

lost and the investment and spending forgone in other parts of a local economy. The commission's study could be of great use to communities pondering whether to wager their futures on roulette, slot machines and blackjack.

As evidence of the desirability for a comprehensive study of the gambling issue, I ask that the following Chicago Tribune article from November 29, 1995, be printed in the RECORD.

The article follows:

[From the Chicago Tribune, Nov. 29, 1995]

RISKY BUSINESS: CAN GAMING WIN IN CITIES?—CHICAGO MAY GET TIP FROM NEW ORLEANS

(By Ken Armstrong)

The way casinos have flopped in New Orleans may drive other cities to flip in their views toward gaming, but Chicago still looks like a viable gambling market, according to financial analysts.

As the country's first major city to introduce large-scale gaming, New Orleans was to be a model demonstration of casinos creating tax dollars and jobs. What transpired instead were budget shortfalls, unrealized promises and the threat of municipal layoffs.

"I think there were many municipalities watching this project as an experiment in urban gaming," said Jason Ader, a gaming analyst with Bear Stearns & Co. in New York. "And the fact that it has effectively failed casts a dark cloud over other urban markets considering gaming as an economic engine."

Harrah's Jazz Co. shut its temporary casino in New Orleans last week and declared bankruptcy. Harrah's Jazz also suspended construction on its permanent casino, which was slated to open in New Orleans next summer.

No longer able to count on lease and tax payments from the casino, New Orleans faces a budget shortfall and has postponed the sale of \$15.8 million in general obligation bonds. Mayor Marc Morial said he may have to lay off as many as 1,000 city employees.

Gaming opponents have latched on to the debacle, using it to argue that other cities pursuing casinos would be wise to give up the chase.

Tom Grey, a Galena, Ill., minister spearheading the anti-gambling movement nationwide, said there's reason to believe that what happened in New Orleans would be replayed in Chicago, where Mayor Richard Daley has pushed hard for casinos.

But several financial analysts who specialize in gaming say it isn't necessarily so.

"Everybody in the industry knows Chicago and New York would be layups if they had casinos there," said Steve Schneider, an analyst with Stifel Nicolaus & Co. in St. Louis.

He estimated that casinos in Chicago could generate \$800 million to \$1 billion in gross profits without cutting heavily into the revenues of nearby riverboat casinos.

Daley spokesman Jim Williams said the mayor still views casinos as a good way to attract convention-goers and increase tax revenue for the city and state.

But he added: "The mayor has never seen gaming as a panacea. He's been steadfast in his belief that it should never be seen as a primary source of income."

What happened in New Orleans would more likely give pause to marginal markets for gaming such as Milwaukee or Cleveland, Schneider said. The poor performance of the New Orleans casinos also will make it more difficult for gaming companies to secure project financing for future developments, he said.

Brian Ford, director of gaming industry services at Ernst & Young in Philadelphia,

said New Orleans hardly proves that casinos can't flourish.

With video-poker machines in truckstops, casinos on riverboats and what would have been one of the world's largest land-based casinos, Louisiana tried to do too much with too small a population base, Ford said.

The shutdown of Harrah's Jazz was New Orleans' second losing hand.

Another project with two riverboat casinos—the \$223 million River City complex—closed in June after opening just nine weeks before. Analysts blamed its failure, like that of Harrah's temporary casino, largely on its location.

The riverboat complex was built in an industrial area where its neighbor is Glazer Steel & Aluminum—hardly a tourist draw. A thousand feet of head-high weeds, tractor trailers, piles of gravel and an abandoned Chevette with smashed-in windows separate the complex from the edge of the city's downtown area.

David Anders, a gaming analyst with Raymond James & Associates in St. Petersburg, Fla., said New Orleans shows that while state and municipal governments should rightfully profit from a casino, they shouldn't make the casino's financial burden so great it can't survive.

Harrah's Jazz paid \$125 million up front as a franchise fee for the state's only land-based casino and promised payments of at least \$100 million a year to the state, regardless of financial performance.

The company's principal partner is Memphis-based Harrah's Entertainment Inc., which grew from a bingo parlor in Reno during the Depression to an industry giant with casinos in all of the country's major gaming markets.

Ralph Berry, a Harrah's Entertainment spokesman, said Harrah's Jazz still wants to open the permanent casino and will try to renegotiate the casino agreement with the state, city and lenders. Critics have accused Harrah's Jazz of using the bankruptcy filing as leverage for more attractive terms. •

NATIONAL VETERANS DAY AND ADDRESS BY ADM. LEIGHTON W. SMITH, JR.

Mr. HEFLIN. Mr. President, Birmingham, AL has always conducted outstanding Veterans Day events. Each year, the ceremonies commence on the night of November 10, the day before Veterans Day, when a banquet is held to remember our veterans and to formally honor the National Veterans Award recipients.

