

MAINE STATE LEGISLATURE

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LEGISLATIVE RECORD

OF THE

One Hundred And Sixteenth Legislature

OF THE

State Of Maine

VOLUME V

SECOND REGULAR SESSION

House of Representatives
January 5, 1994 to April 14, 1994

to accept Majority **"Ought Not to Pass"** Report.

On motion of Representative JACQUES of Waterville, tabled pending the motion of Representative CHONKO of Topsham to accept the Majority **"Ought Not to Pass"** Report and later today assigned.

HOUSE DIVIDED REPORT - Report "A" (6) **"Ought to Pass"** pursuant to Joint Order H.P. 1416 on Bill "An Act Authorizing a Tribally Owned Casino in the City of Calais" (H.P. 1470) (L.D. 1998)
 - Report "B" (4) **"Ought Not to Pass"** pursuant to Joint Order H.P. 1416
 - Report "C" (2) **"Ought to Pass"** pursuant to Joint Order H.P. 1416 on Bill "An Act Authorizing a Tribally Owned Casino in the City of Calais" (H.P. 1471) (L.D. 1999)
 - Report "D" (1) **"Ought to Pass"** pursuant to Joint Order H.P. 1416 on Bill "An Act Authorizing a Tribally Owned Casino in the City of Calais" (EMERGENCY) (H.P. 1472) (L.D. 2000) - Committee on Judiciary
 TABLED - April 6, 1994 (Till Later Today) by Representative PARADIS of Augusta.
 PENDING - Acceptance of Any Report.

Representative COTE of Auburn moved that the House accept Report "A" **"Ought to Pass"**.

Representative JACQUES of Waterville assumed the Chair.

The SPEAKER PRO TEM: The Chair recognizes the Representative from Brunswick, Representative Pfeiffer.

Representative PFEIFFER: Mr. Speaker, Men and Women of the House: L.D. 1998 represents a very complex issue with serious policy implications.

I am distressed that we have had less than a week to read and digest three separate 45 page reports.

However, having spent part of each of the last 30 years in Washington County, except for one year when we were in Bulgaria, I am sensitive to the needs of a county where seasonal employment is a way of life. But, I am not convinced that a gambling casino is the answer to the problems of the county.

L.D. 1998 raises a number of questions. We have been told that it is necessary to pass this legislation in order to preclude the Passamaquoddy Tribe from invoking IGRA, the Federal Indian Gaming Regulatory Act of 1988. The argument is that under IGRA the state will have less control over the project than it would have, were this legislation to be enacted.

It is the Attorney General's opinion that IGRA does not apply because of the express language in the Maine Settlement Act. That language, "provides that any federal law enacted after October 10, 1980" "shall not apply within the State of Maine unless such provision of such subsequently enacted federal law is specifically made applicable within the State of Maine." It is clear that IGRA does not make specific reference to the State of Maine.

The proponents claim that IGRA supersedes the

Settlement Act because of an opinion rendered by the First Circuit Court of Appeals in a Rhode Island case where the court made that finding.

However, contrary to some of the material that has been circulated, the First Circuit distinguished the Maine Settlement Act from the Rhode Island Act on grounds that the Narragansett's had more jurisdiction over tribal land than Maine Indians and hence were covered by IGRA. Maine Indians lesser jurisdiction is found in the Maine Implementing Act and it was noted by the Supreme Judicial Court in a case called Penobscot Nation v. Stilphen. Whether or not the Passamaquoddy's are entitled to invoke IGRA is clear that IGRA cannot apply to the project outlined in the current bill. IGRA applies only to gambling on Indian lands. If the Legislature does not enact L.D. 1998 the 100 acres in Calais cannot be considered Indian land.

Furthermore, even if the project were moved to the Reservation on what is definitely Indian land and IGRA was invoked it is not true that the state would lose control. IGRA expressly provides for negotiation of a tribal/state compact to include provisions dealing with jurisdiction. The application of the criminal and civil laws and regulations of the Indian tribe or the state that are directly related to and necessary for the licensing and regulation of such activity. These are provisions that must be included in the compact. The allocation of criminal and civil jurisdiction between the state and the Indian tribe necessary for the enforcement of such laws and regulations. Assessment, that is to say taxation by the state, of such activities in such amounts as are necessary to defray the cost of regulating such activity. Standards for the operation of such activity and maintenance of the gambling facility, including licensing, and any other subjects that are directly related to the operation of gaming activities. So, it is clear that the state would not lose control even if IGRA were to be invoked.

The financial aspects of the bill are interesting. L.D. 1998 provides for a ten percent excise tax on gross gambling revenues. The money goes into the casino tax account. From this account there is set aside regulatory expenses of roughly \$1.5 million a year that would go to the state police; up to \$2 million a year divided between the City of Calais and the Rising Tide Regional Development Program; 35 percent to Calais and, 65 percent to the Rising Tide program. The balance goes to the General Fund.

However, what the bill gives with one hand it takes away with the other because it provides for a \$25 million exemption from the excise tax in the first year and a \$10 million per year exemption for the next four years.

Therefore, according to the fiscal note nothing goes to the General Fund for at least three to five years.

That means there is nothing for highway improvements.

Routes 9 and 1 are the only two roads leading to Calais. Anybody familiar with Washington County knows that Route 9, which is called the Air Line, is a very dangerous road, full of logging trucks, hills and curves. Route 1, as we know, clogs up frequently in the summer, there are bottlenecks in Bath and Wiscasset, Camden and Ellsworth and elsewhere and it is often not passable in the winter.

Those are the only two roads that presently lead to Calais. Highway improvement will have to be undertaken on a grand scale if they are to support the casino.

There is nothing, again, in the General Fund for the correctional system. The bill provides for new Class C and Class D crimes and these would have to be funded out of current revenues, not from the gambling cut.

Only roughly \$1.5 million per year is set aside for the state police, who have awesome responsibilities under the bill. The have to do the financial investigation of the promoters, they have to do checks of the employees. They have to review the management contracts, check the accounting procedures, have general oversight of gambling, investigate violations. Enforcement procedures, standards for exclusions of unwanted people. All of this with the addition of only nine officers, three examiners, one stenographer and two typists. They also have to check the operation of the electronic machines, that is to say the slot machines.

That to me, is a very awesome responsibility.

The Rising Tide Fund, which is created under the bill is a revolving loan fund which is designated only for projects in the City of Calais, except that the income from repayment of loan funds can be used for other Washington County projects. Since the loans will have terms of roughly 7 to 20 years it is probable that there will be very little available money for projects in Washington County for some time to come. The fund is to be managed by three members of the tribe, only two of whom are required to have expertise in "business commercial finance or economic development." Tribal members have told me that it has been difficult, if not impossible to get accounting of the income from the \$13.5 million trust fund created by the Settlement Act. They question the wisdom of turning more funds over to the same people without more in the way of accountability.

The casino is going to be allowed to disregard not only the gambling laws of the state but also the Sunday Closing Laws. It will be in operation 24 hours a day. Of the state smoking laws -- smoking will be permitted and possibly also some of the restrictions on serving and possessing liquor between one a.m. and six a.m., it is not clear from the bill whether that will be enforced or not.

It is claimed that the casino will not serve free drinks but there is nothing to prevent them from serving double strength drinks, as is apparently customary in many of these casinos. Liquor is, to me, the most disturbing aspect of the whole casino plan. I agree that it is hypocritical to object to a casino on moral grounds. The state sponsors lotteries, churches sponsor bingo, and I don't feel that we are able to object to this on moral grounds.

I do fee however, that liquor adds a whole new dimension to the project. Anyone who is familiar with Washington County in blueberry season knows that many, many, young people come into the county to rake blueberries. On Friday night they have several hundred dollars in the pockets of their blue jeans. Many of them use this to drink excessively and most of us who live there know that we stay home on Friday nights in blueberry season.

What they will do with a 24 hour casino offering unlimited access to liquor and other things, I hesitate to envisage.

It should also be noted that L.D. 1998 provides

\$50,000 annually for treatment of compulsive gambling. That in itself says something to me.

It is finally my understanding that if the casino fails, Harrah's, the promoter, will cover the losses. But, that presumably represents losses from the casino itself. What about the \$13 million to \$20 million bond that the tribe will float, possibly with some help from FAME? Although, I have talked with people at FAME and they are by no means convinced that they are going to underwrite this bond. Who will pick up the tab on that money if the casino project fails?

In view of these considerations and the unanswered questions, I would respectfully urge a no vote on L.D. 1998.

The SPEAKER PRO TEM: The Chair recognizes the Representative from West Gardiner, Representative Marsh.

Representative MARSH: Mr. Speaker, Ladies and Gentlemen of the House: Based on the testimony of the nice lady from Brunswick, I would like to move the question, but I know there are a lot of people here who would like to debate this further. I think she has got this bill right where it should be.

I would like to speak as a realist on this. Before I do I would like to preface my remarks that I in no way want this to reflect on my feelings towards the Indian Nation. I think my record toward the Indian Nation stands. I have always felt very strongly about them and their presence in the State of Maine and have always assisted them any way I can but I cannot agree with the concept that we are talking about here today.

First of all, as the Representative alluded to, I would like to speak about location and competition.

Now, let's say this casino was built. Let's say I lived in Nashua, New Hampshire and, let's say that the first weekend in March I got back my income tax return and I decided I would go gamble and I am going to go to Calais. From the time I leave Nashua, drive down Route 9 over all the frost heaves and go through a Washington County snow storm that can happen that time of year, I am not just sure that the next year I would return. If the next year I decided to gamble I would probably go down to Connecticut or I would go out on Cape Cod where probably one of these are going to be built but I don't think I would be driving down Route 9 again.

