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**Ryan defends friend's role;**

**Says gaming board ties don't conflict**

By Dave McKinney and Tim Novak

Staff reporters

SPRINGFIELD-Gov. Ryan angrily denied Friday that his close friend and confidant Jeremy Margolis committed any ethical lapses by recruiting top Illinois Gaming Board officials and later representing clients before those same officials.

In an impromptu meeting with reporters, the governor disputed the notion that Margolis had any "issues" before the Gaming Board, but zigzagged on whether Margolis had a role in recruiting board officials and even about whether he was an adviser.

Ryan was resolute, though, on the question of whether it was improper for Margolis, acting apparently as an attorney for Rosemont Mayor Donald Stephens, to discuss the proposed Rosemont casino with board officials he helped get appointed.

"I don't think there is a conflict at all. I'm not sure you understand what a conflict is," Ryan told reporters.

The Sun-Times reported Friday that Margolis was present with Stephens at a July meeting with Gaming Board Administrator Sergio Acosta and board Chairman Gregory C. Jones, officials he recommended to Ryan early last year for positions at the gaming agency.

Stephens had asked for the July 6 meeting, which also was attended by members of Attorney General Jim Ryan's staff, who were there at the request of gaming officials.

Gov. Ryan said Margolis was representing Stephens at the meeting, though Acosta said he believed Margolis was working primarily on behalf of 71 communities that have a casino revenue-sharing pact with Rosemont.

The governor said there was nothing inappropriate about Margolis' meeting with Jones and Acosta because Margolis "does not have issues before the Gaming Board."

But Margolis himself said the West Central Municipal Conference would benefit from a $ 100 million windfall if the Gaming Board allows a casino to operate in Rosemont. The consortium has paid his law firm $ 190,000 for legal representation tied to an ongoing lawsuit opposing the proposed casino.

Ryan appeared to contradict himself on questions about Margolis' role in helping to recruit Jones and Acosta to the Gaming Board. On Thursday, both officials confirmed he had a role. They said Margolis phoned them and sat in on their initial interviews.

"He didn't have a role in it. He didn't have a role in any part of it," Ryan said Friday when asked if Margolis helped recruit either man to the board.

Later, when pressed further, Ryan said, "I didn't know these people. He did. He brought them in and introduced them to me. I looked at their qualifications."

Margolis has helped coordinate Ryan's response to the federal bribes-for-licenses investigation and advised him on other policy issues.