

ago and is an expanding and more influential aspect of education in Iowa all the time.

Iowa's long history of academic excellence meets the high standards that our Founding Fathers set over 150 years ago when our State was established. With ongoing dedication from students, parents, teachers and school officials, I am confident that Iowa's education system will continue its path of growth and success as we continue our history and development as a leading State in the Nation.

I look forward to these new developments in education for today's leaders and future generations of American students.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. BRYAN. Mr. President, I preface my comment by joining with my friend and colleague from Iowa, congratulating his great State on the sesquicentennial of admission to the Union. As he and I discussed before, I have a good many relatives who live in his State. I have had the privilege of spending a good bit of time over the years in Iowa. I enjoy the State, the people, and, again, I express my congratulations to them on the occasion of their celebration.

#### LEGAL GAMING ENTERTAINMENT INDUSTRY

Mr. BRYAN. Mr. President, I rise to discuss the issue about which much has been said recently, the so-called need for a Federal gaming study.

The PRESIDING OFFICER. The Senator from Nevada is advised that some time ago we were to have gone to certain Federal Reserve Board nominations.

Mr. BRYAN. Mr. President, I ask unanimous consent that we set aside the pending business and that I be able to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BRYAN. I thank the Chair for advising me of the parliamentary situation.

Mr. President, I was commenting, we have had much discussion in the media, on the floor and as part of the national dialog of the need for a so-called Federal study of gaming. The integrity of the legal, legitimate entertainment industry, one which is of primary importance to the economy of my State, has been repeatedly impugned.

One Member of the other body took the House floor to call those who work in the gaming entertainment industry a group of "roaches."

I want to cut through some of this rhetoric and set the record straight. Excessive rhetoric has been used to drown out a constructive dialog and a careful deliberation about a legitimate issue: the rapid growth of gaming across America.

Opponents of legalized gaming have resorted to character assassination, guilt by association, and distortion of

the views of those with whom they disagree.

The time, Mr. President, has come to say, "Enough is enough."

At the outset, it is imperative to step back from this emotional rhetoric by gaming critics and to observe that gaming entertainment in all forms would not be expanding without demand for this form of entertainment. Simply stated, the American consumer, not the Government, has decided to spend his or her precious recreational dollar in this fashion. For example, 30 percent, or 32 million households, made a total of 125 million visits to casinos across America in 1994. The total number of casino visits rose to 150 million in the following year of 1995. In many respects, this growth in casino visits is not surprising, given the changing nature of gaming entertainment in general and casino gaming in particular.

Since the late 1980's, casinos have become what the experts characterize as "destination resorts" which offer more than the various games of chance normally associated with the casino. These destination resorts now offer a range of additional entertainment experiences, including a variety of sporting events and recreational activities, theme dining experiences, unique shopping, Broadway-quality shows, and many other attractions.

If casino entertainment was not providing solid value for the dollar spent, consumers would not be patronizing these establishments. It is somewhat puzzling that those who are defenders of the free market and proponents of State regulation are quick to second-guess consumers and States on this policy question.

Advocates of legislation to create a Federal gaming study commission have stressed in their public statements and in testimony before various congressional committees that the limited purpose of this commission was to study the socioeconomic effects of all forms of gambling and to give policymakers at the local, State, and Federal level the data they need to make educated decisions.

I might just say parenthetically that there has been no request generated by local or State government, that I am aware of, of calling upon the Federal Government to conduct such a study. But that is ostensibly what they claim.

They have consistently emphasized that no one, least of all the legal gaming industry, should fear anything that is just a study.

Mr. President, the gaming entertainment industry in my own State has absolutely nothing to fear from a fair and unbiased study. Nevada's tough regulation has made this industry a model for other States, which have adopted gaming, to follow and, indeed, is an international or global model.

However, what is going on here is a crusade by those who want to destroy an activity that they do not like, and that, Mr. President, is dangerous. The

principal premise for the proposed commission advanced by its antigaming opponents is that States and local governments lack the ability to acquire and act on objective information in the face of well-financed attempts to put casinos in. This simply does not square with reality.

