GOVERNOR MILLER: Good morning and welcome to Las Vegas, Madam Chairman and Commissioners and staff. I'd like to offer for the record a video tape we had prepared that talks a little of the history of Las Vegas for you to view at your leisure. For those of you that are visiting here for the first time I'm guessing it's probably not exactly what you might have expected. Although Las Vegas is one of the world's premier resort locations and attracts millions of visitors from around the globe, Las Vegas is much more than a tourist mecca.

It is first and foremost a community, a community partly founded on the gaming industry, but one with roots that go much deeper than you might imagine. For example, just north of the Las Vegas Strip you'll find what is considered to be Nevada's oldest building, the historic Mormon fort. The fort was constructed in 1855 by Mormon missionaries who left the Great Salt Lake and settled in Las Vegas, finding here a haven where they escaped discrimination from their religious beliefs.

Incidentally, the Church of Jesus Christ of Latter Day Saints currently has more than 70,000 members in Southern Nevada making it our second largest religious denomination. And a few miles from here you'll find Las Vegas High School, one of the nations few Mayan revival art deco structures and just a short drive from Las Vegas is the man-made wonder of Hoover Dam, which helped Las Vegas realize economic success in the 1930's.

My family and I have spent most of our lives in this community and during the past 10 years, I've had the privilege
of being governor of Nevada. During that time, I've seen some remarkable changes to Las Vegas. I've seen pyramids resurrected and a mirage become a reality. I've watched Lady Liberty spring from the asphalt and castles reach to the sky. As one national publication described Las Vegas, they indicated if you asked directions to Paris, you'll be instructed to begin at the Pyramids of Egypt, make a quick stop in downtown Manhattan, stroll past the Mediterranean and take a right at ancient Greece and if you get to the battle of British warships and pirates, you've gone too far, turn back.

(Laughter)

In other words, Las Vegas captivates visitors with the atmosphere of many countries and locations than our own. It provides unique entertainment for adults, their children, and their grandchildren, and experiences that surpass anything else in the world. We also pride ourselves on offering new activities on practically every visit. The Bellagio, which the chairman visited yesterday, recreates the ambience of Northern Italy and it opened just last month. Four more major resorts, each with a unique exotic theme are scheduled to open by the year 2000.

It's well known that the past decade has been one of unprecedented growth in Nevada. The Silver State has been consistently ranked number one nationally in population growth, job growth, and housing starts. More than 50,000 people each year move to Nevada with the vast majority settling in this, the
Las Vegas Valley. In fact, here in Clark County we're the home of the fastest growing school district in the nation. Why are so many people eager to make this community their home?

I think I can answer that question in one word, "opportunity." Here in Las Vegas men and women can find jobs that pay fair wages, companies that champion the rights of employees and offer comprehensive health benefits. Here people find affordable homes in safe neighborhoods and diverse civic and cultural organizations. They find in Las Vegas a better quality of life, a wonderful place to live, to work and to raise their families.

You may be surprised to learn that we have the greatest number of Boy Scout and Girl Scout troops, little league teams, and churches per capita than anywhere else in the United States. As you know, the industry responsible for driving the economic engine in Nevada is gaming and many of our businesses and organizations are related directly or indirectly to the gaming industry. But gaming is certainly not all that we have to offer. More than 40 million visitors flock to Nevada each year to pursue recreational activities from boating and hiking to skiing and rock climbing. They come for sporting events, fine dining, lavish production shows, and great shopping; and they come to do business.

Four million people visited Las Vegas last year to take advantage of the unsurpassed convention and meeting facilities such as those here at the MGM. However, the total
contribution of our state's gaming industry to federal, state and local taxes is significant. Annually it adds up to about $2.2 billion. In fiscal year 1997 more than a third of Nevada's general revenue funds were generated directly by gaming taxes and the casino entertainment tax. In fiscal year 1996 the gaming industry's direct payroll represented one-fourth of all wages paid throughout the entire state, a figure that does not include the thousands of indirect jobs that are created by the gaming and hospitality industries.

In addition, we don't ignore those individuals who need a helping hand. Nevada was amongst the first five states in the nation to implement the welfare to work program designed to fund services for the hardest-to-employ welfare recipients. NEON or New Employees of Nevada is one component of our welfare reform effort that's been particularly effective in moving employees into jobs. Through collaborations within state government, the community college system, and the private sector, 400 Nevadans every month get off of welfare and find jobs ranging from food services, sales and child care to medical and clerical fields.

About 13 percent of Nevada's 1400 welfare families work in the hotel, gaming and recreation sector and 75 percent of the 828 welfare or food stamp recipients who secured jobs here at the MGM Grand back in 1993 have retained those jobs or moved onto better jobs within this resort. In 1992 I founded Nevada Partners, a free and comprehensive job training program.
targeting at risk and disadvantaged persons. This program is entirely funded through the private sector, largely through the Wensi Foundation which is a parent corporation or a subsidiary corporation of the MGM, and it wouldn't have gotten off the ground without the tremendous financial assistance of the business community and specifically in the Wensi Foundation, Kirk Korkorian (ph).

