

with respect to Libya pursuant to IEEPA. This renewal extended the current comprehensive financial and trade embargo against Libya in effect since 1986. Under these sanctions, all trade with Libya is prohibited, and all assets owned or controlled by the Libyan Government in the United States or in the possession or control of U.S. persons are blocked.

2. There have been no amendments to the Libyan Sanctions Regulations, 31 C.F.R. Part 550 (the "Regulations"), administered by the Office of Foreign Assets Control (OFAC) of the Department of the Treasury, since my last report on January 22, 1996.

3. During the current 6-month period, OFAC reviewed numerous applications for licenses to authorize transactions under the Regulations. Consistent with OFAC's ongoing scrutiny of banking transactions, the largest category of license approvals (91) concerned requests by non-Libyan persons or entities to unblock transfers interdicted because of what appeared to be Government of Libya interests. Three licenses were issued for the expenditure of funds and acquisition of goods and services in the United States by or on behalf of accredited persons and athletes of Libya in connection with participation in the 1996 Paralympic Games. One license was issued to authorize a U.S. company to initiate litigation against an entity of the Government of Libya.

4. During the current 6-month period, OFAC continued to emphasize to the international banking community in the United States the importance of identifying and blocking payments made by or on behalf of Libya. The Office worked closely with the banks to assure the effectiveness of interdiction software systems used to identify such payments. During the reporting period, more than 129 transactions potentially involving Libya were interdicted, with an additional \$7 million held blocked as of May 15.

5. Since my last report, OFAC collected eight civil monetary penalties totaling more than \$51,000 for violations of the U.S. sanctions against Libya. Two of the violations involved the failure of banks to block funds transfers to Libyan-owned or Libyan-controlled banks. Two other penalties were received from corporations for export violations, including one received as part of a plea agreement before a U.S. district judge. Four additional penalties were paid by U.S. citizens engaging in Libyan oilfield-related transactions while another 30 cases involving similar violations are in active penalty processing.

On February 6, 1996, a jury sitting in the District of Connecticut found two Connecticut businessmen guilty on charges of false statements, conspiracy, and illegally diverting U.S.-origin technology to Libya between 1987 and 1993 in violation of U.S. sanctions. On May 22, 1996, a major manufacturer of farm and construction equipment entered a guilty plea in the United States

District Court for the Eastern District of Wisconsin for Libyan sanctions violations. A three-count information charged the company with aiding and abetting the sale of construction equipment and parts from a foreign affiliate to Libya. The company paid \$1,810,000 in criminal fines and \$190,000 in civil penalties. Numerous investigations carried over from prior reporting periods are continuing and new reports of violations are being pursued.

6. The expenses incurred by the Federal Government in the 6-month period from January 6 through July 6, 1996, that are directly attributable to the exercise of powers and authorities conferred by the declaration of the Libyan national emergency are estimated at approximately \$730,000. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the Office of the General Counsel, and the U.S. Customs Service), the Department of State, and the Department of Commerce.

7. The policies and actions of the Government of Libya continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. In adopting United Nations Security Council Resolution 883 in November 1993, the Security Council determined that the continued failure of the Government of Libya to demonstrate by concrete actions its renunciation of terrorism, and in particular its continued failure to respond fully and effectively to the requests and decisions of the Security Council in Resolutions 731 and 748, concerning the bombing of the Pan Am 103 and UTA 772 flights, constituted a threat to international peace and security. The United States will continue to coordinate its comprehensive sanctions enforcement efforts with those of other U.N. member states. We remain determined to ensure that the perpetrators of the terrorist acts against Pan Am 103 and UTA 772 are brought to justice. The families of the victims in the murderous Lockerbie bombing and other acts of Libyan terrorism deserve nothing less. I shall continue to exercise the powers at my disposal to apply economic sanctions against Libya fully and effectively, so long as those measures are appropriate, and will continue to report periodically to the Congress on significant developments as required by law.

WILLIAM J. CLINTON.

THE WHITE HOUSE, July 22, 1996.

#### ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken after debate is concluded on all motions to suspend the rules, but not before 5 p.m. today.

#### NATIONAL GAMBLING IMPACT AND POLICY COMMISSION ACT

Mr. HYDE. Mr. Speaker, I move to suspend the rules and concur in the Senate amendment to the bill (H.R. 497) to create the National Gambling Impact and Policy Commission.

The Clerk read as follows:

Senate amendment:

Strike out all after the enacting clause and insert:

#### SECTION 1. SHORT TITLE.

*This Act may be cited as the "National Gambling Impact Study Commission Act".*

#### SEC. 2. FINDINGS.

*The Congress finds that—*

(1) the most recent Federal study of gambling in the United States was completed in 1976;

(2) legalization of gambling has increased substantially over the past 20 years, and State, local, and Native American tribal governments have established gambling as a source of jobs and additional revenue;

(3) the growth of various forms of gambling, including electronic gambling and gambling over the Internet, could affect interstate and international matters under the jurisdiction of the Federal Government;

(4) questions have been raised regarding the social and economic impacts of gambling, and Federal, State, local, and Native American tribal governments lack recent, comprehensive information regarding those impacts; and

(5) a Federal commission should be established to conduct a comprehensive study of the social and economic impacts of gambling in the United States.

#### SEC. 3. NATIONAL GAMBLING IMPACT STUDY COMMISSION.

(a) ESTABLISHMENT OF COMMISSION.—*There is established a commission to be known as the National Gambling Impact Study Commission (hereinafter referred to in this Act as "the Commission"). The Commission shall—*

(1) be composed of 9 members appointed in accordance with subsection (b); and

(2) conduct its business in accordance with the provisions of this Act.

(b) MEMBERSHIP.—

(1) IN GENERAL.—*The Commissioners shall be appointed for the life of the Commission as follows:*

(A) 3 shall be appointed by the President of the United States.

(B) 3 shall be appointed by the Speaker of the House of Representatives.

(C) 3 shall be appointed by the Majority Leader of the Senate.

(2) PERSONS ELIGIBLE.—*The members of the Commission shall be individuals who have knowledge or expertise, whether by experience or training, in matters to be studied by the Commission under section 4. The members may be from the public or private sector, and may include Federal, State, local, or Native American tribal officers or employees, members of academia, non-profit organizations, or industry, or other interested individuals.*

(3) CONSULTATION REQUIRED.—*The President, the Speaker of the House of Representatives, and the Majority Leader of the Senate shall consult among themselves prior to the appointment of the members of the Commission in order to achieve, to the maximum extent possible, fair and equitable representation of various points of view with respect to the matters to be studied by the Commission under section 4.*

(4) COMPLETION OF APPOINTMENTS; VACANCIES.—*The President, the Speaker of the House*

of Representatives, and the Majority Leader of the Senate shall conduct the consultation required under paragraph (3) and shall each make their respective appointments not later than 60 days after the date of enactment of this Act. Any vacancy that occurs during the life of the Commission shall not affect the powers of the Commission, and shall be filled in the same manner as the original appointment not later than 60 days after the vacancy occurs.

(5) OPERATION OF THE COMMISSION.—

(A) CHAIRMANSHIP.—The President, the Speaker of the House of Representatives, and the Majority Leader of the Senate shall jointly designate one member as the Chairman of the Commission. In the event of a disagreement among the appointing authorities, the Chairman shall be determined by a majority vote of the appointing authorities. The determination of which member shall be Chairman shall be made not later than 15 days after the appointment of the last member of the Commission, but in no case later than 75 days after the date of enactment of this Act.

(B) MEETINGS.—The Commission shall meet at the call of the Chairman. The initial meeting of the Commission shall be conducted not later than 30 days after the appointment of the last member of the Commission, or not later than 30 days after the date on which appropriated funds are available for the Commission, whichever is later.

(C) QUORUM; VOTING; RULES.—A majority of the members of the Commission shall constitute a quorum to conduct business, but the Commission may establish a lesser quorum for conducting hearings scheduled by the Commission. Each member of the Commission shall have one vote, and the vote of each member shall be accorded the same weight. The Commission may establish by majority vote any other rules for the conduct of the Commission's business, if such rules are not inconsistent with this Act or other applicable law.

**SEC. 4. DUTIES OF THE COMMISSION.**

(a) STUDY.—

(1) IN GENERAL.—It shall be the duty of the Commission to conduct a comprehensive legal and factual study of the social and economic impacts of gambling in the United States on—

(A) Federal, State, local, and Native American tribal governments; and

(B) communities and social institutions generally, including individuals, families, and businesses within such communities and institutions.

