.

4 Q. Could this expense have been something other
5 than travel?

6 A. Could it have?

7 Q. Yes.

8 A. I guess it could have.

9 Q. Do you have any idea what it could have been?

10 A. No.

11 Q. Do you know who attended the event referred to?

12 A. I do not.

13 Q. Do you know if your lobbyists attended the
14 event?

15 A. I do not.

16 Q. Who are you reimbursing?

17 A. Well, I am assuming they did, but I personally
18 wasn't there myself. I didn't see them there, but I
19 assumed they attended, yes.

20 Q. And you would only be reimbursed if the
21 lobbyists incurred the expenses to attend, correct?

22 A. Yes.

23 Q. And it's a logical conclusion that your
24 lobbyists attended the events?

25 A. It's a logical conclusion.

1 Q. Do you know why your lobbyists may have attended
2 the event?

3 A. Not specifically. They all have a general
4 understanding that if they believe there is a person in
5 the legislative process that we should get our bona
6 fides in front of, nature of business in the State that
7 they should attend those events and do the education
8 process, yes.

9 Q. Was Senator Balboni one of those people?

10 A. I don't recall at the time what his position was
11 in the legislature.

12 Q. Did you ask?

13 A. At the time I didn't ask, no.

14 Q. Had you asked since then what his position was
15 in the legislature?

16 A. I have not asked Crane what his position is in
17 the legislature since this event occurred, no.

18 Q. Do you know of any particular reason why this
19 event which, by the way, my understanding was a
20 fundraiser for Senator Balboni, was attended by your
21 lobbyists? Any reason you know of at all?

22 A. Any particular reason?

23 Q. Yes.

24 A. No.

25 Q. You asked for no backup, no explanation; is that

1 correct?

2 A. I didn't ask for any backup or explanation, no.

3 Q. Would it be of concern to you to know why your
4 lobbyist was attending a political event?

5 A. Would it be of concern to me?

6 Q. Would it be something you would be curious
7 about? Why would your lobbyists be attending a
8 political event?

9 MR. KEARNEY: Object to the form.

10 A. As I said before, we all have a general
11 understanding of what -- everybody who represents us
12 across the country, including New York, that if there
13 is an event or individual that a lobbyist believes that
14 our company should be represented in front of, either
15 to educate them about the nature of our business, the
16 issue specific, they should take the initiative and
17 attend.

18 I don't recall a specific reason why they
19 attended this event.

20 Q. Do you know why Senator Balboni or Assemblyman
21 Gianaris were targeted for events? Did they have
22 special position in the Legislature?

23 A. I can't tell you what either one of them have
24 for committee assignments at the moment or in 2003
25 either.

1 Q. But you didn't ask?

2 A. I did not ask.

3 Q. Would it matter if, in fact, they did not have
4 any particular committee or leadership role in the
5 Senate or the Assembly?

6 MR. KEARNEY: Object to the form.

7 A. No, I don't think it would matter. If they felt
8 that it was important to get our bona fides in front of
9 a particular legislator, they should take that
10 initiative and do it.

11 Q. Do you know if this reimbursement included a
12 donation to attend the event?

13 A. I do not know that.

14 Q. Do you know that it didn't?

15 A. No, I don't know that it didn't.

16 Q. You didn't ask?

17 A. I didn't ask.

18 Q. It's your contention this expense was for
19 travel?

20 MR. KEARNEY: Object to the form.

21 A. That was my belief at the time.

22 Q. Do you still believe that?

23 A. I have no reason to doubt that it was for
24 anything else.

25 (Exhibit 2 marked for identification.)

1 Q. Mr. Bissett, I ask you to look at Exhibit 2. If
2 you could read that to yourself please and identify it
3 for the record, if you would.

4 A. It's an invoice from Powers Crane dated March 1,
5 2004. Consulting period March 1 through March 31, 2004
6 and some associated expenses that occurred either in
7 this month or obviously months prior to that given the
8 dates that are on the invoice.

9 Q. And, for the record, would you please read the
10 expenses listed there, please.

11 A. "Long distance telephone, \$54.78; legislative
12 reporting service, \$83.33; dinner with Senate staff on
13 January 22 in Albany, \$165.97; travel expenses to
14 attend Pataki event, \$334.83; travel expenses to attend
15 Assemblyman Farrell event February 6, \$280.19."

16 Q. So, there are expenses there that are
17 specifically identified as travel; is that correct?

18 A. That is correct.

19 Q. The amounts of those expenses are not round
20 numbers; is that correct?

21 A. That is correct.

22 Q. Did Delaware North or did you in your position
23 with Delaware North ask for any explanation of any of
24 those expenses?

25 A. I do not recall asking for any explanation for

1 these expenses.

2 Q. Going back to Exhibit 1 just for a minute. When
3 something is listed as a political event, with your
4 background in government relations, what do you take
5 the term "political event" to mean?

6 MR. KEARNEY: Object to the form.

7 A. Well, it says event. It could be a political
8 event, yes.

9 Q. Do you think it is a political event?

10 A. I think it probably was a political event.

11 Q. What does that usually mean?

12 A. It could be primarily a fundraising event, more
13 than likely.

14 Q. Thank you.

15 A. You are welcome.

16 Q. Might the amount of \$500 be more likely to be a
17 political donation for attendance as opposed to travel
18 expenses?

19 MR. KEARNEY: Objection.

20 A. I don't know if it's more than likely or not.

21 Q. Have you attended political events before?

22 A. Yes.

23 Q. That are fundraisers?

24 A. Yes.

25 Q. Is \$500 a number known to be used for the

1 purpose?

2 A. Yes.

3 Q. Has \$334 been used for that purpose, number for
4 donations?

5 A. I don't know if it has or not.

6 Q. It would be kind of odd, though, wouldn't it?

7 MR. KEARNEY: Object to the form.

8 Q. You don't need to answer the question. Would it
9 be offensive to you or your company, if Powers Crane &
10 Company, or Crane & Vacco, or any other retained
11 lobbyists were to bill your company for an expense that
12 they were also billing to another client or clients?

13 MR. KEARNEY: Object to the form.

14 A. Not necessarily. I mean if they are billing
15 another client for travel and billing me for travel,
16 and it's individual travel, not related, wouldn't
17 necessarily be offensive, no.

18 Q. So, if you retained someone and they had to
19 travel to New York City, and they had \$350 expense to
20 go to New York City and back, and at the same trip they
21 had three other clients that they had business in New
22 York City with, and they billed all four of those
23 clients including your company the same \$350, you would
24 have no problem with that?

25 A. I would inquire as to why they were billing us

1 all the same amount if they were doing it all on the
2 same day.

3 Q. Why?

4 A. I would want to know when they were billing us
5 all for same event.

6 Q. You wouldn't want to be paying more than your
7 share of the expenses; is that correct?

8 A. That is correct.

9 Q. You probably would be offended if you found out
10 that they were billing in that manner?

11 A. I would be concerned, yes.

12 Q. Concerned. Your characterization is better than
13 mine, probably.

14 Is it unusual to be billed for an expense
15 before it's incurred by a lobbyist?

16 MR. KEARNEY: Object to the form.

17 A. It would be unusual, I think.

18 Q. Back to Exhibit 1. If you look at the last item
19 there. Would you read that again.

20 A. "Attend Assemblyman Gianaris event on July 10."

21 Q. What's the date of the invoice?

22 A. July 1.

23 Q. Is that unusual?

24 MR. KEARNEY: Object to the form.

25 A. I am assuming that if the invoice was made

1 actually on July 1, it might be unusual.

