lands. Indian Gaming is not required to disclose its recordkeeping and most currency transactions as most businesses are required to do under the Bank Secrecy Act of 1970. This information is used by law enforcement and regulatory agencies to ensure compliance. Under the Indian Gaming Regulatory Act, Indian casinos are not subject to the Bank Secrecy Act and report currency transactions pursuant to a more limited Internal Revenue Service provision. This reporting provision applies only to certain cash receipts and includes no recordkeeping requirements. To date, the IRS has not completed any compliance reviews of tribal casinos. This recent GAO study determined that these differences in reporting requirements may cause problems for law enforcement looking for a consistent paper trail of records with which to trace all gaming activity of customers engaged in large cash transactions, as well as to help identify potential money laundering activities. Currency transaction regulations and reporting requirements provide the primary deterrent to, and means of detection of, money laundering and corruption.

Counties with casinos in the state of Minnesota experienced twice as much crime as counties without casinos between the years 1988 and 1994. This increase was primarily due to crimes associated with gaming, such as fraud, theft, forgery and counterfeiting. Several members of the White Earth tribe, for example, have recently been indicted for alleged corruption in connection with the theft of funds allocated for construction of a casino on tribal land. Local police are burdened by the crime on these Indian casinos. As an example, they now respond to twice as many incidents of crime at the Grand Casino Mille Lacs operated by the Mille Lacs Bank of Chippewa Indians. State authorities are powerless to subject Indian Gaming operations with the proper limitations and controls to combat crime as other businesses must abide by. Even when states do sign compacts with the tribes they are helpless in monitoring the Indians to see whether they are abiding these compacts. In short, these authorities are unable to ensure the safety and integrity of Indian casinos. Taxpayers not only find themselves supporting Indian programs through federal funding, they are also paying heavily to have these corruption cases investigated and the criminals prosecuted and punished.

The 1995 Wisconsin study sums up the current Indian Gaming state of affairs quite well. It makes the correct conclusion that public officials need to have access to more data on this new industry than current agreements allow in order to fully understand its impact. Most information about the scale of this new industry is being promoted by the Indians themselves. The government and the public should not be coaxed into permitting the Indians to operate without any regulation and to expand at their uncontrolled and ever increasing rate; especially with their assistance in the form of tax dollars. This expansion is harming the relationship and any future cooperation between the federal, state, and local governments on the one hand and tribal governments on the other. It is also debasing the good intent of the 1988 Indian Gaming Regulatory Act. The law had the intention of balancing the rights of Indians to use their land without undue interference by the state with the state's concerns about controlling activities within its borders that affect the well-being of its citizens. Allowing the Indians to acquire land throughout the state, gain trust status, and then open up gaming operations free of taxes, state controls and regulations that apply to other businesses unfairly favors the Indians over the states. An attempt should be made to clarify Congressional intent in order to prevent further instances of Indian interests taking advantage of the loopholes and ambiguities in the laws, which allow for uncontrolled Indian Gaming expansion, local government helplessness and unnecessary litigation. The Wisconsin report correctly recommends that before additional agreements with Indians are negotiated or renegotiated, more studies should be done to determine Indian Gaming's true consequences. Americans are entitled to know the facts about the country's fastest growing enterprise.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1997

SPEECH OF

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1996

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 3662) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1997, and for other purposes:

Mr. FAZIO of California. Mr. Chairman, I think it is important that we revisit the issue of the timber salvage rider that was part of the Rescissions bill last year. While I felt at the time that it was important to address the problem of dead and dying trees, and the issue of forest health in general, in hindsight it was clear we dealt with it in too much haste.

I did not vote on the Yates amendment when it was considered on the floor last year because I was with my wife at the hospital while she had minor surgery. I did vote for the bill on final passage, however, both because it helped to provide disaster relief to California and because it had the administration's support. At the time I think few Members of Congress were aware that the salvage timber rider allowed section 318 timber sales to be reinstated as well. If they had been aware of the deficiency, I do not think this rider would have gotten through.

The 1990 section 318 sales were intended to allow the development of a compromise in the Northwest but they did not succeed and were halted due to environmental concerns. These sales only affect old growth timber. The issue of salvage timber—or the attempt to glean the forest of dead or dying trees particularly after drought periods like the one recently in California—is a different concern altogether.

To my knowledge, these two issues were never intended to be intermingled. Fortunately, the Appeals Court has stepped in to stop the expedited 318 sales of old growth trees so we will have a chance to deal with option 9 in a responsible manner.

Given the vagueness of the definition of salvage timber, it was not unexpected that this provision could be ill used to harvest healthy trees. We should not have gone forward with the salvage timber rider without tightening up how the Forest Service implemented the program in the first place. In practice, the program allowed for more than dead and dying trees to be cut.

For those of us in this Congress who see a real threat to forest health and who have a strong desire to find the appropriate solution, the salvage timber rider simply went too far. Instead of merely allowing the timber companies some flexibility in helping to prevent future wildfires, those pursuing a different agenda took advantage of the opportunity and sought to cut healthy trees and old growth timber as well.

I would like to cite an example of how such sales can be extremely detrimental. Recently in my district the Forest Service sought to reinstate the Barkley timber sale in the Lassen National Forest. I personally appealed to the Department of Agriculture to stop the sale because it would have seriously unraveled the cooperative local efforts among landowners, conservationists, and government officials to produce a collaborative strategy for resource management.

In particular, the Quincy Library Group is a broad-based organization which worked hard to come to an agreement on timber harvests in the Sierra Nevadas. The Barkley timber sale would have jeopardized that carefully balanced effort. In response to my concern, the sale was stopped.

We must seek an appropriate balance in identifying solutions that will work over time. I support the amendment before us to restore environmental review to the timber salvage process. We need to provide a check to the extreme actions being undertaken under the guise of harvesting dead and dying trees.

TEN TREASURY SECRETARIES ENDORSE MFN FOR CHINA

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 24, 1996

Mr. HAMILTON. Mr. Speaker, I have received a letter from Secretary of the Treasury Robert Rubin enclosing another letter signed by all 10 living former Secretaries of the Treasury, calling for unconditional renewal of most-favored-nation status for China.

These distinguished Americans—Douglas Dillon, Henry Fowler, George Shultz, William Simon, Michael Blumenthal, William Miller, Donald Regan, James Baker, Nicholas Brady, and Lloyd Bentsen—have guided America's financial and economic destiny during every administration since President Kennedy's.

Their collective wisdom and judgment should not be ignored.

Mr. Speaker, I ask that Secretary Rubin's letter be inserted in the RECORD, along with the letter of the 10 former Secretaries.

DEPARTMENT OF THE TREASURY,
Washington, DC, June 18, 1996.

Hon. LEE H. HAMILTON,
House of Representatives,
Washington, DC.

DEAR LEE: I wanted to bring to your attention a letter signed by all ten former Secretaries of the Treasury that called for President Clinton to renew most favored nation trading status for China. In the letter, the former Secretaries emphasized that more can be achieved on contentious issues such as nuclear non-proliferation, the environment and international security by engaging China fully in an active trading relationship than by trying to isolate China. In addition, the letter clearly demonstrates the strong national interest America has in renewing MFN trading status for China. They note, for