What happens if I live over in the Maritimes, just come across and I am right there and I don't have to drive down Route 9? Being a realist I predict that if we sanction the building of this, probably before the last nail is driven or the last ceiling is painted, our Canadian friends are going to be building one across the border. This is shown many many times as we have tried to have business establishments along the border. I think if you would talk to some of the people who are in the shopping center in Presque Isle right now they can reiterate what I am saying. You can go back in Maine history to when we were going to site a ski area on Enchanted Mountain, just south of Jackman. That was going to be a ski area that was going to draw everybody from Quebec City to go skiing in Maine. Before Enchanted Mountain even really got started there were two ski areas sited just north and south of Quebec City. The Canadians have a way of keeping their own dollars there. If they don't they sure as heck have got a way of taxing what income might come out of gambling in Calais.

I read in today's paper where a businessman from Calais, who was here yesterday, said that he resented the paternal instincts of the Legislature, that we were (as a Legislature) taking a parental overview of the people in Calais. Certainly I don't feel that way but I do feel that Washington County deserves better.

At best the employment involved in this is minimum wage, closed-end jobs. There are very few people who will really come out with good employment out of it.

I have read everything that has come across my desk this winter and I have six inches of it here and I don't see how the common folks, so called, are going to gain much.

I have read that this is the last chance for Washington County. Well, I think in my adult life — I have read about harnessing the tides and how that was going to be the last chance for Washington County. Well, of course that didn't come to pass. I remember all of the discussion about the oil refineries and how if we didn't have the oil refineries that Washington County could never succeed. We didn't choose to have the oil refinery, instead we have a world-class shipping port in Eastport, which, it is my understanding the tonnage is expanding yearly. It is very prosperous. It is a wave of the future given what is happening in Europe.

We also found out that Washington County has the best site in the world for aquaculture to raise salmon. I sat (my first session) on a Commission to overlook aquaculture and when that was testified to I challenged the person that was testifying and I said, "Surely, you can't mean this is the best place in the world?" He reiterated that it was in fact there and given what has happened to our natural stocks in sea food of course aquaculture can't go anywhere but up.

What really offends me the most about this is how offensive this concept is to the Maine work ethic. From the days — and the people on the Energy Committee get sick of hearing me say this but at one point in time in my life I taught Maine history — if you go back to the days of the islands in the mouth of the Kennebec River, if it hadn't been for the Maine people settling on those islands, the Massachusetts colonies would have never got started. We, from that day to today, we are known for our work ethic in the State of Maine. This is known across the nation. Two people go in and apply for a job in Connecticut, New Jersey, Georgia, wherever it happens to be, if they have on their resume that they came from Maine they are going to have a leg up a little bit on the competition. I feel that this just flies in the face of the Maine work ethic that we have had as long as even before the days that Maine was a state. This work ethic is working to our advantage of even today.

We heard testimony this winter of the relocation of the banking industry to Camden Maine and in addition to the communications that were involved there, high on the list was the fact of the Maine work ethic. I read something here this winter that embellished that a lot.

Really, do we want a local economy in the State of Maine which is dependent upon a persons propensity to gamble.

What is gambling? As the good Representative said, I can't stand here and argue on this on a moral point of view. The State of Maine has a legal numbers game. When I was a kid growing up that was something you had in the city and was bad, now we do

it not only Saturday night but Wednesday night. We made a societal decision to do it and so be it.

You have to look at the definition of gambling. Gambling is just "get rich quick." Well, this to me comes down to a get rich quick scheme against honest work for honest wages. The people down in the GP plant in Woodland, how do they feel about this? There are people, career employees that this is what they have done all their life. They have worked there in that mill, honest work for honest wages. How does this fit with the other economic things in Washington County? How does this fit with the forest industry and the agricultural industry, the fishery industry, the paper industry, the recreational industry and the ports? All of these — we hear about the economy of Washington County but all of these businesses are flourishing one way or another in Washington County. They are expanding into a cranberry industry which we are told has all kinds of potential. They all exist in Washington County today and I feel that we should bolster them rather than head down this new avenue.

I think that we should rather explore — and these are all the things I have heard here on the floor this winter, I don't know whether a fiber optics communications would work in Washington County or not but I am sure that medical research, aquaculture, retired communities, furniture manufacturing and on and on could be explored for Washington County. These are all things that we have heard here on the floor that I have written down that I think have possibilities there.

To me it all boils down to one thing. Ladies and gentlemen, when this debate is all over tonight or tomorrow or the day after or whenever it does get over, I ask you to think one thing, would you rather have your grandson involved in one of these industries I just mentioned or would you rather have him be a blackjack dealer in a casino?

The SPEAKER: The Chair recognizes the Representative from Waterville, Representative Vigue.

Representative VIGUE: Mr. Speaker, Ladies and Gentlemen of the House: My position on this kind of reminds me of a good old country classic by Barbara Mandrel, it is in reference to "I was country, when country wasn't cool." I was instrumental last year in bringing a bus load of legislators to Connecticut primarily to find out what would happen to the State of Maine if we were to get a casino. A number of legislators went with me, it was very informative. We went through security, went through all phases of the casino. I tell you this was done at our expense, it was not done on state expense — I don't recall exactly what it was but somewhere in the neighborhood of \$50 apiece by the time we got done paying for the hotel and the trip down. Rest assured, I am happy to report to you that I found nothing to sway me from my position of support for the casino.

A number of years ago the same opponents of the casino are now showing up were active in opposing the Lottery. Well, I tell you I fail to see the wrath of the devil come down upon us. We are still here and we now share \$35 million to support education and other activities of the state.

The Calais casino is certainly not a cure-all, but let me tell you it is the only game in town. I don't say this lightly. There is no one going to Washington County to start a business that is going to provide the number of jobs that are being done for us. We are not investing \$20 million or \$40 million

of state money, this is being done by private dollars.

This is a chance to stimulate and bring Washington County back to an active, workable — we talk about work ethics, there are no jobs to prove that they have good work ethics.

I want to put things in perspective. If I were living in the southern part of a lovely state I would be closer to the casino in Connecticut than I would be to the proposal of the casino in Calais. You travel north then east on Route 1 you end up in Perry, Maine. Most people have never been to Perry, Maine, they have never been much further than Bangor. They don't realize that Perry, Maine is where the Pleasant Point Reservation is or you might call it the "Unpleasant Point Reservation" due to the amount of unemployment on the Reservation. If you look at the sign in Perry, Maine you will see that it states you are now half-way between the equator and the north pole and you still have a great number of miles to travel before you get to Calais, you are still over one hour away. Or, you can travel the air line route. If you want to travel the air line, some people may think we are referring to a private air service. Let me tell you, the air line is not a private airline service. It is a road that most people who travel the eastern part of the State of Maine would travel rather than be on Route 1. On Route 1 you would be riding the hind end of mobile homes for six, maybe eight hours to get to Calais.

I traveled the State of Maine for 15 years. I have been to every little nook and cranny. I have stayed in the St. Croix Hotel and the biggest fear I had staying in the St. Croix Hotel was that it might burn down before I had a chance to leave. I used to call on Joe Unobskey in Calais Maine. Joe Unobskey used to own a department store there. I sold him jewelry for his jewelry department. The only punishment I had for selling him jewelry was that I had to rent a room in the St. Croix Hotel which he owned. So, I rented the largest facility which was called a Hathaway Suite. The Hathaway Suite was a four room suite, I would pay nine dollars per night and at the tail end of it I was paying \$13 because they had gone up. But, the people in Calais are great great people, they have great work ethics, they are honest, they are loyal, they are supportive and that is one of the reasons that I support these people.

Were it not for the Lord Ashburton Treaty, which extended the size of the State of Maine, it almost doubled the size of the State of Maine. Lord Ashburton was not as famous as his wife, she was more colorful than he was, but, that is a different story. But, the Ashburton Treaty doubled the size of the State of Maine and if it were not for the Ashburton Treaty, if we were to leave to go to Calais we would travel four hours to Canada to get to Calais. What we did, we now have a bigger part of the State of Maine and that is what we are talking about — perspective — this is size. We could go to Connecticut closer than we can go to Calais. There is no one, people are moving south. This would give us a chance to reactivate, to bring Washington County to life. I know these people, I have had a great deal of respect for them. I have traveled there. They are hard workers, they are caring and loyal.

The Indians want our help so they can help control their own destiny. They deserve our support.

Joseph Nicholas, a Passamaquoddy and a past member of this body, wants our support because the casino

bill would provide jobs for his people and for the people of Calais. The opportunity for these people who have no prospect for employment and no way to find work. So, it doesn't matter what those work ethics are, we have to find a way of giving them a chance to prove that they will work and they can make this succeed.

I urge you ladies and gentlemen to support, with your heart, the people of Washington County and the Indians of the Passamaquoddy that will be gaining from this, providing jobs for their people.

Cliff Dorr, the Passamaquoddy Tribal Governor says that his people supported the casino bill by a vote of three to one. Please allow us the opportunity to move our people forward. Please support L.D. 1998 for jobs for people for economic growth in Washington County. I ask for your support.

The SPEAKER PRO TEM: The Chair recognizes the Representative from Eastport, Representative Townsend.

