

and soon many of his compositions became favorites in Greece and other places where Greek music is played. His popularity grew because people related to his songs about life in unfamiliar surroundings and in difficult times; songs about the comfort of family and friends; songs about the joy of hopes fulfilled.

Now, even in his twilight years, George Katsaros still composes and performs. At 106 years of age he is immaculately dressed, his back straight, his eyes bright with ideas yet to be expressed. Accolades, such as his 1990 State of Florida Folk Life Heritage Award, or his selection as grand marshal of the 1994 Tarpon Springs Christmas parade, don't lull him into inactivity; they inspire him to continue on.

Steve Frangos, in his 1992 study of the international Greek entertainment industry, noted that Katsaros merits recognition on a national level "for his singular contributions not only to the ongoing development of Greek music but as one of the finest proponents of traditional ethnic music ever to perform in America." I am proud to call him a fellow American and a friend.

EL REGRESO FOUNDATION

HON. NYDIA M. VELÁZQUEZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 11, 1995

Ms. VELÁZQUEZ. Mr. Speaker, on September 23, 1994, I attended the graduation ceremony for El Regreso Foundation, a bilingual drug and alcohol abuse treatment program in the Williamsburg, Brooklyn section of my district. The event was an incredibly moving experience filled with tears and applause. The feeling of hope overcoming pain and abuse permeated the evening's festivities.

Overcoming the greatest odds and barriers, these graduates literally received a new lease on life, a life formerly plagued with violence, crime, and drug use.

This graduation was a perfect example of the ability of our people to take hold of their lives and turn them around, to be able to look into their selves and recognize that they do not want to become another statistic.

Events such as this one at El Regreso, are an inspiration to us all. They are of extreme importance to communities such as Williamsburg, which struggle daily for sources of hope. And while the media bombards us daily with stories of violence, crime, and despair, these and other success stories go unnoticed.

Success stories such as the one of Carlos Pagan. He too overcame heavy drug use and a hard street life, to become the founder and executive director of El Regreso. He is now a source of inspiration to untold numbers of men and women who go through El Regreso's Program, and a bright beacon of light illuminating the dark waters of addiction.

In closing, I salute Carlos Pagan and the staff of El Regreso for reminding our community that the best weapons against poverty, discrimination and even fear are not the escapes offered by powerful hallucinogens. The best weapons against these enemies are the potency of pride and the power of belief in themselves.

NATIONAL GAMBLING IMPACT AND POLICY COMMISSION

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 11, 1995

Mr. WOLF. Mr. Speaker, today I am introducing legislation establishing the National Gambling Impact and Policy Commission. This blue ribbon panel will be composed of nine members—three appointed by the Speaker of the House of Representatives, three appointed by the majority leader of the Senate, and three appointed by the President of the United States. One of the appointees should be a State Governor.

America is on a gambling binge. The question facing this commission will be: are we trading long-term economic growth and prosperity for short-term gain? Gambling is one of the fastest growing industries in the nation and is becoming America's pastime. In 1993, Americans made more trips to casinos than they did to major league ballparks. At the turn of the century, gambling was prohibited. Today, however, there are 37 State lotteries, casinos operate in 23 States, and 95 percent of all Americans are expected to live within a 3- or 4-hour drive of a casino by the year 2000. Only two States, Hawaii and Utah, forbid wagering.

Reports indicate that cash-strapped State and local governments will continue to authorize more gambling operations in the hope that they will be an economic bonanza. Governments often fail to consider, though, that gambling can bring on economic problems to their jurisdictions that far outweigh any benefits. Negative impacts on State and local economies, small businesses, and families can no longer be ignored. Crime and social problems related to gambling could add to already overburdened criminal justice and social welfare systems. This is an issue of national economic importance, and I believe the new Congress should examine it closely over the coming months.

The Commission established by this legislation will conduct a comprehensive legal and factual study of gambling in the United States. I will outline some of the specific matters to be studied and some examples of why they should be studied.