2 Q. Would you assume anything else? Do you have any
3 reason to assume anything else?

4 A. I see no reason to assume anything else.

5 Q. You did not ask about that bill?

6 A. I did not.

7 Q. Thank you.

8 A. You are welcome.

9 Q. Again, it's unusual for this to happen, this
10 reimbursement before a bill is incurred. You don't do
11 that in your own business, correct? You don't pay
12 somebody for expenses before they are incurred?

13 A. I receive bills from lobbyists routinely that
14 are sent a month in advance for their services, yes.

15 Q. Retainer?

16 A. Yes.

17 Q. But expenses, reimbursed expenses, usually don't
18 pay those in advance, do you?

19 A. No.

20 Q. In your own business your own people at Delaware
21 North don't get paid in advance for expenses generally,
22 do they?

23 A. Some people get travel money in advance of
24 taking a trip, but --

25 Q. You have to present --

1 A. You have to present some documentation.

2 Q. And you get reimbursed for the exact amount of
3 the documentation?

4 A. Generally, I would think so.

5 Q. That wasn't the case with regard to Powers Crane
6 & Company in 2003?

7 A. As a general statement, I wouldn't agree to
8 that. That particular item there is one for July 10
9 off the July 1 invoice, yes.

10 Q. Also, I think you testified that you didn't ask
11 for documentation on any of the travel; is that
12 correct?

13 A. That is correct.

14 Q. Yet you would do so with your own people at
15 Delaware North?

16 A. Yes. I wouldn't personally, not my job.

17 Q. No, it's policy?

18 A. Yeah, it's general policy.

19 Q. There is no policy to ask lobbyists for their
20 documentation on their travel?

21 A. At the time there was not. There is now.

22 Q. Good to hear. Did anyone at Powers Crane &
23 Company or Crane & Vacco ever inform you that Delaware
24 North might be asked to make political contributions?

25 MR. KEARNEY: Object to the form.

1 Again, is this 2003, 2004?

2 MR. MICCIO: Anytime I refer to
3 these two entities, it's 2003, 2004, yes.

4 A. I think as a general statement when we
5 interviewed Powers Crane the topic came up.

6 And my response was, if there was a specific
7 event that you wanted us to participate in, there
8 was a policy to go through, to submit an invitation
9 for that event.

10 We would check to see if we had the ability
11 to make a contribution to that individual and from
12 what form it would come, personal versus corporate.

13 And then we would consider making the
14 contribution but only under those terms. Fairly
15 certain I had that conversation with them.

16 Q. Anyone at Powers Crane & Company or Crane &
17 Vacco ever suggest that they might make political
18 contributions in your name?

19 A. No.

20 Q. Or that they would make political contributions
21 and asked to be reimbursed by Delaware North?

22 A. No.

23 Q. Never?

24 A. Never.

25 Q. Did anyone at Powers Crane & Company ever

1 discuss a political contribution to Senator Balboni?

2 A. I don't remember.

3 Q. Or Assemblyman Gianaris 2003?

4 A. I don't recall.

5 Q. Was Powers Crane & Company representing Delaware
6 North at these events?

7 A. I don't know specifically if they were at the
8 events, but assuming they were, they would have been
9 representing us, yes.

10 Q. Who would you expect to pay for their attendance
11 at these events?

12 A. Travel expenses?

13 Q. No. Their attendance, what they call it. You
14 tell me what -- who would you expect to pay for that
15 attendance?

16 MR. KEARNEY: Object to the form.

17 A. I wouldn't be paying for their attendance if it
18 were a political contribution on their behalf. I would
19 make my own political contribution.

20 If they were at the event and they had
21 expenses associated with it, I would reimburse their
22 travel.

23 Q. Do you know for sure whether or not the monies
24 you reimbursed Powers Crane & Company for these two
25 events that are in Exhibit 1, these Balboni event and

1 Gianaris events, those monies weren't used for
2 political donations?

3 MR. KEARNEY: Object to the form.

4 A. I don't know.

5 Q. You didn't ask, correct?

6 A. I did not.

7 Q. Are you familiar with the New York State
8 Lobbying Act?

9 A. I am familiar with the fact that there is one.
10 I can't tell you chapter and verse what's in it.

11 Q. But as a government relations person in New
12 York, you had some idea that it existed and there were
13 some things you were more aware of than others?

14 MR. KEARNEY: Object to the form.

15 A. I think that's a fair statement.

16 Q. Were you familiar with the \$75 gift limitation
17 to public officials or gifts from lobbyists and their
18 clients that existed in 2003, 2004?

19 A. I was familiar with the fact that there was a
20 \$75 limitation, yes.

21 Q. Upon review of any lobbyist's invoice submitted
22 to Delaware North and reviewed by you, did you ever
23 question a lobbyist expense as it might affect the gift
24 restrictions found in the Lobbying Act?

25 A. I don't recall questioning one, no.

1 Q. If you received an invoice and retained
2 lobbyists that contained an expense that involved a
3 public official named on the invoice, and the expense
4 appears to be more than \$75 per person, would you ever
5 ask for documentation or explanation of that expense?

6 A. I did not ask for documentation of the expense,
7 no.

8 Q. Can I ask why not?

9 A. I didn't have enough information to cause me to
10 be concerned that they violated the \$75 issue so I
11 didn't ask them the question.

12 Q. If the invoice that you were being billed named
13 a public official as a person partaking in the expense,
14 and expense per person were more than \$75 per person as
15 it appeared on the invoice, would you have a concern
16 that might be an illegal gift?

17 MR. KEARNEY: Object to the form.

18 A. No.

19 Q. Why not?

20 A. I didn't know who else was at the event.

21 Q. Did you ask?

22 A. No, I did not ask.

23 Q. Would you want to ask?

24 MR. KEARNEY: Object to the form.

25 A. I didn't ask.

1 Q. Why didn't you ask?

2 MR. KEARNEY: We are just talking
3 about this generally, hypothetically?

4 Q. I will get to particulars, but I asked if this
5 happened, would you ask? Did you ask in '03-'04 any
6 lobbyists that you dealt with?

7 A. I did not.

8 Q. I asked why?

9 A. I didn't think the expense was out of the
10 reasonableness parameter that caused me concern to ask
11 the question.

12 Q. What is the reasonable parameter that would
13 cause you concern to ask?

14 A. Is it an occasion that routinely happened month
15 after month? Is it such a number that it's
16 preposterous on its face that it caused me concern to
17 ask.

18 Q. So, wouldn't information on an invoice which
19 indicated a public official took part in an event that
20 was an expense to your company that was over \$75 per
21 person on the invoice information, would that be
22 sufficient to be a possible violation of the law which
23 might concern you and the company?

