

1 CHAIR JAMES: I would refer you to the American Gaming
2 Association documents that were distributed right after lunch,
3 that has policy initiatives on responsible gaming for unattended
4 minors, advertising, and marketing. And also for those of you
5 who requested it.

6 CHAIR JAMES: John, I would ask that you go ahead and
7 begin to give us a sort of summary or outline of where we are on
8 this particular issue.

9 DR. SHOSKY: Thank you, Madam Chair. The next chapter
10 that we are talking about is adolescent gambling, and there are a
11 few issues here that are very interesting and segue nicely into
12 the discussion we just had.

13 One issue that we have been exploring, as we have been
14 constructing the chapter is definitions in scope. And for that
15 we are relying, of course, on studies, not the estimates in the
16 literature, but we have been digging through the few studies that
17 are available.

18 But what has been very interesting in looking at this
19 is to go through the commentary about the reasons why adolescents
20 gamble. That is noted as point four on the outline.

21 There is a multitude of reasons, some of them very
22 specific to adolescents, some of the problems that adolescents
23 confront, perhaps without education, or defenses, or maturity, in
24 order to be able, you know, to make better judgements.

25 And it is the reasons for that gambling that I think
26 are very interesting, and hopefully we will make that clear in
27 the report.

28 In addition to that I'm hoping that we will be able to
29 take some of the data out of the studies that one would normally

1 look at, under sports wagering, and cross apply some of that
2 information here, in particular this is what I have in mind.

3 As you know, many of those studies contain information
4 about high school gamblers. And while the information is
5 gathered because of an interest in sports gambling, there is
6 information in those studies that would be directly applicable
7 here in terms of underage high school gambling. So we will be
8 doing that in the chapter.

9 As well we are looking at the supporting mechanisms,
10 they vary quite a bit, but there is some very interesting and
11 unique programs, in terms of enforcement, that we would like to
12 highlight. And, in fact, what we are doing is we are going
13 through a variety of enforcement efforts.

14 Finally, in this chapter, I hope we will talk about
15 industry efforts. And what I mean by that, in particular, are
16 strong statements of commitments to eliminate underage gambling
17 by a wide variety of people across the spectrum, including very
18 prominent industries.

19 I'm hoping by showing all these statements to
20 demonstrate that there is an opinion in the industry and also in
21 the groups that are trying to curtail gambling on this one issue,
22 that everybody is in agreement, at least I'm trying to show this,
23 that there is a climate of opinion of agreement about
24 illuminating the very change.

25 CHAIR JAMES: With that I would like to open it up for
26 discussion. John?

27 COMMISSIONER WILHELM: I realize, John, this is only an
28 outline, and possibly this would be in there. But I think it is
29 particularly important, in talking about adolescent gambling, to

1 talk about what kinds of gambling adolescents appear to do, which
2 is not specifically mentioned in here.

3 And, as you know, a considerable amount of material in
4 some of the research that they are finishing, that we contracted
5 for, as well as in some of the testimony, and the research that
6 has been brought to our attention on this subject; the NORC
7 survey, for example, says that not surprisingly because of the
8 age limits that hardly any of this occurs in casinos.

9 We know from the sports gambling discussion that a
10 great deal of it is sports gambling, which is illegal in most
11 places, and so on. But I think it is extremely important to talk
12 about what kinds of gambling adolescents tend to do.

13 CHAIR JAMES: Great.

14 COMMISSIONER WILHELM: I startled you by being so
15 brief.

16 CHAIR JAMES: You did, I expected at least more --

17 COMMISSIONER WILHELM: -- few minutes.

18 COMMISSIONER MOORE: Now, in our report, and I
19 apologize -- but didn't one of the reports that we had on
20 adolescent gambling, wasn't one of the findings was that
21 adolescents gaming is not as prevalent today as it was ten years
22 ago?

23 COMMISSIONER DOBSON: That is a sore subject, Paul.
24 Obviously that was the issue that I strongly disagreed with.

25 COMMISSIONER MOORE: What I'm saying, in that -- but
26 aren't I correct in saying that that was one of the findings?

27 COMMISSIONER DOBSON: It certainly was, from my
28 perspective, yes.

29 COMMISSIONER MCCARTHY: I think the conclusion I came
30 to, and perhaps my colleagues in the research committee may not

1 agree with me, is that the investment in research on youth and
2 gambling really is not that fruitful if a part of the national
3 population, we got some information that is useful, but had we
4 had the time, and the money, at the time that the Commission had
5 to make the research priorities, it should have been, as Dr.
6 Westfall of Louisiana is doing it at the school level, and it
7 would have to be on a sustained basis through three or four
8 years.

9 So I think one of the things we should acknowledge,
10 when we get into the area of research, is that we will not have
11 been as helpful to the public on that sector of our research, as
12 we would have wanted to be.

13 COMMISSIONER DOBSON: Well said.

14 COMMISSIONER MOORE: My only point for bringing this up
15 is as I said yesterday, and as I said this morning, I hate to see
16 in every Indian a claim that he has to make his living on
17 gambling.

