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Gaming probbers sue CIA

U.S. files may hold data on mob-Resorts ties

By ROBERT SCHWANEBERG

The state Division of Gaming Enforcement yesterday sued the Central Intelligence Agency and the National Security Agency in an effort to learn whether they have information linking Resorts International to organized crime.

A suit filed in federal district court in Trenton asks the court to order the two intelligence agencies to turn over information on 38 persons and companies.

But at the request of the division, U.S. District Court Judge Clarkson Fisher sealed the names of the 38 subjects. Deputy Attorney General Eugene Schwartz said disclosure of the 38 names could harm the division's investigation and the reputations of the persons and companies involved.

Deputy Attorney General Guy Michaels, chief of the division's legal section, confirmed the request for information "involves" Resorts International, but would not disclose the relationship of the 38 persons and companies to the casino.

Michaels said the division made a "routine" request for information on Resorts International in March 1978 as part of the division's investigation of Resorts' request for a casino license. The request was made under the federal Freedom of Information Act.

Michaels said the request was directed to the CIA

because of the "international character of Resorts' operations"—which include casinos in the Bahamas and financing by Greek families.

The request was later narrowed "so as to focus on information or allegations of specified connections of the subjects to organized crime," according to a CIA letter to the division.

In March 1979 the CIA informed the division the information it had located was classified, although other documents remained to be searched. It suggested the division might want to withdraw its request because of the cost, the small likelihood of finding anything, and the fact Resorts had been granted a casino license the month before.

But Division Director Robert Martinez replied the state has an "ongoing obligation to investigate" casino licensees and seek any information which could be used in determining whether to renew Resorts' license.

Meanwhile, the CIA had referred part of the request to the National Security Agency (NSA), an agency in the Defense Department charged with gathering foreign intelligence and protecting United States communications.

NSA informed the division none of the material it had was "responsive" to the division's request.