24 MR. KEARNEY: Object to the form.

25 A. No. Possible? Anything is possible, but in the

1 individual invoices that I reviewed, didn't cause me
2 concern.

3 Q. Let's look at some of those invoices.

4 MR. MICCIO: Mark this as number 3,
5 please.

6 (Exhibit 3 marked for identification.)

7 Q. I ask you to review that Exhibit 3 and identify
8 it for the record, please.

9 A. It's an invoice from Crane and Vacco dated July
10 1, 2004, consulting fee period commencing July 1
11 through July 30.

12 Q. That's enough for now. The last item on the
13 expenses, would you read that for the record, please.

14 A. "Dinner with Steve Beogens and Jim
15 Featherstonhaugh on May 29 in Albany."

16 Q. Do you know who Jim Featherstonhaugh is?

17 A. I do.

18 Q. Who is Jim Featherstonhaugh?

19 A. He is a lawyer in Albany.

20 Q. Is he also a lobbyist, do you know that?

21 A. At the time I don't know that he was. I think
22 he is now.

23 Q. How about Steve Beogens, do you know who Steve
24 Beogens is?

25 A. I recognize the name. I think he may have been

- 1 a Senate staff person, but I am not positive.
- 2 Q. I won't tell you who he is. How much was the
3 amount?
- 4 A. \$452.60.
- 5 Q. How many people took part in the dinner?
- 6 A. I don't know.
- 7 Q. What does it appear on the invoice?
- 8 A. Says dinner with Steve Beogens and Jim
9 Featherstonhaugh.
- 10 Q. At least two?
- 11 A. At least two.
- 12 Q. Any more?
- 13 A. Don't know.
- 14 Q. Possibly lobbyists?
- 15 A. Possibly.
- 16 Q. Did you ask if anyone else was involved? I mean
17 it's reasonable to think the lobbyists are involved.
18 They are the one paying for the dinner.
- 19 Any more take part?
- 20 A. Could have been. I don't know.
- 21 Q. May not have been?
- 22 A. May not have been.
- 23 Q. Did you ask?
- 24 A. No, I did not.
- 25 Q. So, if you divide three into 452, is that more

1 than \$75 per person?

2 MR. KEARNEY: We will stipulate to
3 that.

4 A. It is.

5 Q. If it were over \$75 per person, would that be an
6 illegal gift if Mr. Beogens were a Senate employee?

7 MR. KEARNEY: Object to the form.

8 A. Could have been. I don't know.

9 Q. You know what the law was?

10 A. I know what the law was.

11 Q. Steve Beogens qualifies as public official if
12 he's a Senate employee.

13 A. Uh-huh.

14 Q. And it's over \$75 per person. What else do you
15 need to do?

16 A. How many people could have been at the event?
17 Did Steve Beogens pay his own dinner fee? I don't
18 know.

19 Q. He wouldn't have been listed as part of the
20 expenses, I don't think, unless he was getting the
21 benefit of the expense.

22 MR. KEARNEY: Object to the form.

23 A. I don't know if he did or didn't pay.

24 Q. That's not the issue. You are asking -- paying
25 reimbursement for a dinner, which on its face has three

1 parties possibly attending, which comes to more than
2 \$75 per person, which is a violation of the law.

3 MR. KEARNEY: Object to the form.

4 Q. Did you ask who else may have attended?

5 A. I did not.

6 Q. Did it concern you?

7 A. At the time it did not.

8 Q. So, if it were in violation of the Lobbying Act
9 you weren't concerned about that.

10 MR. KEARNEY: Object to the form.

11 MR. MICCIO: That's the conclusion.

12 MR. KEARNEY: That's your
13 conclusion.

14 MR. MICCIO: Why weren't you
15 concerned about that? I'll ask that question.

16 MR. KEARNEY: He testified that at
17 the time he was not concerned.

18 MR. MICCIO: I ask why?

19 MR. KEARNEY: So, the question
20 before you is: In reviewing this invoice why it
21 was that you were not concerned? I believe
22 that's your question.

23 MR. MICCIO: Yes.

24 THE WITNESS: I didn't think the
25 amount for at least three people having dinner

1 was an outrageous number. And I didn't ask any
2 more questions about it.

3 BY MR. MICCIO:

4 Q. But under the Lobbying Act, whether it was an
5 outrageous number or not, whether the restaurant or
6 wherever they ate was extravagant or whatever, is
7 irrelevant, isn't it?

8 MR. KEARNEY: Object to the form.

9 A. I don't think it's irrelevant.

10 Q. A violation of the Lobbying Act is not
11 irrelevant? You asked whether a violation of the law
12 was relevant with regard -- regard to violation of the
13 law.

14 MR. KEARNEY: Object to the form.

15 A. Certainly would be relevant to the violation of
16 the law, not to the nature of the restaurant.

17 Q. Right. And would it concern you as a
18 representative of a company subject to that law to be
19 sure there was no violation of the law?

20 MR. KEARNEY: Object to the form.

21 A. I was reviewing the invoice in terms of were the
22 expenses for the retainer appropriate, and was the
23 dinner fee reasonable for at least three people, maybe
24 more.

25 I, at the time, felt it was reasonable.

1 Q. Again, we are not asking the question if you
2 thought the restaurant was a reasonable expense.

3 The question is: Is it legal under the
4 Lobbying Act?

5 MR. KEARNEY: I object to the form.
6 Mr. Bissett is not a lawyer. He's testified
7 he's generally familiar with the Lobbying Act.
8 He's not competent to give an opinion.

9 MR. MICCIO: Let's go through it.

10 MR. KEARNEY: And if I could finish
11 my objection, please. You are asking questions
12 about something he has testified that he has no
13 direct knowledge of, that he has no knowledge,
14 first of all, whether or not there were other
15 individuals there; two, whether Mr. Beogens, who
16 may or may not have been a State Senate staffer,
17 paid his own way, because there is nothing
18 expressed on the language of the invoice that
19 says that one way or the other.

20 So, all the questions you are asking are
21 hypothetical. Now, Mr. Bissett is doing his
22 best to answer his questions about what, in
23 fact, occurred at the time, which was whether or
24 not he was concerned. You are asking him to
25 give a legal opinion. Again, he's not qualified

1 to give one based on a hypothetical. It's not
2 proper.

3 MR. MICCIO: Let's go off the
4 record for a second.

5 (Recess.)

6 BY MR. MICCIO:

7 Q. In order to clear things up, I believe you
8 testified that you were familiar with the Lobbying Act
9 in 2003, 2004 when you were in the position you held at
10 that time?

11 A. Yes.

12 Q. You were familiar there was a \$75 gift
13 limitation to officials at that time?

14 A. Yes.

15 Q. You received Exhibit 3. Is that your
16 handwriting on it, by the way?

17 A. Yes.

18 Q. Had you reviewed it?

19 A. I had.

20 Q. On that exhibit there is an expense for \$400 --

21 A. \$452.16.

22 Q. \$452.16 for a dinner that lists two other
23 parties besides the lobbyists possibly?

24 A. Uh-huh.

25 Q. With your knowledge of the Lobbying Act of a \$75

1 limitation of public officials, you had no concern that
2 this might be in violation of the statute; is that
3 right?