Nevada Partners breaks the cycle of economic dependency by helping men, women and young people build a healthy self-image, and find and maintain employment. Today nearly 3,000 Nevada Partner clients have secured jobs in hotels, casinos, banks, utility companies, and in nearly every segment of our state's business community. Now, what do these statistics mean on a more personal level?

They mean that Nevada's unemployment rate and consequently the number of people on the welfare roles and food stamp list fell far below the national average. They mean that personal income for Nevadans is ranked amongst the highest in the nation. And the gaming industry's contributions to state and local government also mean that Nevada does not burden its citizens or businesses with a number of taxes, such as personal or corporate income tax that deter new industry and result in sluggish economy.

Within the past 10 years we've witnessed a 54 percent increase in the number of businesses operating in this state and a 5.5 percent annual increase in the number of
employees and this means that Las Vegas and Nevadans are able to
give back to their community for the good of every citizen. To
put this information in more personal terms I'd like to share
with you that story of Linda Helton (ph). Linda, would you
stand for just a second so we can acknowledge you?

Linda's decision to relocate to Las Vegas quite
literally saved her life. She moved here from Oregon in 1993
after losing a child to cancer. In Oregon, she paid for health
benefits out of her own pocket but as a food server at the Luxor
Hotel, she has great health insurance which turned out to be
crucial. Linda was diagnosed last year with a rare liver
disease. The Culinary Union's insurance program funded Linda's
successful liver transplant and pays for her medication. Six
months after the operation, she was back to work and is still
feeling great. Linda, thank you for being with us here today.

And I'm also going to introduce you to Martha Turin.
Martha, would you please stand? Martha and her husband both
work here at the MGM Grand. Eight years ago the Turins and
their three children resided in California where they had to
live on welfare. Las Vegas appealed to them because of job
opportunities and health benefits, especially since two of their
children have experienced serious illnesses and required many
surgeries.

Martha tells people that Las Vegas made her dreams
come true. Not only do the Turins like their jobs and feel
comfortable that they can care for their children's health and
financial needs, they tell me that in five years their house will be paid in full. Thank you, Martha, for being here this morning.

To turn to a broader perspective, for the past 17 months this Commission has been studying how gaming impacts communities throughout the nation. Well, there is no better place for you to continue that study than here in Las Vegas. The growth of Nevada's gaming industry spans several decades along with the growth of its regulation. I'm very glad that this Commission has included a panel on regulatory models and within that discussion you'll discover that Nevada's gaming industry is the most refined and the safest in the world, regulated at the state level with the utmost professionalism and integrity.

In fact, Nevada's gaming regulators are invited to venues across the globe to discuss our model not only because we were the first in the business but because we still are the best. Now, I'm not saying that we don't have our problems, problems that as governor, I've taken seriously as have my predecessors. And none of us would deny that gaming can be a serious problem for some individuals and that we, in government, have contended with that particular issue for years.

In fact, we've just appropriated $150,000.00 to study and better address problem gaming in Nevada. And contrary to common misperceptions, companies like Harrah's Entertainment, and Boyd Gaming, for example, have been involved in the fight
against problem gaming since the mid-1980's. At a national level, I commend the efforts of the Commission in heightening our awareness of problem gaming. Here in Nevada we've been fortunate to have Bill Bible blazing that trail for the past 10 years, but a larger problem looms on the horizontal.

As a governor and as former chairman of the National Governor's Association, I welcome this opportunity to discuss Indian gaming with you. I can tell you that every one of our nation's governors shares serious concerns about Indian gaming. Given that Indian gaming is unregulated, that no clear license definition has been established, and because Indian gaming has a potentially serious impact on any state, it is imperative that actions are not taken hastily and that states and their governors are allowed to participate in the decision making process.

My fellow governors and I are equally concerned with Internet gaming, which does not protect consumers and is essentially a caveat emptor (ph) to people of all ages and walks of life. Like Indian gaming, Internet gaming provides no revenues to help states in supporting themselves and local governments and provides no assistance to civic and social service organizations and consequently starves communities of the nourishment they simply must have to survive.

So when you contrast Internet and Indian gaming with the meticulously regulated Nevada gaming industry, you'll find you're comparing apples to oranges or perhaps, more
appropriately comparing order to chaos. But there is no simple parallel, so if I may offer this Commission a suggestion, I would request as a federal entity that you look closely at these questionable endeavors and give them full and immediate attention since I think they're clearly within the scope of a federal review of gaming as a concept.

I'm confident during the next few days you'll see for yourself that we are the best in the business; bar none. I know you'll find the hospitality of Southern Nevadans to be warm and friendly and I hope you'll allow us to treat you to that hospitality by being our guest for a very special dinner tonight where you will meet people from the Las Vegas community.

I thank you and I offer you best wishes for a successful and enjoyable stay while here in Las Vegas. Thank you.

CHAIRPERSON JAMES: Governor Miller, again, thank you. (Applause)

CHAIRPERSON JAMES: And Governor, I do want to thank you and your staff yet again for all of the help in putting together this agenda.