This year, National Veterans Day in Birmingham sponsors, which include 16 of the national veterans organizations, decided to present the award to 5 World War II Congressional Medal of Honor winners. They were Adm. Eugene Fluckey of the U.S. Navy; Capt. Maurice Britt, U.S. Army; and PFC Jack Lucas, U.S. Marine Corps. There were two members honored from the Air Force, which during World War II was still the old Army Air Corps. They were Col. William T. Lawley and M.Sgt. Henry Eugene Erwin, both Alabama natives. There are a total of five surviving World War II veterans who served in the Army Air Corps and who are Congressional Medal of Honor winners, and we are proud that two of them hail from Alabama. Douglas Albert Monroe, signalman first class in

the U.S. Coast Guard was honored posthumously.

On Veterans Day itself, Birmingham hosts the World Peace Luncheon, which this year featured Adm. Leighton W. Smith, Jr., of the U.S. Navy as its distinguished guest speaker. Born in Mobile, Admiral Smith is the commander, U.S. Naval Forces in Europe and commander in chief, Allied Forces in Southern Europe. He was appointed to these posts in April 1994.

He was promoted to vice admiral in June 1991, and served for 2½ years as deputy chief of naval operations for plans, policy, and operations. He was a major contributor to Navy staff reorganization and the development of From the Sea, the Navy's strategy for the 21st century.

I ask that a copy of Admiral Leighton's outstanding address delivered at the World Peace Luncheon be printed in the RECORD.

The material follows:

ADDRESS BY ADM. LEIGHTON W. SMITH, USN, COMMANDER IN CHIEF ALLIED FORCES SOUTHERN EUROPE, COMMANDER IN CHIEF U.S. NAVAL FORCES EUROPE

Senator, Congressman, distinguished veterans, those of you who have worked so hard to put on this celebration, good morning.

No one knows better than I the value of and the sacrifices made by those we left behind.

I am distinctly honored to add my thoughts to those of the many distinguished speakers who have appeared here in previous years.

I doubt I can adequately express my gratitude for having been invited to join fellow Alabamians to pay tribute to our veterans—both those that have joined us here today and those who have gone before us.

It is absolutely right that we pause to reflect on what this day means—what it signifies—what it cost—and why, as Senator Heflin said last night, "The Strength of our Nation Must Never Be Allowed to Atrophy".

Few gathered here today can recall the first Armistice Day or the terribleness of the war it commemorated. Time has distanced us from the horror of that conflict.

It was the war to end all wars—but history reminds us that it really wasn't.

Other wars, conflicts and crises have followed, all evidencing the common denominators of destruction and death, but also individuals whose commitment, courage and personal sacrifices have continued to inspire us all.

Senator John Kerry, in speaking at the retirement of our Navy's Vietnam era swift boats, said:

"We were all bound together in the great and noble effort of giving ourselves to something bigger than each and every one of us individually, and doing so at risk of life and limb. Let no one ever doubt the quality and nobility of that commitment."

Those words could have been spoken about our veterans who served in the trenches of France, at Pearl Harbor and Bataan, at Midway, Normandy and Iwo Jima.

They would have been true at Inchon and the Frozen Chosin, in the jungles and skies of Vietnam, the deserts of Kuwait and Iraq and in other unnamed places where ordinary people do extraordinary things and in so doing, honor their country while preserving the ideals and values for which it stands.

Last year I attended commemorative ceremonies at Normandy.

As I sat waiting for the program to begin, I spotted an usher, a young soldier no more than 18 years old, my he looked so young.

It suddenly dawned on me that this boy was the very same age as many of the men who, 50 years ago, had crawled across those bloody beaches and clawed their way up those terrible cliffs, each staring death square in the face.

Some survived, all were heroes, but tragically so many were mown down in the springtime of their youth, their lives ended before they had really begun.

I was awed. What tragedy; what tragedy to rob a nation of its youth, to take a son or daughter from a father, mother, a sister or brother, a husband or wife. What tragedy to deny one so young the joys and excitement of life; the warmth of love, the thrill of watching one's children grow.

But then I thought, what if they had not?

Somehow seeing that young soldier made all those grave markers in that cemetery even more real, more alive. It literally slammed home in me the utter cruelty of war, the awfulness of what man can do to man, and equally as important, the enormous gift that all of those who experienced the terribleness of that war gave to us.

I am told that somewhere in Burma there is a marker inscribed with the message: "We gave our todays so you could enjoy your tomorrows."

Those of us gathered here today, and in other places around our country, honor the veterans whose legacy of honor, courage and commitment should not, and shall not, ever be forgotten.

Let me tell you that the actions of the young men and women of your Armed Forces tell me that they are, as Colin Powell said in an address here a few years back: "worthy successors to what you their predecessors have passed on to them."

You may all have heard of Capt. Scott O'Grady. He was shot down over Bosnia on 2 June.

On the night of 7 June his squadron mate went on a "fishing expedition" to try to contact Scott.

At 0200 he got contact with Scott O'Grady. I immediately called the amphibious commander, Jerry Schill and the Marine commander Marty Berndt. Both were on the U.S.S. *Kearsarge* in the Adriatic.

I told them to close the coast/call away your tactical recovery of aircrew and personnel team.

Didn't ask if—just when.

We discussed risks and the possibility of a trap being set.

I told Colonel Berndt you're in charge, look around, if you don't like what you see, come out.

These were educated risks, and we were operating on the edge of the envelope.

