

**TESTIMONY OF CHIEF FRED CANTU  
CHIEF OF  
THE SAGINAW CHIPPEWA INDIAN TRIBE OF MICHIGAN**

**My name is Fred Cantu and I am the Chief of the Saginaw Chippewa Indian Tribe.**

**Let me start my testimony by just stating a few facts for the record.**

**The lands on which these two Tribes seek to build their casinos are in the ancestral lands of the Saginaw Chippewa Tribe. Our Tribe ceded these lands by treaties to the U.S. Government. Neither the Sault Tribe nor the Bay Mills Tribe has any ancestral connection or claim to these lands. The Indian Claims Commission has ruled on this on two separate occasions.**

**IGRA was not intended to allow Tribes to establish casinos 350 miles from their reservations, much less in the ancestral lands of another Tribe. We believe this is a dangerous precedent that would undermine gaming for all Tribes.**

**We also believe these bills undermine the Michigan Gaming Compact which states that no Tribe can conduct off-reservation gaming without a revenue agreement from the other Tribes. Very simply — *this is a blatant attempt by these two Tribes to evade their obligations under the Compact.* These bills would have Congress ratify a Tribal/State compact for the first time in history — which circumvents the authority of the Michigan Legislature.**

**I think we can all agree that these bills have *absolutely nothing* to do with settling a valid land claim. These bills certainly have nothing to do with settling law suits with victimized landowners.**

**According to the Sault Tribe – these two bills are premised on nothing more than a scam -- a scam perpetrated by wealthy non-Indian developers and two Tribes willing to go along for the ride.**

***These may sound like harsh words -- but they are not mine.* These are the words of the former Chairman of the Sault Tribe in testimony before the Senate Committee on Indian Affairs in 2002. You see, the Sault Tribe was against these casinos before they were for them.**

**According to the Sault Tribe, the Bay Mills case was a scam from the start. The Charlotte Beach claim did not originate with Bay Mills, but was conceived by a Detroit area attorney who developed it specifically as a vehicle to obtain an IGRA casino and marketed it to both the Sault and Bay Mills Tribes looking for a willing partner.**

**This attorney first approached the Sault Tribe, who rejected him. He then took it to the Bay Mills Tribe who accepted his proposal.**

**According to the Sault Tribe, the federal case had the air of a collusive lawsuit. The federal complaint was filed in October of 1996. Less than one week before the suit was filed a Mr. James Hadley purchased land within the Charlotte Beach area. A few months later, Mr. Hadley, representing himself, entered into a settlement with the Bay Mills Tribe.**

**As explained by the Sault Tribe, Mr. Hadley just happened to own some land in Auburn Hills, the city in which Bay Mills originally wanted to build a casino. Mr. Hadley agreed to give the Auburn Hills land to the Tribe to clear title to the Charlotte Beach lands he had bought just one week before the lawsuit was filed. All of this was contingent on the Secretary of Interior taking the land into trust to build a casino. The Department never took the land into trust.**

**What makes this scam even more interesting is the fact that when Mr. Hadley passed away his estate deeded the Charlotte Beach property to a Mr. Michael J. Malik and his gaming business partner. This raises the question of whether Mr. Malik had an interest in the land deal from the get go -- and if so -- did he try to disguise his ownership in the land deal? This also begs the question that was raised by the Sault Tribe -- whether this collusive lawsuit was a scam -- a set-up in order to make this land claim seem legitimate. As stated by the Sault Tribe, Mr. Hadley was clearly not an aggrieved landowner -- he was a willing and active participant in this scam. That is why today we are asking the United States Department of Interior to investigate this matter and request this Committee refrain from taking any action until such investigation is completed.**

**I would like to enter into the record the deeds that show that Mr. Malik received these lands from the Hadley estate.**

**Today, Mr. Malik is the lead developer with the Bay Mills Tribe to build a casino in Port Huron. If this land claim was so legitimate, why does it appear that Bay Mills and their developer colluded to hide their identity in these transactions? We believe the answer is clear. They did not want anyone to know this was a scam from the outset.**

**Since that time, Bay Mills and their developers have pursued other cities in Michigan to build their off-reservation casino. First Auburn Hills, then Vanderbilt and now Port Huron. The Sault Tribe also shopped their deal to several cities as well. These Two Tribes have most certainly put the “shopping” in “reservation shopping.”**

**But as the Sault Tribe said — Bay Mills made up a claim, entered into a suspicious settlement and a collusive lawsuit, and now seeks to put one over on Congress**

**The Sault Tribe then asked the ultimate question – why is this bill before Congress given the shady dealings surrounding this so-called land claim?**

**Only one fact has changed since the Sault Tribe’s testimony in 2002 -- and that is the fact that the Sault Tribe has now been promised a casino. Everything the Sault Chairman testified about six years ago still holds true today.**

**IGRA was meant to promote economic development on Indian reservations – not to reward Tribes who scheme with non-Indian developers.**

**This is the only committee in the House with jurisdiction over tribal gaming -- and it needs to act in the interests of all Tribes. While these bills may be good for two Tribes and their non-Indian developers, it is simply bad policy for Indian Country. I would hope the Committee does the right thing and rejects these bills.**

**Thank you.**