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SB 582: Authorize Indian Gaming/Revenue  
House Debate, 3<sup>rd</sup> reading  
*June 5, 2012*  
*Edited for clarity and grammar*

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Debate begins at: 00:34:24

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**Speaker Tillis:** Senate bill 582, the clerk will read. [...] Further discussion, further debate. Rep. Stam, please state your purpose.

**Rep. Stam:** To debate the bill.

**Speaker Tillis:** The gentleman is recognized to debate the bill.

**Rep. Stam:** I won't rehash what I had to say on Thursday, but I have put a memo on your desk to explain why the fact that in a particular U.S. Supreme Court decision an Indian tribe was found to be not a "person," is irrelevant to the consideration before you today. I will also suggest a solution to the problem. I won't go over the five reasons in the memo but they are there for the record.

Rep. Harrison asked on Thursday what would happen in the event that a judge looked at these provisions of our state Constitution and decided that this exclusive zone west of I-26 violated one of the three provisions. I mentioned to her that no one knows exactly what would happen but a judge would have different possibilities. One of the possibilities would be just to strike the provision that says the bill doesn't affect gambling off of Indian lands and just open it up to the whole state. We could have gambling in the rotunda of the Capitol here, might even have it in the chapel. Maybe not. But we would have it through the whole state. That's one of the possibilities. You don't know. I don't know. No one knows.

I am about to propose an amendment. Mr. Speaker, at this time I'd like to introduce an amendment.

**Speaker Tillis:** Rep. Stam is recognized to send forth an amendment. The clerk will read.

**Clerk:** Rep. Stam moves to amend the bill on page 2, line 37, rewriting the line.

**Rep. Stam:** What the amendment does is add this language:

“If a final Order by a court of competent jurisdiction holds that any provision of this act is invalid, then this act is void.”

This is the opposite of a severability clause. It is a non-severability clause. In other words, they think they have got the t’s crossed and the i’s dotted. Everything should be nice and tidy up there amongst the Cherokee nation and no harm will come to the rest of the state. I say, if that’s what you really think vote for the amendment, it won’t hurt your bill a bit.

What it will do is to keep a judge from opening up the whole state of North Carolina to gambling so we’re not like Las Vegas down in Duplin County.

I urge you to adopt this amendment.

**Speaker Tillis:** Rep. Moore, please state your purpose.

**Rep. Moore:** To debate the amendment.

**Speaker Tillis:** The gentleman is recognized to debate the amendment.

**Rep. Moore:** Thank you, Mr. Speaker. Ladies and gentlemen of the House, this amendment I would submit to you is often what is referred to sometimes in the legal world as a “poison pill.” What this amendment is designed to do is, of course by those who are opposing it – those who are putting up a valiant effort against the bill – and it’s designed to undermine the bill. Here’s why: a severability agreement essentially says if any one part of the bill is struck down by a court, even if it’s just a minor part, you know, it continues on.

A non-severability amendment has the opposite effect. Rep. Stam did correctly identify that. And what it would have the effect of doing is, let’s say that some part of this compact or the bill was struck down by the court for some technical reason – it had nothing to do with, no significant bearing on the bill, with this language it would have the effect of invalidating the entire thing at that point. So without this language the way it would work is let’s say the court struck down a key provision of the bill then in that case the court could also strike down the entire law. But this language, if you put it in the bill, folks, is going to make it so that some minor technicality could completely de-rail this legislation. So I would submit to you that those who are supporting this amendment are simply those who are opposed to the bill, and I would ask the members to oppose this amendment. Thank you.

**Speaker Tillis:** Rep. Owens, please state your purpose.

**Rep. Owens:** To speak on the amendment.

**Speaker Tillis:** The gentleman is recognized to debate the amendment.

**Rep. Owens:** Thank you very much, Mr. Speaker, Ladies and Gentlemen of the House. I too rise to oppose the amendment for a number of reasons, but you know if you did something like this, and let’s just say it goes through to the Cherokee and they hire our 400 people right away and

then they start doing away with machines and then something like this would take place, you'd have to go back to the way we are. Those 400 people would have to be laid off. All the economic monies that were spent and all the investments that were made would be wasted money. This is almost a catfish amendment as far as I'm concerned because it really kills and destroys the whole intent of this bill. And it would cause major, major problems. Please vote no.

**Speaker Tillis:** Rep. Haire, please state your purpose.

**Rep. Haire:** To speak on the amendment.

**Speaker Tillis:** The gentleman is recognized to debate the amendment.

**Rep. Haire:** I would just concur with what Rep. Owen and Rep. Moore said, and I would take a little bit of an issue with what Rep. Stam said that if it were found to be something wrong then it opens up the whole state of North Carolina. And that's just totally not correct because the only way that we have gambling on the Cherokee reservation is because of federal legislation of the National Indian Gaming Act. And that doesn't apply to any place else in the state of North Carolina. So this, I would agree with my counterparts, and say this is only going to tempt the people that are opposed to the bill to try to gut it somehow. Just be assured that if you vote against the amendment, and I urge you to do that, it's not going to open up the whole state of North Carolina so for that reason I think you should vote no.