Representative TOWNSEND: Mr. Speaker, Ladies and Gentlemen of the House: There are a lot of aspects of this that I can't speak to and I am not going to attempt to. I am not a lawyer, I am not a financial wizard from Wall Street. We have folks that are going to answer some of those questions.

The only thing I would say about that aspect, at no time have I seen the tribe or members — and there may be some exceptions of supporters of this, perhaps down east might get carried away a little bit but at no time have I ever seen or heard of IGRA being used as a club. As a matter of fact, what flies in the face of that is the fact that the tribe is here going through this process which they didn't have to do but they did and I commend them for it. They want us to be part of their process and that is why they are here. That is all I am going to say about that.

The only thing I am going to say about the law is I will repeat that I am not a lawyer and I will add that I don't want to be. Nothing against those in that fine profession but it is not something that entices me.

Anyone, anyone, (in all due respect) that tells you when you go into court this is what is going to happen — I would be very nervous about that. I state that only because it was stated here that it was pretty clear what the decision might be and I don't think anything in that respect is clear.

With that out of the way let me talk to you about what I do know. Let me tell you who I am and what I am. I am a working man from Washington County. I have earned my living all my life working with my hands. Anyone that knows me knows that I am very proud of that. I come from working folks, my folks come from working folks right on down the line. I resent, a little bit, folks trying to tell me what it is like to work in Washington County. I don't mind somebody telling me something that they know more about than I do.

I do it every day, so, I am going to tell you about working for a living in Washington County. My wife and I have, like a lot of people, like 85 percent of those folks in Washington County, work and earn our own living. We do it by doing different jobs. I am now presently a custodian. I have been a hand liner. I have been a street sweeper. I drove taxi. I have worked in Woolen mills. I have worked in paper mills. I have worked in the woods. I have worked in the water. Probably many many other things in between that I can't even remember because in Washington County what is available to you are

dead-end jobs and you have to have two or three of them generally just to make ends meet — a fact, it is still a fact.

I am very proud of my wife's and my work because our daughter whom we love very very much is going to graduate from college next year. Nobody, none of my brothers and sisters have ever graduated from college. None of my brothers and sisters have ever gone to college. We are now beginning to because we have worked all our life and we have been able to put a little aside. When I get kicked out of this House or whatever, that is one of the things I intend to do, not particularly to improve my life, not that I think working for a living is anything wrong with that but it is just a personal goal of mine. It was a personal goal of my parents. I have seen my parents sacrifice everything, all their dreams, all their hopes, to keep a roof over their five children's heads. The older I get the more profound the lesson that becomes. I would like to see that change.

I don't want to get sappy on you but I saw my mother die when she was 56 years old. Doctors will say that she died of this heart thing or that thing. I will tell you what she died from. She died from working her fingers to the bones and having no hope for anything for the future but the very same thing day in and day out. So, when I read news paper articles that say we ought to be promoting this and we ought to be promoting that in Washington County — well, when?

I have been working on port development since it began, in and out of public life along with a lot of other folks. I have been working on aquaculture before they even came to Eastport. When they started over in New Brunswick, they came over to the boat school and they said to me, (because the custodians always get the jobs nobody else wants — which is fine because you learn more that way) they said we want you to take water temperatures three times a day for a year. The good man that I work with, Gary Ramsdell, and I, did that. I had a dark room in the house (at the time) as a hobby. I went home and got a dark room thermometer because they didn't even give us a thermometer. We tied a string to it and every day for a year, three times a day, we took water temperatures so they could gather some information. I didn't charge them \$75,000 a year for consultant or study fees. I did it because I knew it was going to be something that we might want to get into.

I see Washington County's future in a lot of things, not just a casino. I see the casino as filling a niche. I see the casino as bringing a market to Washington County so that aquaculturists can sell more of their fish, so the port can have more folks in around there supporting that.

I give their due to aquaculture and the port, they are part of our future, no question about it. But, I don't want any one business being all our future, that is a dead-end street.

Aquaculture might not be there next week, there is no guarantee. As a matter of fact, considering some of the imports from other countries and how hard it is to get money to get people started in this business, there is no guarantee on that. So, if you are going to think about investing in aquaculture I urge you to do so but don't expect a guarantee in that either.

The port, we have done a great job and I thank different Representatives who have pointed that out. It has been a long hard road. I can remember the

times we traveled to Augusta, leave Eastport at four-thirty in the morning as a City Council and have a meeting with a particular bureaucrat at eight-thirty or nine o'clock and get here and find that he is not here, he is out-of-state. We have gone the whole gauntlet on that. Now when we come down here people listen to us because we have been successful, with your help, and I appreciate it and the people down in Washington County appreciate it as well.

There is no guarantee folks, I don't know what folks in the mill, working people in the GP mill think about this project. I think you will find varied opinions on it.

I know there is one feeling you will find very prevalent — nervousness, they are worried. No guarantee that mill is going to be there next week, next year, no guarantee whatsoever. If that goes down then the biggest part of our business in the port goes down as well.

This deal with gambling, I don't gamble, I never have in my life and I honestly don't understand what entices people to do that. If this casino is built in Calais I think that the most my wife and I would ever do is perhaps have a dinner or take in a show or something like that. I might do that, but gambling isn't something that fits in my lifestyle. I would rather stay home on the couch with the wife and watch a good movie — to be perfectly honest with you. Because after working for a living all day long you don't have too much energy to do anything else.

I don't want to get too impassioned about Washington County though I do feel very very strongly about this. There is something else that has been said on numerous occasions and I accept those folks in the House that may have opinions on that, I realize where it is very easy to come of that opinion. There have been different news paper articles and what have you and the general impression has been that poor people gamble, that you have to take care of poor people because they can't take care of themselves. Let me tell you something, that is very insulting. I was raised in a poor household. I always had a shirt on my back, three squares and a roof over my head and a nice comfortable bed and I have already told you how I was able to obtain those — not by my efforts. I find it very insulting because it assumes that if a person is on the low end of the economic scale they are on the low end of the intelligence and moral scale. Wrong. I am going to repeat that, wrong! That is insulting. As a matter of fact, if you want to generalize people in categories such as that then I would be more concerned about the morals of those who have \$50 million or \$60 million in the bank than I would those that don't have five cents in their pocket. I will tell you what, my parents always paid their bills first and they taught us right from wrong and like I say, the older I get the more profound that lesson comes.

I don't mind working my life away with my hands, as a matter of fact I am very proud and I am very grateful to my parents that they taught me that. Because no matter what happens in this world Buster Townsend will survive because Buster Townsend knows how to turn his hand at various things.

There are some things in life that I think folks have a right to have. I think they have a right to hope for something better for the children that they raised, that was my parents motivation, very selfless

motivation, I might point out. My dad wanted to be an engineer, never had the opportunity because he was too worried about Buster.

Ladies and gentlemen I don't see this — opposition, I think in many cases, has blown out of proportion as to what this is going to do to Washington County. I can't hit on all the points here and I am sure you will be hearing from me again before this debate is over with.

Please, ladies and gentlemen, when you speak about the working people of Washington County let's have a little respect, we are not all drunks, we are not all gamblers. As a matter of fact 85 percent of us do a darn good job taking care of those we love and we will continue to do so whether this casino comes to Calais or not.

I want to thank those in the House, each and every one of you for the past help you have given to us in Washington County on ports, on blueberries, and cranberries. We have a very diverse economy and I view this casino as fitting in a niche and even making it more diverse.

Working people in Washington County deserve your respect. It is us, over the last 200 some years that have kept that a pristine area. It is not folks from any where else in the world that has done that. The reason you have a nice place to come down to and spend the summer or visit whenever you want to is because we turned down Pittston Oil Company, we turned down oil-fired electric project and a number of other pie-in-the-sky from the west ideas. But, what each and every one of those things had in common was in order for them to work, in order for them to make money they had to ignore and in some cases wipe out what was already there. That was wrong. The difference in this project is when this casino comes in, if it comes in — excuse me, I am optimistic and I have to remain that way — but if it comes in it doesn't wipe out other businesses. It helps other businesses. In brings a market there.

The traffic on Route 9, infrastructure in Washington County has always been bad. I don't know why that is news to people. I mean, if we could have a new infrastructure in Washington County we could have done a lot more for port than we have been able to do.

The traffic you are talking about, most of it is already there, 3 million a year going across that border, across Route 9 and Route 1. That isn't even an argument.

When they wanted to bring Pratt and Whitney into southern Maine in different projects, infrastructure is always a concern but, I didn't hear anyone say don't bring it in because we don't have the roads to support it or we don't have this to support it. What I hear is a very different attitude, let's do what we can to make this work. Well, I ask for the same for Washington County.

I have spoken too long this time and you are going to hear from me again so, with that I am going to close and I want to thank you for your attention.

The SPEAKER PRO TEM: The Chair recognizes the Representative from Township 27, Representative Bailey.

Representative BAILEY: Mr. Speaker, Ladies and Gentlemen of the House: I rise today not to urge your support for L.D. 1998, I plead for your support for L.D. 1998. Washington County needs the \$40 million pumped into its economy in order to rejuvenate to the point where we can use the casino

as a small portion of our economic base and expand upon that to bring back the tourism that we have lost in the past 25 years.

I am an example of just exactly what the good Representative John Marsh spoke about. I am a resident of Washington County, have been all my life except for the 25 years that I had to leave in order to make a living. Since I have retired I moved back to Washington County, I put all my efforts into trying to build that county, provide medical services for that county to the point where we don't have to export all of our people out of the county and rely upon migrant workers to come in and harvest our blueberries and harvest the forest and thin our forest, that is what is happening in Washington County. I will tell you if you are going to talk about Washington County you ought to at least go up there and see the depressed economic state that we live in today.

