**TESTIMONY OF**

**PRINCIPAL CHIEF MICHELL HICKS**

**EASTERN BAND OF CHEROKEE INDIANS**

**OVERSIGHT HEARING ON “INDIAN GAMING: THE NEXT 25 YEARS”**

**July 23, 2014**

Thank you, Chairman Tester and Vice Chairman Barrasso, for the opportunity to testify at this hearing today on tribal government gaming.

My name is Michell Hicks; I am currently serving my third four-year term as Principal Chief of the Eastern Band of Cherokee Indians, a tribal government based in Cherokee, North Carolina, comprised of the Cherokees that avoided the Trail of Tears and continue to live in the mountains of Western North Carolina. We have about 15,000 tribal members and most of our people live on the Eastern Band Cherokee Reservation.

The story of my people is a story of persecution, survival, endurance, and emergence. The history of the Eastern Band people suggests that we should no longer exist. Oppressive federal policies, competition and taking of our lands and resources, and efforts to turn our people from Cherokee into non-Indians have all failed because of the strength of spirit of our people.

This strength is demonstrated in many ways: the survival of our language and culture, the willingness of our people to protect our aboriginal lands and territory, and our recent emergence as a growing economic power in our region of the country. Tribal government gaming has been the primary driver for our ability to address the problems in our community, on our terms, and support the culture and traditions that never left. I can testify today that gaming has brought not only economic benefits to our reservation but also positive impacts on Cherokee life expectancy, poverty rates, educational attainment, and the physical and mental wellbeing of Cherokee children.

My testimony today will focus on the positive impacts Cherokee tribal gaming has had on Cherokee children.

**Eastern Band Cherokee Reservation Before Gaming**

Before tribal government gaming came to Cherokee, our people struggled to get by in challenging economic conditions. The beauty of our homeland in the Great Smokey Mountains and our location at one of the entrance points of the Great Smokey Mountains National Park made tourism a natural industry for our reservation. But tourism in the mountains was seasonal. Most of the non-BIA or tribal government jobs were related to the tourism that came in May and left in October. Most of these jobs were for minimum wage in motels, craft shops, and small diners. Most of the rest of year provided very limited economic opportunities.

Many families found themselves being split because people would have to travel off the reservation for work, sometimes for extended periods of time, to support their families in construction or other jobs. This situation tore at the fabric of the foundation of our society, our families.

**Eastern Band Cherokee Reservation After Gaming**

In 1983, the Eastern Band opened its first bingo hall in Cherokee. Known as “big money bingo” at the time, the bingo operated twice monthly, offering higher payouts than other local bingos at the churches and employing less than 100 people. While bingo brought limited income and employment to the Tribe, many of our people learned more about the business of gaming and what added resources could do to change our community.

The casino opened in November 1997 and has grown from a simple tribal operation to a large, complex, multi-product enterprise and tourist destination attracting 3.1 million visitors in 2013.

Today, the reservation economy of the Eastern Band is in a period of strong growth. Visitor-generated gaming revenue totaled $513 million in 2013.

The casino's economic impact extends to the Western North Carolina region, boosting per capita income from 70 percent of the state average in the mid-1990s to more than 80 percent today, reducing historically high unemployment rates and raising employment to the statewide average. Our Tribal gaming enterprise spent $28 million on North Carolina vendors for goods and services in 2011.

The Cherokee Preservation Foundation, funded by gaming revenues to create new businesses and initiatives that provide the region’s residents with greater opportunity and stability, has contributed a leveraged impact of about $99 million for additional social improvements, environmental enhancements, workforce development, and cultural preservation in the region.

With gaming dollars, the Tribe spent $5 million on Downtown Revitalization Project, $13 million on affordable housing, and $20 million on a new Justice Center.

The Eastern Band is helping to build infrastructure with a $16 million investment into a 300-mile broadband fiber network that connects to every school and hospital in Western North Carolina

The Eastern Band is creating jobs for our people and our neighbors. 80% of our 3000 plus employees are non-members of the Eastern Band.

**Impacts on Cherokee Children**

Today, a new generation of Cherokee children can learn their native Cherokee language through the creation of the Kituwah Language and Preservation Academy, which is funded with $7 million from gaming revenues. The school operates for children ages 6 weeks through the fifth grade and has adopted North Carolina state education standards. Our children study a standard course of education using Cherokee as their first language. But our commitment to our children’s success has driven us to develop an English course as well.