4 A. At the time I had no concern.

5 Q. Can I ask you why?

6 A. I didn't have enough information at the time to
7 be concerned.

8 Q. Did you want to get the information to find out
9 whether or not your company could be violating the
10 Lobbying Act?

11 A. At the time I wasn't performing an audit
12 function. I didn't have concern at the time to seek
13 out more information.

14 Q. You reviewed the document?

15 A. I did.

16 Q. And with your knowledge of the gift limitations
17 that was not enough to have you inquire as to how many
18 people attended this event or, if necessary, who the
19 parties were who attended the event?

20 MR. KEARNEY: Object to the form.

21 A. No, it did not at the time.

22 (Exhibit 4 marked for identification.)

23 Q. Mr. Bissett, you have Exhibit 4 in front of you.
24 Could you please review that to yourself and identify
25 it for the record, please.

1 A. It's an invoice from Powers Crane dated June 1,
2 2003. Consulting fee for the period June 1 through
3 June 30 with various expenses enumerated.

4 Q. Could you read the last expense, dinner
5 expenses, listed there, please.

6 A. "Dinner with Michael Hoblock in Albany, May 6,
7 2003."

8 Q. This is, in fact, a copy of the invoice received
9 from Powers Crane & Company?

10 A. I believe it is.

11 Q. You reviewed this invoice?

12 A. Yes.

13 Q. That's your signature on the invoice?

14 A. It is.

15 Q. How much was that dinner?

16 A. \$329.05.

17 Q. Who attended that dinner?

18 A. I don't know.

19 Q. You know Michael Hoblock?

20 A. Yes.

21 Q. Did you know Mike Hoblock in 2003?

22 A. Yes.

23 Q. Who was Mike Hoblock in 2003?

24 A. I believe he was a member of the Racing
25 Commission.

1 Q. Public official?

2 A. Yes.

3 Q. Again, he's the only party listed on this
4 expense; is that correct?

5 A. That is correct.

6 Q. So, is it fair to assume that the lobbyists may
7 have also been at that dinner?

8 A. I think it's fair to assume, yes.

9 Q. So, if we take the parties named, which is
10 Michael Hoblock and the lobbyists, that was two
11 parties, and amount of the meal was \$329, I think we
12 can conclude based on that information -- whether it's
13 correct or not, based on that information is more than
14 \$75 per person; is that correct?

15 MR. KEARNEY: Object to the form.

16 A. If you assume it's just two people, you could
17 make that assumption.

18 Q. Did you assume anything else?

19 A. I didn't have any reason to believe it was one,
20 two, three, four, five at the time.

21 Q. Did you have any reason to ask?

22 A. I didn't think the expense was out of line for a
23 dinner and I didn't ask.

24 Q. So, the \$75 gift limitation was not enough
25 reason to ask the question; is that correct?

1 A. At the time it was not.

2 Q. Why?

3 A. I didn't think it was an outrageous amount of
4 money. I didn't know how many people were there. I
5 didn't think it was at a point I needed to ask the
6 question.

7 Q. I may agree it's not an outrageous amount of
8 money, but the context of the law on its face doesn't
9 it appear to be violation of the gift limitations?

10 MR. KEARNEY: Object to the form.

11 A. If you absolutely know there are two people on
12 its face, you could make that assumption.

13 At the time I did not have enough information
14 to make that assumption. I did not make it. I did
15 not ask the question.

16 Q. You didn't ask?

17 A. I did not.

18 Q. Any reason you did not ask?

19 A. No. By the way --

20 Q. Yes?

21 A. All the lobbyists in the country that represent
22 us, including those in New York, have an obligation
23 under the agreement that we have with them to follow
24 the law.

25 Q. Sure. So do you.

1 A. That's right. That is correct.

2 Q. Okay. You have an obligation, as well.

3 A. Yes.

4 Q. That's all I am talking about at this point.

5 Their obligation is something we will deal with. Your
6 obligation is something we are talking about this
7 morning, okay?

8 A. Okay.

9 Q. If I might, let's see, exhibit -- I have a
10 series of exhibits I would like to have you identify,
11 if you would.

12 MR. MICCIO: Can I have this marked
13 as Exhibit 5, I guess. These were August 16,
14 '06, prior to the first.

15 (Exhibit 5 marked for identification.)

16 Q. Mr. Bissett, I ask you to review the invoices
17 that were sent to us by your attorneys for Powers Crane
18 & Company and Crane & Vacco and verify the fact that
19 they are copies of invoices received by Delaware North
20 from those firms.

21 MR. KEARNEY: So the record is
22 clear, this exhibit does not purport to be all
23 invoices received during that time period but a
24 selection of invoices received.

25 MR. MICCIO: Yes.

1 (Recess.)

2 BY MR. MICCIO:

3 Q. Mr. Bissett, I asked you to look at Exhibit 5.

4 Have you done that?

5 A. I have.

6 Q. Those are copies of invoices received by

7 Delaware North?

8 A. I believe they are.

9 Q. Could you verify the fact that every one of
10 those invoices that have travel expenses listed
11 identify the expense as travel?

12 A. Give me a minute, please. First one says
13 travel. We have a lunch meeting in New York, New York.
14 No travel listed but says lunch in a foreign city
15 outside of Albany.

16 One says travel. Attend Pataki event, says
17 travel. Travel, meeting with Tim Smith in New York.
18 Travel, attend Seaport event. Travel, attend
19 Senator Spano event. Travel, Senator Balboni event.
20 Travel, Senator Libous. Travel, Senator
21 Nozzolio. Travel, Congressman Reynolds. Travel,
22 client meeting. Travel, Senate fundraiser.

23 Q. All those invoices I have given you from Powers
24 Crane & Company and Crane & Vacco in '03-'04 listed
25 travel on those?

1 A. Yes, I believe it did. Maybe one for '05, but
2 for the most part.

3 Q. '04-'05, okay.

4 A. Yes.

5 Q. Except for Exhibit 1 has there ever been an
6 invoice to Delaware North from Powers Crane & Company
7 or to Crane & Vacco that did not identify a travel
8 expense as a travel expense?

9 A. I don't know.

10 Q. Have you reviewed the invoices?

11 A. I don't know that I reviewed every invoice
12 recently. I am sure I did once upon a time, yes.

13 Q. I have the invoices that were sent to us by your
14 attorney. If you want to review those at this time to
15 see if there are any other expenses there that are
16 travel that's not listed as travel, I'd be happy to do
17 that for you if you don't recall.

18 A. There is a lot of them over that period of time.
19 I don't recall if there was ever one that didn't list
20 travel or not. The ones you have shown me have travel
21 on the last batch, yes.

22 MR. MICCIO: I guess I can mark all
23 the invoices sent to us by your attorney as
24 exhibits to go through, but if you want to have
25 a conference with your counsel about this before

1 we go through this maybe we can avoid having to
2 go through each one of the invoices.

3 Let's go off the record.

4 (Discussion off the record.)

5 BY MR. MICCIO:

6 Q. With regard to the invoices you have in front of
7 you, it's your testimony they all have travel as an
8 expense listed as travel on the expenses?