(2) MATTERS TO BE STUDIED.—The matters studied by the Commission under paragraph (1) shall at a minimum include—

(A) a review of existing Federal, State, local, and Native American tribal government policies and practices with respect to the legalization or prohibition of gambling, including a review of the costs of such policies and practices;

(B) an assessment of the relationship between gambling and levels of crime, and of existing enforcement and regulatory practices that are intended to address any such relationship;

(C) an assessment of pathological or problem gambling, including its impact on individuals, families, businesses, social institutions, and the economy;

(D) an assessment of the impacts of gambling on individuals, families, businesses, social institutions, and the economy generally, including the role of advertising in promoting gambling and the impact of gambling on depressed economic areas;

(E) an assessment of the extent to which gambling provides revenues to State, local, and Native American tribal governments, and the extent to which possible alternative revenue sources may exist for such governments; and

(F) an assessment of the interstate and international effects of gambling by electronic means, including the use of interactive technologies and the Internet.

(b) REPORT.—No later than 2 years after the date on which the Commission first meets, the Commission shall submit to the President, the Congress, State Governors, and Native American tribal governments a comprehensive report of the Commission's findings and conclusions, together with any recommendations of the Commission. Such report shall include a summary of the reports submitted to the Commission by the Advisory Commission on Intergovernmental Relations and National Research Council under section 7, as well as a summary of any other material relied on by the Commission in the preparation of its report.

**SEC. 5. POWERS OF THE COMMISSION.**

(a) HEARINGS.—

(1) IN GENERAL.—The Commission may hold such hearings, sit and act at such times and places, administer such oaths, take such testimony, and receive such evidence as the Commission considers advisable to carry out its duties under section 4.

(2) WITNESS EXPENSES.—Witnesses requested to appear before the Commission shall be paid the same fees as are paid to witnesses under section 1821 of title 28, United States Code. The per diem and mileage allowances for witnesses shall be paid from funds appropriated to the Commission.

(b) SUBPOENAS.—

(1) IN GENERAL.—If a person fails to supply information requested by the Commission, the Commission may by majority vote require by subpoena the production of any written or recorded information, document, report, answer, record, account, paper, computer file, or other data or documentary evidence necessary to carry out its duties under section 4. The Commission shall transmit to the Attorney General a confidential, written notice at least 10 days in advance of the issuance of any such subpoena. A subpoena under this paragraph may require the production of materials from any place within the United States.

(2) INTERROGATORIES.—The Commission may, with respect only to information necessary to understand any materials obtained through a subpoena under paragraph (1), issue a subpoena requiring the person producing such materials to answer, either through a sworn deposition or through written answers provided under oath (at the election of the person upon whom the subpoena is served), to interrogatories from the Commission regarding such information. A complete recording or transcription shall be made of any deposition made under this paragraph.

(3) CERTIFICATION.—Each person who submits materials or information to the Commission pursuant to a subpoena issued under paragraph (1) or (2) shall certify to the Commission the authenticity and completeness of all materials or information submitted. The provisions of section 1001 of title 18, United States Code, shall apply to any false statements made with respect to the certification required under this paragraph.

(4) TREATMENT OF SUBPOENAS.—Any subpoena issued by the Commission under paragraph (1) or (2) shall comply with the requirements for subpoenas issued by a United States district court under the Federal Rules of Civil Procedure.

(5) FAILURE TO OBEY A SUBPOENA.—If a person refuses to obey a subpoena issued by the Commission under paragraph (1) or (2), the Commission may apply to a United States district court for an order requiring that person to comply with such subpoena. The application may be made within the judicial district in which that person is found, resides, or transacts business. Any failure to obey the order of the court may be punished by the court as civil contempt.

(c) INFORMATION FROM FEDERAL AGENCIES.—The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out its duties under section 4. Upon the request

of the Commission, the head of such department or agency may furnish such information to the Commission.

(d) INFORMATION TO BE KEPT CONFIDENTIAL.—The Commission shall be considered an agency of the Federal Government for purposes of section 1905 of title 18, United States Code, and any individual employed by an individual, entity, or organization under contract to the Commission under section 7 shall be considered an employee of the Commission for the purposes of section 1905 of title 18, United States Code. Information obtained by the Commission, other than information available to the public, shall not be disclosed to any person in any manner, except—

(1) to Commission employees or employees of any individual, entity, or organization under contract to the Commission under section 7 for the purpose of receiving, reviewing, or processing such information;

(2) upon court order; or

(3) when publicly released by the Commission in an aggregate or summary form that does not directly or indirectly disclose—

(A) the identity of any person or business entity; or

(B) any information which could not be released under section 1905 of title 18, United States Code.

**SEC. 6. COMMISSION PERSONNEL MATTERS.**

(a) COMPENSATION OF MEMBERS.—Each member of the Commission who is not an officer or employee of the Federal Government, or whose compensation is not precluded by a State, local, or Native American tribal government position, shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for Level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Commission. All members of the Commission who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(b) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of service for the Commission.

(c) STAFF.—

(1) IN GENERAL.—The Chairman of the Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Commission to perform its duties. The employment and termination of an executive director shall be subject to confirmation by a majority of the members of the Commission.

(2) COMPENSATION.—The executive director shall be compensated at a rate not to exceed the rate payable for level V of the Executive Schedule under section 5316 of title 5, United States Code. The Chairman may fix the compensation of other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for such personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(3) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee, with the approval of the head of the appropriate Federal agency, may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status, benefits, or privilege.

(d) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairman of the Commission may procure temporary and intermittent

services under section 3109(b) of title 5, United States Code, at rates for individuals not to exceed the daily equivalent of the annual rate of basic pay prescribed for Level V of the Executive Schedule under section 5316 of such title.

#### SEC. 7. CONTRACTS FOR RESEARCH.

(a) **ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS.**—

(1) **IN GENERAL.**—In carrying out its duties under section 4, the Commission shall contract with the Advisory Commission on Intergovernmental Relations for—

(A) a thorough review and cataloging of all applicable Federal, State, local, and Native American tribal laws, regulations, and ordinances that pertain to gambling in the United States; and

(B) assistance in conducting the studies required by the Commission under section 4(a), and in particular the review and assessments required in subparagraphs (A), (B), and (E) of paragraph (2) of such section.

(2) **REPORT REQUIRED.**—The contract entered into under paragraph (1) shall require that the Advisory Commission on Intergovernmental Relations submit a report to the Commission detailing the results of its efforts under the contract no later than 15 months after the date upon which the Commission first meets.

(b) **NATIONAL RESEARCH COUNCIL.**—

(1) **IN GENERAL.**—In carrying out its duties under section 4, the Commission shall contract with the National Research Council of the National Academy of Sciences for assistance in conducting the studies required by the Commission under section 4(a), and in particular the assessment required under subparagraph (C) of paragraph (2) of such section.

(2) **REPORT REQUIRED.**—The contract entered into under paragraph (1) shall require that the National Research Council submit a report to the Commission detailing the results of its efforts under the contract no later than 15 months after the date upon which the Commission first meets.

(c) **OTHER ORGANIZATIONS.**—Nothing in this section shall be construed to limit the ability of the Commission to enter into contracts with other entities or organizations for research necessary to carry out the Commission's duties under section 4.

#### SEC. 8. DEFINITIONS.

For the purposes of this Act:

(1) **GAMBLING.**—The term "gambling" means any legalized form of wagering or betting conducted in a casino, on a riverboat, on an Indian reservation, or at any other location under the jurisdiction of the United States. Such term includes any casino game, parimutuel betting, sports-related betting, lottery, pull-tab game, slot machine, any type of video gaming, computerized wagering or betting activities (including any such activity conducted over the Internet), and philanthropic or charitable gaming activities.

(2) **NATIVE AMERICAN TRIBAL GOVERNMENT.**—The term "Native American tribal government" means an Indian tribe, as defined under section 4(5) of the Indian Gaming Regulatory Act of 1988 (25 U.S.C. 2703(5)).

(3) **STATE.**—The term "State" means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

#### SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

(a) **IN GENERAL.**—There are authorized to be appropriated to the Commission, the Advisory Commission on Intergovernmental Relations, and the National Academy of Sciences such sums as may be necessary to carry out the purposes of this Act. Any sums appropriated shall remain available, without fiscal year limitation, until expended.

(b) **LIMITATION.**—No payment may be made under section 6 or 7 of this Act except to the ex-

tent provided for in advance in an appropriation Act.

#### SEC. 10. TERMINATION OF THE COMMISSION.

The Commission shall terminate 60 days after the Commission submits the report required under section 4(b).

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Illinois [Mr. HYDE] and the gentleman from Massachusetts [Mr. FRANK] will each control 20 minutes.

The Chair recognizes the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Speaker, I yield myself such time as I may consume.