L.D. 1998 — I started working on L.D. 1998 being opposed to casino gambling. I didn't work very long before I realized that we were going to have a casino in this state because the Federal Government in 1988 authorized the Native Americans in this country to use casino gambling as a means of generating revenues to support their very depressed populations. With that in mind I started working with the groups to encourage a negotiation that would allow the state to have the control it needs over a casino operation to keep out the bad that you all read about and hear about that is associated with gambling.

As a retired state police officer I know that a depressed economy brings more crime into an area than any casino could ever bring in. I also say, as a retired state police officer, that our state police in the State of Maine have the expertise to operate that casino and make the rules for the operation of that casino so that we are going to have a facility in Washington County that we can be proud of and that we can expand upon.

I had an occasion the night before last to speak to a gentleman by the name of John Winsockey, a gentleman from Connecticut that lives in an area that is near the casino complex in Connecticut. His first statement to me was, "The casino in Connecticut was a godsend to this area. When it came to us, we were in an area of decline. All the defense related jobs were leaving and this area was dying, it was nothing but a rock pile." In four years, since the casino started in Connecticut, they have gone from 4,000 employees to many thousands, over 10,000. He indicated in the paper that there was an article that stated 27,000 jobs. I don't know if that was indirect and direct related jobs or what but, he tells of the good things about the casino that the casino has brought there.

We talk about the fear of a traffic problem here. That casino has seen up to as many as 45,000 people visit it a day. We are talking about 2,000 in Calais. That casino in Connecticut is out in the boondocks on a narrow road, if they can take 45,000 people a day into that casino I guess in Washington County on Route 1 we should be able to take a few of the people that are already there. We are one of the ten busiest border crossings in the United States. I think we can take the 2,000 people that is anticipated for that casino and not have to put a big burden on the road systems.

Again, John Winsockey talks about the Native Americans in Connecticut that are going to invest

\$30,000 in building a Native American museum. Just imagine what that does for that state. Just imagine what something like that could do for this state if we could have a Native American museum. Just imagine the tourism that would generate, the people that would want to visit that.

He also talks about in Connecticut they are in the process of talking about building a Disney World type complex near the casino to make it a family affair where it is going to be under glass so they can operate 365 days a year. He also talks about a vision of having high-speed ferry service from Long Island with a tramway from Mystic up to the casino. Those people are thinking, those people are going to be the people that have the job opportunities made to them. This state has got its head buried in the sand. As long as we have it there we aren't going to create jobs in this state. We have let the state lose 50,000 or 60,000 jobs since I have been in this legislature and boy I will tell you if we don't turn this around we are going to have a state that cleans up after the tourist leave in the summer and that is it.

Again, I not only urge you to support, I plead for your support of this and let Washington County move ahead.

The SPEAKER PRO TEM: The Chair recognizes the Representative from Bangor, Representative Faircloth.

Representative FAIRCLOTH: Mr. Speaker, Men and Women of the House: I rise in opposition to Committee Report "A." In 1988 only Nevada and Atlantic City had major casinos, now 27 states have casinos. Most of those 27 authorize several casinos or are planning several casinos. We New Englanders, with one casino in Connecticut are now considering seven major casinos. The casino tidal wave has reached the shores of our small state. Casinos have broad economic and moral implications and social implications.

Often we legislators must choose between the green button and the red button. Each choice matters. Occasionally, a vote takes on a greater meaning. Today we face such a vote. Today we must decide what kind of state we are and what kind of state we want to become.

I urge this House to reject Committee Report "A" the casino bill. Between the casino bill and Committee Report "B" (the "Ought Not to Pass" Report) I definitely favor "Ought not to Pass." I hope that we will later move on to consider Committee Report "C" as the better solution for all concerned which would authorize a Passamaquoddy casino but provide for a Constitutional Amendment restricting the spread of casinos. If casino supporters are not interested in that compromise or the proponents can't garner support for that then I would simply stand with the "Ought Not to Pass" Report as I speak now.

To those who want a casino in Calais, I urge you to vote "Ought Not to Pass" because this proposal, Committee Report "A" lacks a Constitutional Amendment restricting spread of casinos. It would be much better from your perspective to have such a Constitutional Amendment. To those who don't want casinos to spread state wide, I would of course urge you to vote "Ought Not to Pass" but to then consider moving on to consider Committee Report "C."

Four principles require rejection of Committee Report "A." Principle #1 — in honor of a Portland newspaper reporter, it is Weinstains Law, which holds that once a state allows one casino, it will allow

several.

Principle #2, casinos with localized markets are economic cannibals that increase poverty and decrease economic development.

Principle #3, a casino in an isolated area with a constitutionally guaranteed market and many out-of-state patrons can foster some economic growth.

Principle #4, only a Constitutional Amendment can bind future legislatures and Committee Report "A" will not provide for that.

First, Principle #1. The so called casino bill, the statute proposed by a minority of the Judiciary Committee, purports to authorize a casino for the Penobscot's and Passamaquoddy's only with the specific authorization for a Calais casino. Make no mistake, if this statute passes, the odds are very high a casino will be coming very soon to a neighborhood near you. Casinos are the junk-food of public policy in the 1990's, no state can have just one.

The Constitutional Amendment language (which this Committee Report "A" lacks) would restrict the casinos to Passamaquoddy's and Penobscot's and it also requires first that casinos be located no closer than 75 miles from large towns (those with 30,000 plus population) and, second, requires the casinos be located nearer to large towns out of state.

Governor McKernan recently insisted that this Constitutional Amendment language be added to the casino bill (the statute). I am honored the Governor insisted upon this addition to the bill. However, if this criteria is merely in statute and not enshrined in the Constitution, it is as Senator Conley said, not worth the paper it is written on.

I called University of Nevada Professor, Nelson Rose, perhaps the foremost expert on gambling policy in the United States. He confirmed that though states sometimes try to restrict the number of casinos statutorily, the temptation is too great and mere statutes are too weak. Once the flood-gate is open casino saturation is the rule.

University of New Orleans professor Tim Ryan states, "In every jurisdiction I have observed, the industry continues to push for more. There is no such thing as limited casino gambling." Win or lose the casino lobby will be back unless we pass a Constitutional Amendment.

Now, the proponents of casinos might argue that casinos do not spread when you have Indian gaming. In fact the only reason that might be the case is because in western states there are so many tribes and so widely dispersed throughout western states that they saturate the market in and of themselves which is perfectly creditable to the tribes out there. To give you some examples, in Washington State they have nine casinos. Montana, a state the same population as Maine has five casinos. North Dakota has half the population of Maine, has five casinos. Arizona, eleven. Wisconsin, eleven. Minnesota, twenty-two. The idea that an Indian casino in a state somehow prevents further casinos is a whopper.

Right down the road in the State of Connecticut, where they claim to limit casinos, they in fact are now talking about spreading casinos throughout the state just merely in the State of Connecticut. So, the whole concept of limiting casinos merely by statute simply does not work.

Principle #2. Casinos with localized markets are economic cannibals that decrease economic

development. Professor Rose said, of Maine's proposed casino statute, "As long as they are a monopoly they have a chance but then a monopoly will not last with this statute and neither will the economic development. The only way to ensure a monopoly is a Constitutional Amendment. Without it guaranteed wide market and ample out-of-state patrons are not a boom, they are a bust.

Economics professor John Grinney studied the numerous Mississippi casinos. The casinos are not generating new dollars but are just stirring up the resources we currently have and redistributing them. Local money spent at the roulette wheel is not used to feed children or build houses. Without a restrictive Constitutional Amendment casinos will increase poverty in Maine.

University of Massachusetts professor Robert Goodman writes, "While remote areas are historically favored for casinos, urban casinos are now becoming a trend in the future with negative economic consequences for rural casinos." More than 20 casinos plague the State of Minnesota, thus their casino markets are very localized. A Native American journalist in that state writes for a Native American newspaper, "We are seeing unemployment here. We are finding that welfare payments went down at first, now they are up and they are staying up."

The National Institute of Mental Health concluded that, "As gambling opportunities increased so do active addictive gamblers. Urban casinos in particular create huge pools of active addictive gamblers who live within a short drive of the casino. According to the Minnesota Gambling Commission, membership in the Minneapolis/St. Paul Gamblers Anonymous increase sixfold in recent years. Compulsive gambling leads to other problems, including debt, theft, embezzlement, disruption of family life and worth, increasing social service demands and private health insurance costs."

Principle #3. Casinos in isolated areas with Constitutionally guaranteed market and many out-of-state patrons can work socially and economically but this bill lacks a Constitutional Amendment. Stephen Gold, director of the Center for the Study of the State's writes, "Casinos are most beneficial when they attract many out of state residents. It is more positive if a casino is part of a designation resort. Law enforcement is easier in an isolated area than it is in an urban area and the jobs means much more as a percentage of the local economy but this bill lacks a way to insure that result and therefore is entirely inadequate and casinos will spread and increase poverty in this state.