9 A. Every one of these invoices has a travel expense
10 on it, yes, sir.

11 Q. Are you aware of any other invoices received
12 from Delaware North from Powers Crane & Company or
13 Crane & Vacco that were for travel that did not have
14 the word "travel" listed on the invoice?

15 A. I am not aware of any that were for anything
16 else but travel.

17 Q. The only exception would be Exhibit 1; is that
18 correct?

19 A. Yes.

20 Q. There is no others like Exhibit 1 where it was
21 an attend and no travel marked with it?

22 A. I don't recall any that we discussed today, no.

23 Q. Thank you. Have you ever consulted or conversed
24 with Jim Crane regarding your company's governmental
25 interests since 2003?

1 A. Yes.

2 Q. When and how often?

3 A. Frequently. It's hard to characterize how often
4 but frequently.

5 Q. When Crane & Vacco was created back in 2004 did
6 you consult with Jim Crane at that point with regard to
7 governmental issues?

8 A. Yes.

9 Q. Did you understand that Jim Crane was a
10 principal of Crane & Vacco lobbying firm?

11 A. Yes.

12 Q. What major topics of interest did you discuss
13 with Jim Crane as a principal of Crane & Vacco?

14 MR. KEARNEY: In 2004?

15 Q. In 2004.

16 A. I don't recall a specific item from 2004, but it
17 would have probably run the gamut of the businesses
18 that we operate in New York State.

19 Q. Which include?

20 A. Which include concessions in stadiums, which
21 include airport concessions, which include a racetrack
22 in Finger Lakes. It could have been all of the above.

23 Parks operation in Niagara Falls. There's
24 many different businesses that we're --

25 Q. Any gaming operations as well beyond the race

1 track?

2 A. Not in 2003, I don't think. There wouldn't have
3 been anything but Finger Lakes.

4 Q. How about '04?

5 A. I don't recall.

6 Q. It's okay. Have you ever consulted with Jim
7 Crane about your testimony today?

8 A. No.

9 Q. How about your testimony in September of '06
10 before the Temporary Commission on Lobbying?

11 A. I recall one conversation with Jim Crane where
12 he indicated where he thought there was a review going
13 on of his activities, that I might get a call. That
14 was the end of it.

15 Q. Did Powers Crane & Company in 2003 and Crane &
16 Vacco in 2004 prepare draft client semiannual reports
17 for Delaware North?

18 A. I don't recall those, no. They could have
19 occurred, but I don't recall one.

20 Q. Was it part of your retainer agreement to
21 prepare filings for Delaware North?

22 MR. KEARNEY: Object to the form.

23 A. When you say "filings"?

24 Q. Client semiannual reports in particular?

25 A. To?

1 Q. Give you the background information for reports
2 on a semiannual basis?

3 A. No. I don't recall the conversation for them to
4 do that, no.

5 Q. So, it's your testimony that as far as you know
6 Delaware North prepared its own clients' semiannual
7 reports without any particular assistance by Powers
8 Crane & Company in '03 and Crane & Vacco '04?

9 MR. KEARNEY: Object to the form.

10 A. I wouldn't have been involved in preparing the
11 reports, so I don't know what they submitted one way or
12 the other.

13 Q. So you don't know?

14 A. I don't know.

15 Q. I would ask if possible you check with whoever
16 was responsible for those filings at Delaware North to
17 see whether or not there were draft clients' semiannual
18 reports for '03 and '04 --

19 A. Sure.

20 Q. -- or special correspondence or documentation
21 from Powers Crane & Company in '03 and Crane & Vacco in
22 '04 regarding preparation of clients' semiannual
23 reports for those years. Will you do that for us?

24 A. Yes.

25 Q. Thank you. Appreciate it. You cannot testify

1 -- or can you testify as to whether or not there was
2 ever any questioning of the information provided by
3 Powers Crane & Company or Crane & Vacco regarding
4 clients' semiannual reports?

5 A. I can't testify to that. I don't know.

6 MR. MICCIO: Do you have any
7 questions?

8 EXAMINATION BY MS. HOLOHAN::

9 Q. Mr. Bissett, you testified earlier at some point
10 in time you would have shared with Powers Crane &
11 Company a process they would have to go through in
12 order to make a political contribution on Delaware
13 North's behalf?

14 A. Yes.

15 Q. Could you describe the process for us, please.

16 A. Yes. Whenever there is a potential or request
17 to participate in a political event, whoever it is,
18 Crane or anybody else representing us across the
19 country, has to submit an invitation to the event so
20 that we understand the parameters of the invitation,
21 whether it's a federal request, state request, a local.

22 All the rules generally are different from
23 state to state. So, we need to know who the
24 individual is and what the entity having the event
25 is so that we can make the assessment that, one, can

1 we make the contribution?

2 Two, if we are going to make it, what's the
3 source of funds going to be, given the law in that
4 particular jurisdiction? Is it a personal
5 contribution? Can it be a corporate? If it can be,
6 what are the limits on an annual basis or the
7 event-driven basis?

8 There is a process we go through internally
9 to review those individual bases to see what all
10 those facts are. If we can make the contribution,
11 we decide how much the contribution will be, given
12 the parameters of the rules in that jurisdiction.

13 Q. Did you ever receive such a request from Powers
14 Crane & Company?

15 MR. KEARNEY: At any time?

16 Q. At any time?

17 A. I feel certain that I did. I can't recall an
18 individual one, but I suspect I did.

19 Q. Did you ever receive such a request from Crane &
20 Vacco?

21 A. Again, I suspect I did in the course of
22 business, but I couldn't tell you individually which
23 person or entity it would have been for.

24 Q. You also testified earlier that following
25 appearing before the Temporary Commission on Lobbying

1 in September of '06 you did do followup with respect to
2 these vouchers with Powers Crane & Company?

3 A. Yes, I believe we did.

4 Q. What did that followup entail?

5 A. I believe we sent them a letter asking for
6 specific documentation on the events you questioned me
7 about at that time. And I don't believe we received
8 anything.

9 Q. I believe you also testified earlier that there
10 is now a policy in place at Delaware North to obtain
11 documentation that establishes reimbursable expenses on
12 an invoice; is that correct?

13 A. There is actually a policy that goes farther
14 than that. We don't reimburse out-of-pocket expenses
15 any longer at Delaware North for any lobbyists.

16 Q. When did that policy come into effect?

17 A. October of 2006.

18 Q. Why did that policy come into effect?

19 A. Because of our discussion in September we felt
20 it was the best thing to do.

21 Q. What was it about the discussion that made
22 Delaware North create that policy?

23 MR. KEARNEY: Object to the form.

24 A. I think we began to understand the difficulty in
25 managing out-of-pocket expenses from 25 or 30

1 jurisdictions on a monthly basis and drilling down into
2 the necessary detail that you were asking me about in
3 September.

4 So, we felt the best policy was to cut them
5 out altogether and end that particular problem going
6 forward.

7 Q. Mr. Bissett, I am showing you what's been
8 previously marked as Exhibit 3.

9 A. Yes.

10 Q. It's my understanding that you testified that
11 when you saw the \$452.16 charge in July of 2004 you
12 didn't question it because it seemed to be within a
13 reasonable parameter; is that correct?

