U.S. tax structure could send major boxing bouts out of Nevada

By Steve Carp, Las Vegas Review-Journal

Bob Arum is known for making bombastic statements, and occasionally they even come true. The 81-year-old Top Rank founder and boxing Hall of Famer has made a career of getting people on edge.

So it probably rattled boxing's major players in Nevada last week when Arum said an anticipated fifth fight between Manny Pacquiao and Juan Manuel Marquez in September would not be in Las Vegas – or elsewhere in the United States.

Why not? Because of the increase in federal income tax rates for individuals making more than $400,000 a year.

"Close to 40 percent goes to the (federal) government. Enough is enough," Arum said in New York, where he was promoting a Top Rank triple-header Saturday at Madison Square Garden.

The 2013 rise of the top federal income tax rate to 39.6 percent has prompted Pacquiao and Marquez to have Arum seek out venues elsewhere in the world, the promoter said.

"They came to me about it," Arum said. "As an American, I have to pay taxes regardless. They don't."

Arum is looking at Mexico City, where Marquez lives and which has a new arena, as a possible location. Macau and Singapore also are being considered.

"Manny has told me he'd be willing to fight Marquez in Mexico City," Arum said. "They have a beautiful arena, and Manny wouldn't have to worry about taxes the way he would in the

U.S.”

Pacquiao made about $26 million for the fighters’ fourth clash Dec. 8 at the MGM Grand Garden, and Marquez made about $10 million. Both were taxed at 35 percent, and spared an even larger bill because Nevada has no state income tax.

Arum expressed concern that other foreign fighters will follow Pacquiao and Marquez in deciding not to fight in the U.S.

“I think Las Vegas should be concerned,” Arum said. “If I was a fighter from out of the country, why would I come fight in Vegas knowing 40 percent of what I make is going to the U.S. government?”

Keith Kizer, executive director of the Nevada Athletic Commission, said he isn’t worried about federal tax rates hurting boxing in the state.

“No, it’s not on my radar,” Kizer said. “If people want to fight in Las Vegas, Reno or Lake Tahoe, we will welcome them; if they want to fight elsewhere, more power to them. Most people wish they had those kind of problems.”

Ski report: Seize the day

Get out today because weather is moving in tomorrow.

Here is the Jan. 22 ski report.

– Curtis Fong

Children’s artwork on display at S. Tahoe library

Artwork created by students at the magnet school in Meyers is on display at the El Dorado County branch library in South Lake Tahoe until March 6.

Stop by during regular library hours to view this colorful and imaginative display created during the Bringing Art to Schools program.

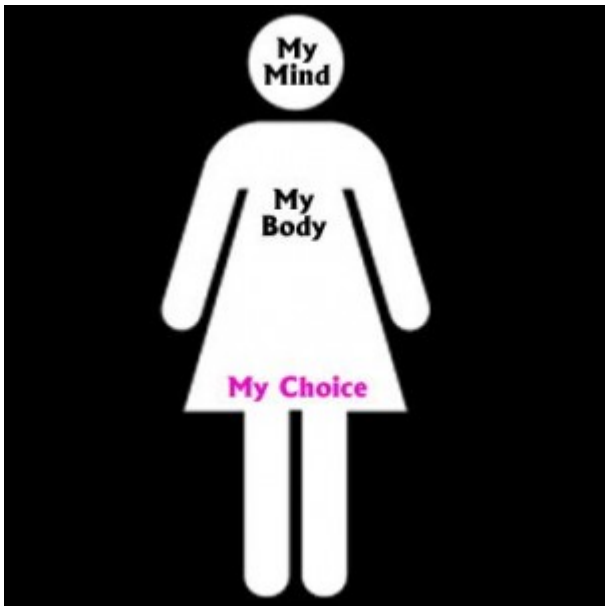
For information about the BATS program, go online.

Opinion: It’s my body, don’t legislate it

By Kathryn Reed

I have not had an abortion.

But I would. I likely would have had one had I gotten pregnant when I didn’t use protection. I would have gotten an abortion – even today – if I were raped and impregnated.



I have friends and family members who have had abortions. It is probable some of my younger friends and family members will one day be added to that list.

Talk to any woman who has had an abortion. No one I know says it was an easy decision. No one I know laughs it off. While the physical aspects of the procedure are long gone, the emotional angst never quite fades away.