(Mr. HYDE asked and was given permission to revise and extend his remarks.)

Mr. HYDE. Mr. Speaker, today we consider the Senate amendment to the National Gambling Impact and Policy Commission Act (H.R. 497). H.R. 497 creates a temporary, 2-year national commission to study the economic and social impact of gambling in our country. The Commission will conduct a study and make recommendations—it will not have any power to regulate the gambling industry in any way.

At the outset, I want to give special recognition to our colleague and my good friend, Congressman FRANK WOLF of Virginia. This much-needed measure is here today largely because of his advocacy and persistence. Congressman WOLF has identified a very important public policy issue and he deserves high praise for his efforts. I also want to recognize the herculean efforts of Mr. WOLF's outstanding staffer, Will Moschella. During the pendency of this bill, Mr. Moschella has not only been of invaluable assistance in its passage, but he has also graduated from law school, passed the bar exam, and gotten married.

When H.R. 497 passed the House on March 5, 1996, I pointed out the extensive record that supports this legislation. On September 29, 1995, the full Judiciary Committee held a hearing on H.R. 497. At that time, we heard from 15 witnesses, including 8 Members of Congress. Subsequent to our hearing, the committee received 15 additional statements for the record from other interested organizations and individuals.

During our hearing, we heard virtually every point of view on gambling and its effects. For example, we had testimony on the problem of compulsive gambling. We also heard from a university professor focusing on the economic aspects of gambling—for example, job creation by gambling enterprises, gambling's impact on tourism, and gambling's impact on State and local government revenue. We also heard testimony from the chairman of the National Indian Gaming Association who documented how the emergence of an Indian gambling industry in recent years has had a positive impact on employment, economic development, and overall self-sufficiency for Indian tribes. Still others testified regarding the relationship between gam-

bling and crime, including organized crime.

Based upon this extensive committee record and personal study, I concluded that a study commission on gambling in the United States is a good idea. As the Washington Post proclaimed in its headline for an editorial endorsing the bill: "For Once, a Useful Commission!" The Post went on to observe that "commissions can play the useful role of bringing to national attention issues that were previously submerged or debated in fragmentary ways."

After passage of H.R. 497 in the House, some in the gambling industry continued to have concerns about this bill, particularly with respect to the subpoena power. Congressman WOLF and I worked many hours with Senator STEVENS, Senator LUGAR, Senator SIMON, and other members of the Governmental Affairs Committee in the other body and the interested outside groups to try to resolve these concerns. After lengthy negotiations, we came to the resolution embodied in the Senate amendment to H.R. 497. Although neither side got everything that it wanted, I am satisfied that we have reached a reasonable compromise. The final work product will allow the Commission to conduct its study, while, at the same time, it allays the fears of those who thought the subpoena power would be overly intrusive.

These negotiations have only reinforced my view that it is a particularly good time to have a balanced, impartial, and comprehensive look at whether or not the phenomenal growth of gambling is good for this country. Currently, 48 States allow some form of legalized gambling. We have State-conducted lotteries, riverboat gambling, Indian gambling, and casino gambling. We need to know the implications of this growth. Just before House passage of this bill, the Washington Post described the explosive growth of gambling:

What had been a mob-infested vice has become state-approved fun—a new national pastime. While 70 million people attend professional baseball games each year, 125 million go to government-sanctioned casinos. Adults now spend more money gambling than they spend on children's durable toys. Three times more pilgrims from around the world visit the pyramid-shaped Luxor Hotel in Las Vegas than visit Egypt. Casinos rake in more profits than movie houses and theaters and all live concerts combined.

The Washington Post, March 3, 1996, at A1.

This expansion of legalized gambling has undoubtedly had negative effects. For example, many opportunities to gamble are now available to minors who are not ready to make a mature judgment about this kind of activity. Also, compulsive gamblers frequently have a negative, sometimes tragic, impact on their families.

The traditional linkage between gambling and crime also concerns me. To give just one example, a GAO report issued in January concluded that "the proliferation of casinos, together with

the rapid growth of the amounts wagered, may make these operations highly vulnerable to money laundering." As gambling continues to spread, these negative effects and others spread with it.

In addition, H.R. 497 will address the lack of reliable information about the effects of gambling. We need better scientific and behavioral data concerning gambling. Because of the lack of hard information, State and local policymakers, who are considering the legalization of gambling, may often be misled by exaggerated claims about the positive effects of gambling and the prospects for painless revenue generation. Last December, a Maryland State study commission concluded:

The Maryland Congressional delegation should support the immediate creation of a national commission to study issues related to commercial gaming and should recommend that the commission complete its work within one year.

States are unable to confidently make decisions about casino gaming because of competitive concerns about the decisions of their neighbors and because of the inadequate data and analysis available to them. The Task Force believes that the proposed national commission on gambling currently being considered by Congress, could make a significant contribution to public policy development.

Final report of the Joint Executive-Legislative Task Force to Study Commercial Activities in Maryland, December 1995.

I have listened to the critics of H.R. 497 during this process—during Judiciary Committee consideration, during House consideration, and during our negotiations with the other body. They have made some good arguments, and when they have, we have worked hard to address those issues. In my statement during the debate on House passage of this bill, I described the many changes we made in the bill during Judiciary Committee consideration. I will not repeat that discussion here, but I would like to describe briefly the most important ways in which the Senate amendment differs from H.R. 497 as passed by the House.

Both versions contain a list of matters to be studied. The Senate amendment compresses the list that was in the House-passed version, but it generally covers the same topics. In addition, the Senate amendment makes clear that the items listed are only the items that the Commission must, at a minimum, study. This list does not in any way limit other topics that the Commission may choose to study.

The House-passed version gave the Commission broad subpoena powers for both witnesses and documents. The Senate amendment narrows this power. Under the Senate amendment, the Commission still has broad authority to subpoena documents. However, the Commission must first vote to issue the subpoena and give the Department of Justice 10 days notice. The notice provision does not in any way allow the Department to veto or stop a Com-

mission subpoena. However, it does allow the Department to notify the Commission if the Commission's subpoena has the potential to interfere with a pending investigation.

The subpoena power provision states that the Commission may issue a subpoena if a person fails to supply information requested by the Commission. This phrase is intended to encourage the Commission to begin with voluntary requests for information. However, it is not intended to provide any legal basis to challenge a subpoena issued by the Commission.

If, after receiving documents, the Commission requires further information necessary to understand the documents, it may ask written questions or take a deposition on the documents. Whether there will be written questions or a deposition is at the option of the recipient. The phrase "necessary to understand" should be read broadly to include questions about how a document was developed, who wrote it, and other similar matters of context.

Finally, the Senate amendment provides that the Commission may not release, except to its employees and contractors, any nonpublic information it receives unless it is ordered to do so by a court or unless the information is released in an aggregate or summary form that does not reveal the identity of any person or business and does not reveal any information protected under 18 U.S.C. 1905—that is, trade secret and proprietary information. These privacy protections in section 5(d) are not intended to limit in any way the Commission's ability, and indeed, its responsibility, to make criminal referrals to appropriate prosecuting authorities if it discovers evidence of criminal activity. In addition, the privacy protections of section 5(d) apply only to information that the Commission has already received. They do not in any way limit the scope of the information that the Commission may seek.

The Senate amendment adds a section 7 that was not included in the House-passed version. This section requires the Commission to contract with the Advisory Commission on Intergovernmental Relations and the National Research Council for assistance with conducting certain aspects of the study. The Advisory Commission of Intergovernmental Relations will assist in cataloging all of the various laws and regulations governing gambling. The National Research Council will assist in assessing problem gambling. This innovative addition will both reduce the costs of the Commission and take advantage of expertise that already exists within the Government.

The Senate amendment also adds a definition section that was not included in the House-passed version. I want to note that the definition of State has the effect of including the U.S. territories within the study. The Representatives of the territories requested that they be included during debate on the House floor.

Finally, the Senate amendment contains the requirement from the House-passed version of an advance appropriation before any money can be spent. This language prevents the various authorizing provisions for salaries and expense reimbursement from being construed as entitlements.

Although I preferred the subpoena provisions that were contained in the House-passed version, I believe the compromise reached in the Senate amendment is a reasonable and fair one. I further believe that this solution is politically realistic, given the short time left in this Congress. Overall, the bill is balanced, comprehensive, and fair.

I appreciate the contributions of Senator LUGAR, Senator SIMON, Senator STEVENS, the other members of the Governmental Affairs Committee of the other body, and the many members of the interested outside groups who have made this bill possible. I want to thank the members of the House Judiciary Committee who took a particular interest in this legislation in committee—Congressmen HOKE, BONO, GALLEGLY, and SCHIFF. I appreciate the cooperation of Chairman YOUNG of the House Resources Committee for his cooperation during House consideration of this bill. Finally, I want especially to thank Majority Leader TRENT LOTT for allowing this bill to come to the floor. I know that he had personal concerns about it, and I appreciate his setting those aside and allowing the other body to work its will.