Principle #4. Only a Constitutional Amendment can bind future legislatures. The casino statute purports to limit casinos to the tribes based on their shared unique sovereign status but granting a unique right to one class of citizens via statute is entirely inappropriate. Only a Constitutional Amendment carries the proper legal and moral weight for such a unique grant of authority. There is precedent for a Constitutional Amendment in other states. Wisconsin voters approved a Constitutional Amendment banning casinos entirely. California allowed some forms of gambling, similar to what we might be able to do here but simultaneous prohibited casinos elsewhere. If you want to say to your constituents in Lewiston, Bangor or Portland or wherever that a casino will not be coming to a

neighborhood near you, ever, a Constitutional Amendment is the only way. The casino bill lacks a Constitutional Amendment and is therefore a written invitation to the casino lobby to come to Augusta, session after session until they get their way which is casino saturation, they will continue to push until they saturate the market, that is what they do, that is their job, there is nothing wrong with it but that is not our job as legislators to allow for such things.

The casino bill is an excellent example of how to regulate a casino but we did not really address whether to have one. Instead of independent economic and sociological analysis the Judiciary Committee was spoon-fed rosy numbers from a group bought, paid for and brought to you by Harrah's — the same group, by the way, that did economic projections for the State of Maine.

If you want a Calais casino you should want a Constitutional Amendment. If the casino bill passes without a Constitutional Amendment the flood-gates will be open. A Constitutional Amendment is the only way to protect your marketplace. Voting "Ought Not to Pass" is a better choice on the casino bill but I hope we will move on to consider Committee Report "C." The casino frenzy is strong. To assure your constituents that a casino will not be coming to your area an "Ought to Pass" vote is totally inadequate. The only way to limit casinos permanently is a Constitutional Amendment.

Second, I believe the people down east with a Constitutional Amendment will benefit if we have that Constitutional Amendment restricting their market, then you can draw out-of-staters and well-off tourists and help put food on the table down east.

Never before have I spoken on behalf of a Minority Report from the Judiciary Committee but this issue is important. The reasoning for a Constitutional Amendment is strong and every once in a while you have to be willing to go it alone. Without a Constitutional Amendment these casinos will spread, they will localize their markets, they will increase poverty state-wide and decrease economic development.

I urge this House to decisively reject the casino bill and I hope later that they will consider the Constitutional Amendment which fulfills the true Maine character, it is moderate, it is compassionate and it is decisive. Let's settle this issue once and for all.

Please reject the pro-casino lobby, reject the hyperbole against the casino too. Reject the passions of the moment and please reject Committee Report "A" so that we can explore the possibilities of compromise that could benefit all the various sides of this debate.

The SPEAKER PRO TEM: The Chair recognizes the Representative from South Portland, Representative Johnson.

Representative JOHNSON: Mr. Speaker, Men and Women of the House: I woke up very early this morning, at five o'clock, that is early for me and like a splash of cold water I said this is the day you have to make up your mind. I have been all over the chart on this issue as all of you have, I am sure. I have been besieged by my clergy friends, my piers, on issues of church and spirituality and morality. Then people have come after me for dollars and looked at me and said, now look at the dollars on this side and look at the dollars on that side. Then other have come along who have been experienced with

it. People talk about social impact, what it is going to do. I have searched for a standpoint. I have looked really hard for a place to stand which gives me a clear conscience point of view without any sense of self-righteousness and without arguing for or against it — even the stuff that is coming forth and where I have landed is this, I am going to respect the judgment of the Passamaquoddy people. They are intelligent, they are perceptive, they are sensitive, they live there and they sweat over this, and I am going to come down and say what can I do to support your position?

I have a great concern for spirituality, for the inner person and what happens inside of you. I am well aware of the temptation of gambling and all that attends it. But, that is not the only temptation in life. If you are a stock broker, if you make your living doing that there are great temptations.

We could have an industry up there that deals in weapons. Then we could sell those weapons to all the people in the third world countries and feel that we have got a good industry up there. I wouldn't feel good about that. I don't know of any industry that is pure or clean but here is an attempt by a people, the Passamaquoddy's, they have worked at it, they are concerned and I trust them and I will support them as much as I can.

So, I will urge my friends here in this House to support this bill, the "Ought to Pass" motion.

The SPEAKER PRO TEM: The Chair recognizes the Representative from Augusta, Representative Lipman.

Representative LIPMAN: Mr. Speaker, Ladies and Gentlemen of the House: I would like to share with you some of my thoughts as a member of the Judiciary Committee. First of all, I think a great deal of credit has to go to Representative Farnsworth. Representative Farnsworth has worked tremendous amounts of hours; very, very hard, shown tremendous patients and has coddled, cajoled, did everything one could do to try to make this a workable bill. I commend her for her effort and I commend the many people who worked long hours to reshape this bill from where it came from.

However, there is another issue that we never really discussed in the committee, that we really never heard a lot of testimony about. That is the issue, do we want casino gambling in the State of Maine? It is the same issue that my good friend and member of the Judiciary Committee, Representative Faircloth and his Minority Report refers to when he says we need a Constitutional Amendment to decide whether we want casino gambling. I too have gone out and filed another Minority Report saying that the first thing that the people in the State of Maine must decide is do we want to put the State Seal and the State Stamp on casino gambling. I believe that is a proper subject for the people of the State of Maine. The people of the State of Maine voted on lotteries, they have a right to decide whether we want to have casinos.

This question is not that simple either. We have a law out there called IGRA. What I would like to do is share with you how I view IGRA fits into this picture. I believe that the tribes have an argument under IGRA and I believe they could well win under IGRA. If we deny them the opportunity to have a casino they could proceed with their rights under IGRA as they did in Rhode Island and they would end up with the right to have gambling under IGRA, however it would be on Tribal land rather than on

state property.

The other situation is they wouldn't be entitled to, necessarily, roulette and slot machines. So, there is sort of a hooker in there if you go under IGRA.

The fact if we agree in the State of Maine to allow this bill to go through, does not preclude or prohibit and we cannot stop the tribe from proceeding under IGRA. So, we must understand that even though this bill passes there is nothing to stop the tribe from going under IGRA. If in fact an argument could be made, well, we negotiated in good faith, therefore they couldn't win under IGRA. We cannot take their right away to go under IGRA, that is federal law, that is a federal jurisdiction.

It becomes a little more murky and a little more muddy when you realize that there is Tribal land in Albany Township, which is in Bethel, Maine and Tribal land at Sugarloaf. So, it is very conceivable that they could go under IGRA whether we turn them down or they accept it and they could open up a casino in Albany Township, which is in the Bethel area. It is very possible. Which all leads us back to the situation — what we think we are doing today and what we believe we are doing is very very important. But, there may be a lot of very important things that could happen in the future.

We have to go back to the argument made by the good Representative Marsh, economics will play a large role in this. The economics is such that as much as we want to see development in Washington County and we will do whatever we can, will there ever really be a casino in Calais when you realize that the source of the population comes from New Brunswick? And, when you realize that people who live in Canada are going to be having to pay a tax to do business in Maine, remember there is an exchange rate of 72 cents on the dollar. Are they going to want to suffer that exchange rate when they come to the State of Maine to gamble at our casinos or are they going to build their own casino? Or, are we going to end up with the project in Calais not being feasible and a casino in Bethel?

All these questions loom out there and we can't answer them today because we don't have the decision on IGRA and we don't know where it is going to go. One thing — and this is the reason for the Minority Report "B" as I have filed it — I believe the people of the State of Maine should have an opportunity to decide whether we want gambling. If they decide we do not want gambling then we should do what we can to discourage it and we should fight, as the Attorney General of the State of Maine has indicated that he can do, the fact that gambling should not come into the State of Maine, we should fight the case under IGRA and we may well win. I understand the Attorney General's Office believes they can win that case.

On the other hand, if we are to have gambling in the State of Maine the door is open. It should be regulated. It should be regulated by a state gaming board.

The reason I prefer a state gaming board rather than the process we are going is twofold. One, if we had gambling and casinos, I believe, we are going to be confronted by organized crime.

I believe we are going to be confronted by prostitution and I believe that we have got to change the type and nature of our law enforcement.

I also believe that we need a state gaming board because we have to look into the financial viability

of the applicants.

I have no concern with the current applicant, the Passamaquoddy Tribe and what they are prepared to do today.

However, only a year ago when this same bill was presented the money was coming out of Malaysia and the operators were people who were unlicensed or coming from either Connecticut or Rhode Island.

I believe that we need a gaming board, even though it is going to cost money to evaluate the financial viability of the proposed applicant.

I do agree very much with Representative Faircloth, that if we pass this bill we are not going to see the end of applications for casinos. We are going to see them for riverboats, we are going to see them for other areas of the State of Maine and we must be prepared to handle it if in fact we are going to do it.

So, what I say in conclusion, and I urge my fellow legislators to follow that is that this is such a monumental step that we ought to let the people of the State of Maine decide. And, if the people of the State of Maine decide we are going to have casinos then no one should get a monopoly, we ought to have a good firm plan to regulate it and we ought to spend the money to have a state board and make sure that the people who are applying have the financial viability and have the integrity to run the system and that we ought to decide where and when in the State of Maine there ought to be casinos.

In taking this position I no way intend to cast any dispersions on the present applicants. I think they have done an admirable job. I believe that the Passamaquoddy Tribe has come a long way from the time we heard about the applications, where money was coming out of Malaysia and we weren't sure who the operators are.

I commend Representative Farnsworth for the tremendous effort she has gone through in working with all the people to come up with a viable bill. However, I think we have to look at the bigger picture and the bigger picture is that do we want to have casino gambling in Maine. That is a decision that each one of us has to answer. I am going to vote no on this bill because I want to give the people a chance to decide.