It is a monumental decision to bring a life into the world or not to. And the person whose body is affected is the only person who should be making that decision. Whether the woman consults with the man involved, family, friends, clergy, personal physician – whomever else – it is ultimately her decision.

It is shameful that in 2013, especially on this 40th anniversary of Roe v. Wade, I am even writing about abortion. While idealistically it would be great if there were never an unwanted pregnancy, that will never be a reality. I can type until my fingers are numb about contraception and still there will be unwanted pregnancies. There will always be medical reasons for an abortion as well as those in the case of rape.

In May 1989, Phyllis Schafly, who was the backbone behind defeating the Equal Rights Amendment, and Sarah Weddington, who defended Jane Roe in the 1973 Supreme Court decision, squared off at Harveys in Stateline as part of the casino's lecture series.

I was there. I was 23 years old. I was covering the debate for the *Tahoe Daily Tribune*, where I was in my first job out of college. I know I did not grasp the significance of the women I was listening to or the debate. For me, I thought abortion had always been legal because it had been since long before I started having sex.

I think back now on that room filled with nearly 800 people and wonder if that many locals would come out today for a similar lecture.

Then I wonder why people aren't angry that 40 years after abortions were legalized states are one-by-one limiting a woman's access to a safe abortion. It isn't about whether or not you would have an abortion. It's about a woman having the right to make decisions about her body.

Government does not belong in anyone's bedroom – as long as they are consenting adults.

People should have the choice to have sex (protected or not) with whom they want. And if a woman wants to terminate a pregnancy – for which there are myriad reasons – she should be able to do so. She did not need her parents or the government's permission to get pregnant, nor should she need either of their permissions to get "unpregnant".

This video says it so well. It's not about taking sides or about being pro life or pro choice. Those labels are too limiting for our world today.

Push Fitness not changing hands

By Kathryn Reed

While one owner of Push Fitness is headed for federal prison, the other intends to operate the South Lake Tahoe gym.



"I'll be running it," Irene DiMatteo told *Lake Tahoe News*.

Her husband, Gino, has pleaded guilty to drug charges. The plea deal has him likely to receive a five-year-sentence on April 27.

The city issued a business license for the fitness center to Redemus COA 2 LLC, represented by Gino and Irene DiMatteo. Redemus COA 2 LLC is also registered with the state Secretary of State, which shows a valid business entity under the name Gennaro DiMatteo.

The DiMatteos bought the gym from Tim Christenson last year after City of Angels II, a medical marijuana dispensary they owned, closed.

The building and property where the gym are located are owned by someone else.

The feds have not seized the business or the DiMatteos' South Tahoe residence. They have confiscated four bank accounts

totaling about $40,000. Three of those accounts were in Gino DiMatteo’s name and one in City of Angels II.

“Right now the government has only filed against his bank accounts,” Lauren Horwood with the U.S. Attorney’s Office in Sacramento told *Lake Tahoe News*.

Kiwanis organizing Community Fair in S. Tahoe

Plans are in place for the inaugural Kiwanis Community Fair in South Lake Tahoe on Labor Day weekend (Aug. 30-Sept. 1).

Proceeds from the event will benefit Tahoe Turning Point, Boys & Girls Club of Lake Tahoe, Live Violence Free and Choices for Children.

The event is the brainchild of Kiwanis of Lake Tahoe President Rich Barna. “I wanted to put together an event that pulled the resources of multiple service organizations, that could keep growing, that directly benefits multiple youth-serving nonprofit organizations, and that is fun for everyone,” Barna said in a press release.

The fair will be tied into the annual tent sale at the Heavenly California Base parking lots.

To learn more about the fair, call (530) 545.0891.

El Dorado County looking for residents to help during emergencies

By Cathy Locke, Sacramento Bee

El Dorado County residents interested in learning how to assist their community in emergencies are invited to sign up for the Community Emergency Response Team Academy in April.

Sponsored by the El Dorado County Sheriff’s Office, training will be offered through the county’s Office of Emergency Services.

The program educates people about disaster preparedness for hazards that may affect their area and trains them in basic disaster response skills, such as fire safety, light search and rescue, team organization and disaster medical operations.

The academy consists of 24 hours of training conducted over four days, April 12-13 and April 19-20.

For more information about the Community Emergency Response Team or to sign up for the academy, call Deputy Matt Cathey (530) 621.7660, or email catheym@edso.org.