**Speaker Tillis:** Rep. Horn, please state your purpose.

**Rep. Horn:** Debate the bill.

**Speaker Tillis:** The gentleman is recognized to debate the amendment.

**Rep. Horn:** Thank you, Mr. Speaker. I am, as we all know, not an attorney. I don't understand 90% of these clauses and whereases that seem to be invested in attempting, I think, to play word games with "is this a catfish amendment?" I've heard that term before and all that. All I can say is that we had a great debate on this bill. The sense of the bill for the Cherokee nation and for the Eastern Band of the Cherokee nation and for North Carolina I think is appropriate, I think, for this body to consider as presented and doesn't need any amending. We need to vote on the bill. I urge you to oppose the amendment.

**Speaker Tillis:** Rep. Stam, please state your purpose.

**Rep. Stam:** To speak a second time on the amendment.

**Speaker Tillis:** The gentleman is recognized a second time for debate on the amendment.

**Rep. Stam:** Of course the predicate for the opposition is that courts strike down things out of statutes that are just technical, just because they don't like it, or just because they don't like the policy. As Rep. Moore knows they can only strike down a statute or part of a statute if it is unconstitutional. We do have constitutional review but we don't have statutory review for good

looks or statutory review for policy. The only way a part of this would be struck down is if perhaps a court said that this is giving a set of persons an exclusive, separate, or hereditary privilege by the state or that the bill establishes a monopoly contrary to the genius of a free state. The only way something is knocked out is if it is unconstitutional according to our Declaration of Rights. There you have on page six of the compact: if the exclusive area is struck down, North Carolina gets no money from this for thirty years. On page 2, lines 22-24, there is a provision that says this only affects recognized Indian tribes operating games in accordance with Subsection a. If a judge decides the way to deal with a monopoly, hereditary emolument, or exclusive set of privileges is to strike that one paragraph: "Boom," Gambling is all over the state of North Carolina.

**Rep. Haire:** Would Rep. Stam yield for a question?

**Speaker Tillis:** Does the gentleman yield?

**Rep. Stam:** I do.

**Rep. Haire:** Thank you. Rep. Stam, you understand that this bill can only operate under the National Indian Gaming Act?

**Rep. Stam:** Yes.

**Rep. Haire:** Follow up?

**Speaker Tillis:** Does the gentleman yield? He yields.

**Rep. Haire:** Would the National Indian Gaming Act apply to the rest of North Carolina if this were struck down?

**Rep. Stam:** No.

**Rep. Haire:** Follow up?

**Speaker Tillis:** Does the gentleman yield? He yields.

**Rep. Haire:** Then how can you say that if this were struck down it would open up the rest of the state of North Carolina when the only right to gamble flows from the National Indian Gaming Act?

**Rep. Stam:** I hope that's not what I said. This body could legalize every kind of gambling in the world tomorrow without regard to the Indian Gaming Act. If a court decided that it would solve the unconstitutional problem part of this bill by excising lines 22-24, then the rest of us would have to have this in our geographic areas.

**Rep. Haire:** One more follow up?

**Speaker Tillis:** Does the gentleman yield? He yields.

**Rep. Haire:** We're not talking about what possibly might be tomorrow. We're talking about the bill in front of us today, do you agree?

**Rep. Stam:** No. I think we're looking at what the bill before us today might do tomorrow. The amendment before you makes clear that the proponents of the bill really believe their brave words about how constitutional it is and so they're not worried about this amendment.

**Speaker Tillis:** Rep. Michaux, please state your purpose.

**Rep. Michaux:** Would the author of the amendment yield to a question?

**Speaker Tillis:** Does the gentleman yield?

**Rep. Stam:** I do.

**Rep. Michaux:** Your amendment says:

“If a final Order by a court of competent jurisdiction holds that any provision of this act is invalid, then this act is void.”

Are you telling me that if a court of competent jurisdiction finds one particular portion of this bill invalid, the whole act has been declared invalid? Is that what you're telling me?

**Rep. Stam:** That's correct. Because you know the court could only find a part invalid if it violates the Constitution, not because it violates what they had for dinner last night.

**Rep. Michaux:** Another question?

**Speaker Tillis:** Does the gentleman yield?

**Rep. Stam:** I do.

**Rep. Michaux:** Even if they find a part of it unconstitutional, under your amendment the whole act would be invalid, correct?

**Rep. Stam:** Same as the last time I answered, yes.

**Rep. Michaux:** Just a comment on the amendment.

**Speaker Tillis:** The gentleman is recognized to debate the amendment.

**Rep. Michaux:** Ladies and gentleman, what he's doing is, this is not a - I don't know what Rep. Moore called it - it's not even a catfish amendment. This is a gut-wrenching amendment is what this is because if a court of competent jurisdiction comes in and finds that the date is wrong than

the whole act is wrong. That's not the way we do business here. That's why you put in "if any portion of this act is found unconstitutional or wrong than that portion is stricken" and it doesn't affect the rest of it. This completely guts the whole thing. I hope you will vote against it.

**Speaker Tillis:** Further discussion, further debate on the amendment. If not, the question before the House is the passage of the amendment offered by Rep. Stam for the House Committee Substitute for Senate Bill 582. All those in favor will vote "aye;" all those opposed will vote "no;" the clerk will open the vote. The clerk will lock the machine and record the vote. 31 having voted in the affirmative and 86 in the negative, the amendment fails.

Further discussion, further debate on the bill. Rep. Rapp, please state your purpose.