14 MR. KEARNEY: Object to the form.

15 A. I believe that's what I testified to, yes.

16 Q. Can you explain what you mean by "reasonable
17 parameter"?

18 A. When these come in on a monthly basis I don't
19 have the institutional knowledge, if you will, of
20 seeing the individual's last three years of submittals.
21 So, you take them on an individual basis.

22 And at the time I felt like \$450 for dinner
23 with at least three people was not an unreasonable
24 number.

25 Q. What would be the number that would cause

1 concern for you at the time?

2 MR. KEARNEY: Object to the form.

3 A. I don't know what the number would be. I would
4 be making it up if I gave you one. I don't know what
5 the number would be, but this one did not cause me
6 concern.

7 Q. Would \$500 or over \$500 cause you concern?

8 MR. KEARNEY: Object to the form.

9 A. I don't know if there is a number you could put
10 on that's a trigger point that's going to be brought.
11 I think you have to evaluate.

12 Have I seen this kind of thing for six or
13 seven months consecutively, which I haven't. It's
14 -- you have to add up what you have seen, what you
15 know of the individual and make an assessment on an
16 individual basis. That didn't cause an alarm at
17 this particular time.

18 Q. Have you ever received a voucher from any of
19 your lobbyists that has caused concern where you did
20 request follow-up documentation?

21 MR. KEARNEY: Object to the form.

22 A. I don't recall. It's been 10 years. There is a
23 lot of states, a lot of people. I don't recall one.
24 There could have been. I don't recall it.

25 Q. Even though you used the phrase "reasonable

1 parameter," you can not put a dollar figure on what you
2 understand a "reasonable parameter" to mean.

3 MR. KEARNEY: Object to the form.

4 A. I think it's an individual basis. No, it's not
5 a dollar number.

6 Q. You testified it wasn't a concern for you in
7 2004, correct?

8 MR. KEARNEY: Object to the form.

9 You're talking about this particular document?

10 Q. The \$452.16?

11 A. I believe that's what I testified to, yes.

12 Q. Did there come a time where it did become a
13 concern?

14 A. Not this individual number, no.

15 Q. I am going to show you what's been marked as
16 Exhibit 4.

17 A. Yes.

18 Q. You testified that at the time that you received
19 the invoice dated June 1, 2003, the dollar figure
20 \$329.05 wasn't a concern for you?

21 A. I believe that's what I testified to.

22 Q. And did there come a time where it did become a
23 concern to you?

24 MR. KEARNEY: Object to the form.

25 A. Not this individual invoice, no.

1 Q. Was there any invoice from Powers Crane &
2 Company or its successor in interest, Crane & Vacco,
3 that did become a concern for you at any time?

4 MR. KEARNEY: Object to the form.

5 A. You asked us to question Powers and Crane and
6 Crane & Vacco generally about followup on the
7 individual invoices we discussed in September, and we
8 did.

9 As far as an individual concern or individual
10 invoice, no.

11 Q. The letter that you sent to Crane & Vacco was
12 never responded to?

13 MR. KEARNEY: Object to the form.

14 A. No, to my knowledge.

15 Q. And you dropped the issue after that?

16 A. We were told they couldn't help us on follow-up
17 information. I don't know if anyone sent another
18 letter after the first letter or not. They told us
19 they couldn't provide the backup information.

20 Q. That never raised a concern to you?

21 MR. KEARNEY: Object to the form.

22 A. No.

23 Q. I am just going to show you what's been marked
24 as Exhibit 1 and Exhibit 5.

25 A. Uh-huh.

1 Q. Correct me if I am wrong, but you testified
2 earlier today when you received what has been marked as
3 Exhibit 1 and -- what's the date of the invoice? I'm
4 sorry.

5 A. July 1, 2003.

6 Q. In July 2003 you believed that the word attend
7 meant travel?

8 MR. KEARNEY: Object to the form.

9 A. I believed that these words meant travel, yes.

10 Q. And now you have the various invoices that have
11 been marked as Exhibit 5?

12 A. Yes.

13 Q. And you had an opportunity to review those
14 today?

15 A. I did.

16 Q. And those exhibits clearly identify travel
17 expenses as travel expenses?

18 A. They do.

19 Q. As you sit here today do you still believe that
20 the word attend in Exhibit 1 means travel?

21 MR. KEARNEY: Object to the form.

22 A. I have no reason to believe that anything has
23 changed in my evaluation of this since my review
24 occurred.

25 Q. And you are still doing business with Crane &

1 Vacco?

2 A. Yes.

3 MS. HOLOHAN: Nothing further.

4 MS. CALNERO: Just a couple, Mr.

5 Bissett.

6 BY MS. CALNERO:

7 Q. Are you aware in New York State the Lobbying Act
8 requires clients of lobbyists to file annual reports
9 twice a year?

10 A. Yes, I am. Except in 2006 when the question
11 came up, yes.

12 Q. In 2003 you were not aware of the requirement?

13 A. I suspect I was aware there was a lobbying
14 filing at the time, as well. I wasn't doing it myself,
15 but I suspect there was a requirement.

16 Q. You testified earlier today that you were not
17 involved in the preparation of those reports in 2003
18 and 2004?

19 A. That's right.

20 Q. Who in your company would be at the time?

21 A. Would have been our law department. Many
22 individuals in the law department were compiling the
23 reports, I suspect.

24 As far as individuals, I don't recall at the
25 time who it could have been, but law department was

1 compiling information.

2 Q. And today, has that changed? Are you involved
3 in the preparation of those reports or attesting to
4 anything?

5 A. I am not.

6 MS. CALNERO: Thank you. That's
7 it.

8 MR. MICCIO: Two questions.

9 BY MR. MICCIO:

10 Q. In September of '06 we met with the Lobbying
11 Commission and we talked.

12 A. Uh-huh.

13 Q. I believe -- and you can vary this or whatever
14 -- that one position you took with regard to some of
15 the filings and information was that your lobbyists had
16 retainer agreements whereby they agreed to file all the
17 rules in every state in filing their documents?

18 A. That's right.

19 Q. I will ask you the question: Are you claiming
20 that that in some way isolates or insulates Delaware
21 North from its obligations of filing annual reports in
22 a truthful and complete manner?

23 MR. KEARNEY: Object to the form.

24 A. No.

25 Q. One other question: In what name do Delaware

1 North companies make political contributions in New
2 York?

3 MR. KEARNEY: Object to the form.

4 A. Could be many names. Could be company names.
5 Could be an individual. Could be several individuals.

6 It depends on -- there is a \$5,000 limit, as
7 I recall, for New York State. There is a number of
8 companies that Delaware North has that operate.

9 Could be in one of those company names.

10 Could be individual name in the company. Could be a
11 number of different options.

12 Q. Can I ask to check your '03-'04 records for
13 political contributions and see what names or what
14 names Delaware North made -- Delaware companies made to
15 political contributions in New York State?

16 A. Yes, absolutely.

17 MR. MICCIO: Thank you very much.

18 Unless you want to put something on the record
19 on your own, we are finished.

20 THE WITNESS: No. I think you are
21 very thorough.

22 MR. MICCIO: Thank you for your
23 cooperation. Appreciate it. Thank you.

24 (Examination Under Oath concluded.)