THE SPEAKER PRO TEM: The Chair recognizes the Representative from The Passamaquoddy Tribe, Representative Soctomah.

Representative SOCTOMAH: Mr. Speaker, Men and Women of the House: The Passamaquoddy people live on two communities in Washington County, our ancestral land. We have lived there since time immemorial. Our land base has been reduced and Reservations have been created. We need to sustain those communities today.

The people of the Passamaquoddy Tribe elected me to present their views to the Maine Legislature. My Tribe, like any community, does not always speak with one voice. You may have seen and heard of opposition to this bill from a few individual members of my Tribe. I speak today, however, to assure you that this bill is strongly supported by the elected leaders of the Tribe, many of whom have always been here in the past few weeks.

In addition, the bill is supported by the great majority of Tribal members who live on the Reservation at Indian Township and Pleasant Point. To this majority this project is an opportunity, it is not a goal in itself but a means of achieving our

own tribal objectives, of doing things that we want to do, that we must do, if we are to develop as a Tribal people.

We have enough experience with government subsidies and government programs to know that we must lift each other as Tribal members and lift ourselves as a Tribe if we are going to succeed.

To me and the majority of the Tribe, this bill is not about gambling, it is about jobs in our local area. It is about investment in Calais and the surrounding regions where we live. It is about establishing a commercial attraction that will stimulate long-term economic growth in that area.

In the end this bill is about our Tribal communities and our culture. Our language, religion, traditions and history that have been passed on to us orally. Our culture lives through community. It is housed and practiced and passed on to new generations only in the support of a community setting that is Tribal.

To keep our communities, to keep our language, the traditions and ceremonies that bind us together as a people and make us distinctly Passamaquoddy cultural people we need communities that are well and vibrant where people look to the future knowing that we control our destiny.

When that spirit is present and I know that we will hold our people and our culture it is for this that we need a local economy that is big enough to include us so that we can sustain our people in the tradition and in the ways that have come to us.

Just as we have cooperated with the City of Calais in developing this proposal for the benefit of the whole area Indian and non-Indian alike, we extended our hand to the Governor, the Attorney General of this state and to this Legislature with this bill. We have taken this course because we want good relations with the people of Calais, of this state and we want to contribute to the growth of the Washington County area.

The majority of people in Washington County believe that this bill will succeed in doing that.

I want to thank the legislators that have worked very hard with the Tribal people in developing this compact, this agreement. They were very responsible to their constituents in working with us to ensure that this is a good bill, protecting all citizens in the State of Maine in this project.

I ask that you support this legislation, which costs the state nothing, to bring new investment and tourism and jobs of all kinds to Washington County.

We need to revitalize the economy of our area so that we in the Passamaquoddy tribe and we in Washington County can support ourselves so we can keep our people at home where they belong and contribute to the communities that are so important to our future as Maine people.

THE SPEAKER PRO TEM: The Chair recognizes the Representative from Orono, Representative Cathcart.

Representative CATHCART: Mr. Speaker, Men and Women of the House: I rise to ask you to support Report "A" "Ought to Pass" on this legislation. We have heard a lot of rhetoric, we have seen a lot of press on this casino bill. Frankly, I am a little surprised this has turned into the hot issue this year since we have been working on this legislation more than a year in the Judiciary Committee and the sub-committee has done a tremendous amount of work to make this an excellent, tightly worded and crafted bill.

I think we get carried away with the idea of casino gambling. There are so many scare tactics being used. People are saying if we allow this bill to go through this will breed more and more casinos in the State of Maine, our beautiful state will be littered with slot machines and blackjack tables. That is just not so.

What will happen if this legislation passes is there will be one casino in Calais. There could have been a second but the Penobscot Nation recently voted not to have a casino at this time. I respect the vote of their people just as I ask you to respect the vote of the Passamaquoddy Tribe who favored the casino. It is one casino. Perhaps many many casinos are not a good idea. That will be for future legislatures to decide because they will weigh any proposal for another casino on its merits subsequent to this one. They will have more data, perhaps then, more long-term statistics on what happens if casinos are allowed to proliferate. This will be one casino resulting from this bill.

The economic development piece is very important but I don't think we should condemn this one bill for a casino because the state has failed miserably to create economic development in Washington County. We are talking about a chronically poor and depressed part of our state where we have done virtually nothing to help the local people with jobs and with development. This would be one business that would bring more millions of dollars into that poor county to encourage other business to develop. That is all it is, it would create a few hundred jobs for people who don't have jobs. So what if some of those jobs are minimum wage jobs — that is not good but it is better for the people there to be able to work than to just have to stay on welfare. The jobs would be very real and they want those jobs.

I ask you not to make too big a thing of this, not to say it is going to be the proliferation of casinos, it is not going to save the state, it is not going to ruin the state, it is not going to make Washington County the richest county in the state probably, (though I would like to see that happen), but it will bring jobs, it will bring money into that area that desperately needs them. So, I ask you to support this motion.

The SPEAKER PRO TEM: The Chair recognizes the Representative from Lisbon, Representative Jalbert.

Representative JALBERT: Mr. Speaker, Ladies and Gentlemen of the House: I have, up until this morning, I had not made up my mind. When I heard one previous speaker get up I made up my mind I will vote for it.

I know that this is an important issue but I think we should stick to the issue. When I heard someone categorize the people in Washington County as a bunch of blueberry pickers with a pocket full of money and get drunk on Saturday night — that is a blanket condemnation of a whole area of the state. Those are good people. They live in Washington County, a lot of them, by accident of birth — they live there, they have got nothing else. I have got a lot of friends in Washington County.

I can't help but think this is the same type of language and thinking that I say back in 1946 and 1947 in Lewiston when one of the new Legion Posts was trying to get a liquor license and the remark was made, "Why have another liquor license, all you have is a bunch of Frenchmen who work in the mills and get drunk Saturday night?" I thought those days were

gone but apparently not. You still have a lot of mental cross burners floating around. I hate to see that this thing would delegate itself. I have heard and read in print where they are damning the welfare people. A lot of those people, it is not their fault. I hope that we keep this clean and not start tearing down people because of the economy and the accident of birth of up in Washington County and they are doing the best we can.

I want you to make up your mind on what is here, what the issue is and let's leave this idea of blanket condemnation of any group of people out.

The SPEAKER PRO TEM: The Chair recognizes the Representative from Lewiston, Representative Pouliot.

Representative POULIOT: Mr. Speaker, Ladies and Gentlemen of the House: I strongly urge your support for L.D. 1998. Much has been said about this issue. This bill should be supported because of the support it will provide to the Passamaquoddy's and the economic development and the real jobs a casino will bring to Washington County. Yes, this bill will allow a casino in Calais. This bill, however, does not and will not create — I repeat, will not create an unstoppable train which will bring a string of casinos to Maine.

L.D. 1998 is drafted to be very tightly regulated at the casino in Calais.

L.D. 1998 does not allow casinos state wide.

L.D. 1998 does provide the opportunity for a very economically deprived region of this state to experience an influx of good paying jobs rather than seeing a continued outflow of persons, young, middle-age and old, who can't live in the region because there are no jobs.

The Calais casino bill presents an undeniable opportunity to bring not just jobs to Washington County but economic parity with the rest of Maine in the most disadvantaged region of Maine.

Over the past 12 months Washington County unemployment was a staggering 69.9 percent higher than the state average. In January unemployment in Washington County was a sky-high 18 percent. I say to you, ladies and gentlemen of the House, we can do better for our neighbors down east and we must.

During the same time in 1993 unemployment at the Passamaquoddy Reservations, Indian Township and Pleasant Point, reached a staggering 55 percent.

Imagine in your district every other person in your neighborhood without a job or the means to support him or herself or their family. We can do better for our neighbors down east. And, I repeat, we must.

There is appalling poverty in this region and the Reservations are no exceptions. Forty percent of the houses in Pleasant Point are home to two or more families. For almost half of the Reservation, overcrowding is a daily reality. For these neighbors down east there is no American dream.

One might say this area has never recovered from the great depression. We can do better and we must.

The 25,000 members of the Passamaquoddy Tribe are all that remain along with the Penobscot within the State of Maine of that former and extensive confederacy once known as the Eastern Indians.

The Indian Land Claims Settlement has provided the Passamaquoddy land and the opportunity for more economic independence. Since the settlement, they have tried hard to bring jobs to Tribal members and to Washington County. Their efforts over the past decade have gained little. Only one manufacturer has

been attracted to the area, that company provided about 50 jobs and required significant government assistance to locate in Washington County.

Jobs remain scarce. We can do better for our neighbors down east and we must.

It is very easy to say that the Passamaquoddy and the people of Washington County should try harder. Let me assure you, they have tried harder but blueberries don't provide year-round employment and benefits. Agriculture will not provide the jobs or the benefits needed.

Timber harvesting is under attack and the largest employer in the area, Georgia Pacific, is facing an uncertain future (as well as all Maine paper mills).

Where are the jobs supposed to come from? Saying that there has to be more creative thinking about job creation simply dodges the issue.

Face reality, there are no opportunities for a large number of good jobs to be created other than by allowing a casino. The casino will bring 725 direct jobs. I repeat, direct jobs — 300 in gaming operations, 425 in administration, finance, computers, security, food and beverage, personnel, marketing, purchasing, facility and customer service. Ninety percent will be filled by the Indians and Maine citizens, I repeat, 90 percent will be filled by Indians and Maine citizens.