**Rep. Rapp:** To debate the bill.

**Speaker Tillis:** The gentleman is recognized to debate the bill.

**Rep. Rapp:** Thank you, Mr. Speaker, and I think that last vote on the amendment probably suggests what's about to happen, but I did make an observation or comment last week that I would introduce an amendment that would have limited the expansion – the expansion of the gambling to one location: the existing casino.

I talked with a number of folks who were on both sides of this issue last week and received no support for that. Most importantly, I talked with Rep. West and Rep. Haire and they were not in favor of this. This would be offered as a compromise, what I thought was a compromise, but I've been told repeatedly, and by the chief of the tribe this morning, Chief Hicks, that they were not interested in this. As a result, this compromise amendment will not be introduced.

I do want to say, though, that this – what we're about to do here is about to expand gambling in Western North Carolina. And, again, I put it in the context of what's going on with our video gambling as well as the sweepstakes machines that are spreading across the state. It's part of a big picture. And what I said last week I'll repeat again today: we will be moving this state incrementally, not in one fell swoop, but incrementally we're moving North Carolina into becoming a state of gambling. And all you have to do is go into your towns, into your cities, look around you and see the proliferation that's going on to see if what I'm saying isn't true.

And I'm afraid that this is just one small piece in this broader expansion that is going on. I was not going to get involved because I was not going to get into a lawyer's discussion of the amendment that was introduced because I won't pretend to have that knowledge. But I do appreciate Rep. Stam's efforts to try to at least curtail some of what's about to happen.

I really do think that what we're talking about is socially corrosive. I will, if I do return next year, come back with legislation, not about the Cherokee Indians, but about perhaps banning all sweepstakes until September when arguments are heard so it will be late next year or into early 2013 before we get a decision on that. And I would certainly want you on alert that if I am here there would be legislation I intend to introduce to ban that.

Thank you, Mr. Speaker, for this time. I did want to explain to the House why I did not introduce the amendment, but in talking to many of the members individually and I did from both sides, and I did not see support for it, and I didn't want to waste the body's time by introducing an amendment that was about to fail. Thank you.

**Speaker Tillis:** Rep. Starnes, please state your purpose.

**Rep. Starnes:** To speak on the bill.

**Speaker Tillis:** The gentleman is recognized to debate the bill.

**Rep. Starnes:** Thank you, Mr. Speaker, ladies and gentlemen of the House. What we're fixing to do is change the way North Carolina looks. And I don't think it's going to be a good look after this legislation is passed. We're getting ready to make a major change in the gambling law in North Carolina. Gambling is going to be expanded in ways that we never would have dreamed of just a few years ago.

You know, I've observed in my years down here that the parties in power always seem to assume a mantle or a slogan or a theme that they like to pursue. And when the Democrats were in control it usually had to do with revolving around children. And they passed a lot of legislation, and some of it was done in the name of children that really had nothing to do with children. But what are the Republicans doing? Our slogan has become jobs. But I'm afraid what we're doing is passing legislation in the name of jobs that's not about jobs – this is about gambling. And yes, there are a few jobs in this, but they're gambling jobs.

You know, if we continue to go down this road, where does it stop? Where does it end? Where are we going to be in the next generation in our lifetime? If they want to talk about jobs and gambling, look at other states where they have the horse racing and the gambling – that's the type of gambling that creates a lot of jobs: the dog racing. But is that what we want to do? Is that the type of industry that we want to develop and bring and promote to North Carolina? I don't. I wish I could say something today to change the minds of ten people so this bill would be defeated, but that's not going to happen. Everybody knows how they're going to vote.

But folks, make no mistake about it. There are a few jobs in here, but they're gambling jobs. I don't like it. And I think in a generation from now we're going to look back and we're going to say "you know, I don't know if we used our best judgment when we passed that bill." Thank you.

**Speaker Tillis:** Rep. Farmer-Butterfield, please state your purpose.

**Rep. Farmer-Butterfield:** Thank you, Mr. Speaker. I want one of the sponsors, maybe Rep. Fisher or Haire or West, to respond to how this legislation addresses gambling addictions.

**Speaker Tillis:** Rep. Fischer, does the lady yield?

**Rep. Fisher:** I yield.

**Speaker Tillis:** She yields.

**Rep. Fisher:** So you want to know about the gambling piece of this as regards addiction. Well, thank you for that question. I wanted to specifically let the body know that there is a portion of the compact that deals with gambling addiction and eligibility to gamble, especially on the part of minors.

On page 10 of the compact there is a paragraph that is entitled “Problem gambling and youth gambling,” and the first sentence of that paragraph says the tribe shall prohibit any and all harmful forms of advertising targeting or enticing under-age gambling. There are other things in the compact that speak to invalid identification and the employees at the casinos ability to detect invalid identification on the part of youth. And then the other thing that it asks is that the tribe may maintain its existing programs provided through Harrah’s Cherokee casino which address gambling addiction, and promote responsible gambling among those people who are legally able to gamble.

The tribe shall provide similar programs at any new gaming facilities of the tribe, and those programs provide mandatory training for all the casino employees to identify possible gambling addiction, gambling addiction behavior in patrons, the posting of responsible gaming signage, and gambling help-line phone numbers. So they do address the problem of addiction.