Thanks to gaming, the Cherokee tribal schools have one of the most beautiful facilities of any school in the region. The Tribe’s $130 million investment into Cherokee Central Schools, which are LEED certified, pre-k-12, and reflect Cherokee culture, brings greater opportunity to our young folks and builds pride in the community. This intergenerational learning complex was designed utilizing the most current theory of educational models including natural sunlight in every classroom, gymnasium, library and student spaces. It features a Gathering Place, a theatre in the round for the elementary students to host cultural programs. The Gathering Place is designed in the model of traditional council houses with seven sides. The classroom buildings are of similar design with interior courtyards. The Cherokee Central Schools also features a cultural arts center theatre with dance studios, an art gallery and a state of the art theatre which has hosted the North Carolina Symphony and the Atlanta Shakespeare Theatre as well as our own Cherokee Cultural night for students to showcase their own talents. More important is the athletic component of the school complex which was designed to address the diabetes epidemic in our community. We believe that teaching the children to control their health is an essential life lesson.

The Eastern Band has built other athletic complexes to address that issue as well including the John A. Crowe Recreation Complex, softball and baseball fields, community gymnasiums in Birdtown, Painttown, Wolfetown, Big Cove, Big Y, and Snowbird. We have also converted an old textile factory building into the Ginger Welch Fitness Center, which includes a cardio room, weight room, indoor walking track, gymnasium and indoor pool to be enjoyed by children and families.

The Tribe has constructed the Cherokee Skate Park, which was designed by our young people in conjunction with a professional design firm. The skate park provides another amenity for our people and for the visiting public. The Skate Park is also adjacent to the Cherokee Family Park, which hosts a public playground, picnic area and access to the Cherokee Riverwalk greenway.

I was so pleased last week to help open the Snowbird Youth Center, a Boys and Girls Club located in the isolated Snowbird community located 45 minutes from Cherokee. The new $4.1 million center replaces an older center and provides classrooms, a dance studio, multipurpose room, gymnasium, teaching kitchens, a computer lab and hiking trails. The facility was built in conjunction with the National Forest Service through a land use agreement. We believe this partnership will foster more programs for this remote section of tribal lands in education and community forest partnerships.

Even more profound than facilities and programs, research from Duke University Medical School, the Great Smokeys Study, shows that an infusion of income to tribal members can have a significant impact on the health and wellbeing among Cherokee children who grow up in the most financially stressed homes.

Professor Jane Costello, an epidemiologist from Duke Medical School, had been following for four years 1,420 children living in rural Western North Carolina, a quarter of whom were Cherokee. Roughly one-fifth of the rural non-Indians in her study lived in poverty, compared with more than half of the Cherokee children. By 2001, gaming revenues had grown to a level that allowed the Tribe to provide direct assistance to tribal members. As a result, the number of Cherokees living below the poverty line had declined by half.

According to the Duke study, the poorest children tended to have the greatest risk of psychiatric disorders, including emotional and behavioral problems. But just four years after the payments to Cherokee families from gaming revenues began, Professor Costello observed substantial improvements among those who moved out of poverty. The frequency of behavioral problems in Cherokee children declined by 40 percent, nearly reaching the risk level of children who had never suffered from poverty.

Minor crimes committed by Cherokee youth declined. On-time high school graduation rates improved. And by 2006, when the payments had grown to about $9,000 yearly per member, Professor Costello observed that the earlier the financial payments arrived in a child’s life, the better that child’s mental health in early adulthood.

These Cherokee youth were roughly one-third less likely to develop substance abuse and psychiatric problems in adulthood, compared with the oldest group of Cherokee children and with neighboring rural whites of the same age.

The Duke study also found that improvements to family income improved parenting quality. The assistance from gaming eased the strain of the feast-or-famine existence too many of our families were surviving in.

Other evidence shows that these direct investments actually save the Tribe and the federal government money in the long run. Randall Akee, an economist at the University of California at Los Angeles and a collaborator of Professor Costello’s, calculates that 5 to 10 years after age 19, the savings incurred by the Cherokee payments from gaming are greater than the initial costs. This study says that the Eastern Band Cherokee Tribal Government and the federal government benefit from savings in reduced criminality, a reduced need for psychiatric care, and savings gained from not repeating grades.

These third-party studies demonstrate the remarkably positive influence Cherokee gaming has had on our Cherokee children.

**Conclusion**

In conclusion, tribal government gaming is not simply about generating revenue for the tribal governments. The Eastern Band Cherokee experience is that gaming can dramatically impact the lives of Cherokee families, particularly our precious children in ways even we never dreamed possible.

Thank you again for this opportunity to tell our story.