18 And with that said, adolescents gaming, gaming has
19 gotten so prevalent, and adolescent gaming, to me, is one of the
20 most important things that we will discuss. Having been a
21 schoolteacher before I was fortunate enough to go to medical
22 school, and coached many athletic teams, the youth -- we don't
23 have to convince, the youth is our future.

24 And we need to come out, with whatever findings there
25 are, I think that here is 8 men, or 9 men with pretty good
26 brains, and we need to come out, if not recommendations, we need
27 to come up with suggestions how to decrease adolescent gaming.

28 COMMISSIONER BIBLE: Eight men, and Madam Chair.

29 COMMISSIONER MOORE: Kay is okay.

30 CHAIR JAMES: I'm not going there.

1 COMMISSIONER DOBSON: Let me give the Commission an
2 easy one, a recommendation that adolescents and underage gamblers
3 -- let me start over.

4 Mandatory minimum legal age of 21 should be applicable
5 to all forms of gambling.

6 COMMISSIONER MCCARTHY: Second.

7 COMMISSIONER BIBLE: I think we generally agreed with
8 that yesterday.

9 COMMISSIONER WILHELM: I agree with that, and I -- at
10 the risk of misrepresenting Mr. Lanni in absentia, I believe he
11 said that in the course of our proceedings, as well.

12 CHAIR JAMES: And, again, I would refer Commissioners
13 to the unattended children and minor section in the AGA
14 information that we just got, because in reading it I thought the
15 language was really quite excellent in what they are suggesting.
16 It should be in the document --

17 COMMISSIONER MCCARTHY: They also recommended that 21
18 year old statutory limit in their list of recommendations to us.

19 But I would urge that that be to every form of gambling
20 including state lotteries. I must admit that until I got some
21 information, I was unaware that so many states allowed 18 year
22 olds to gamble, in different or all forms of gambling, many many
23 states.

24 So this is far more pervasive than I had the impression
25 it was, and that ought to be a very clear recommendation.

26 COMMISSIONER DOBSON: And we heard testimony that in
27 South Carolina that children of any age can gamble, they just
28 can't collect their earnings. So 4, 5, 6, 8 year olds
29 participate in video poker.

1 CHAIR JAMES: Some of those were excellent suggestions.
2 Do you all have that?

3 COMMISSIONER DOBSON: It was passed out at lunchtime.

4 CHAIR JAMES: We may want to look at --

5 COMMISSIONER MCCARTHY: Madam Chair, I think we want to
6 have John and the Staff summarize the information we have
7 received in testimony, and from every source, to show that in
8 certain states, in certain kinds of gambling, the age limit on
9 gambling is not really enforced, and lotteries, as I recall, we
10 had some testimony in that area as well.

11 But we want to develop a clear rationale, not just be
12 for ban, but be for ban with any evidence, that it is needed as
13 public policy.

14 CHAIR JAMES: Yes, John?

15 COMMISSIONER WILHELM: I don't want to re-plow old
16 ground on this question of adolescent research, but I want to
17 make a different point.

18 CHAIR JAMES: But, for the record, you said we needed
19 more research in that area?

20 COMMISSIONER WILHELM: I was just trying to be pleasant
21 here. Yes, I did, and I am still frankly very disappointed, now
22 that you brought it up. I think it is --

23 COMMISSIONER MCCARTHY: Are you going to get into the
24 same habit that Mr. Dobson does, he voted against the ACIR
25 research, and keeps beating me over the head with that one? I
26 expect more of you than --

27 COMMISSIONER DOBSON: I'll buy him a whole chapter on
28 the report on that discussion. Was the vote 8 to 1, and you were
29 in the 8?

1 COMMISSIONER MCCARTHY: I'm going to mail you a gold
2 star.

3 COMMISSIONER WILHELM: Jim, you sold out on me. I was
4 the biggest supporter of 50,000 that was your proposal and you
5 went to a quarter million.

6 COMMISSIONER DOBSON: And I got bludgeoned by my
7 associates here, and intimidated.

8 COMMISSIONER WILHELM: I don't want to nit-pick on
9 this, but while it certainly makes sense to me that school-based
10 research on adolescents would be desirable and effective, from
11 what we have been told, what Leo related to Jim and I in the
12 subcommittee, nevertheless it is my understanding, and correct me
13 if I'm wrong, Leo, that kind of research is very expensive.

14 And I would hate to think that, and I don't believe you
15 were suggesting this, I just want the record to be clear. I
16 would hate to think that we would make the kind of a
17 recommendation that would end up implying that that is the only
18 kind of research about adolescent gambling behavior that ought to
19 be done, because I think that would be very counterproductive,
20 because it would end up, because it is so expensive, that we
21 would continue not to know very much.

22 CHAIR JAMES: John, not only is it expensive, but it is
23 also very controversial.

24 COMMISSIONER WILHELM: Oh, is it?

25 CHAIR JAMES: As you can imagine, in terms of parental
26 involvement in what their children are asked. In other areas,
27 and in other hats that I have worn in the past, whether it was a
28 sex survey, or whether it was a survey on drug usage, parents
29 feel very strongly about what their children are asked about at
30 school.