25

INDEX OF EXHIBITS.

1			
2			
3	Exhibit		Marked
4	1	Invoice from Powers & Crane 7/1/03	15
5	2	Invoice from Powers & Crane 3/1/04	23
6	3	Invoice from Powers & Crane 7/1/04	35
7	4	Invoice from Powers & Crane 6/1/03	42
8	5	Invoices from Powers & Crane and	
9		Crane & Vacco	46
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1 STATE OF New York)

2

3 COUNTY OF)

4

5

6 I, WILLIAM J. BISSETT, do hereby certify that
7 I have read the foregoing record of my testimony taken
8 at the time and place noted in the heading hereof and
9 that it is a true and correct transcript of the same
10 and the whole thereof.

11

12

13

14

WILLIAM J. BISSETT

15

16 Subscribed and sworn to before me

17 this _____ day of _____, 2009

18

19

20

21

22

23

24

25

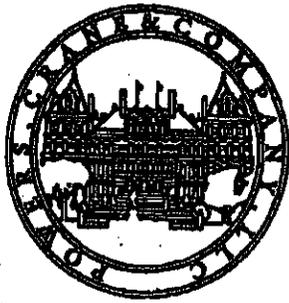
C E R T I F I C A T I O N

1
2
3 I, Jeanne O'Connell, Registered Professional
4 Reporter and Notary Public in and for the State of New
5 York, do hereby certify that the foregoing to be a true
6 and accurate transcription of the stenographic notes as
7 taken by me of the aforesaid proceedings.
8
9

10 _____
11 Date

Jeanne O'Connell
Jeanne O'Connell 

EXHIBIT 1



Powers, Crane & Company, LLC
90 State Street
Albany, NY 12207
TEL: (518) 431-0720

Invoice

DATE	INVOICE #
7/1/2003	DN-992

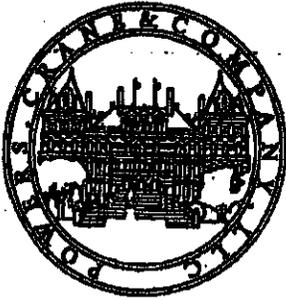
BILL TO
Mr. William Bissett Delaware North Companies, Inc. 40 Fountain Plaza Buffalo, New York 14202

DESCRIPTION	AMOUNT
Consulting fee for the period commencing July 1, 2003 and concluding July 31, 2003	10,000.00
Legislative Reporting Service	83.33
Long Distance Telephone	71.27
Zap Courier Service	40.00
Attend Senator Balboni Event in New York, New York on June 30, 2003	500.00
Attend Assemblyman Gianardis Event in New York, New York on July 10, 2003	500.00
Total	\$11,194.60

DNC 0007

EXHIBIT 2

3545



Powers, Crane & Company, LLC
90 State Street
Albany, NY 12207
TEL: (518) 431-0720

Invoice

DATE	INVOICE #
3/1/2004	DN-1270

BILL TO
Delaware North Companies, Inc. 40 Fountain Plaza Buffalo, NY 14202 Attention: Vice President

DESCRIPTION	AMOUNT
Consulting fee for the period commencing March 1, 2004 and concluding March 31, 2004	10,000.00
Long Distance Telephone	54.78
Legislative Reporting Service	83.33
Dinner with Senate Staff on January 22, 2004 in Albany, New York	165.97
Travel Expense: Attend Governor Pataki event on January 31, 2004 in New York, New York	334.83
Travel Expense: Attend Assemblyman Farrell event on February 6, 2004 in New York, New York	280.19
Total	\$10,919.10

DNC 0015

EXHIBIT 3

Crane & Vacco, LLC

90 State Street

Suite 1507

Albany, NY 12207

545

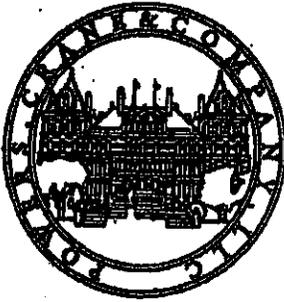
Invoice

Date	Invoice #
7/1/2004	DN-02

Bill To
Delaware North Companies, Inc. 40 Fountain Plaza Buffalo, NY 14202 Attention: Vice President

Description	Amount
Consulting fee for period commencing July 1, 2004 and concluding July 31, 2004	10,000.00
Legislative Reporting Service	83.33
Distance Telephone	52.40
Dinner with Steve Boggess and Jim Featherstonough on May 29, 2004 in Albany, New York	452.16
<i>[Handwritten Signature]</i>	
Total	\$10,587.89

EXHIBIT 4



Powers, Crane & Company, LLC
90 State Street
Albany, NY 12207
TEL: (518) 431-0720

Invoice

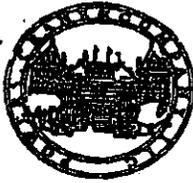
DATE	INVOICE #
6/1/2003	DN-947

BILL TO
Mr. William Bissett Delaware North Companies, Inc. 40 Fountain Plaza Buffalo, New York 14202

45

DESCRIPTION	AMOUNT
Consulting fee for the period commencing June 1, 2003 and concluding June 30, 2003	10,000.00
Legislative Reporting Service	83.33
Long Distance Telephone	74.64
Dinner Expense - Dinner with Michael Hoblock in Albany, New York on May 6, 2003	329.05
<i>W. Bissett</i>	
Total	\$10,487.02

EXHIBIT 5



Powers, Crane & Company, LLC
90 State Street
Albany, NY 12207

Invoice

DATE	INVOICE #
2/1/2003	DN-761

BILL TO
Attn: William Bissett
Delaware North Companies, Inc
40 Fountain Plaza
Buffalo, New York 14202

DESCRIPTION	AMOUNT
Consulting fee for the period commencing February 1, 2003 and concluding February 28, 2003	10,000.00
Legislative Reporting Service	83.33
Long Distance Telephone	62.53
Office Expense - NY Temporary State Commission on Lobbying (2003 Registration)	50.00
Travel Expenses - Meeting with Alex Gromack in New York, New York on December 23, 2002	286.72
<i>75 545 25 69.00</i>	
<i>[Signature]</i>	
Total	\$10,482.58



Powers, Crane & Company, LLC
90 State Street
Albany, NY 12207
TEL: (518) 431-0720

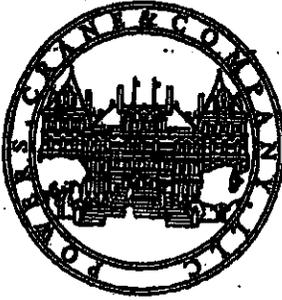
Invoice

DATE	INVOICE #
1/1/2004	DN-1241

BILL TO
Delaware North Companies, Inc. 40 Fountain Plaza Buffalo, NY 14202 Attention: Vice President