The average wage will be \$24,000. Employees will receive full-range benefits, health coverage, savings and retirements plans.

Almost 800 more indirect jobs are projected, construction jobs, retail jobs, tourism jobs, jobs for local people.

The key question I have always asked myself through this whole bill is having seen it go through and I have always asked myself as I try to represent my district in Lewiston — I said to myself, knowing the economy of Maine, what does having a job mean? You must ask yourself that question. The reason why I say that is because many of you will be hitting the campaign trail. I know that one of the primary things that you will probably have on your brochures, is "I am for jobs" and you will leave it there. But, I ask you, when you go home — define jobs. To me job means self-respect. It means security. It means the ability to provide for yourself. It means the ability to provide for ones family. It means the ability to provide for others through charitable giving. It means the ability to break the cycle of poverty and get off welfare. How many times do we hear this said in the House, we have to get them off the roll. Here is the golden opportunity to help Washington County and the ability to wake up each day with a purpose in life.

Problems of unemployment and poverty impact every person in human terms that few of us here today can fathom. But, I know there is hope. The proposed casino in Calais is a genuine opportunity for the Tribe to gain financial independence. For the region to create sustainable economic development the Calais casino will provide the chance to create jobs, to invest in people, to provide the resources for the Tribes most basic needs, education, municipal services, youth programs, elderly support and the additional economic development for Calais and the region. Your yes vote will put the Passamaquoddy on equal footing with other tribes in the United States in terms of economic development and independence. You can help the Passamaquoddy and the citizens of Calais do what they want to do for themselves.

I would just like to depart for one second. I couldn't help thinking, as I was watching the debate and I said to myself I know now that I am on the right side because I am trying to Represent all Maine and to represent a region that is deeply impacted with poverty but when I look in the gallery and I see the businessmen of Washington County, ladies and gentlemen, I say to you here today, wake up, these people are here today because they care, they care for their region. They see the opportunity. This agreement has been agreed with before the committee in good faith. Don't let this opportunity escape Maine where we have a bill before us where we can control and regulate. I applaud these businessmen to take time out of their business and their busy schedule in a deprived and poverty area to come here and possibly cost them \$400 to \$500 to be here four or five days. Well, I got that message and I hope that you will support Committee Amendment "A."

The SPEAKER PRO TEM: The Chair recognizes the Representative from Caribou, Representative Robichaud.

Representative ROBICHAUD: Mr. Speaker, Ladies and Gentlemen of the House: We can do better for our neighbors in Washington County and we must. However, my definition of jobs is jobs that are a net increase to the community, not jobs at the expense of other jobs in the community. Economic development means value added.

We can talk about generalities and economic development and jobs ad infinitum and we will agree on some points and we will disagree on others but we have an L.D. in front of us and I would like to talk about some of the specifics in that L.D. and this proposal.

When we talk about economic development that is the motivating force behind this L.D.. I have some serious concerns about how this money that is going to be generated at this casino, where that money is going to come from. Harrah's own numbers, Harrah being the management company who will be or has been hired by the Passamaquoddy's to run the casino, Harrah's numbers say that in order to meet their projected revenues each person who enters the casino per day must lose \$60. That is the premise to making money, that each person has to lose \$60.

Also, Harrah's numbers say that 15 percent of their patrons are going to come from zero to 50 miles around the casino, 15 percent. Fifty-five percent of their patrons are going to come from 50 to 100 miles around the casino, that adds up to 70 percent. That means that the local people in Washington County and maybe even stretching into my own Aroostook County and into Penobscot and surrounding areas are going to be asked to provide the revenue for at least 70 percent of the projected million dollars of revenue that this casino is intended to make.

The purpose of this bill is to provide, as the proponents have stated, economic development and jobs for the people of Washington County. A very legitimate aim but if they are making — if they are intended to make money from those very people who need so desperately economic development and need jobs in order to feed their families, are we asking them to foot the bill? I find that kind of disturbing.

I also would refer to a study, a two-year study done by Robert Goodman, who is an urban planner and economic development professor at the University of Massachusetts at Amherst. In his study he looked at

economic development values of casino projects all over this country and he specifically looked at the economic development study done by proponents of the casinos. He found that in those studies that are done by the casino companies and the proponents, generally, revenues and job numbers have been over estimated. That is in his study.

Also, as was mentioned before by Representative Faircloth, we have to keep in mind that people gamble with their discretionary income. Now, discretionary income can be defined by whatever money you have left over once you have paid all your bills and your necessities.

I am a little concerned at the expectation that 70 percent of the patrons of the casino are going to come from Washington County when the aim is to provide discretionary income for people of Washington County and provide basic income. I thought the problem was that these people didn't have discretionary income to spend. And, if they did, does this mean they are going to spend their discretionary income at the casino instead of at their local furniture store, local clothing store, local restaurant? What is the net impact on the local businesses that already exist?

Again, I would just hate to see a situation where in our haste to do some good we end up creating an either break even situation with regard to jobs or a net loss of jobs. I think we have all been able to recognize that small business is the backbone of our state and I am just very concerned at anything that might put those small businesses, especially, in an area that needs so much of our attention and so much of our help. I am worried that we put those small businesses at risk.

I also just want to mention something about IGRA. You all understand the Indian Gaming Regulatory Act of 1988 and how it relates to the Maine Indian Land Claims Settlement Act. I will just mention one more thing. There is nothing that we (as a state) can pass or not pass that will prevent a law suit against the State of Maine so that an Indian Tribe can put a casino under IGRA. The very argument that the proponents are putting a casino under IGRA would use in a court case they would use to argue that Maine can't stop them. IGRA is a federal law. However, as people have stated before and I won't go into it in detail, Maine has an exemption in its Land Claim Settlement Act, has a paragraph that says that anything after October 10, 1980 when the Land Claim Settlement Act was completed that does not specifically mention Maine, and IGRA does not, IGRA applies generically across the whole country, then it does not apply to the State of Maine. Since IGRA does not specifically state "Maine" and we have that provision which is very different from Rhode Island — in fact, in the Rhode Island decision they mention that Maine and Massachusetts both have provisions that set them apart from the Rhode Island Land Claims Settlement Act. Because of that I feel that the case under IGRA would not be successful.

Remember back a year and a half ago when we first got this bill, L.D. 1266? At that time that bill was to establish a compact agreement under IGRA between the state and the Passamaquoddy Tribe. We determined, I should say the Judiciary Committee, I was a member of the subcommittee, the Judiciary Committee determined after reviewing, hearing from all the people who testified at the public hearing that putting a casino under IGRA would probably — it

would result in a law suit. So, in an attempt to avert that we decided to craft this under Maine law. That opens up a whole new avenue. The original proposal was under IGRA so all the threats or I should say the predictions that there will be law suits, that is what we would have dealt with at the beginning of this issue and I deeply believe that there is nothing we can do to prevent that.

I would just ask you to look at the bigger picture. Look at Washington County, look at the fact that there is a need for economic development but also look at the fact that putting a casino in Maine not only impacts the people of Washington County but of the whole state. It is our duty, in order to represent the people of our respective districts to raise questions as to how that will impact the people in the whole State of Maine.

I am concerned about a variety of issues, many of which I have expressed to you all at separate times. I deeply feel that there are enough questions and enough concerns to warrant at this stage a vote against Report "A." I would urge you to join with me.

The SPEAKER PRO TEM: The Chair recognizes the Representative from Old Orchard Beach, Representative Kerr.

Representative KERR: Mr. Speaker, Men and Women of the House: I would like to just explain a few things that are in Report "A" before I get into discussing some of the issues that have been discussed here today and talking about casino gambling. We are looking at quality of life, social issues that have not been discussed, economic problems that may occur and infrastructure costs.

This bill imposes a ten percent casino excise tax on gross gaming revenues, less the value of all prize winning paid. For the first five years of operation the casino will be allowed to exempt \$10 million of gross revenues per year to cover debt service and management fees. In addition, the casino will be allowed to exempt another \$15 million of gross revenues in the first year of operation to offset their \$1.5 million advance to cover — the Tribal people had advanced the State of Maine \$1.5 million to cover regulation enforcement costs for the fiscal year 1994-95. The bill also established the casino tax account to pay regulatory costs from casino tax collected as well as make payments of up to \$2 million per year to the city of Calais and the Rising Tide Development. Based on the projections of — I used numbers from \$45 to \$53 million annually in gaming revenues and after the deductions of the exemption, regulatory enforcement costs and payments to the City of Calais and the Rising Tide Development Fund the General Fund receives absolutely nothing. I feel that as legislators in this state we must cut the best deal for the State of Maine, this is not the best deal.

The State of Maine is being faced with a situation that 25 or 26 other states are being faced with. Whether or not the Passamaquoddy and the Penobscot Nation fall under IGRA.

I would like to give you two scenarios, if in fact this bill fails the Passamaquoddy Tribe will go to court. They can either do two things, win or lose.

If they prevail in court the Passamaquoddy Tribe will fall under IGRA. That means that they will have a casino on Tribal land. The State of Maine will not allow any mechanical devices or slot machines, roulette wheels or games commonly known as policy or numbers in that casino. So, the most profitable, and

I say profitable instruments that are used in casinos as we all know are slot machines. They will not be allowed in this casino. Roulette wheels will not be allowed in this casino because we don't allow them under the laws today in this state. We all know what is happening in Connecticut, the revenues that are generated just in the month of October alone, after accounting for pay-off to players, the tribe took in \$32 million in slot machines. Why do I know that? Because when the tribe in Connecticut prevailed in the courts there was an agreement that was reached after they prevailed, where the State of Connecticut took a percentage of revenues generated from slot machines. Those revenues have contributed to the general fund along with the other portions of that agreement to the tune of somewhere around \$120 million a year to the general fund. The State of Connecticut has put some of those monies into their general fund, or most of them, and spending those revenues.