1 So it is costly, and it is also controversial.

2 COMMISSIONER WILHELM: And I don't know enough about
3 household survey to know how that does or doesn't relate to
4 adolescents.

5 My point, which I'm sure all of us agree on, is simply
6 that we ought to be trying, as best as we can, to push for both
7 focus and dollars in this area, in particular. Because I agree
8 with Dr. Moore that if we had to single out one area that would
9 be important for the future of the country, it would be this one,
10 in my view.

11 CHAIR JAMES: Additional direction that we would like
12 to give to the writing staff on this particular subject area?

13 COMMISSIONER DOBSON: One more easy one, at least I
14 think it is easy. Educational institutions should focus on
15 gambling when they talk about addictive behaviors, in the health
16 departments, and in science classes, and what have you, starting
17 in elementary school.

18 Obviously this has no feet to it except to recommend
19 that public education address this issue, which is becoming an
20 increasing problem.

21 COMMISSIONER WILHELM: You know I agree with that, I
22 guess, but clearly I agree with it, because you would have to be
23 crazy not to. But I sometimes think that our solution to every
24 social problem in this country is to tell the public school
25 teachers to take care of it, and I don't believe there is any
26 reality to that.

27 So while I don't disagree with it, Jim, it seems to me
28 that that is only one small part of a much larger puzzle, and if
29 we really want public schools to deal with that kind of an issue,
30 in any kind of an in- depth way, as opposed to number 19 on what

1 happens in 7th grade health class, you know, out of 37 things
2 that are in that class, if we really want public schools to deal
3 with it, they have to get the money to deal with it, because they
4 have to have people that are trained and qualified to do it.

5 And, again, I'm not disagreeing with the concept that
6 it ought to be part of the educational process. But the fact is
7 that even though we dump all over public schools, and
8 short-shrift their budgets, we also ask them to deal with every
9 damn problem that comes along, because there is a breakdown in
10 our family structure.

11 COMMISSIONER DOBSON: John, I'm not recommending that
12 we have special classes for this subject, I think that would be
13 too narrow for what they do in public schools. But it can
14 certainly be included in the textbooks, and it could be addressed
15 in the context of other addictive behavior.

16 COMMISSIONER MCCARTHY: There are just a few states
17 that have good educational programs for all ages, of course, but
18 including -- I remember Minnesota had an impressive program.

19 But I'm sort of inclined to agree, I don't think we
20 want to make the mistake of saying, put this in the school
21 curriculum, even in small bits. I think it is so overloaded now
22 with so many things that they are given.

23 But I think that there are ways to talk to kids at
24 their own medium, and the analogy, to get at parents about what
25 happens to their kids and so on, sort of like secondary smoking
26 effects.

27 There are ways to get at this, and we ought to be
28 talking to the people that have been trying to do it in several
29 states, and maybe we will get some good guidance there.

30 COMMISSIONER DOBSON: How do you get the parents?

1 COMMISSIONER MCCARTHY: TV spots, public address
2 announcements. Let's talk to the people that have been doing it
3 with some measure of success.

4 CHAIR JAMES: Leo, would you object to that being
5 mentioned in health classes when they talk about other forms of
6 potential addiction?

7 COMMISSIONER MCCARTHY: No, I don't want to object to
8 it. I would really like to suggest to let staff make a quick
9 review of the couple of states that have been way out in front of
10 the rest of the states on this, and let's just get some guidance
11 from them.

12 If they say that in physical ed. classes, or somewhere
13 else, that we have had a lot of success in this, let's see what
14 base we have to go on here. Is that all right?

15 CHAIR JAMES: Okay. Is that your last one Jim?

16 COMMISSIONER DOBSON: Yes.

17 CHAIR JAMES: Anything else that you want to see, or
18 talk about in this particular chapter?

19 COMMISSIONER BIBLE: I think it goes without saying
20 that adolescent gaming, in any form, is an illegal activity. The
21 data that we had indicated that it was engaged in various legal
22 venues, depending upon the ability of the operator to police the
23 activity.

24 I think I recollect Terry mentioning, or the NORC
25 report mentioning that in a casino environment, they seemingly
26 had the greatest compliance, it breaks down considerably in the
27 convenience environment where you have machines and lottery
28 devices.

29 I think the report should reflect that. I mean, you
30 have that data out of the NORC report.

1 COMMISSIONER MCCARTHY: Are you about to change
2 subjects, Madam Chair, or can I follow up on what Bill just said?

3 CHAIR JAMES: Only when you are ready.

4 COMMISSIONER MCCARTHY: When you are ready I just want
5 to make an announcement, when you are ready to change, when we
6 finish this one.

7 CHAIR JAMES: Anything else on adolescent gambling?

8 (No response.)

9 CHAIR JAMES: Okay.

10 COMMISSIONER MCCARTHY: The announcement is that the
11 Mashantucket Pequot tribe has completed the questionnaire, and
12 are delivering it to us this afternoon.

13 And so I withdraw my earlier comments about a lack of
14 cooperation from them specifically, but leave it in place for all
15 of the other casinos that did not respond.

16 CHAIR JAMES: With that, rather than take a break, I'm
17 going to move right on to the economic development. John?