And just as a quick response to the objection as far as bringing gambling to the state – gambling is already legally in existence in Cherokee. And the way I see this is that it is a jobs incentives bill without the state having to spend any money, and in fact the state will receive some benefit from this in return. So I would, again, ask the members to please support this business plan for the Cherokee Indians.

Thank you.

**Speaker Tillis:** Rep. Hilton, please state your purpose.

**Rep. Hilton:** To speak on the bill.

**Speaker Tillis:** The gentleman is recognized to debate the bill.

**Rep. Hilton:** Well, folks, I see how the votes are going, but we just have to sit. For me I’m just kind of reflecting on the way I was raised growing up and in my mid-40s, I can remember a time when you could go to a convenience store and not have to wait in line as people were buying lottery tickets. Now my children, their experience is different. They see this gambling going on, which I didn’t see that when I was a child growing up. You know, when I was in school I can remember, when a member of my family passed away, the teacher praying with me. And there was prayer in our schools. We didn’t need school resource officers back then. Well we’ve come a long way, haven’t we? Are we really getting better? Is this what you call something that’s good? The right direction for our state? Talk about how well does it deal with addicts? Well it breeds addicts! It creates addicts! That’s what this bill’s doing.



For every job that it creates, it's going to create more addicts that the State's going to have to deal with. That's where we're heading. That's what we're changing to. We've come a long way, haven't we? I'm ashamed. I'm really ashamed. I'll be voting no.

**Speaker Tillis:** Rep. Horn, please state your purpose.

**Rep. Horn:** Debate the bill.

**Speaker Tillis:** The gentleman is recognized to debate the bill.

**Rep. Horn:** I think one of the best ways to keep people from being addicted to gambling is to intercede – and how do we do that? A machine can't intercede. A lottery ticket doesn't intercede. But a live dealer, properly trained and properly managed, will intercede – should intercede. I believe the Cherokee nation has shown great responsibility. They have – I have not heard of one single, and I've asked a lot of people but I still have not heard, one single incident. Tell me where they have failed in their responsibility to the taxpayers, to their community, to the laws of this state? They have been good stewards of their responsibility to themselves, to the state and to their people.

I don't believe at all that by adding live gaming, what I'll call live gaming, is going to send us on a road that's been so implied. I was trying to figure out how to word that. I think that we would be well served in this nation if our companies and our body were as responsive and transparent as the Cherokee nation, the Eastern Band of Cherokees, have been. I see no reason – absolutely no reason to oppose this bill. I encourage your support.

**Speaker Tillis:** Rep. Pittman, please state your purpose.

**Rep. Pittman:** To speak on the bill.

**Speaker Tillis:** The gentleman is recognized to debate the bill.

**Rep. Pittman:** Thank you, Mr. Speaker. I have a lot of respect for Rep. Horn, but discerning what he was saying but ... I'm too fat. Anyone who looks at me can tell I'm too fat. But you think there's any baker in town that would try to talk me out of eating his bread or his doughnuts or his cakes? I don't think so. And I don't think there's a dealer sitting out there who is going to tell someone to stop gambling. There may be a few, I'll concede that, but I think in the vast majority of cases that's not going to happen.

I hope everyone's read this letter that Rep. Stam provided to us from Chief Wise Hawk. I read it; I hope you will: firsthand accounts or testimony of how he's seen the degradation of the community through gambling, the harm that it's done to people. I hope you'll take a look at that and think about it. You know in our lives we all make mistakes. And there's some mistakes that we make and we can't take it back – you can't undo the results. You run a red light and kill somebody or cripple them for life, you can't take that back; you can't undo that mistake.

But there's some mistakes that you can take back and go in the other direction and change things. And I believe that a great mistake was made about gambling in the Cherokee nation, and I think we can begin to reverse that. And we can start right here by voting against this bill. And I just beg you – we ought to be encouraging the development of legitimate enterprise, legitimate industry among the Cherokees. Not this. So I just ask you – you made a mistake by setting the Cherokee house on fire. Please don't throw gas on the fire. Thank you.

**Speaker Tillis:** Rep. Insko, please state your purpose. The Chair will return to Rep. Insko at a later time. Rep. Owens, will you please state your purpose.

**Rep. Owens:** To speak on the bill briefly.

**Speaker Tillis:** The gentleman is recognized to debate the bill.

**Rep. Owens:** Thank you very much, Mr. Speaker. Ladies and gentlemen, I wasn't going to speak but legitimate business is already there. It's the largest hotel in North Carolina. If you went to Cherokee 25, 30 years ago and saw the condition of the people and the region and you go there today – everybody I hear speaking hasn't been to Cherokee. I have. I'ma tell you it's amazing what they've done out there, and what they've done for the people. And this bill basically, for the most part, exchanges a machine for a person with a job, equals economic development. It brings in a successful many more tourists a year to North Carolina that will spend money for other reasons. Please, I encourage you to vote yes.

**Speaker Tillis:** Rep. Martin, please state your purpose.

**Rep. Martin:** To debate the bill.

**Speaker Tillis:** The gentleman is recognized to debate the bill.

**Rep. Martin:** Thank you, Mr. Speaker. I think most members who have been here for awhile know that the gentleman from Catawba, Rep. Hilton and I, don't agree on a lot of things. And I think it's safe to say that we don't share too much in the way of a vision for the future of this state. But he and I are both not coming back next session and I detected in his comments some of the same thoughts that are going through my mind: what kind of state has our service here left for our children and other folks' children? What sort of state are they growing up in? And I share his belief that taking this step forward in bringing gambling further in to our state does not take us into a future that's going to be good for his children or mine or those of anyone else in our state.