I ask you as competition is increasing because it has been a copy cat maneuver throughout all the states in this country that if one state has casinos, we better do it too. I am not sure that is the position the State of Maine should take. I think we are a little brighter than that. I think that this legislature and past legislation has been introduced to create the jobs that we know not only Calais needs but every county and every town in this state needs. We have discussed and been able to pass legislation for TIFS and STIFS, jobs bond bill, we have done some of those things. There is no quick fix to this economy.

My concern in looking at the revenues that have been brought before us and prepared by Waldren Economic Forecasting Associates, I turned to the first page and I read it. "Economic impacts are measured in terms of jobs, wages and the unemployment rate and tax collection." Never once in this report has social impact, economic problems or infrastructure costs been addressed.

I would also like to remind you that this same company has done the forecasting for this state for a few years and I want you, in case you have forgotten, I want to remind you that since June of 1989 there has been a shortfall of \$942 million. That is what this and past legislatures have had to deal with.

I do believe that the State of Maine is giving away games for free. I think what we need to do is allow the process to take place and rather than myself or any other legislator to determine whether or not if the Passamaquoddy Tribe decides to go to court that they will win or lose — it is not for us to be judges and juries. If they do prevail in court we can revisit this and strike a better deal.

For those that think there won't be a deal then try to operate a casino without having slot machines, roulette wheels and doing it on Tribal land. If in fact the Passamaquoddy tribe loses in court and I think that the State of Maine can make that decision whether or not you want to have casino gambling in this state and nothing would exclude both tribes from being involved in this mix because casinos have helped tribal people throughout this country. They do create jobs, there is not question about that but it is the consequences that fall after that that I am concerned about when states start booking those revenues and revenues don't meet that goal other programs will suffer. We have seen that in our state.

I have a recommendation, that we allow that

process to take place because the state cannot be hurt by this. Should the Passamaquoddy Tribe and the Penobscot Nation, if they choose, take the route of the court and prevail, we will be back here revisiting this issue. I think we will have several pieces that we don't have today to make this important decision, not for the people of Calais or the Passamaquoddy or the Penobscot Nation but for the people of this state. We will have more accurate and objective information about economic and social impacts involved in casino gambling. We need a comprehensive plan to discuss goals and methods to achieve those goals and we need to act as a guide and this plan needs to act as a guide for Maine's future. Communities or the state should insist on arrangements which compensate these communities or the state for current and future costs as a result of gaming ventures. This bill does not do that. This is a one-sided picture that revenues will achieve or exceed the \$48 million mark. The state must not become financially dependent on revenues from gambling. Gambling is not the cure-all for bad economic times. There are a lot of hidden costs in this bill that have yet to be addressed.

Just one other point I would like to make. This bill does not prohibit the Passamaquoddy Tribe, should this bill pass, to continue to go to court against the state and requesting that they do comply with IGRA. At that point property taxes on this lavish casino to be built could be in jeopardy to the City of Calais.

I would urge you not only to vote against the pending motion but with any bill to do with casino gambling that comes before this legislature this session or any amendments to it because I think it is a perfect opportunity for the courts to decide this case for the people of Maine because we are different than what has been discussed in other states. We do have that Indian Land Claim Act and if the tribes feel that there is a problem that is what we have courts for, let them pass judgment first. The State of Maine will always be able to come back to the table and get a better deal than we have here. We will be able to plan, in fact, if we should have casinos in this state regardless of IGRA.

I would urge you to vote against the pending motion.

The SPEAKER PRO TEM: The Chair recognizes the Representative from LaGrange, Representative Hichborn.

Representative HICHBORN: Mr. Speaker, Ladies and Gentlemen of the House: To give my reasons for my vote would be monotonously repetitive. I recognize and respect the opinion of people who are speaking on either side, either for or against, they have good reasons and they deserve respect for having those opinions.

A previous speaker spoke of the quality of jobs that might be available. I understand why those remarks were made. I would answer the question by asking another question — would I take a job today digging a ditch, slopping around in the mud for minimum wage not knowing whether or not I would have a job tomorrow or not? Well, my answer would be this, of course I would rather have a job as a teacher, as a superintendent, as a carpenter, a mechanic, an engineer, a dentist or doctor. But, if I didn't have a job I would take a job digging a ditch and I have done it in the past and I could and would do it again.

Many of the people in that area don't have the

opportunity of even a job of digging a ditch. It seems to me that a casino may and probably will bring jobs to the area.

I see in this bill an opportunity, an opportunity that might be described as a ray of hope for the future, a ray of hope for people like you and for me.

I have lived all my life in an area that has been economically distressed and I think I can understand the feeling of many of the people there. I know and understand the feeling of the people who oppose the idea of a gambling casino anywhere.

I would hope that when we vote here today that we could vote to make that ray of hope for those people a little brighter than it is today.

The Speaker resumed the Chair.

The SPEAKER: The Chair recognizes the Representative from Biddeford, Representative Caron.

Representative CARON: Mr. Speaker, Members of the House: I rise today and ask your support of Committee Report "A." As you know, I serve on the Judiciary Committee and I have been practicing law for about 21 years. There are six or seven attorneys on this particular committee and this bill has been before us for two years. Go back from an historical point of view, two years ago we had discussions before our committee with the Attorney General Moss, with Attorney Tom Tureen and Attorney Cohen. One of the arguments at that time was over IGRA and whether or not it applied. At that time there had already been a decision from the Federal District Court in support of the Narragansett Indian Tribes who had a very similar provision in their settlement agreement that we have. Attorney Moss was adamant that he was going to win that appeal, our Attorney General staff filed an amicus curiae, friend of the court brief, was part of the hearing in Rhode Island, raised all the issues that he would raise if this issue came before the court again and all those issues were raised and Moss was absolutely positive he was going to win that appeal. It turns out two or three weeks ago the decision comes down, it is against the State of Rhode Island in favor of the Narragansett Tribe, and our Attorney Generals' were there.

After that — it appears on our desk, we have a report from the Attorney General saying but in spite of that we still think we can win. Well, let's be a little practical, we are in the same circuit, if we bring the same issues before the same judges I suspect we are going to have the same results. In light of that we had the Attorney General Carpenter give us a second opinion the other day, he said an opinion of an Attorney General was not the same thing as the Attorney General's opinion. If you look at his opinion he says, well the other tribes have a 50/50 chance of winning.

Well, I am listening to a lot of the people here and the people that are opposed to this are probably the biggest gamblers. You have already got a district court and appeals court that have ruled against us and they want to take a chance and let us go back to court — I think you would have a better chance at the roulette wheel than you would having our Attorney General win this case.

We had Representative Lipman, who is also an attorney, even though he is opposed to this

particular bill, he is of the impression that the tribe would win.

Let's put some perspective and that is where we started. Representative Farnsworth then took a small bill and made sure we have complete control because under IGRA there are no funds, no income coming to the state. I have heard a lot of arguments here that "Oh, well we are not getting enough." Well, under IGRA you get nothing, at least the state is getting 10 percent of the gross which is substantial.

To disagree with the Representative from Old Orchard, Representative Kerr, and I understand if some of the Canadians stop in Calais rather than go to Old Orchard Beach, it may affect some of the economy in Old Orchard. There is more income, there is more than 10 percent, not only the economic development for that area and a revolving account of \$20 million that is going to be paid back in in developing that particular area.

What about the 1,500 people that are now working that are paying state income tax? What about those people that now we don't to pay from people down in the south and other parts of the state we are paying unemployment compensation for the people up there? What about the people that are on AFDC in the area that we are now subsidizing from York County and Cumberland County, these people are going to be working? That is probably another million dollars that is going into the state fund.

What about sales tax? The sales tax — do you know that every one of those slot machines, and there will be millions of dollars worth of slot machines going into the casino, do you realize they have to pay six percent sales tax on that? That is going into the state fund. What about Harrah's? Harrah's is now under contract for the five year period, will be making \$4 million to \$5 million as a management fee, you know they pay state income tax. Now, they don't pay state income tax just on the income they make here. I found out that they have to pay state income tax based on their world-wide earnings, a substantial amount to the state.

What about the room tax? You know they are proposed here the tribe is going to be having two brand new hotels in that area and we have a room tax that is going to be continuous every year, that is more income to the state. It is numerous amounts and it will keep revolving upon itself. So, let's correct those particular points.

Therefore, I would like you to support our Committee Report "A."

The SPEAKER: The Chair recognizes the Representative from Houlton, Representative Clukey.

Representative CLUKEY: Mr. Speaker, Ladies and Gentlemen of the House: I have a great deal of sympathy for the people in Washington County. I am familiar with that area and I know they need jobs and they need to improve their economy. What concerns me about this is that this is more far reaching than just Washington County. Even if you had just one casino and it was in Calais, the impact of that would radiate way beyond Calais. I am also afraid that this is just one step in three or four more casinos in the State of Maine, for instance we are already talking about a casino in Aroostook County, Bethel and Old Orchard Beach. So, I would just make the point that this is not just about Washington County.

There are many reasons why we should not support casinos in the State of Maine. I would just like to focus on the issue of crime.