

1 CHAIRPERSON JAMES: I think the first one up is  
2 Wilhelm, so we'll have to wait on him. In the Internet chapter,  
3 the first thing up is something that was in your package on  
4 convenience gambling which has been taken care of.

5 COMMISSIONER WILHELM: We dealt with all of that. I  
6 think the only item here, I believe, in this whole chapter that is  
7 in this packet is something that, although my name is not on it  
8 here, that I submitted yesterday. It's the two pages headed  
9 Simulcasting and Account Wagering, and I wanted to provide a  
10 little explanation of this.

11 I submitted it -- again, the two pages which are not  
12 otherwise attributed, the typewritten pages headed Simulcasting  
13 and Account Wagering. I submitted this because the  
14 representatives of the pari-mutuel industry approached me  
15 yesterday and said that there were some factual errors in the  
16 language which was in the draft report on this subject.

17 This presentation shows the changes that were made. I  
18 do not consider myself an expert on this subject, but it would  
19 appear to me, subject to the views of other commissioners, that  
20 these are in fact factual corrections, and so I submit them with  
21 that explanation. Certainly all of us want the report to be as  
22 accurate as possible. I don't believe there's anything  
23 controversial here other than simply facts, but again, if I'm  
24 missing something, someone should certainly --

25 UNIDENTIFIED SPEAKER: Would you cite the page that  
26 that's written on?

27 COMMISSIONER WILHELM: There aren't any numbers. In  
28 today's pile called -- that says, "Proposed edits, Chapter 5,  
29 Internet Gambling," in the big packet we were given for today's

1 session. Then there's six pages that we dealt with yesterday.  
2 Those end with the page at the bottom called Technology and the  
3 Future of Gambling, page 18. Immediately behind that there's two  
4 unnumbered, unattributed, typewritten pages headed Simulcasting  
5 and Account Wagering.

6 COMMISSIONER McCARTHY: You simply want to take that  
7 language and put it in another chapter?

8 COMMISSIONER WILHELM: Well, we had agreed yesterday to  
9 move it to a different chapter and Doug had suggested this morning  
10 where he proposed to put it, so that's not before us. What is  
11 before us is the rewrite, and the changes are shown right here in  
12 front of us by way of interlineation. Again, that was submitted  
13 to me by representatives of the parimutuel industry on the theory  
14 that we had made some factual errors in our draft that ought to be  
15 corrected. To the extent that there are factual errors, I submit  
16 them. To the extent there's some clinker in here that I've  
17 missed, someone should certainly point it out. I don't think  
18 there is.

19 CHAIRPERSON JAMES: Is there a second?

20 COMMISSIONER McCARTHY: May I?

21 CHAIRPERSON JAMES: Certainly.

22 COMMISSIONER McCARTHY: Second for purposes of  
23 discussion. May I ask a question, and maybe Mr. Bible could help  
24 me on this. In the future will account wagering always be done  
25 only over the telephone?

26 COMMISSIONER BIBLE: In the recommendations we had  
27 made, if those recommendations were followed, it would be -- it  
28 would be done over the telephone in those nine states that  
29 currently authorize it under our recommendations. Of course

1 that's not what the industry wants.

2 COMMISSIONER McCARTHY: I understand. So as you read  
3 what John is proposing here at the request of the industry, does  
4 that modify in any substantive way what we adopted yesterday or  
5 previously?

6 COMMISSIONER WILHELM: That's the right question, Leo,  
7 because it certainly was not intended by me to do that in any way.

8 COMMISSIONER LEONE: It seems to me, Madam Chair, this  
9 is a potentially a set of factual improvements that everybody  
10 would support that we aren't necessarily adequate to judge,  
11 particularly not in this form. Isn't this something that we could  
12 delegate to staff to sort through and double check against some  
13 factual references? Because how else, I don't know. I mean, I  
14 know Terry knows a fair amount about this and Bill, but I don't  
15 think it makes sense for us to go through these points one by one  
16 if they are, as John says, and he's not sure, of factual  
17 corrections, we ought to make them. If they're not, we need  
18 somebody to flag them as something else, and I think that's an  
19 appropriate staff function, unless somebody objects.

20 COMMISSIONER WILHELM: I certainly don't. I only  
21 submitted them in the spirit of if we made mistakes, we should  
22 correct them.

23 CHAIRPERSON JAMES: Absolutely. With that, it has been  
24 moved and seconded. Can the motion state that the fact will fact  
25 check each of these for accuracy and insert where appropriate?

26 COMMISSIONER WILHELM: Fine with me.

27 COMMISSIONER McCARTHY: Madam Chair, I'm not sure if  
28 Tim and Doug were sitting there when I asked my question. My  
29 question is do the amendments presented by Commissioner Wilhelm at

1 the request of certain industry folks, horse racing industry  
2 folks, do they modify in any substantive way the recommendations  
3 in this chapter adopted yesterday or previously? If they don't,  
4 I'm not concerned. If they do, we want to know about it so we can  
5 discuss it and decide whether we want to allow that or not. I  
6 would tend to think if it contradicts substantively whatever we  
7 adopted yesterday or previously, I would not support it, but I  
8 need to know that. And in what way? Maybe it will be a harmless  
9 change, I don't know. We just need to know that.

10 COMMISSIONER BIBLE: My quick read would indicate  
11 there's no problem, but I am concerned about the language being  
12 proposed to be deleted. I don't know what that's being done for.

13 COMMISSIONER KELLY: Madam Chair, we're going to need  
14 to review this, but can I repeat what I think are the instructions  
15 just to make sure we're on the same page? We are to incorporate  
16 all of the recommended changes for Chapter 5 as long as they do  
17 not change in any substantive way or contradict or conflict with  
18 the recommendations that were already adopted for Chapter 5? Is  
19 that correct?

20 COMMISSIONER MCCARTHY: Yes. And the same is true also  
21 of what Mr. Bible just said. Does the language deleted alter in  
22 any substantive way previous actions by the commission.

23 CHAIRPERSON JAMES: If you have anything that you can  
24 shed on that, that would be very helpful.

25 AUDIENCE MEMBER: I worked with Commissioner Wilhelm on  
26 this language. There are previous letters to the commission, to  
27 the staff, that correct earlier drafts that iterate essentially  
28 the same rewrite that's here. There's no attempt to impinge on  
29 the recommendations, they're just straight down facts.

1           CHAIRPERSON JAMES: Thank you. We'll continue to work  
2 on that and perhaps this afternoon after lunch we can get that one  
3 brought back up again.