I have discussed the various changes contained in the Senate amendment with Congressman WOLF, and he has indicated his full support for concurring in the Senate amendment so that this bill can become law this year.

I urge my colleagues to concur in the Senate amendment to H.R. 497 and send this important piece of legislation on to enactment.

Before concluding, I also want to thank Joseph Gibson of our Judiciary Committee staff for his outstanding work on H.R. 497. Joseph's excellent legal work and sound judgment were pivotal in resolving many difficult issues on this complicated matter. I commend him for a job very well done.

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Mr. Speaker, I reserve the balance of my time.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am fascinated by this piece of legislation. It is an act of repudiation of several of the principles that the majority has said it was governed by. In some cases I am glad to see the repudiation because I was not too crazy about the principles; in other cases I like the principles and I am sorry to see them eroded.

But let us look at what this bill does. The expansion of gambling has on the whole been a matter of decisions by the States. It is true that there is a Federal statute which grants the rights of

Indian tribes, in return for their having given up rights to property, by the way. The Indian tribes did not get this right to conduct gambling one-sidedly. They gave up, as a result of this act, some substantial property claims.

But Indian gambling is only a part of what is being studied here. If this is a bill to study and look at the Indian Gaming Act, it would have been a different story. It would have come out of a different committee. Much of the impetus for this comes from the feeling of the Members of Congress, apparently very much on the majority side, too, that we cannot trust State and local officials to make good decisions without our supervision.

I have to say I think the chairman of the committee has been very responsible and has helped improve the bill. It is a better bill than before. But even in his own comments, for instance, he said, I noted here, that we need to do a study because currently State and local policymakers are often misled.

Well, I have tended to believe that myself. I have felt that there were times when State and local policymakers would be misled and the Federal Government should intervene to try and prevent that. I had not expected to find such enthusiastic and overwhelming support from the Republican side, so I am glad to have it.

I hope people will, when they read these remarks in the RECORD, go up a column or two to the distinguished chairman. Let us get the point here: State and local policymakers are often misled, but do not worry, State and local policymakers, the Federal Government here comes riding to your rescue.

So here we will keep State and local policymakers from being misled as often, and it is not simply a case of their being misled. I was particularly pleased when the chairman said that one of the problems States face, and I quite seriously agree with him on this one, and I am glad to have his affirmation of it because it is a central policy point, he said the problem is when States go to make decisions, they are sometimes unable to make the decisions they might like because of competitive pressures from other States. That is a profoundly important point.

We live in one national economy in which a State's desire to make certain decisions can be circumscribed by competitive effects. That is true with gambling. It is true with minimum wage. It is true with the level of medical care we provide for the poor. It is true with environmental protections. Indeed, I believe it is truer with regard to these economic issues.

So once again, I am glad to have the chairman articulate and the majority overwhelmingly about to vote in both branches to establish the principle that, given the competitive pressures that exist on the States in this one national economy, Federal intervention is sometimes called for.

Now, it is true this does not, in and of itself, impose a Federal policy. But

the premises are that the States are not doing a good enough job and the Federal Government must come to their aid, that they are uninformed in some cases. We have to have a study so they will not be misled by bad information. They are coerced and circumscribed by competitive pressures, I agree.

Now I have long felt that this body has very few people in it who are conscientiously and thoroughly dedicated to the proposition that we should always prefer States' rights or always prefer Federal rights. In fact, I believe the overwhelming majority of Members believe that decisions should be made at that level of government where they are most likely to agree with the outcome. When it comes to some things, some people are for States' rights, and when it comes to other things, other people are for State's rights.

I do not think that is hypocritical or inconsistent at all, because one needs not have a preference for one or the other. The error, it seems to me, is to assert a preference when one does not really exist. I think this shows when people think the States have been given too much gambling, and that is clearly what we are talking about.

People here think, on the majority side as well as the minority side, Republicans as well as Democrats, that the States, ill-informed as they often are apparently, subject to competitive pressures, are not making the right decisions, so we, the Federal Government, will try to extend a restraining influence and not in this bill by any legislation yet, but it certainly seems to me that we are laying the predicate for some legislation.

That is one principle, the principle before States rights. So much for the States' ability to do what they want. Let us talk about the next one, and that is the right of individuals to make their own decisions with their own money, because clearly what is most driving this is the notion that we cannot trust the American people to make their own decisions, because there are people here who believe that individuals who work hard for their money go out and gamble too much.

I do not doubt people gamble too much. I do not doubt that a lot of people do a lot of things too much. I had not thought it was the role of this Federal Government to start making those individual choices for people.

We have State decisions to allow private businesses in many, many States to set up places where individuals can voluntarily go and pay their money for gambling. In fact, I have had people say, "Well, you know, it is terrible because it just teaches them to get rich."

I have talked a lot about gambling. I have a proposal for an Indian casino in the district I represent, overwhelmingly supported by the people there, including the working people who want to get jobs there, and I have talked to a lot of people about gambling. Most of them do not think they are going to get rich. They enjoy it.

A lot of older people rent buses and go to various casinos because this is a form of recreation for them, and they get together, they get on the bus, they go down, they gamble, they like it. These are not stupid people. None of them are unaware of the odds. None of them think they are going to be rich overnight.

A percentage of people, a small percentage, it is true, abuse this. They have an obsessive problem. There are people who have obsessive problems about drinking, about eating, about doing a lot of things. A rational society which honors the choices that individuals make with the money they earn themselves provides programs to deal with the obsessive problem but does not try to restrict other adults from doing that.

But again, permeating this is this notion that people really cannot be trusted to make these decisions. So much for the theoretical framework of States' rights. So much for this notion that we will let individuals make their own choices. The Federal Government is going to have to restrain people from doing this.

Then we get into the question of fiscal responsibility. Now, this bill is not going to cost a lot of money, but whatever it is going to cost is extra money that we do not need to spend. There will be nine commissioners here. I guess they will be called commissioners; I do not know. Maybe they will be called moral censors, whatever they will be called, the nine elders who will stop the States from being misinformed and keep the people from unwisely spending their own money.

They will be compensated at the annual rate of \$104,000 a year plus per diems if they go to meetings. There are nine of them. It is a 2-year deal. I do not know how often they are going to meet. They have incentives, obviously, to meet a lot. They have an executive director who gets \$114,000 a year. They are going to pay witness fees. They were going to go around and have meetings. Clearly several million dollars will be spent here.

One of the mistakes the people on the Democratic side have made in the past is to talk as if several million dollars of Federal money is not a serious expenditure. Of course it is. Of course when we spend several million dollars of public money, particularly when we are in a deficit situation, that is a problem.

Why, then, is the Federal Government about to spend millions of dollars, and by the way, the legislation is silent on the amount. There is no cap here. It authorizes "such sums." That is because I think in part some people did not want to limit the amount. I had proposed some amendments in committee to try and limit the amount. It is not limited to \$2 million or \$5 million or \$10 million.

Theoretically, the nine commissioners, if they meet a lot, could make, each of them, close to \$100,000 a year on

a 2-year basis; the executive director, the other staff, transcripts, travel, witness fees. So we are talking millions of dollars.

□ 1230

So here is what we have: An area where the States are on the whole competent to legislate constitutionally, and again, if we were talking about Indian gaming this would be a different story, but this goes far beyond Indian gambling. That is a Federal responsibility. This deals with State and local, and there have been efforts to focus on State and local.

In fact, the gentleman from Illinois read a quote from the Washington Post, and the Washington Post reporter seemed to be upset that more people went to see the pyramids in Nevada than went to see the pyramids in Egypt. Now, I have to say it would have seemed to me, according to good Republican principles of limited Government, not the slightest business of anybody here that more people wanted to see the pyramids in Nevada than the pyramids in Egypt. What, are we in charge of which pyramids people see? Are we now doing the cultural advice for people? "Oh, no, you cannot go look at those pyramids, they are too gaudy. Go look at the other pyramids."

I do not think we should be in the pyramid picking business. I do not think we should be spending several million dollars of Government funds because the Washington Post does not like which pyramids people go to see. That is what this is about. That is what motivates this.

So while I am glad to see the Republican Party backing away from this rigid States rights principle, acknowledging that competitive pressures can drive the States, acknowledging the States might be misinformed and need more Federal help, while I am glad to see they think sometimes the Federal Government must come to the aid of individuals, although I disagree with the degree of intervention here, I would hope they would hold to a more libertarian principle and in general not use the fact that people pick the wrong pyramids as the basis for spending millions of dollars, and I wish we would not find new ways to spend Federal money.