What's the model that we're looking for here? Do we want to be like the state of Nevada that has an even higher unemployment rate than North Carolina? I don't think so. Can anyone point to a state that has allowed gambling to take it over that is our model for the future of North Carolina? I don't know of one, and I'll be voting no.

**Speaker Tillis:** Rep. Insko, please state your purpose.

**Rep. Insko:** To send forward an amendment that is being drafted.

**Speaker Tillis:** The Chair will return. Rep. Haire, please state your purpose.

**Rep. Haire:** Speak briefly on the bill.

**Speaker Tillis:** The gentleman is recognized to debate the bill.

**Rep. Haire:** Two little observations that I had made recently. You know, as I said the other day, the Cherokees and the other Indians in this nation were here long time before the white people got here. Well if you read these little history columns in your newspaper, in 1924 Congress passed and President Calvin Coolidge signed a bill granting full citizenship to all native Americans born within the United States' territorial limits. Now, that was in 1924. They beat us here, but we finally made them citizens.

The second thing is there was an editorial in the Asheville Citizen-Times dated Wednesday, May 30 and it says the new casino deal will benefit many, and I'd like to read two sentences out of that. As Rep. Owens said, "The casino has grown from a Bingo operation in 1977 to a major gaming complex drawing 3.9 million."

**Rep. Hastings:** Rep. Speaker

**Speaker Tillis:** Rep. Hastings please state your purpose.

**Rep. Hastings:** To see if Rep. Haire would yield for a question.

**Speaker Tillis:** Does the gentleman yield?

**Rep. Haire:** I'll yield for a question.

**Rep. Hastings:** Rep. Haire, could you tell me and the rest of us what the projected amount of revenue will be that will come to an individual Indian on the reservation who qualifies?

**Rep. Haire:** The revenue off of the casino, of course Harrah's takes its cut, and whatever's left is divided one-half between the tribe and one-half between the enrolled members. Now, it has been as high as \$5,000, depends upon the income to know exactly how high that is.

**Speaker Tillis:** Does the gentleman have a follow-up?

**Rep. Hastings:** So what you're telling me

**Speaker Tillis:** Does the gentleman yield?

**Rep. Haire:** Yes, I yield.

**Speaker Tillis:** He yields.

**Rep. Hastings:** So what you're telling the body is that you don't know what the projected revenue will be?

**Rep. Haire:** Well no one knows what the revenue's going to be. Years ago

**Rep. Hastings:** Follow-up, Mr. Speaker.

**Speaker Tillis:** If the gentlemen will allow the member to respond to the question, he will have the opportunity for a follow-up. Does the gentleman yield?

**Rep. Haire:** If I may further answer I would read from this. In 1997, I'm sorry, in 2007, the revenue was \$449,000,000. It fell off because the depression and went down to \$396,000,000. Now I'll yield for another question.

**Speaker Tillis:** The gentleman yields.

**Rep. Hastings:** Rep. Haire, do you know if that revenue coming to an individual Indian who might qualify for another federal or state benefit? Could this revenue coming to that person potentially disqualify them from other benefits and healthcare services they might qualify for?

**Rep. Haire:** That is a good question, and I hope you have an answer because I do not.

**Rep. Hastings:** Thank you.

**Rep. Haire:** Anyway, to conclude, I hope that you will vote for this bill.

**Speaker Tillis:** Rep. Graham, please state your purpose.

**Rep. Graham:** To speak on the bill, Mr. Speaker.

**Speaker Tillis:** The gentleman is recognized to debate the bill.

**Rep. Graham:** Thank you, Mr. Speaker. Members of the House I'll be brief – I said what I needed to say last week. But I'm still compelled to support this bill. I had the Chief in mind over the weekend and I do want to make a couple observations.

You would think we were talking about an evil and repressive bill today. We're not doing that. What we're talking about is quality of life for a people that have survived and been prosperous in this state for many years. And a great deal of good will come from this bill. If I didn't feel that way I certainly would vote against it.

I'm not a gambler. I don't play the lottery. I don't go to video games. But I do see the benefit of this bill. As someone said earlier, "we've come a long way, baby." Yes we have. Yes we have. We don't live in teepees. We don't ride horses anymore, occasional recreation. I do wear a tie. We've come a long way, baby. And that's because we've pretty much taken things into our own

hands because we had to. And I'm not trying to give you a history here, but since 1492 we've done a lot to promote our heritage, our culture, and I would strongly encourage you to go to Cherokee, if you don't go for gaming, go experience the culture. Just go visit a tribe and go experience the culture. Go to the pow-wow. Experience the spirit of what the culture means.

I just want to make a couple of observations here. We're talking about promoting a world-class education system in Cherokee. Promoting opportunities for secondary education for children in Cherokee, providing lessons. The American Indian Health Board has endorsed this thing 100%. And that board is made up of American Indian doctors who have supported this, and they see the benefit, the healthcare benefits. And strongly encourage you to look at the benefits.

