Written Testimony for the U.S. Senate Committee on Indian Affairs Liz Thomas Taxpayers of Michigan Against Casinos January 31, 2006

Good morning. Thank you Chairman McCain and members of the Senate Indian Affairs Committee for giving me the opportunity to testify. I am a representative of a community grassroots organization called Taxpayers of Michigan Against Casinos. We have worked to prevent a tribal casino from opening in New Buffalo, Michigan, for almost ten years. New Buffalo is a Lake Michigan community of about 2,500 residents. My husband and I opened a small resort in 1990. We and the other members of our group firmly believe a large, generally unregulated casino will fundamentally change the character of our community forever.

Throughout the past ten years, those of us who oppose the potential Pokagon casino in New Buffalo have found our voices and fought in many different ways to prevent the casino. The fight has been constant, costly, and often demoralizing, none more so than last Friday when we received word that the government had taken the land in trust for the casino and the tribe announced they would begin building the casino soon.

Our opponents are funded by powerful gaming companies that always have more resources at their disposal than we do. I have come to believe over these ten years that the only way to ensure that people in small communities like mine have a genuine say in whether an unwanted casino comes to town is with changes to the IGRA legislation, which must come from the United States Congress. And after hearing the news reports over the weekend, so many of our supporters called pleading with me to come today and tell you our recommendations about how to improve this process. So that is why I am here today, and before giving my recommendations I would like to give you a little history.

In September 1994, the Pokagons received status as a federally recognized tribe with the help of co-sponsors U.S. Representative Fred Upton and U.S. Representative Tim Roemer. Both Congressmen claimed that the tribe promised that gaming was not the tribe's interest. By November the Pokagons were negotiating with Leisure Time and Harrah's entertainment companies about opening a casino. Congressman Upton told TOMAC he felt he had been double-crossed by the tribe.

For the next year the Pokagons held "informational meetings" along the I-94 corridor from Kalamazoo into Indiana, in at least 30 communities, looking for the right spot to open a casino. By the spring of 1996, the tribe had narrowed it down to three locations – New Buffalo and Bridgeman in Michigan and North Liberty in Indiana. On May 3, 1996 the tribe announced that New Buffalo was their choice. A few days later our group of casino fighters met in the basement of the local Methodist church and took the name of Taxpayers of Michigan Against Casinos,

We first fought the casino at the local level. In 1996, we worked hard to support candidates for our local offices who opposed the casino. We were even successful in electing a slate of anti-casino candidates, only to see them later fall under the spell of promised revenue from the casino. This very same group that had run on an anti-casino platform turned around and signed a local revenue sharing agreement with the tribe. In a small community like ours, the lure of much-needed revenue to help support the budget just became too much. And one thing casinos bring is a basketful of promises about lots of money flowing into town. We have fought the casino at the state level. The Pokagon tribe was trying to pass a compact with the State of Michigan in 1998, and several of us from TOMAC were there in Lansing when the compact passed. This compact passed in December on the last day of legislative session that year, at 1:00 in the morning.

The compact was passed not as a bill but as a resolution so that it wouldn't require a majority of members of the legislature, just a majority of the people there on the floor voting. It was going to be a very close vote – and we watched as many legislators walked out of the chamber so they wouldn't have to make a public vote – a public stance – on this very controversial project and so that it could get the majority of people who were on the floor at the time.

We have fought the casino in the courts. We filed suit in Michigan court, arguing that the compact was invalid because it was passed as a resolution instead of a full law. We won in the circuit court, lost in the appellate court, then lost again in the Michigan Supreme Court (though a piece of this case remains alive in the Michigan Appeals Court).

We filed suit in the federal courts, too. We sued the BIA asking that the tribe be forced to conduct an Environmental Impact Study, because it seemed plain and simple enough to us that a massive casino designed to attract over 3 million people a year into a community of 2,500 residents would have a significant impact.

The court initially agreed with us and rejected the BIA's conclusion that the casino would be insignificant, but the court later deferred to the BIA when it reached the same conclusion after further study. The appellate court agreed. Overcoming agency deference is a very big hurdle, I learned, even when any common citizen on the street will tell you that the casino will obviously have a transforming, significant impact on our community.