This is several million dollars new to the Federal Government, not spent before. So I am against this bill. I think it is a bad idea. I believe that while people might want to look at the Indian Gaming Act alone, to go into the whole area of States and local spending and to decide that what we really need is a federally funded study costing millions of dollars, which subpoena power to go around and essentially tell the States they are doing a bad job of regulating gambling, to tell the American people they are going to look at the wrong pyramids and not spending their own money wisely, that is not a very good idea and I think the time of the Congress and the money of the Federal Government could be better used.

Mr. Speaker, I reserve the balance of my time.

Mr. HYDE. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Virginia [Mr. WOLF].

(Mr. WOLF asked and was given permission to revise and extend his remarks.)

Mr. WOLF. Mr. Speaker, I would like to take a moment to recognize the diligent efforts of the gentleman from Illinois [Mr. HYDE], the chairman of the House Committee on the Judiciary, and to personally thank him for his very effective efforts on this and so many other things, from aiding the Contras to bring democracy to Nicaragua to many of the other things on which he has taken the leadership on this floor, and I appreciate it very much. I also appreciate his very able staff for helping guide this legislation through the legislative process. It was a pleasure working with the gentleman to bring this bipartisan bill here.

The chairman should be pleased, as I know he is, with the work of Joseph Gibson of his staff who worked hand in glove with my staff to move this legislation through the House.

The chief sponsors of the Senate legislation also deserve great support for their effort in the Senate. Senators SIMON and LUGAR worked tirelessly to bring it up. I also appreciate the work of Senator COATS, Senator STEVENS, and Senator GLENN, the chairman and ranking member respectively of the Committee on Governmental Affairs. I also want to thank Senators LIEBERMAN, MCCAIN, THOMPSON, and WARNER for their help in moving the bill.

I also want to acknowledge, as the gentleman from Illinois [Mr. HYDE] did, the work of the members of my staff, just about all of whom have assisted with some aspect of this legislation. Particularly, I appreciate the teamwork of William Moschella, my senior legislative assistant and counsel, and David Whitestone, who serves as my press secretary.

Mr. Speaker, the establishment of the National Gambling Impact Study Commission is essential to the Nation's understanding of what the incredible expansion of gambling in America means to our everyday lives. Newspaper and editorial writers around the country almost daily chronicle the tragic stories of people addicted to gambling. Compulsive and pathological gamblers often commit suicide, prostitute themselves, resort to robbery, burglary, larceny, and embezzlement to fuel their habit.

Gambling has been known to literally destroy families. I have received calls and letters from around the country relating the sad dramas associated with compulsive gambling. The gambling industry has not taken seriously the magnitude of the problem, or it has been trying to sweep it under the rug.

One of the most startling and unfortunate consequences of gambling has been the amount of public corruption

attendant to it. Industry spokesmen claim that the days of Bugsy Segal and Joseph Bonano are behind it. The industry, they claim, is composed of law abiding companies which report to stockholders instead of organized criminal enterprises. The industry, more than any other, however, has been connected to unprecedented levels of political corruption in recent years. The confluence of money, politics, and power has wreaked havoc in many States and local jurisdictions.

Mr. Speaker, I support the legislation before the body because it is a serious effort to study the issue of gambling in the United States. In some respects the Senate amendment changed it, but it was a good compromise.

Mr. Speaker, I am going to watch the progress of the commission carefully to make sure that the commission does its work in a nonpartisan and objective way. We will follow its progress to make sure the job that Congress has delegated to it is performed in a professional and effective manner. I will also monitor the amount of lobbying pressure to which the commission is subjected.

I believe the legislation before us gives the commission all the powers and tools that it needs. In closing, I again want to thank the staff that has done such an effective job, Senator LOTT on the Senate side and the Senators that I mentioned, my staff and the staff of the gentleman from Illinois, Mr. HYDE, Joseph Gibson and others, and, last, the chairman. I want him to know that I know the pressure and I know what has gone on around here, and he should know I am eternally grateful. I am still young enough to have heroes, and he is one of the three or four people around here who is one of my heroes.

I thank the gentleman from Illinois for yielding time to me. At this point, Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein extraneous materials.

Mr. Speaker, as the original sponsor of legislation establishing a national commission to study the social, economic, and legal impact of gambling, I rise in strong support of H.R. 497, the Gambling Impact Study Commission Act. As gambling proliferates in casinos, on riverboats, on Indian reservations, dog and horse tracks and elsewhere, problems such as crime, political corruption, cannibalization of existing businesses, gambling addiction, family breakups, and suicide are a growing and unfortunate consequence. This legislation will create an unbiased, bipartisan nine-member commission to finally take a comprehensive look at these problems.

I would like to take a moment to recognize the diligent efforts of the chairman of the House Judiciary Committee and his able staff in guiding this legislation through the legislative process. It was a pleasure working with Chairman HYDE in bringing this bipartisan bill to the floor. The chairman should be pleased with the work done by Joseph Gibson of his staff who worked hand in glove with my staff to move this legislation through the House. They spent many hours assisting, consulting,

and meeting with Senate staff to iron out any differences or concerns that there may have been.

Last Wednesday, July 17, the full Senate passed by unanimous consent H.R. 497 with an amendment. Despite public pronouncements of the gambling industry in support of an unbiased study, tremendous lobbying pressure was brought to bear on Senators to kill or gut this bill. It is a tribute to this deliberative body in the world that such pressures, which clearly represented the opposition of a small but powerful minority, were not able to thwart the will of the vast majority of the Congress and American people. I would like to publicly thank Senate majority leader TRENT LOTT who, notwithstanding some concerns he had about the legislation, exerted great leadership in bringing H.R. 497 to a vote in the Senate. He is a man of his word, a man of honor and integrity.

The chief sponsors of the Senate legislation also deserve great credit for making this legislation a reality. Senator SIMON and Senator LUGAR worked tirelessly to forge consensus and bring this legislation up despite a packed Senate floor schedule. I also appreciate the work of Senator COATS who helped move the process along. Senators STEVENS and GLENN, chairman and ranking member respectively of the Senate Government Affairs Committee, deserve congratulations for working together, listening to various points of view, and forging ahead with a viable plan. I also commend the efforts and support of Senators LIEBERMAN, MCCAIN, THOMPSON, and WARNER for their help in moving this legislation in the right direction.

There are many Senate staffers who had something to do with moving this bill along and I appreciate all of their efforts. I would like to publicly thank a few, namely Bob Healey, Michael Stevenson, Kyle McSillarow, David Crane, Sebastian O'Kelly, Christine Ciccone, and Earl Comstock for all they did to make this legislation a reality.

Finally, I want to acknowledge the tireless work of the members of my staff, just about all of whom have assisted with some aspect of this legislation at some time during the last 2 years. Particularly, I appreciate the teamwork of William Moschella, my senior legislative assistant and counsel, and David Whitestone who serves as my press secretary.

Mr. Speaker, establishment of the National Gambling Impact Study Commission is essential to the Nation's understanding of what the incredible expansion of gambling in America means to our everyday lives. Newspapers and editorial writers around the country almost daily chronicle the tragic stories of persons addicted to gambling. Compulsive and pathological gamblers often commit suicide, prostitute themselves, and resort to robbery, burglary, larceny, and embezzlement to fuel their habits.

Gambling has been known to literally destroy families. I have received calls and letters from around the country relating the sad dramas associated with compulsive gambling. I have included an editorial from the Times Picayune regarding the almost epidemic problems of compulsive gambling among Louisiana's young people.

[From the New Orleans Times Picayune,  
July 14, 1996]

#### GAMBLING AND YOUNG PEOPLE

Louisiana's first study of the effects of gambling shows some disturbing statistics

that should give policy makers and voters much to think about as the state considers the future of gambling here.

A team of researchers led by Louisiana State University professors Jim Westphal and Kenneth Miller conducted telephone surveys last fall in an effort to find out how often people gamble, what their favorite games are and how much money they spent. The researchers also tried to determine people's ability to control their gambling and its effect on their lives.

The results, released this week by the Department of Health and Hospitals, indicate that Louisiana residents aren't handling gambling too well, particularly young gamblers. One in seven Louisiana residents, 18 to 21, are compulsive gamblers. What's more, Louisiana's young gambling addicts are in worse shape than in other states studied, spending twice as much a month on gambling as their counterparts elsewhere. Compulsive gambling among young people here is triple that of adults and is second only to alcohol abuse for that age group.