The Commission should review the costs and effectiveness of State and Federal gambling regulatory policy, including whether Indian gaming should be regulated by States as well as the Federal Government. Indian gambling accounts for about 5 percent of all casino gambling and that figure is growing at an extraordinary rate. Unlike New Jersey and Nevada which has extremely costly, mature, and effective regulatory structures, the Federal effort to regulate Indian gaming to prevent the infiltration of organized crime is scanty at best. There are less than 30 staff persons to regulate Indian gaming operations throughout the country. The Commission should recommend whether or not Indian gaming should be regulated by the States.

The Commission should examine the economic impact of gambling on other businesses. As gambling proliferates, job-creating wealth is shifted from savings and investment to gambling which creates no useful product. Income spent on gambling is not spent on

movies, clothes, recreation services, or other goods or services. Gambling cannibalizes other businesses such as restaurants. For example, the number of restaurants in Atlantic City declined from 243 in 1977, the year after casinos were legalized, to 146 in 1987.

The Commission should make a detailed assessment and review of the political contributions and influence of gambling promoters on the development of public policy regulating gambling. Proponents of gambling raised about \$14 million in their losing battle to bring casino gambling to Florida. Millions in contributions are given to lawmakers yearly by gambling interests. In my own State of Virginia, ten casino industry groups spent \$317,000 lobbying Virginia's legislators to roll the dice and bet on casino or riverboat gambling. Gambling interest's role in the formation of public policy is important because a recent study notes that most economic impact statements about gambling overwhelmingly are written from the gambling proponents perspective.

The Commission should make a detailed assessment of the relationship between gambling and crime. In one report, the Florida Department of Law Enforcement opposed legalizing casino gambling because they indicated "casinos will result in more Floridians and visitors being robbed, raped, assaulted, and otherwise injured." Sometimes organized crime is associated with gambling because of the huge amounts of cash involved, making it an easy target of money launderers. Drug money, extortion money, and prostitution money are all laundered through such operations.

Gambling may on occasion breed political corruption. Seventeen South Carolina legislators were convicted of taking bribes to legalize horse and dog track racing. Six Arizona legislators pleaded guilty in 1990 for accepting bribes on a bill to legalize casino gambling. Seven Kentucky legislators pleaded guilty of bribery for the same. In 1990, a former West Virginia Governor pleaded guilty to taking a bribe from racing interests. In 1994, a West Virginia lottery director was sentenced to Federal prison for rigging a video lottery contract.

Because of crime associated with casino gambling, regulatory agencies in New Jersey spend over \$59 million annually to monitor the city's casinos. In 1992, the Wall Street Journal reported that since 1976, Atlantic City's police budget has tripled to \$24 million while the local population has decreased 20 percent. During the first 3 years of casino gambling, Atlantic City went from 50th in the Nation in per capita crime to 1st. Overall, from 1977 to 1990, the crime rate in that city rose by an incredible 230 percent. Organized criminal activity is so pervasive that the American Insurance Institute estimates that 40 percent of all white collar crime is gambling related.

The Commission should also study the impact of pathological, or problem gambling on individuals, families, social institutions, criminal activity, and the economy. Gambling social costs include direct regulatory costs, lost productivity costs, direct crime costs, as well as harder-to-price costs such as suicide, and family disintegration. Various studies indicate that the mean gambling-related debt of people in compulsive gambling therapy ranged from about \$53,000 to \$92,000. Compulsive gamblers in New Jersey were accumulating an estimated \$514 million in yearly debt.

Pathological gamblers engage in forgery, theft, embezzlement, drug dealing, and property crimes to pay off gambling debts. They are responsible for an estimated \$1.3 billion worth of insurance-related fraud per year which is borne by the rest of us in the form of increased premiums, deductibles, or copayments.

Teenage gambling is another daunting social problem. In 1991 New Jersey casino security ejected 21,838 persons under the age of 21 from casinos, and prevented another 196,707 from entering. The New Jersey Casino Control Commission regularly reports 25,000 or more teenagers being stopped at the door or ejected from the floors of Atlantic City's casinos. One can only guess at how many teenagers do get in, gamble, and are served drinks. Today, research indicates that as many as 7 percent of teenagers may be addicted to gambling.

The Commission should review the demographics of gamblers because studies indicate a disproportionate number of gamblers are low-income people.

Mr. Speaker, while I am personally opposed to legalized gambling in Virginia, I am not taking a position on whether other States should or should not permit gambling. The purpose of this legislation is to bring together all the relevant data so that Governors, State legislators, and citizens can have the facts they need to make informed decisions. I invite any interested Members to join me as cosponsors of this important legislation.