Will criminal charges be filed in State Parks scandal?

By Matt Weiser, Sacramento Bee

Six months after the public learned that California state parks officials had concealed $20 million even as they were crying poor and closing parks, one crucial issue remains foggy as ever: Were any crimes committed, and if so, will anyone be held to answer?

The state attorney general's investigation into the secret funds, released Jan. 4, made it clear that $20.5 million was kept hidden in the State Parks and Recreation Fund (SPRF). The fund is the primary collection point for all visitor fees paid at the 278 parks in the California Department of Parks and Recreation system. Another $33 million, held in the Off Highway Vehicle Fund, was not intentionally hidden, according to the report, but was obscured nonetheless by complexities in managing that fund.

The investigation also revealed that, although the amount of the hidden funds varied over time and originally piled up because of budgeting errors, numerous high-ranking officials at parks headquarters in Sacramento made a decision to keep the money concealed from state finance officials for as long as 13 years.

"It is clear," the investigation states, "that by no later than 2003, and perhaps as early as 1999, the failure to accurately report all SPRF monies … became conscious and deliberate."

This finding raises the specter of criminal conduct, according to several legal experts interviewed by The Bee. And many state parks advocates – who opened their own wallets and volunteered time to keep parks open – are waiting for answers

to this question.

“If there is evidence that crimes were committed, they should be prosecuted,” said Daniel Winkelman, a retired state parks ranger who lives in Folsom. “It’s as simple as that.”

The attorney general’s office did not review whether any crimes were committed. It conducted only an “administrative” investigation in response to a request from the Governor’s Office, said Richard Stapler, a spokesman for the Natural Resources Agency, which oversees state parks.

Officials at the Natural Resources Agency initially said they would review the attorney general’s investigation for signs of criminal conduct, then refer the investigation to the Sacramento County District Attorney’s Office, which would be responsible for bringing any criminal charges.

Now Stapler says the Natural Resources Agency will depend upon the attorney general to share its investigation with the district attorney.

“We do not have criminal attorneys working for us,” Stapler said. “We need to have it reviewed through that lens of someone who does criminal prosecution in order to make any type of public determination.”

Linda Gledhill, a spokeswoman for the attorney general, said her agency planned to formally share its investigation with the district attorney “in the next few days.”

Several former officials at state parks have admitted, in testimony released by the attorney general, that they chose to keep quiet about the surplus money over many years.

Some cited a concern that if they informed the Department of Finance about the money, the parks department’s general fund budget allocation would be reduced by an equal amount the next year, potentially harming park operations.

Others said they considered the surplus money a “rainy day fund.” They told investigators they hoped this money could be used to support parks, like a safety net, in the event a natural disaster slashed visitor revenues.

These choices violate numerous state administrative policies, as well as sections of the Government Code, which require employees to file accurate reports and to reconcile, or explain, inconsistences between accounts reported to the controller and the finance department.

Shaun Martin, a law professor at the University of San Diego, said a key criminal statute that may have been violated is Penal Code section 424.

This law makes it a felony if a public official “knowingly keeps any false account” or “fraudulently alters, falsifies, conceals, destroys or obliterates any account.” It ascribes mandatory prison terms of two to four years and bars the guilty party from ever holding public office again.

“I think the prosecution would have a decent shot at getting a conviction,” Martin told The Bee. “There are other statutes you could potentially charge them with, but this one, I think, would be the strongest.”

He said bringing charges under this law, however, will be complicated: Penal Code section 424, itself, is the subject of an evolving legal debate.

The debate stems from a case in Sutter County that is similar, in some ways, to the parks scandal.

The Sutter County auditor-controller was indicted by a grand jury in 2005 for allegedly misappropriating funds, and charged with violating Penal Code section 424. Just as in the state parks case, no money was embezzled or spent on anything improper. The auditor-controller simply allocated money in a way that conflicted with the wishes of the county

administrator and the board of supervisors.

The case found its way to the California Supreme Court in a legal battle over the limits of section 424, an element of the state criminal code that dates to the 1880s.

The dispute the court considered was a longstanding tenet of law, which holds that ignorance of the law does not excuse criminal behavior. In other words, if you punch someone in the face, you can be convicted of assault even if you didn't know that punching someone is a crime.