The study showed that 182,000 Louisianans—more than 4 percent of the population—have gambling habits that range from moderate to severe and as many as 57,000 of them have addictions that could be classified as pathological.

"That's enough people to fill Tiger Stadium," said Gov. Foster, who said that he will support legislation to curb gambling addiction, particularly among the young.

Researchers were limited by the lack of studies in other states, despite the nationwide gambling boom. They could compare Louisiana only to six other states, Montana, North and South Dakota, Texas, Washington and Georgia. But that data indicated that pathological gamblers in Louisiana are in more trouble, spending almost twice the monthly average on their habit, \$660 compared to \$300.

Researchers who did the study believe that the reason is availability. Louisiana, with its 12 riverboat casinos and 15,500 video poker machines, has a gambling site every 6.2 square miles.

This study should raise serious questions about the proliferation of gambling and, in particular, its effect on young people. Legislators and other state officials will have to weigh the social cost of bring up a crop of gambling addicts, particularly since experts say that most pathological gamblers begin their habit in adolescence.

The study is already prompting legislators such as Sen. Jay Dardenne, R-Baton Rouge, to say that a law should be passed making 21 the legal limit for gambling. That is now true only for casino gambling. Sen. Dardenne, who sponsored the resolution calling for the study, said that he also wants to push to have gambling prevention made part of the school curriculum.

As Louisiana begins to grapple with the question of gambling, particularly the election on local option this fall, the problem of gambling addiction deserves attention.

The researchers' experience show that too many states, Louisiana included, have rushed headlong into legalized gambling without really knowing the social cost. This study provides some much needed and timely insight.

The gambling industry has not yet realized the magnitude of the problem or has been sweeping it under the rug. This issue can no longer be ignored and this commission will help us understand the problem so that it may be addressed.

On of the most startling and unfortunate consequences of gambling has been the amount of public corruption attendant to it. In-

dustry spokesmen claim that the days of Bugsy Segal and Joseph Bonano are behind it. The industry, they claim, is composed of law abiding companies which report to stockholders instead of organized criminal enterprises. The industry, more than any other, however, has been connected to unprecedented levels of political corruption in recent years. The confluence of money, politics, and power has wreaked havoc in many State and local jurisdictions. Louisiana, for example, has been rocked by political scandal and more indictments are on the way. I have included a recent Associated Press story which ran in the Times Picayune regarding the indictments for the RECORD.

[From the New Orleans Times Picayune,  
July 15, 1996]

#### BIG NAMES INDICTED, GAMING TASK FORCE SAYS

(By The Associated Press)

SHREVEPORT—The dice are about to come up snake eyes for 15 to 20 people, including some big names, say people in the task force investigating gambling corruption in Louisiana.

"Within the next two weeks you will see big numbers of arrests," said Capt. Ed Kuhnert, State Police coordinator of the task force of Louisiana State Police and FBI agents.

Indictments have been prepared and are being reviewed by federal prosecutors, said Rick Dill, FBI agent-in-charge in New Orleans.

Task force officials said the yearlong undercover investigation is expected to produce charges against and arrests of some prominent people.

Last August, FBI wiretap transcripts were filed in open court as part of requests to subpoena records from lawmakers and people connected with Louisiana's gambling business.

That meant the end of the long political careers of two prominent state senators named as taking money from gambling interests, although they weren't indicted.

Larry Bankston, D-Port Hudson, Chairman of the Senate committee overseeing gambling, dropped out of a re-election campaign; B.B. "Sixty" Rayburn, D-Bogalusa, was defeated.

Sources close to the probe said indictments are imminent. The Times of Shreveport reported Sunday.

The conviction this past week of former state Alcohol Beverage Commission head Ray Holloway is the latest in a long string of cases made by the task force on gambling.

Holloway was found guilty of aiding an illegal gambling business and obstructing justice. He resigned his job in the Caddo Parish purchasing department after his federal case became public earlier this year.

The task force, with offices in New Orleans, Baton Rouge and Shreveport, has been successful over the past two years.

The most prominent case was the FBI's infiltration of the New Orleans organized crime family, the top echelon of which went down with 24 defendants in Operation Hardcrust.

FBI agents, investigating a suspected bookmaking operation at a New Orleans deli, picked up conversations indicating three La Cosa Nostra families—the rekindled Marcello family of New Orleans and the Gambino and Genovese families of New York—were infiltrating Louisiana's video poker industry.

Twenty-one defendants pleaded guilty. The three who went to trial were convicted on all counts.

Operation Hardcrust awed federal law enforcement authorities "because it involved,

literally, the dismantling, through criminal indictment, of the entire upper echelons of the New Orleans Mafia family." First Assistant U.S. Attorney Jim Littin of New Orleans said. "As a result of that, we deem it the most significant organized crime prosecution in the state of Louisiana."

The U.S. Justice Department considers the task force an extremely successful operation, Littin said.

"This task force's penetration of the re-emergence of a dormant organized-crime family was beyond a lot of people's imagination even a few years ago," he said.

Dill said, the task force has been successful because "it is a melding of talent."

The State Police investigators are "very good, the cream of the crop. They know the gambling laws in and out," Dill said.

FBI agents bring investigative expertise and federal fraud laws.

"The combination of the two brings results," Dill said.

Since Gov. Foster appointed Col. Rutt Whittington to head the State Police, trooper cooperation has gone up, Dill said.

"If I need 20 troopers to help in a search, they're there," he said.

Another reason for the success of the team is its dedication to rooting out corruption, Kuhnert said.

"We have put together a small group of people who are very intense, very dedicated and very qualified," he said. "We're actually just getting started."

The legitimate gambling industry welcomes the scrutiny because it increases public confidence, said Anthony Sanfilippo, general manager of Harrah's Casino Shreveport.

"It's important that investigations reveal any type of inappropriate behavior," he said.

Despite the task force's success, however, its members won't say they have rid Louisiana's gambling industry of corruption.

"The legal gambling industry is itself a magnet for corruption and organized crime," Littin said.

He said investigators believe organized crime gets nearly all its money from gambling, legal and illegal.

"We can never rest assured at any point that we have rooted (out) all the corruption," he said. "It is a dicey industry to fool with."

In the early 1970's Congress was concerned about problems related to gambling, and it established a commission similar to the one Congress is within minutes of creating. Since the Commission on the Review of the National Policy Toward Gambling issued its 1976 report, gambling has greatly expanded, and it has grown in many ways that are contrary to the recommendations of that early report. In 1976 only two States had casino gambling. Today, ever State but two have some form of legal gambling. According to U.S. News and World Report, people wagered \$482 billion in 1994 on all forms of gambling, 85 percent of which took place in casinos in 27 States, most of them built in the past 5 years. This explosive growth has produced deleterious side effects that have high moral, social, and economic costs.

Mr. Speaker, I support the legislation before the body today because it is a serious effort to study the issue of gambling in the United States. This legislation is not perfect, and I would have drafted some sections differently. But this is a body of compromise. To forge agreements, one must be willing to consider points of view and perspectives that are different from one's own.

In some respects, the Senate amendment represents those political choices and com-

promises, and I applaud the Senate for breaking the gridlock and moving H.R. 497 this far. I believe, for example, that the section in the bill on subpoena power is one such political compromise. It is adequate but not perfect. It was drafted, not with an eye toward technical perfection, but rather it was drafted to forge political compromise and consensus—something that Congress does daily.

Mr. Speaker, as I have already mentioned, I would have drafted some provisions of this legislation differently. I also mentioned that some provisions of the Senate amendment were drafted to achieve political consensus and compromise. For example, I believe the rewrite of the House subpoena power language was unnecessary and was done to ease an irrational fear that the Commission would conduct a witch hunt. This would not happen and such discussion was a diversion from the real issues such as underage gambling and political corruption. I have included for the RECORD a letter from the chairman of the Commission on the Review of the National Policy Toward Gambling which bears this point out.

WASHINGTON, DC,  
May 7, 1996.

Hon. FRANK R. WOLF,  
CHOB,  
Washington, DC.

DEAR CONGRESSMAN WOLF: As you know, I served as Chairman of the Commission on the Review of the National Policy Toward Gambling for the four years of its existence ("the 1972-1976 Commission"), whose Report was filed with the President and the Congress on October 15, 1976. I have previously provided your office with a copy of this Report and its accompanying addenda ("the 1976 Report").

I have had, as you might suspect, a greater than normal interest in the progress of gambling in the United States over the ensuing decades, and especially during the past five of six years which have witnessed a worrisome proliferation of casino openings, often under the shelter of Indian tribal ownership. I have followed your own efforts to create a new gambling commission to once more look into what has become a major growth industry. I agree with you completely, and I am taking the liberty of adding some additional thoughts, which I emphasize are purely personal opinions and do not necessarily reflect the opinions of anyone in my former law firm from which I have retired and for which I am now "Of Counsel."