H.R. —

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 "National Gambling Impact and Policy Commission Act".

SEC. 2. ESTABLISHMENT OF COMMISSION.

There is established a commission to be known as the National Gambling Impact and Policy Commission (in this Act referred to as the "Commission").

SEC. 3. MEMBERSHIP.

(a) NUMBER AND APPOINTMENT.—The Commission shall be composed of 9 members appointed from persons specially qualified by training and experience, of which one should be a Governor of a State, to perform the duties of the Commission as follows:

(1) three appointed by the Speaker of the House of Representatives;

(2) three appointed by the majority leader of the Senate; and

(3) three appointed by the President of the United States.

(b) DESIGNATION OF THE CHAIRMAN.—The Speaker of the House of Representatives and majority leader of the Senate shall designate a Chairman and Vice Chairman from among the members of the Commission.

(c) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(d) INITIAL MEETING.—No later than 30 days after the date on which all members of the Commission have been appointed, the Commission shall hold its first meeting as directed by the President.

(e) MEETINGS.—After the initial meeting, the Commission shall meet at the call of the Chairman.

(f) QUORUM.—A majority of the members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

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 gambling in the United States and existing Federal, State, and local policy and practices with respect to the legalization or prohibition of gambling activities and to formulate and propose such changes in those policies and practices as the Commission shall deem appropriate.

(2) MATTERS STUDIED.—The matters studied by the Commission shall include—

(A) the economic impact of gambling on the United States, States, political subdivisions of States, and Native American tribes;

(B) the economic impact of gambling on other businesses;

(C) an assessment and review of the political contributions and influence of gambling businesses and promoters on the development of public policy regulating gambling;

(D) an assessment of the relationship between gambling and crime;

(E) an assessment of the impact of pathological, or problem gambling on individuals, families, social institutions, criminal activity and the economy;

(F) a review of the demographics of gamblers;

(G) a review of the effectiveness of existing practices in law enforcement, judicial administration, and corrections to combat and deter illegal gambling and illegal activities related to gambling;

(H) a review of the costs and effectiveness of State and Federal gambling regulatory policy, including whether Indian gaming should be regulated by States instead of the Federal Government; and

(I) such other relevant issues and topics as considered appropriate by the Chairman of the Commission.

(b) REPORT.—No later than three years after the Commission first meets, the Commission shall submit a report to the President and the Congress which shall contain a detailed statement of the findings and conclusions of the Commission, together with its recommendations for such legislation and administrative actions as it considers appropriate.

SEC. 5. POWERS OF THE COMMISSION.

(a) HEARINGS AND SUBPOENAS.—

(1) The Commission may hold such hearings, sit and act at such times and places, administer such oaths, take such testimony, receive such evidence, and require by subpoena the attendance and testimony of such witnesses and the production of such materials as the Commission considers advisable to carry out the purposes of this Act.

(2) ATTENDANCE OF WITNESSES.—The attendance of witnesses and the production of evidence may be required from any place within the United States.

(3) FAILURE TO OBEY A SUBPOENA.—If a person refuses to obey a subpoena issued under paragraph (1), the Commission may apply to a United States district court for an order requiring that person to appear before the Commission to give testimony, produce evidence, or both, relating to the matter under investigation. The application may be made within the judicial district where the hearing is conducted or where 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.

(4) SERVICE OF SUBPOENAS.—The subpoenas of the Commission shall be served in the manner provided for subpoenas issued by a

United States district court under the Federal Rules of Civil Procedure for the United States district courts.

(5) SERVICE OF PROCESS.—All process of any court to which application is to be made under paragraph (3) may be served in the judicial district in which the person required to be served resides or may be found.

(b) 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 the provisions of this Act. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

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 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 services 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 of an executive director shall be subject to confirmation by the Commission.

(2) COMPENSATION.—The executive director shall be compensated at the rate payable for level V of the Executive Schedule under section 5316 of title 5, United States Code. The Chairman of the Commission 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.

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

(e) 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 which do not 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. TERMINATION OF THE COMMISSION.

The Commission shall terminate 30 days after the date on which the Commission submits its report under section 4.