No State—and I repeat, Mr. President, no State—has approved new casino gaming for several years. For example, 7 of 10 gaming initiatives were defeated in 1994, and no new casino gaming was approved by a new jurisdiction in 1995.

Let me just comment parenthetically. From a parochial perspective, representing my State, I am not an advocate for the expansion of casino gaming in other jurisdictions. But the point needs to be made that that is a decision which States, local governments, free from Federal interference, ought to be able to make on its own.

Those who have an established agenda decided to elevate this commission from one to study the impact of gaming to one that is designed to investigate the operation of a legalized gaming industry.

While many of those who support a study have good intentions and prefer a reasonable approach, they are being drowned out by those extremists whose goal is the destruction of this industry. The loudest voices calling for a gaming study are those who want to shut down a legal industry in a State which has chosen to allow gaming. They believe they possess a superior moral barometer and should tell us what is right and what is wrong.

They feel the same way on other aspects of our society, and we know not what will be their next target. What I want to do today is to give you a more fair picture of the legal and highly regulated gaming industry in my own State.

In Nevada, the gaming entertainment industry provides 43 percent of the \$1.2 billion annual State general revenue. This is the source that finances the essential operations of State government; first and foremost, education.

The gaming entertainment industry accounts for more than 50 percent of Nevada's employment, either directly or indirectly. The gaming industry in Nevada has today extensive regulation and oversight, involving day-to-day on-site supervision by State gaming control authorities, the Internal Revenue Service, and the Treasury Department unit which handles currency transaction issues.

In fact, when the Treasury Department testified before the U.S. Senate Banking, Housing, and Urban Affairs Committee recently, they had high praise for the regulation of currency transactions in the State of Nevada.

The regulation of gaming is not perfect. We have worked long and hard in Nevada to establish a tough regulatory system that is a model for how such a system should be run.

The State of Nevada employs 372 regulators and charges the gaming industry \$19 million on an annual basis to see that only legitimate interests are involved in gaming and that the games of chance are conducted honestly and fairly.

Despite Nevada's success with gaming, I would be the first to admit that legalized gaming may not be the best choice for every community, and I have repeatedly expressed my concern that Indian gaming regulation in some States is far too lax.

Some States have unrealistically looked at gaming to solve all of their financial problems; a panacea, if you will. And some States have rushed into gaming without the proper regulatory controls, and the results have been disastrous. Any State or community that chooses to legalize gaming should do so with its eyes open and with a strong commitment to strict regulation and control.

I am confident, however, that States are more than qualified to make these type of decisions on their own without the intrusion of the Federal Government.

I am proud of what I did in Nevada in my 6 years as Governor at a time when the industry worked with me to improve the industry's operation. The chairman of the Nevada Gaming Control Board is Bill Bible, the son of a highly respected colleague of ours, U.S. Senator Alan Bible. Bill Bible is tough, he is honest, and he is effective. Nevada's gaming regulations reflect his commitment to making sure that our industry is regulated completely and thoroughly.

The fact is that today the legalized gaming industry is a legitimate business, as legitimate as any business on the Fortune 500 list. More than 50 publicly traded companies, all regulated by the Securities and Exchange Commission, own gaming interests. The financial operations of these concerns are carefully scrutinized by market analysts, market regulators and investors of all kinds. All these companies file 10K's, or similar forms, with the SEC.

The stocks of these companies are widely traded on major public stock exchanges, including the New York Stock Exchange and overseas markets. Stocks of gaming and gaming-related companies are broadly held by major institutional investors, such as pension funds and other retirement-related funds, including the California Public Employees Retirement System, the Colorado Public Employees Retirement System, the New York State Teachers Retirement Fund, the Wisconsin Investment Board and Harvard University.

The gaming entertainment industry employs over 1 million people throughout the United States, paying \$6.8 billion in salaries in 1994. The industry paid more than \$1.4 billion in taxes to State and local governments in 1995, along with an estimated \$6 billion to \$7 billion more paid by other forms of

gaming entertainment, such as State lotteries, sports betting, horse and dog racing.