We have gambling in this state every night. They'll be gambling here a few blocks from this legislature. We're not doing something that, as society, we're not already doing. We're not trying to legislate something that we're not already doing in this state.

I can't talk about what the outcomes have been in other states. I don't know that. But we can see the outcomes in Cherokee. We can see the benefit; we can see what's happened good in those communities. And I just encourage you to support this legislation. We're not talking about today opening up gambling for the state of North Carolina for the foreseeable future. I can't predict the future. I don't know what the future holds for my next breath. I'm just trying to see the good. And I've talked to folks on both sides of this thing trying to see the good. I'm trying to understand the benefit. And I can tell you ...

When I was born, I didn't belong to anything. I didn't have, I didn't have a name as a tribe. I didn't belong to any tribe. But I do now. And our tribal people are proud people. Proud of what they do and proud of where they came from. And proud of protecting their culture. Proud of protecting and abiding by the laws.

We're not opening up something here where the western part of the state is going to become the joke of this state. The people that's responsible, they have been responsible – they will continue to be responsible.

We're trying here in this legislation today, I believe, is to continue to allow a people, a sovereign nation to continue to be a sovereign nation. And to continue to have a way of life that is positive and productive. And, Mr. Speaker, with that said I call the question. Thank you, sir.

**Speaker Tillis:** Ladies and gentlemen of the House we are waiting for an amendment that may be sent forth by Rep. Insko...

Members, just for point of information, Rep. Graham's motion to call the previous question was out of order. At the time we were assessing the amendment which may be put forward by Rep. Insko and we have determined that it is out of order and not germane, so we're back on the bill.

Rep. Insko, did you, did the lady wish to speak on the bill?

**Rep. Insko:** Yes, thank you, Mr. Speaker, I'd like to speak on the bill.

**Speaker Tillis:** The lady is recognized to debate the bill.

**Rep. Insko:** Thank you, Mr. Speaker. And the reason I was offering an amendment or taking time to do that is because I heard someone say “this is not going to cost the state anything,” but this really will cost the state something. And it will cost the state more in either treating addiction disease or in housing the people who are addicted in jails, because that’s where a lot of people end up if they don’t get treated. I think of the disabilities that we treat, mental health, developmental disabilities, and substance abuse, as we call it, which is really addiction disease – it is something that happens in the brain, the brain synapses are actually changed in addiction disease...

**Rep. Graham:** Mr. Speaker...

**Speaker Tillis:** Rep. Graham, please state your purpose.

**Rep. Graham:** To ask if the lady would yield for a question.

**Speaker Tillis:** Does the lady yield?

**Rep. Insko:** I’d be glad to yield as soon as I finish my statements.

**Rep. Graham:** Thank you.

**Rep. Insko:** So, I know that live gaming will attract many more people from around the State, and that means we’ll have more people with addiction. And that means it will indeed cost the State money. What I had hoped to do was to just set aside...No one can tell me how much to set aside, or if there is a percent set aside, or an amount set aside for treatment, or whether it’s just for prevention and not treatment, or just education. So this is an issue. I’m disappointed that we didn’t get a chance to address it, but it will be a problem for the State. I’d be glad to yield to a question.

**Speaker Tillis:** Rep. Graham, the lady does yield. You may state your question.

**Rep. Graham:** Thank you, Rep. Insko. Do you know, or do you have any reliable data to support jail confinement or anything along that line that you discussed?

**Rep. Insko:** Well, I don’t have actual numbers, but I do know that having been engaged in the work I do with people with addiction disease for a long time, that I get many, many calls from jails and from counties saying that their jails are overcrowded, partly because of people with addiction disease that we’re not treating. So it is an issue.

**Rep. Graham:** Follow-up?

**Speaker Tillis:** Does the lady yield?

**Rep. Insko:** I yield.

**Speaker Tillis:** She yields.

**Rep. Graham:** Does that pertain to the Cherokee or is that just in general?

**Rep. Insko:** It's a...I don't know that addiction disease is...that any ethnic group is free from that. I think every group has addiction disease; I don't know that one has it more than the other. It's an issue, as far as I know, just with human beings.

**Rep. Graham:** A comment?

**Speaker Tillis:** The gentleman is recognized to debate the bill a second time.

**Rep. Graham:** Thank you, Mr. Speaker. I just want to emphasize the good stewardship that I know that the Cherokee is going to apply to whatever comes out of this compact. I believe that they take care of their people. They have good systems in place to identify and to take care of those folks who may need help. And I just believe that as a people they will take care of their own and they will make sure that the issues that have been raised here in this discussion will be addressed. And I think they will do that in a timely manner. I just believe that in my heart. Thank you, Mr. Speaker.

**Speaker Tillis:** Rep. Luebke, please state your purpose.

**Rep. Luebke:** To speak on the bill.

**Speaker Tillis:** The gentleman is recognized to debate the bill.

**Rep. Luebke:** Thank you, Mr. Speaker. Members of the House, I've been listening to the debate on Thursday and again today. I've heard a lot of talk about jobs, but I haven't heard anyone tell me what these jobs will pay. I haven't heard anything about what kinds of benefits the people who work at these jobs will get. So there's a great deal of talk without anyone really understanding how much it will benefit the people who have the jobs. Are these low-income jobs, middle-income jobs? No one has spoken to that point. And I get a little nervous when no one is here to exalt how well-paying the jobs will be. It makes me think the jobs will not be very well-paying. No one has addressed this.