In its 2011 ruling in the Sutter County case, known as Stark v. Superior Court, the California Supreme Court turned this basic legal concept around. It concluded that where Penal Code section 424 is concerned, ignorance of the law may, in fact, be an acceptable defense. A government official who misappropriates money or refuses to transfer money as ordered may not be guilty of a crime if he acted in "good faith" and did not know the actions were unlawful.

"Public officials and others should not be criminally liable for a reasonable, good faith mistake regarding their legal responsibilities," the court wrote in its unanimous opinion. "Nor is section 424 intended to criminalize ordinary negligence or good faith errors in judgment."

The decision could make prosecuting state parks employees under this section of the Penal Code more difficult. A prosecutor may have to prove the employees knew the law – and knew they were breaking it.

"It's an interesting area of law right now, because the Supreme Court has given us this hybrid intent kind of a crime that doesn't exist anywhere else," said Carl Adams, the Sutter County district attorney who is prosecuting the auditor-controller. The case is still pending before the local superior court. "Exactly how we define that difference – those cases will resolve over the next decade."

His adversary, Sacramento attorney M. Bradley Wishek, represents Robert Stark, the Sutter County auditor-controller, who has been re-elected by voters twice since the 2005 indictment. Wishek asserts that Stark never did anything unlawful, and believes the Supreme Court ruling means it will not be possible for a jury to find Stark guilty.

“When the law is so complex that reasonable minds could differ, then we have to ask: If you guess wrong, does that mean you committed a felony?” Wishek said. “According to the Supreme Court, it doesn’t.”

Significantly, there is one clause in Penal Code section 424 where the Supreme Court did not make this conclusion. It is the clause that states a government employee who “knowingly keeps any false account” is guilty of a felony.

This may be the clearest parallel to what happened in the state parks scandal. Martin, the San Diego law professor, said the Supreme Court ruling left nothing to quibble over here.

“Under this clause, ignorance of the law is no excuse,” he said. “If you know that your account is false, you’re guilty — period.”

It then becomes a choice by the prosecutor whether the behavior is egregious enough to warrant criminal charges and possible prison time, Martin said. The Sacramento County district attorney will have to decide whether to make an example of the parks employees.

“I think it’s the right call to make things like this illegal,” Martin said. “But is it morally desirable to impose penalties on someone for making mistakes like this? It’s the prosecutor that has the hard choice to make in a case like that, not the jury.”

Poker tournament helps Caesars pick new hires

By Ron Sylvester, Las Vegas Sun

Most American companies screen and court MBA graduates the same way: They dispatch teams to elite business schools to schmooze and talk up their companies. They host mixers with free food and drinks. Members of the companies' development departments screen students, often with problem-solving tests, then invite a chosen few to corporate headquarters for more interviews.

The best of the best land internships that could lead to full-time jobs and, possibly, corner offices.

Caesars Entertainment does it differently. It screens job candidates during a poker tournament.

Last weekend, as it has for the past eight years, Caesars hosted its MBA Poker Championships and Recruitment Weekend at Planet Hollywood. More than 500 people, most looking to join the company's management corps, attended.

"The cool thing about this is you can be exposed to companies for a whole weekend, meet and talk with recruiters and executives, and play a little poker," said Ashish Gupta, 29, a student at USC's Marshall School of Business.

In Caesars' experience, the MBAs who best understand poker are

likely to be the same people best suited to run casinos and hotels.

“Look at the skills required of quality poker players,” said Paul King, corporate director of talent and recruiting for Caesars, which runs the World Series of Poker. “They are the same types of qualities we look for in candidates. They are analytical in nature, strategic in approach to the game and savvy in the way they play. What we’re looking for is a critical eye and analytical thinking skills.”

Of the hundreds who play in the three-day tournament, only a handful win positions with the company. Last year, 12 candidates from the poker weekend received invitations to work in Caesars’ President’s Associate Program.

The two-year apprenticeship offers associates a chance to interact with senior executives and participate in business decisions and analysis. It’s the first step toward being offered a permanent position managing table games, slot machines, hotels, restaurants, and marketing or finance departments. Four of the 12 president’s associates hired at last year’s MBA poker event were given full-time jobs.

The idea came out of a poker game among students at the University of Chicago’s business school. The friends began playing, then invited students from other business schools to play. King’s predecessor, Brad Warga, learned about the game and brought the concept to Caesars. He called it the MBA World Series of Poker.