While Las Vegas is proud to be the gaming entertainment capital of the world, Nevada is far from alone as a gaming industry base. Jobs, entertainment, taxes and positive economic effects are felt in States as economically and politically diverse—New Jersey, Mississippi, Illinois, Connecticut, Minnesota and Iowa. Indeed, some forms of gaming entertainment are legal in 48 of the 50 States.

The industry will spend an estimated \$3 billion on new construction in 1996, with billions more slated to be spent on construction projects over the next several years. This construction creates demands for goods and services sold by companies around the country for everything from construction materials to architectural services.

The true agenda of the industry's critics is an agenda of ending legalized gaming, as the title of the group "National Coalition Against Legalized Gaming" states in bold letters.

My response is simple: in this country, adults are free to make their own decisions about where, when, and how to spend their entertainment dollars.

It is indeed ironic, at a time when many decry the power of the Federal Government and seek a return to more State and local control and personal freedom, that some of the very same people who assert this as their philosophy are people who seek to establish a national commission in this case, without requiring involvement of State government officials, to determine how best to oversee a State-regulated industry.

None of this is to suggest that gaming entertainment, like any other major business, particularly one which hosts millions of visitors each year, does not have its share of public issues and challenges. For example, in all of the recent commentary, little if anything has been said about the serious effort made by individual companies and the industry as a whole to address concerns about problem gaming.

The industry recently announced the creation of a multimillion dollar commitment to the new National Center for Responsible Gaming.

The companies involved in gaming entertainment are recognizable names like Hilton, ITT, and Harrah's.

These companies engage in a wide range of community activities.

These companies are run by highly respected business leaders such as Terry Lanni, Bill Bennett, Clyde Turner, Dan Reichartz, Bill Boyd, and many others I could mention who are recognized for the business acumen well beyond gaming circles.

When a Member takes the floor to call a hard-working, law abiding industry a group of "roaches", it is time for a return to civility, to disagreeing without being disagreeable or disingenuous, in order to permit a rational debate on matters pertaining to the gaming industry.

I thank the Chair and I yield the floor.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I ask unanimous consent that I may proceed as in morning business for 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAFEE. Mr. President, I want to thank the Senator from Iowa for permitting me to go on his time.

#### THE OUTRAGEOUS ABUSE OF POWER BY THE WHITE HOUSE

Mr. CHAFEE. Mr. President, we have learned that an extraordinary number of highly confidential FBI files were improperly obtained by the White House. I do not know what I find more appalling: the fact that the White House requested, received and kept the confidential files of more than 300 Reagan and Bush administration workers—that is appalling enough—but is that more appalling than the fact that the FBI turned them over to the White House these files without an apparent second thought?

This latest White House mishap, or snafu, or outrageous abuse of power raises serious questions about the White House, the FBI, the Secret Service, and the Department of Justice. I cannot help wondering if anyone is in charge.

I have no doubt that if this kind of misadventure occurred on the watch of a Republican President, it would create a tremendous furor. The irony is that it was discovered during an investigation into the Travel Office affair which also involved the admitted misuse of the FBI by the White House. It seems as though this White House views the FBI as its own personal private investigator. This is the kind of arrogant abuse of power that led to the fall of the Nixon White House. Mr. President, this is what Watergate was all about.

FBI files on individuals should be the most private and confidential of all documents. They are not compiled for political purposes, and they should never be used for political reasons. They certainly should not be easily provided to partisan political appointees.

What was actually in these files? They were summaries of comprehensive FBI files on Reagan and Bush Administration employees whose last names began with the letters A through G. They include James A. Baker, former White House Chief of Staff and Secretary of State in the Bush administration. They include another former chief of staff of the White House, Ken Duberstein; and the fired Travel Office Director Bill Dale.

These files contained summaries of interviews with neighbors, friends, co-worker going way back to the high school years of those upon whom the files were compiled. Some of those interviewed might be individuals with