



Statement of John Conyers, Jr. Hearing on H.R. 2176 and H.R. 4115 Indian Land Claim Settlements for Off-Reservation Casino Gambling March 14, 2008

We are here to consider two bills that propose to settle the land claims of two Tribes from Michigan's Upper Peninsula – the Bay Mills Indian Community and the Sault Ste. Marie ["Soo Saint Marie"] Tribe of Chippewa Indians – and allow them to establish casinos in Romulus and Pt. Huron, Michigan, over three-hundred and fifty miles from their reservations.

Serious concerns have been raised about the legitimacy and fairness of these land deals.

First, these bills would drastically change how casinos can be approved, not just in Michigan, but all over the country. Under existing federal law, the Department of the Interior determines whether to take off-reservation land into trust for an Indian Tribe to use to run casino gaming, after carefully considering numerous criteria, and giving special scrutiny if the new land is "farther than a commutable distance from the reservation."

Without these constraints, there would seem to be no limit to how far Indian gaming could spread, far beyond reasonable bounds.

These bills would also alter central provisions of the 1993 compacts that both these Tribes signed with the state of Michigan. Circumventing these and other existing legal processes would set very bad precedent.

The Soo Tribe itself acknowledged as much in 2002 congressional testimony regarding the same claim – before it became a party to it.

Second, I am troubled by the fact that these bills would overturn the express wishes of the residents of Michigan. In 1994, they passed a state-wide referendum to allow three, and only three, private casinos to be built in the state, in the city of Detroit.

In 2004, they passed another state-wide referendum to strictly limit the expansion of private gaming in Michigan – any new private gaming facility must be approved by both a local and a state-wide vote.

This referendum would still allow the cities of Pt. Huron and Romulus to pursue casinos, but they would have to do exactly what the city of Detroit did – get the approval of the voters in the state of Michigan. Both cities have already passed local referendums, so they are already halfway there. But they need to go the full distance.

Third, authorizing the casinos in Pt. Huron and Romulus in this fashion will unfairly disadvantage the city of Detroit. The city has suffered from a sharp decline in the number of manufacturing jobs over the last decade. The great people of the city have been working very hard in recent years to improve its economy and increase its competitiveness.

Our efforts have brought visible signs of economic progress. The city has attracted new hotels and luxury condominiums. It has built employment training centers and new housing projects. It succeeded in convincing major regional employers to move their headquarters downtown.

A crucial precursor to all these developments was the establishment of the three casinos in the city. Just a few months ago, the MGM Grand opened a new \$800 million hotel and casino. Undoubtedly, MGM would never have made that kind of investment if it knew that Congress would be shoe-horning in additional casinos right outside the city borders.

These three Detroit casinos have provided over \$1 billion thus far in taxes and percentage payments. The city also received another \$100 million in municipal service fees. This revenue allows the city to invest in critical infrastructure and services for its residents.

In addition to being a good source of revenue for the city, the casinos employ almost 8,000 residents. These well-paying jobs, many of them union jobs, have also brought tremendous health care benefits to people who were in desperate need of quality health care coverage.

So I look forward to having an informative discussion which I hope will address these concerns, shared by many, regarding the proposed land deals.