“When it first started, it was much more a brand-building event, not as focused on recruiting,” King said. “In the last few years, we’ve changed that. We are interviewing people, and some are leaving with offers. We’re not a boring company, and what better way to expose people to the fun culture of our company and Las Vegas than a poker tournament?

“It’s now a pretty well-known event across the MBA universe.

It has really become a huge part of our recruiting brand in this market."

It also makes Caesars stand out from crowds of companies, including its competitors on the Strip. Caesars says it is the only casino company that markets itself this way.

"Every time I go out and talk about this, they say this is the most creative event they've seen," King said.

The company imposes only one restriction: Poker players must be in the process of earning an MBA or have recently graduated to qualify for the tournament, which draws people looking to enter the workforce, as well as those who want to change careers.

"You'd be surprised how many people we get out of consulting companies like McKinsey or Bain," King said.

The weekend also has spawned satellite tournaments. Students at the Carnegie Mellon Tepper School of Business, for instance, hold their own tournament, with the winner receiving a free trip to the Caesars recruitment weekend.

It isn't all fun and games, though. Besides playing poker, candidates meet with Caesars executives, attend company presentations and participate in interviews.

On Sunday, invitations were handed out to those who met the company's expectations.

"We get people who just want to come and play, hang out with their grad school buddies and enjoy Vegas," King said. "But we also get a good majority who … are very actively looking for work."

It's easy to spot the job seekers, King said.

"The people who are just here for fun show up in shorts and flip-flops," he said. "Those wanting jobs bring suits."

Caesars doesn’t limit potential hires by school, but it does focus on a few key campuses. There’s Harvard, of course – the alma mater of Caesars chief Gary Loveman – as well as MIT, Duke, Vanderbilt, the University of Chicago, Northwestern, UCLA and USC.

John Payne, Caesars’ president of enterprise shared services, is the highest ranking executive to have come out of the program. Others alumni, according to their LinkedIn profiles, include Matthew Heiskel, assistant general manager of Bally’s, Atlantic City (2007); Jacqueline Beato, director of investor relations (2008); Neera Chanani, head of Caesars’ South Asia division (2010); and Chirag Tasker, regional vice president of marketing in Philadelphia (2010).

Caesars also opens the poker tournament to recruiters from other companies. On Saturday, the company hosted a Recruiters’ Lounge, where businesses that sponsor the tournament could meet candidates and collect resumes. This year, game manufacturer IGT signed on and sent executives to Planet Hollywood.

The weekend also raises money for charity. Players buy into the tournament for between $85 and $225. The top 10 players or so take home prize money from about 70 percent of the tournament fees. The rest is donated to Keep Memory Alive at the Lou Ruvo Center for Brain Health.

“We make it productive, and at the same time, it’s really, really fun,” King said. “It’s unique to Las Vegas and our company.”

Bread & Broth in need of volunteers

Bread & Broth is a nonprofit, non-denominational, all volunteer program whose goal is to feed the neediest members of the South Lake Tahoe community. The Bread & Broth program is looking for community members who are interested in joining our dedicated team of volunteers.

There are many opportunities for serving in Bread & Broth's program. Volunteers are needed for food and supply pickups from contributing stores, farmer's markets and regional food banks. There are five Monday and Friday evening "food service teams" with each team serving a specific week of the month. The food service team members who serve from 3-6pm are responsible for setting up, serving the meals and dish washing duty.

In addition, every Monday has a cleanup crew serving from 5:15-6:30pm, which stacks chairs, cleans and takes down tables, vacuums and mops the kitchen floor.

Bread & Broth also needs substitute volunteers to fill in for regular crew member vacancies. A deep cleaning crew comes in every three months and gives the kitchen a through degreasing and cleaning.

As a volunteer, you can come in one Monday a month as a food service team member or a cleanup crew member. Food collection occurs on a weekly basis.

A food safety class is required for food service and substitute food service team volunteering. The next Food Safety Training Class is scheduled for Feb. 11th at 6pm at Grace Hall, St. Theresa Church. Attendees will learn more about our program, opportunities to serve and the safety issues associated with serving meals to guests.

Finally, Bread & Broth is also in need of a communications chairperson who is responsible for updating B&B's website and communicating B&B information to the community.

For class enrollment or questions, contact Dave Carneggie at (530) 577.7762 or dcarneggie@gmail.com.