I would simply also say with respect to the addiction question, everyone who is voting for the bill should know that it is addictive – that gambling is addictive. And the operators of casinos want to go to live gambling because they'll get more gambling. And if we get more gambling in our State, we have more addiction in our State – and that's just completely straightforward. If you are not sure about that, look at who plays the lottery, and look at the extent to which people who play the lottery. Certain people will play it again, and again and again. There are those addicted to the lottery, and there will be many more people addicted to gambling in this State as this bill passes.

It sounds like the votes are in, but I think it's important to recognize clearly the jobs question hasn't been answered and the addiction question hasn't been answered. I urge you to vote against the bill.

**Speaker Tillis:** Rep. Jones, please state your purpose.

**Rep. Jones:** To debate the bill.

**Speaker Tillis:** The gentleman is recognized to debate the bill.

**Rep. Jones:** Thank you, Mr. Speaker. Once again, you know, we have a fascinating argument here. Again, there are good people on both sides of this issue. There are arguments that have been made. Just a few points that I would make. It seems to me that if this is such a good idea, as the proponents of the bill are saying, for the Indian nation, then why isn't it a good idea for everyone? You know, we also hear the argument, "Well, we already have gambling." And I just can't really buy into that argument. I mean, that's kind of like equating a child's chewing pencils to grand larceny. I mean, this is a matter of degree, and everybody here knows that. This is advancing gambling in North Carolina to a new level. You know, one of the concerns that we hear too is that that if we don't vote for this that we are simply not interested in the greater good for the Indian nation. And I just can't accept that argument, as well.

We're told that we need to do this because we want to help the poor - we want to help those that are in poverty. And folks, there's a lot of information out there about gambling and how it generally affects the poor. And we've heard - and I won't repeat some of the things that have been said about the problem with gamblers - but I think it's pretty well documented that probably 2-3% of the people out there are potential problem gamblers. That represents an awful lot of people in our State, and an awful lot of people in Western North Carolina.

I just want to talk about a few of the things that I think we will see increase if this happens. I think if you look at both sides of this issue and you consider those jobs that are going to be created, and the positive effects that you see, let's look at the other side just a little bit, too, and recognize that it's very well documented that when gambling comes into an area, you will see an increase in bankruptcies. You will see an increase in crime. You'll see an increase in suicides, illnesses, abuses, divorces, separations, domestic violence, the need for social services, treatment costs. You know, we talk about jobs and the economy; I think you can make a very reasonable argument that it's not going to be good for the economy of this State. I think we'll see more people on the welfare rolls. I think we'll see more people that certainly cannot afford it. As we said the other day, most studies would suggest that about 50% of the money comes from about 5% of the people.

Folks, this is not a good thing for our State. Several people have already mentioned it. It dismantles the work ethic that we want to try to see built up in our young people. You know, it was said earlier whenever we were talking about problem gamblers, and addictions, and what are we doing about it, what does this compact do about it. Well, it doesn't promote underage gambling. Well, that's fine and dandy, but we're talking about adults. We're talking about heads of households. We're talking about people that have children that are dependent on them.



And, you know, however you come down on this, just be assured that...don't just look at what you see as the positive effects of this. There are going to be negative effects. And I personally believe that, while Government can't stop evil, the government does exist to restrain evil. And some of the things that we've been talking about today and the problems that come with these addictions, and the problems and the social ills have to do with evil. And so, Mr. Speaker, I will be voting "no." Thank you.

**Speaker Tillis:** Rep. Floyd, please state your purpose.

**Rep. Floyd:** To debate the bill, Mr. Speaker.

**Speaker Tillis:** The gentleman is recognized to debate the bill.

**Rep. Floyd:** Mr. Speaker, I want to first say to Rep. Owens and Rep. Graham they are correct – I have not been to Cherokee. And when I came in the chamber last week I was going to vote against this bill. And as I sit and begin to think about the things that we have done or passed in this chamber, you know, I began to look at it from a different stand-point of view.

I have an addiction myself, and that's each day that the Sergeants at Arms pop popcorn - I have an addiction. They know that I'm coming because I smell it. But some days I avoid going just because, you know, to demonstrate to them that I can control my love for popcorn. And I love it. So, as relates to jobs, I think that the pay will be more than what the basic retail store will provide - this salary for the workers there. And as relates to occupancy tax, we've passed many bills in here where a community has asked for a hotel occupancy tax along. So imagine a citizen leaving here, leaving the bottom part of our State going to Cherokee. Thank God, because they're going to buy some gas, they're going to buy some popcorn, they're going to buy some sodas, they're going to stay overnight. And all of that is assisting this great State as it relates to keeping those individuals along the way employed

Now someone participated in the \$250 million MegaBall. I didn't, but thank God for the \$225 million the State of North Carolina got from those of you who played. I thank you for that because I did not play because I knew that I could not win.

So the thing that I'm saying here today: I came in last week not going to vote for this bill, but when I look at all the other revenue that's coming in. Even just the other day, Mr. Speaker, as I sat down, somebody told me about toll roads. We're going to each argue for road tolls. So what I'm saying there, we are going to be charged some kind of way for everything, so it doesn't make any difference. So whether I like to gamble or not, I held my nose the other day and voted for this bill. And I'm going to do the same thing today because it generates revenue for this great State. Not that I like gambling, but I like the revenue, the 400 jobs and the tax dollars that is going to come to assist this great State.