Four hours and thirty seven minutes—I got a call, one word—"pickup".

Not many understand all that occurred.

We had 60 fixed wing aircraft, special operations backup rescue, Marines backup to that.

Went next day to visit, *Aviano*, *Vicenza*, U.S.S. *Kearsarge*:

There were no complaints, in spite of the mission being early morning, complex, risky.

They thanked me for letting them go.

Says a lot about courage, honor, commitment.

The same characteristics were demonstrated in attempts to locate and rescue the French pilots shot down 30 August.

Plan was developed to recce area of shootdown.

At 0130 I got a call from Mike Ryan.

Same coordination and complexity as the O'Grady rescue.

We tried three successive nights.

All three attempts experienced bad weather, all were shot at.

That this rescue was not consummated in no way detracts from the courage and commitment of those who tried.

These are wonderful stories, and I relive the excitement of those moments each time I tell them.

But the important thing here is that these are real stories about real people who demonstrate, every single time they are asked, the legacy of their predecessors and the strength of our great nation.

There are, in fact, two kinds of strengths. One is capability, and one is character.

Capability is the mechanics, it is the equipment. The machines, the steel, the weapons, the computers, the number of battalions that can be fielded, capability is what we think of when we think of the force.

Character, on the other hand, comes from the commitment of the people. It is the moral fabric that binds a nation together, that gives it purpose and defines its identity.

Yet as different as capability and character seem, it is their combination that makes a nation strong, that empowers it to greatness, that enables it to lead.

I would argue that a nation's strength and greatness is not fully tested until severely stressed, ours has, and we have never been found wanting.

Our veterans defined our strength for us and the memory of what they did gives us strength today.

Joseph Conrad said:

"And now the old ships and their men are gone; the new ships and men have taken their watch on the stern and impatient sea which offers no opportunities but to those who know how to grasp them with a ready hand and an undaunted heart."

While we thank God for what the old ships and men gave us.

I offer to you, our honored veterans that your worthy successors, the veterans of tomorrow, possess ready hands and undaunted hearts.

They have learned well from your deeds.

We owe you, we owe you a lot. We owe you our thanks, our admiration, and our respect, and we owe you the promise that we shall never allow to be forgotten the deeds performed, nor what you preserved for us.

Your legacy of courage, honor and commitment has been received and will be passed on to future generations.

This has been a singular honor for me and I am grateful to you all for allowing me to join you on this very special occasion.●

CONFERENCE REPORT ON H.R. 1977

- Mr. MACK. I would like to engage in a colloquy with my colleague from Kentucky, Senator McCONNELL. Activities funded under the Department of Energy's Codes and Standards Program are primarily concentrated in two sub-programs known as Lighting and Appliances and Building Standards and Guidelines. However, as is clear in the Department of Energy's budget, its activities within these two programs extend to areas outside of that which might be assumed under their titles. This would include setting standards for commercial equipment electric motors, as well as the advocacy of minimum energy codes for residential buildings. Therefore, it was my understanding that the intent of the amendment to H.R. 1977 that placed a 1-year time-out on Department of Energy's use of funds to propose, issue, or prescribe any new or amended standard would extend to Department of Energy's activities in advocating changes to minimum codes for residential energy use.

Mr. McCONNELL. My colleague is correct. While not specifically spelled out in the statutory language of H.R. 1977, it was my intent that this 1-year time-out extended to the entire program as it related to the establishment of minimum standards and codes. I had hoped that this clarification would be made in the conference report, but since there is no report language addressing this issue, I feel it necessary to clarify it here for the record. Indeed, product manufacturers have raised concerns over the methodology and assumptions in Department of Energy's current cost benefit analysis. Similarly, builders have raised concerns over the minimum mandatory standards found in codes enacted by local municipalities or States that use the voluntary products of code and standard organizations over which Department of Energy has significant influence. Builders have told me that these standards are often not responsive to technological innovation, customer needs, or economic consideration of affordability or payback. Therefore, just as there needs to be a time out to review standards-setting activities conducted by the Department of Energy, the same review should apply to its activities relating to residential building codes.

Mr. MACK. I appreciate this clarification. Indeed, considering that the House language eliminated funding for the entire Codes and Standards program, the intent is clear that the House aimed to institute this 1-year time out on Department of Energy's activities in the standards arena as well as in standards which are part of the codes as well as the standards arena. I think it is important that, since the House agreed to recede to Senate language on this issue, which restored the funds cut by the House, that the Senate ensure that the spirit of the House language be carried out.

Mr. McCONNELL. I would also point out that as means of reaching agreement on Senate language, I was asked to include a caveat stating that the Federal Government was not precluded from promulgating rules concerning energy efficiency standards for the construction of new federally owned commercial and residential buildings. By expressly carving out federally owned buildings, this would indicate further that standards and codes for all other buildings, and thereby privately owned structures, would be covered. It should also be clear that it is not the intent of this language to prevent promulgation of the national Home Energy Rating System voluntary guidelines.●

ORDERS FOR TUESDAY, DECEMBER 5, 1995

Mr. DEWINE. Seeing no other Members of the Senate who wish to speak, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 9:30 a.m. on Tuesday, December 5; that