With a proper mixture of pride and modesty, I would refer you to the Report of the 1972-1976 Commission, with specific attention to our recommendations concerning casinos and (that most cynical of retrogressive taxation) state lotteries. As I have observed, if anyone tried to sell corporate securities with the failure to disclose material facts so characteristic of state lottery promotion, he would be sent to prison. This is certainly the cruelest and most indiscriminate form of gambling and should be fiercely attacked. I see no signs that our recommendation (the 1976 Report, 159) that "the States must take care to inform the public fully as to the odds and character of the games being offered, and to avoid any misleading practices in its advertisements and promotional activities . . ." was greeted recommendation was followed by this one:

"Should [the States] fail in this responsibility, Congress should consider giving the Federal Trade Commission the explicit authority to set and enforce compulsory guidelines."

I am as much a foe of big Federal government as the next person, but the point may

have been reached where this is a national problem.

And so, perhaps, is casino gambling. The unavoidable dangers to the public interest in installing casino gambling in metropolitan areas are too obvious to ignore, and the 1972-1976 Commission recommended that this be permitted "only in rare instances and extraordinary circumstances." Another in-depth study is certainly now called for, and I believe the results will be shocking. The billions of dollars flowing across crap, roulette and blackjack tables is not coming from people who can afford to lose. The social cost of this phenomenon will be measured in human suffering, broken homes, official corruption and crime, and it is only the extent of this that is open to question.

I note that although there is nearly unanimous lip service paid to the need for a new gambling commission, the major issue is whether or not the Commission should have subpoena power to compel testimony and the production of documents. Obviously such a Commission is meaningless without this power, at least to the extent necessary to fulfill its stated purpose. The 1972-1976 Commission had subpoena power and, because of that, we never had to use it—in other words, when you have the power you will get cooperation. Obviously, the power need not be unrestricted and Congress may see fit to provide safeguards against its abuse and, if the power were to be abused and there were non-compliance, the Commission would be forced into court to compel compliance—something it would be most reluctant to do. On the other hand, if it were used legitimately, it would mean that information had been withheld for a reason—which is why you must have the power! And in the normal instance, as we found out from our years of experience, the knowledge that we had the power and would not hesitate to use it provided all the persuasion we needed. I suppose the specter of a "rogue" Commission strewing subpoenas throughout the land has been cited as being intolerable, but the very fact that membership on the Commission is bipartisan and dictated by Congress, and that a subpoena presumably have to be authorized in each instance by the members of the Commission negates the possibility of this happening. All this would seem to lead to the conclusion that the opponents of the any power of subpoena do, in fact, have something to conceal, which again leads to the decision that it is indeed necessary.

There is no doubt that the national policy toward gambling must again be examined, and this time with considerably more urgency than the last time. Please be assured that I am quite willing to help at any time—without cost to the government.

Yours very truly,

CHARLES H. MORIN.

The language in the House-passed version of H.R. 497 is the orthodox way to draft subpoena power language. After comparing the subpoena power granted to the Commission on the Review of the National Policy Toward Gambling, which was so broad it permitted a single commissioner to issue a subpoena, and learning that the Commission never once found it necessary to issue a subpoena, one can only conclude that the industry's concerns are, at a minimum, overstated, unrealistic, and paranoid.

For example, §5(b)(1) authorizes the use of subpoenas after a person fails to supply information requested by the Commission. This subjunctive clause merely states the obvious. Administrative subpoenas are usually only issued if the entity fails to comply with an information request. This clause is not intended to

narrow the scope of subpoenas served subsequent to an information request. It only means that the Commission should ask first and subpoena second.

I would also like to associate myself with the statement made by Senator GLENN regarding the meaning of the words "to understand" in §5(b)(2) of the bill. Under this section, the Commission may subpoena witnesses for the purpose of understanding material obtained by the Commission. There are many reasons to require such testimony and the understanding of the documents often will go beyond its four corners. The Commission may need to understand the circumstances or motivations for producing a document. It may need to know why it was produced and why alternatives were not included. To understand a document may entail understanding its context, how it was developed, why it was developed, what alternatives were considered, and other considerations that go into producing documents.

I would also like to make a point about the duties of the Commission and the matters to be studied. This list of items to be studied by the Commission is the minimum the Commission should examine. This is clearly stated in section 4(a)(2). The commission should review other subjects as it deems appropriate.

Section 4(a)(2)(C) of the House-passed version of H.R. 497 directed the Commission to include an assessment and review of political contributions and their influence on the development of public policy regulating gambling. While the version of the bill that Congress will send to the President today does not contain a similar provision, it is completely within the prerogative of the Commission to make such an assessment.

Gambling interests are flush with cash and readily contribute to local, State and national campaigns. Also, many news reports have chronicled the vast sums promised lobbyists and consultants if they can convince legislators to permit riverboat gambling or establishment of a casino. Many public officials have taken large sums of money as bribes from gambling interests and have been indicted for such reprehensible conduct. Some say there is nothing worse than a corrupt policeman because it is the police who enforce the laws. A corrupt politician is equally bad. I urge the Commission to review the very timely and important issue of public corruption, political influence, money, and power.

So, even though this legislation is not everything I may have preferred, it is a good bill and should be supported by the House and sent to the President for his signature.

Another issue I would like to raise concerns Commission requests for assistance from other Federal agencies. There is already a wealth of experience and knowledge within the Federal Government about many of the issues the Commission will likely address. One of the Commission's jobs is to bring all that information under one roof in a usable form. Because this is only a 2-year Commission which will have very limited funds, Congress provided that departments and agencies of the Federal Government provide detailees to the Commission when appropriate.

I urge any Federal agency asked to assist the Commission to provide such assistance and detailees as deemed necessary. The Department of Health and Human Services could assist the Commission by providing experts on compulsive or pathological behavior or provid-

ing experts in epidemiological methods and statistical methods of analysis who could help the Commission make sense of survey research and demographic or medical studies. The Federal Bureau of Investigation may be helpful in providing crime information. The Internal Revenue Service and the Financial Center may help commissioners understand issues relative to money transfers and laundering. General Services Administration staff could be helpful in setting up office space for the Commission, and the General Accounting Office could help provide economic analysis. I urge any Federal department or agency to assist the Commission when at all possible.

Mr. Speaker, I am going to watch the progress of the Commission carefully to make sure the Commission does its work in a non-partisan and objective way. I will follow its progress to make sure the job Congress has delegated to it is performed in a professional and effective manner. I will also monitor the amount of lobbying pressure to which the Commission is subjected.

I believe that the legislation before us gives the Commission all the power and tools it needs to conduct its business and write an objective report. However, if the gambling industry decides to throw its vast resources, lawyers, lobbyists and consultants at the Commission or the various provisions of this act in order to thwart its work, I will come to the well of this House with legislation more like the original House bill to ensure that the Commission is successful in completing its tasks.

Because this legislation is only days away from becoming law, I beseech the appointing authorities—the President, the Speaker of the House, and the majority leader of the Senate—to appoint individuals to the Commission who are recognized for their honesty, integrity, and objectivity. The Commission should not be loaded with individuals with vested interests in the outcome of the report. They should not be composed of individuals interested in going to work for the gambling industry after they have completed their duties with the Commission. Commissioners should be citizens of sound moral character able to impartially review the evidence and issues which will come before them so that their final product will be a report the American people can trust and rely upon.

Mr. Speaker, the time has finally come to make a detailed study of gambling in America. H.R. 497, in the tradition of good government, will help get that job done. This is a good bill, and I heartily support its final passage and presentment to the President. I urge all Members to support this meritorious legislation and yield back the balance of my time.

Mr. HYDE. Mr. Speaker, I yield myself the balance of my time, and I hope I do not use all the 3 minutes, but I wanted to respond to my friend, the gentleman from Massachusetts, who is one of the very effective but selective crusaders for States' rights.

This is a search for information, this commission, not legislative nor regulatory functions, but a search for information that has a uniquely national characteristic. The States, important as they are, are really not competent to do a national search that involves the issue of gambling. So, it may be an intrusion, but it is really not an either/or proposition: States' rights versus national intrusion. This subject lends

itself to national study. So that is all that this is going to encompass.

Some things are best done by the States. Some things are best done by the Federal Government, and it is pretty hard to have a hard and fast rule. Generally, we Republicans prefer local government over national government, but that, again, depends on the circumstance.

Tort reform, for example, in my judgment, and although I do not speak for all my colleagues on the Republican side, lent itself to a national solution rather than a State solution. But these are matters we can argue about.