The tribes shouldn't be able to have it both ways. They should not be allowed to garner support from local governments with the promise of thousands of jobs, millions of visitors and even more millions of dollars, then, turn around and ask the BIA to declare the casino will have No Significant Impact on a community.

The BIA made its initial decision that this casino would be insignificant on the last day of the Clinton Administration, January 19, 2001. The person who signed the papers was Michael Anderson from the BIA. He went to work for tribal interests shortly thereafter. This kind of blatant duplicity does not inspire public confidence in the fairness of government operations. And now the Jack Abramoff scandal shows that the level of political corruption and the money involved in Indian gambling matters has gotten completely out of control.

There are other communities in Michigan struggling with the threat of proposed tribal casinos. We are thankful and grateful for the generous support we've received over the years and share their concerns about their own communities--people from CETAC in Battle Creek, Michigan; Michigan Gambling Opposition and 23 Is Enough in Grand Rapids, Michigan; Positively Muskegon in Muskegon, Michigan. We've also had the pleasure of working closely with Tom Grey from the National Coalition Against Legalized Gambling.

But casino gambling is spreading throughout the country and it is time for Congress to get its arms around the problems before it is too late. Now that you know the history of our fight, I'd like to offer what TOMAC thinks would be improvements to this whole tribal casino process, based on our experience.

First, most important, and what we have asked for all along, is a chance for the people of the community to vote on this. When the casino project was announced, we, community residents, were told

it was a DONE DEAL. We were told what was going to happen, when, how wonderful it was going to be for our community, and that we shouldn't ask questions and that we certainly couldn't do anything to stop it. Fortunately for us, we had good souls like Tom Grey who told us it WASN'T a done deal and that there were ways we could try to stop it. But we the people have never had a chance to register our formal vote.

I believe there should be a local, public referendum on every tribal casino project to ensure the majority of the community actually wants it. If a community wants the casino, God bless them. But if a community does not want it, that community deserves the right to self determination.

The other, serious problem with this process is the "reservation shopping" as it is being called. Newly minted tribes and existing tribes work with their casino sponsors to find the best possible site for commercial gambling, and then they ask the government to put it in trust for them.

The Pokagons wish to build on land that they bought in 1996. This is not the Pokagons' existing reservation land. This is not even where the majority of Pokagons live now. The Tribe's tribal hall is in Dowaigac, but the property there just isn't an attractive site for a commercial casino.

And yet once this newly acquired land is given trust status, it will be viewed forever more as a sovereign nation that belongs to the Pokagons, and on which they can build a casino that attracts 4.5 million people a year to our community of 2,500. The Pokagons decided on New Buffalo after they openly shopped "in probably all of the communities along the I-94 corridor in our service area". (Matt Weesaw, Harbor Country News, 5/9/96) We believe Tribal casinos are best when built on tribal land and that "reservation shopping" was never the intent of the IGRA. And lastly, there is the issue of the EIS which is required under IGRA in the land to trust process. We believe there should be an independent agency that would conduct an analysis of the environmental, economic and social impacts - studies that would be an honest picture of the land in question. The present system allows the tribes to hire a firm that has experience with the BIA and knows what they want. These studies are inadequate, biased and often glaze over issues of great importance to host communities.

What has happened in my community, we call it Harbor Country, is not unique and that is what makes it so sad. It is not unusual or extraordinary because this nightmare is happening to towns all across America. As we debate this issue today here in Washington, there are grassroots groups all across America, calling their legislators, asking for help only to be told that this is an issue out of their jurisdiction. I ask you, who do we go to when our local, state and federal governments have been seduced by the mere promise of millions of dollars of "revenue" that once was some family's "paycheck". And I respectfully ask this committee, when did our rights as American citizens cease to matter on any day that was not an election day?

In the late 1980s the committee that drafted the IGRA did their best to include every thing they could imagine into the regulations that would govern an industry of gambling and an alliance with Tribal nations. After nearly 20 years we know there is much more to learn. We applaud this committee's efforts to reach out to its critics and supporters and craft a solution that would be welcomed by all.

Thank you so much again for allowing me to speak today.