**Speaker Tillis:** Rep. Jordan, please state your purpose.

**Rep. Jordan:** To speak on the bill, Mr. Speaker.

**Speaker Tillis:** The gentleman is recognized to debate the bill.

**Rep. Jordan:** Thank you, Mr. Speaker. Last week we had a good debate on this bill, and I was glad that we held it over to today to have further debate. Over the weekend I was just racking my brain, there was just something, something in my gut that told me that there was something specifically wrong. I was opposed to it from the beginning, as you know from the votes. But I think I finally figured it out. I let it percolate in the back of my mind this week...this weekend, and I think it is this: I think that Machiavelli would be very proud of us today. The reason I say that is because one of his important quotes was, "The ends justify the means." For those of you who think this is a jobs bill, you clearly subscribe to the provision that the ends justify the means. We're going to have these 400 jobs. We don't care if it's gambling. We don't care if it's an addiction. We don't care if families are hurt, if society crumbles and is corrupt. It doesn't matter – we got 400 jobs – 400! Why don't we legalize drugs and do all kinds of other stuff and get some more jobs there, because the ends justify the means, according to this body.

Gambling already exists. Does that mean we can't stop it at any point? Does that mean there is no end? We are powerless to stop each and every expansion of bad things in our society because it's already here? Think about that. "We already have gambling, so we can't do anything. We have to support this bill." No, we don't! No, we don't. We can stop it and say no more expansion of gambling in this State. If we couldn't, why are we even having a vote?

We heard the phrase, "The horse is out of the barn." Well, I didn't grow up with horses but with cattle. We didn't really keep them in the barn, but if they got out of the barn, well you just go get them in the pasture and take them back. So I don't even understand where that phrase came from. It all goes back to, "gambling already exists so what are we going to do?"

Is this a slippery slope argument about gambling? Yeah, but according to the majority of this body, a slippery slope means we are powerless, and we have no way to stop from going down to the bottom. I've heard arguments on the other side of our budget saying, "This is not a race to the bottom." They were talking about other things, accusing us of some cuts we had made, but this gambling is not a race to the bottom. It's a slippery slope where we can stop; we can stand astride the path of history and say, "Stop. No more. No more expansion." And this vote is going to be the one where we stop it. And then we could talk about taking it back. Or we can stop it. If we're powerless to stop it, why have a vote?

So to recap, if you think this is a jobs bill, you believe the ends justify the means. Four-hundred jobs at what cost? We've already heard a lot of good arguments from the left and the right. And very often when you have people on the left and right agreeing, it's a good thing. It means there's something good in common. So in case you haven't already discerned, my vote again and my recommendation to all of you is to vote "no." That would be red. Thank you.

**Speaker Tillis:** ...Rep. Fisher, please state your purpose.

**Rep. Fisher:** To speak a second time, Mr. Speaker.

**Speaker Tillis:** The lady is recognized to speak a second time.

**Rep. Fisher:** Thank you, Mr. Speaker. I really only wanted to rise to address a question from earlier about salaries paid to these new jobs that will be coming to Cherokee or to North Carolina. And I understand that they will pay \$65,000 a year, and it will include full medical benefits. And I urge you to support the bill. Thank you.

**Speaker Tillis:** Rep. LaRoque, please state your purpose.

**Rep. LaRoque:** To debate the bill.

**Speaker Tillis:** The gentleman is recognized to debate the bill.

**Rep. LaRoque:** Thank you, Mr. Speaker. Members of the House, I really wasn't going to speak. But I guess sometimes, kind of like Rep. Owens a while ago, sometimes you just got to stand up and say something. Rep. Owens and I are the last remaining primary sponsors of the Lottery Bill in this chamber. And when we were debating that bill back about 6-7 years ago, the sky was going to fall if the lottery passed. Everything - there were going to be people on the streets because they were addicted to the lottery. I mean, it was just everything bad that could possibly happen was going to happen. Well, I haven't seen it. I don't know if you have in your districts, but I sure haven't seen it in mine. And I can give you about 2.5 billion reasons why it's been good for North Carolina. If anybody in this chamber doesn't want any lottery proceeds going to their county, please - I'll help sponsor your local bill and I'll take it in my county.

This to me - this bill is not about jobs. What this bill is about is people being allowed to go and have the entertainment that they choose, whether they go to a movie, or they take a vacation, or they go to Carowinds, or they go somewhere else. It's their money. They earned it and if they want to go and put it on a Black Jack table, or Craps table, or Roulette, or whatever else, so what! It's their money. They earned it. They should be able to spend it as they choose. To me it's about personal responsibility. The fact that there is a benefit to this to the Cherokees and the rest of North Carolina is just an added bonus. I urge your support.

**Speaker Tillis:** Further discussion, further debate. If not, the question before the House is the passage of the House Committee Substitute for Senate Bill 582 on its third reading. All those in favor will vote "aye," all those opposed will vote "no." The Clerk will open the vote... The Clerk will lock the machine and record the vote. Sixty-eight having voted in the affirmative and 49 in the negative, the House Committee Substitute for Senate Bill 582 has passed its third reading and will be returned to the Senate for concurrence.