Mr. FRANK of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Speaker, I thank the gentleman for yielding. I have no disagreement with what he just said. I do not claim to be a crusader for States rights. I have the position I think most Members have. I am for the State or the Federal Government deciding where we will best get the outcome that I think public policy ought to have.

Mr. MILLER of California. Mr. Speaker, I rise today to express my support for H.R. 497, the National Gambling Impact and Policy Commission Act. I cosponsored this legislation because I believe it is important for us to examine the effect the recent and pronounced proliferation of gambling in the United States has had on us as a society. This impact study will help Americans better understand what the effects of gambling are upon our families and communities.

Gambling has proliferated in part because State, local, and tribal governments faced with budget shortages see gambling as a pain-free solution to their problems. But I am concerned that such a quick-fix approach to our economic problems will make us overlook not only the long-term social problems associated with gambling, but the very fact that gambling itself is an inherently weak foundation upon which to base long-term growth and development. It is my sincere hope that through this study, we can provide local communities, States, and tribes the right tools and objective information to decide whether or not gambling is the right economic development strategy for them.

But I also want to make clear that it is my understanding that neither this bill nor the commission it creates is intended in any way to be construed or used as an excuse to unfairly criticize Indian gaming. Indian gambling has, in many instances, helped Indian tribes improve reservation conditions and provide jobs where unemployment often ranges between 50 and 80 percent. In addition, it is my hope that a fair and honest study will help destroy some of the more harmful and false myths about Indian gaming. For instance, it is far from the truth that all tribes have become rich from Indian gaming. Right not approximately 130 out of 553 Indian tribes operate casino style gaming in 22 States. A few have become quite wealthy. The vast majority, however, of Indian tribes are making only modest profits. Some Indian casinos have even folded. And because Indian tribes are required by law to plow revenues back into tribal projects and not individual profits, Indian tribes have

been able to better the quality of life on their reservations by using casino revenues to offer better housing, education, health care, and safety to their members.

My hope is that this commission will study Indian gambling as evenly and fairly as non-Indian gaming. If this happens then I have little doubt that the study, when completed will give Americans the information we need to better understand the positive and negative aspects of gaming in the United States.

Mr. ENSIGN. I rise in opposition to H.R. 497, the National Gambling Impact Study Commission. Although the legislation the House is considering today is a substantial improvement over previous versions, I continue to have many strong reservations with this legislation.

First and foremost, I see no reason why the Federal Government should be involved in a study of a legal, State-regulated industry. The gaming industry, like any other entertainment or tourism industry, is subject to careful review and oversight by individual States. In my State of Nevada, we can see first hand the success of a beneficial relationship between the gaming industry and its regulatory agency, the Nevada Gaming Commission. These two entities have worked together over the years in a manner that benefits everyone—the industry, the State, and the millions of tourists that visit Nevada annually. Nevada has certainly been the leader and model for other States to follow.

Second, Mr. Speaker, I believe this commission is a terrible waste of taxpayer money. The data and information the commission will collect are already available from multiple studies that have already occurred. In this time of fiscal constraint, it is ridiculous to expend Federal dollars for a duplicative study.

I continue to resist this legislation because I feel that the underlying agenda of this bill is to federally regulate and tax the industry. The gaming industry has a huge impact on the economy of Nevada and 47 other States in the country. It provides jobs and opportunities in communities that would not be available if gaming did not exist. While the proponents of this legislation may have good intentions, I will be unyielding in my commitment to ensure that the intent of this commission does not expand to prohibit this legal industry. In addition, I will work with the Speaker, Senate majority leader, and the President to ensure that we have an unbiased commission that will fairly evaluate the industry and provide a balanced report.

Mrs. VUCANOVICH. Mr. Speaker, today I rise in opposition to H.R. 497 not only because it is bad for Nevada, but because I believe it is bad for America. Again, Congress is spending more money on a study of which I question the validity. I question the wisdom of spending millions of dollars to create a new Government commission at a time when we are struggling to downsize the Government and balance our budget.

While I am pleased that efforts have been taken to limit the subpoena powers of the commission, it still baffles me why an advisory commission should hold such power. Most advisory commissions created by Congress or Federal agencies are not provided with subpoena power. This calls in question the very purpose of the gaming commission—and whether the commission can be objective.

Mr. Speaker, objective information on gaming is needed, but I thought the 104th Con-

gress was eliminating the Washington-knows-best syndrome. This bill just gives that syndrome more fuel for the fire. Gaming has always been a State responsibility, and many States have addressed the issues relating to gaming in a responsible manner. Getting the Federal Government involved not only infringes on States rights, but costs taxpayers money that could better be spent in education programs, health programs, or to eliminate our Federal deficit. My colleagues, you should rethink this issue and ask where you think the citizens of your State would rather spend their money. My guess—not on the gaming commission created by H.R. 497. I urge my colleagues to vote against this bill.

Mr. HYDE. Mr. Speaker, I thank the gentleman, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. COBLE). The question on the motion offered by the gentleman from Illinois [Mr. HYDE] that the House suspend the rules and concur in the Senate amendment to H.R. 497.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate amendment was concurred in.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. HYDE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the Senate amendment just concurred in.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

#### CHILD PILOT SAFETY ACT

Mr. DUNCAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3267) to amend title 49, United States Code, to prohibit individuals who do not hold a valid private pilots certificate from manipulating the controls of aircraft in an attempt to set a record or engage in an aeronautical competition or aeronautical feat, and for other purposes.

The Clerk read as follows:

H.R. 3267

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

##### SECTION 1. SHORT TITLE.

This Act may be cited as the "Child Pilot Safety Act".

##### SEC. 2. MANIPULATION OF FLIGHT CONTROLS.

(a) IN GENERAL.—Chapter 447 of title 49, United States Code, is amended by adding at the end the following:

##### "§ 44724. Manipulation of flight controls

"(a) PROHIBITION.—No pilot in command of an aircraft may allow an individual who does not hold—

"(1) a valid private pilots certificate issued by the Administrator of the Federal Aviation Administration under part 61 of title 14, Code of Federal Regulations; and

"(2) the appropriate medical certificate issued by the Administrator under part 67 of such title,

to manipulate the controls of an aircraft if the pilot knows or should have known that the individual is attempting to set a record or engage in an aeronautical competition or aeronautical feat, as defined by the Administrator.

"(b) REVOCATION OF AIRMEN CERTIFICATES.—The Administrator shall issue an order revoking a certificate issued to an airman under section 44703 of this title if the Administrator finds that while acting as a pilot in command of an aircraft, the airman has permitted another individual to manipulate the controls of the aircraft in violation of subsection (a).

"(c) PILOT IN COMMAND DEFINED.—In this section, the term 'pilot in command' has the meaning given such term by section 1.1 of title 14, Code of Federal Regulations."

(b) CONFORMING AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following: "44724. Manipulation of flight controls."

#### SEC. 3. CHILDREN FLYING AIRCRAFT.

(a) STUDY.—The Administrator of the Federal Aviation Administration shall conduct a study of the impacts of children flying aircraft.

(b) CONSIDERATIONS.—In conducting the study, the Administrator shall consider the effects of imposing any restrictions on children flying aircraft on safety and on the future of general aviation in the United States.

(c) REPORT.—Not later than 6 months after the date of the enactment of this Act, the Administrator shall issue a report containing the results of the study, together with recommendations on—

(1) whether the restrictions established by the amendments made by section 2 should be modified or repealed; and

(2) whether certain individuals or groups should be exempt from any age, altitude, or other restrictions that the Administrator may impose by regulation.

(d) REGULATIONS.—As a result of the findings of the study, the Administrator may issue regulations imposing age, altitude, or other restrictions on children flying aircraft.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Tennessee [Mr. DUNCAN] and the gentleman from Illinois [Mr. LIPINSKI] each will control 20 minutes.

The Chair recognizes the gentleman from Tennessee [Mr. DUNCAN].

Mr. DUNCAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Transportation and Infrastructure Committee, chaired by the gentleman from Pennsylvania [Mr. SHUSTER], reported H.R. 3267 by voice vote on June 6.

The bill was introduced on April 18 by myself, along with the chairman of the full committee, BUD SHUSTER, Aviation Subcommittee Ranking Member BILL LIPINSKI, Aviation Subcommittee Vice Chairman JERRY WELLER, the chairman of the Government Reform and Oversight Committee, BILL CLINGER, as well as JIM ROSS LIGHTFOOT, BILL PAXON, and BILL MARTINI.

Since the introduction of this legislation several other Members of the House have added their names as co-sponsors.

According to the National Transportation Safety Board, since 1964 there have been 178 accidents and incidents involving pilots 16 years of age and younger.