DESCRIPTION	AMOUNT
Consulting fee for the period commencing January 1, 2004 and concluding January 31, 2004	10,000.00
Long Distance Telephone	54.78
Legislative Reporting Service	83.33
Lunch meeting with Jim McGuire on November 21, 2003 in New York, New York	97.12
Lunch meeting with client on December 2, 2003 in Albany, New York	106.00
Travel Expense: Attend Governor Pataki event on December 11, 2003 in New York, New York	246.60
Conference call expense	48.73
<i>OK</i> <i>[Signature]</i>	
Total	\$10,636.56

SSYS



Powers, Crane & Company, LLC
90 State Street
Albany, NY 12207
TEL: (518) 431-0720

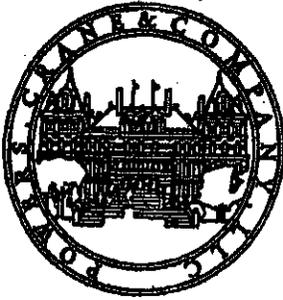
Invoice

DATE	INVOICE #
3/1/2004	DN-1270

BILL TO
Delaware North Companies, Inc. 40 Fountain Plaza Buffalo, NY 14202 Attention: Vice President

DESCRIPTION	AMOUNT
Consulting fee for the period commencing March 1, 2004 and concluding March 31, 2004	10,000.00
Long Distance Telephone	54.78
Legislative Reporting Service	83.33
Dinner with Senate Staff on January 22, 2004 in Albany, New York	165.97
Travel Expense: Attend Governor Pataki event on January 31, 2004 in New York, New York	334.83
Travel Expense: Attend Assemblyman Farrell event on February 6, 2004 in New York, New York	280.19
Total	\$10,919.10

DNC 0015



Powers, Crane & Company, LLC
90 State Street
Albany, NY 12207
TEL: (518) 431-0720

Invoice

DATE	INVOICE #
4/1/2004	DN-1305

BILL TO

Delaware North Companies, Inc.
40 Fountain Plaza
Buffalo, NY 14202
Attention: Vice President

DESCRIPTION	AMOUNT
Consulting fee for the period commencing April 1, 2004 and concluding April 30, 2004	10,000.00
Long Distance Telephone	54.78
Legislative Reporting Service	83.33
Dinner Meeting with Senate Staff on February 17, 2004 in Albany, New York	128.28
Travel Expense: Attend Governor Pataki Event on March 25, 2004 in New York, New York	459.92
<i>[Handwritten Signature]</i>	
Total	\$10,726.31

CRANE & VACCO, LLC

90 State Street
Suite 1507
Albany, NY 12207

47501

Invoice

Date	Invoice #
2/1/2005	DN-09

Bill To
Delaware North Companies, Inc. 40 Fountain Plaza Buffalo, NY 14202 Attention: Vice President

Description	Amount
Consulting fee for period commencing February 1, 2005 and ending February 28, 2005	10,000.00
Long Distance Telephone	57.88
Travel Expense: Meeting with Tim Smith on January 11, 2005 in New York, New York	195.65
<i>LSK</i>	
<i>SS45?</i>	
Total	\$10,253.53

CRANE & VACCO, LLC

90 State Street
Suite 1507
Albany, NY 12207

Invoice

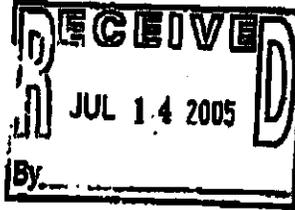
Date	Invoice #
6/1/2005	DN-13

Bill To
Delaware North Companies, Inc. 40 Fountain Plaza Buffalo, NY 14202 Attention: Vice President

Description	Amount
Consulting fee for period commencing June 1, 2005 and ending June 30, 2005	10,000.00
Long Distance Telephone	57.50
Legislative Reporting Service	83.33
Travel Expense: Attend Seaport event in New York, New York on April 14, 2005	581.64
<i>[Handwritten Signature]</i>	
Total	\$10,722.47

CRANE & VACCO, LLC

90 State Street
Suite 1507
Albany, NY 12207



Invoice

Date	Invoice #
7/1/2005	DN-14

Bill To
Delaware North Companies, Inc. 40 Fountain Plaza Buffalo, NY 14202 Attention: Vice President

Description	Amount
Consulting fee for period commencing July 1, 2005 and ending July 31, 2005	10,000.00
Long Distance Telephone	52.88
Travel Expense: Attend Senator Spano event on June 22, 2005 in New York, New York	428.80
<i>[Handwritten Signature]</i>	
Total	\$10,481.68

CRANE & VACCO, LLC

90 State Street
Suite 1507
Albany, NY 12207

47501
5545

Invoice

Date	Invoice #
8/1/2005	DN-15

Bill To
Delaware North Companies, Inc. 40 Fountain Plaza Buffalo, NY 14202 Attention: Vice President

Description	Amount
Consulting fee for period commencing August 1, 2005 and ending August 31, 2005	10,000.00
Long Distance Telephone	52.88
Legislative Reporting Service	83.33
Travel Expense: Senator Balboni Event in New York, New York on June 28, 2005	625.42
<i>OK LAWMA</i>	
Total	\$10,761.63

CRANE & VACCO, LLC

90 State Street
 Suite 1507
 Albany, NY 12207

Invoice

Date	Invoice #
10/1/2005	DN-17

*47501
 HVE*

Bill To
Delaware North Companies, Inc. 40 Fountain Plaza Buffalo, NY 14202 Attention: Vice President

Description	Amount
Consulting fee for period commencing October 1, 2005 and ending October 31, 2005	10,000.00
Long Distance Telephone	57.55
Travel Expense: Attend Senator Lihous event in Binghamton, New York on August 18, 2005	375.90
Travel Expense: Attend Senator Nozzollo event on August 15, 2005 in Canandaigua, New York	454.11
Travel Expense: Attend Congressman Reynold's event on August 21, 2005 in Buffalo, New York	310.40
Total	
	\$11,197.96

*CA1
 CA1
 CA1*

Where do you want these charged?

CRANE & VACCO, LLC

90 State Street
Suite 1507
Albany, NY 12207

Invoice

Date	Invoice #
11/1/2005	DN-18

Bill To
Delaware North Companies, Inc. 40 Fountain Plaza Buffalo, NY 14202 Attention: Vice President

Description	Amount
Consulting fee for period commencing November 1, 2005 and ending November 30, 2005	10,000.00
Long Distance Telephone	46.06
Travel Expense: Client meeting in New York, New York on September 17, 2005	379.70
Travel Expense: Attend Senate fundraiser at West Point, New York on October 1, 2005	263.85
<i>Ch. Vacco CAI</i>	
Total	\$10,689.61

CRANE & VACCO, LLC

90 State Street
Suite 1507
Albany, NY 12207

4-1501 5/95

Invoice

Date	Invoice #
12/1/2005	DN-19

Bill To
Delaware North Companies, Inc. 40 Fountain Plaza Buffalo, NY 14202 Attention: Vice President

Description	Amount
Consulting fee for period commencing December 1, 2005 and ending December 31, 2005	10,000.00
Long Distance Telephone	44.82
Travel Expense: Attend Senator Libous event on October 27, 2005 in New York, New York	689.22
<p>25% THS 2683.51 75% G+E 8150.53</p> <p><i>[Handwritten Signature]</i></p>	
Total	\$10,734.04