Statement of the Honorable John Conyers, Jr. for the Hearing on H.R. 2176 (Stupak, D-MI) and H.R. 4115 (Dingell, D-MI)

Before the House Committee on natural Resources

Wednesday, February 6, 2008, at 2 p.m. 1324 Longworth House Office Building

Mr. Chairman, Members of the Committee, I want to thank you for the opportunity to testify today in opposition to H.R. 2176 and H.R. 4115. These bills will allow two Indian Tribes from Michigan's Upper Peninsula to establish casinos in Romulus and Pt. Huron, Michigan.

It is not very often that I find myself disagreeing with my friends from the Michigan delegation, but today we do have very different views on these bills because they affect each of our districts in a very different way.

Mr. Chairman, I am opposed to the passage of these bills for a very simple reason – they threaten the economic future of the city of Detroit.

In 1994, the voters in the State of Michigan passed a statewide referendum to allow three private casinos to be built in the city of Detroit. During that campaign, the proponents argued that the passage of this referendum would spur economic development in Detroit, create well-paying jobs and benefits, and provide much-needed tax revenues to the city coffers. I am pleased to report, Mr. Chairman, that the development has occurred and jobs have been created.

Since that referendum, over a billion dollars in new investment have poured into Detroit. In fact, just a few months ago, the MGM Grand opened up a new \$800 million hotel and casino in the heart of the city. There is no question in my mind that MGM would never have made that kind of investment if it knew that Congress would be mandating additional casinos right outside the city borders.

The three Detroit casinos have also been responsible for creating nearly 10,000 new jobs in the city. I need not remind this Committee of the economic difficulties that our city has faced as a result of the decline in our automobile manufacturing base. These well-paying jobs, many of them union jobs, have also brought tremendous health care benefits to people who were in desperate need of quality health care coverage.

Finally, these three casinos have provided hundreds of millions of dollars in critically-needed tax revenues to the city of Detroit. I understand that last year the three casinos contributed over \$450 million in direct taxes, fees, and assessments to State and local governments.

Mr. Chairman, what concerns me with these bills is that not only do they threaten the economic future of the city of Detroit, they also undermine the will of the voters in the State of Michigan.

In 2004, Michigan voters passed another statewide referendum that limits the expansion of private gaming in Michigan. Any new private gaming expansion must be approved by a local as well as statewide vote. This law would still allow the city of Pt. Huron and the city of Romulus to pursue casinos, but they would have to do exactly what the city of Detroit did – get the approval of the voters in the State of Michigan. It is my understanding that both cities have already passed local referendums – so they are already halfway there.

So the question I ask is why this Committee would attempt to favor one city over another. Shouldn't every city seeking a casino be required to go through the same process? I know these are Indian casinos, but Pt. Huron and Romulus are over 350 miles away from their reservations. This is not really Indian gaming.

It took years for the voters of Michigan to pass the 1994 referendum. But instead of following that commonsense process, we have legislation before your Committee that would short-circuit that process and give away congressionally-mandated casinos.

Mr. Chairman, I believe these bills are unfair to the city of Detroit and every other city in Michigan that wishes to have casinos – and believe me – there are a lot of them.

I understand these bills are opposed by Tribes in Michigan, as well as all around Indian Country – including Tribes in New Mexico, California, and US Southeastern

Tribes – which are concerned with the precedent that would be set with the passage of these bills.

For all of these reasons, I would encourage the Committee to reject these bills.

Thank you.