MR. McCARTHY: Do you really want to get into this right now?

MR. BIBLE: Oh, we take the money and put it in the Treasury and don't spend it.

MR. SNOWDEN: And, in fact, you're right. What happens is if you accept the money, it goes into the general fund, and it goes to the good of the entire federal government because you do have gift use authority.

CHAIRPERSON JAMES: So if Commissioner McCarthy wanted to take us all out to dinner and pay for it?

MR. SNOWDEN: Well, in fact, he can.

CHAIRPERSON JAMES: Good. That's all we need to know.

MR. SNOWDEN: And let me know where.

(Laughter.)

CHAIRPERSON JAMES: That's fine.

I'd like to, with that caveat that you will continue to have some conversation and correspondence on the issue of contracts and clarify some of those issues, and that information will be
distributed to all Commissioners, I'd like to now move
our discussion to our work plan discussion. You can
find that, in case you're having a little bit of
difficulty, behind Tab 7.

At the last meeting we briefly discussed
the proposed schedule and said it would include four
to five Commission meetings, a series of hearings and
site visits, and then a retreat and meetings to begin
to synthesize our findings and recommendations.

I know that the scheduling portion of the plan is something all of you are interested in, and I
hope that we may begin to lock in dates for the remainder of the year.

The work plan incorporates all of the
comments or directions given by Commissioners since our last meeting. I literally had staff take the transcript of our last meeting and go through and highlight any suggestions or recommendations made by Commissioners, and then attempted to incorporate all of that into the plan.

It's not intended to be a check-off list for staff, and I anticipate that the Executive
Director will develop procedures for each meeting and site visit that are crucial to the operation of the Commission, but I don't think that it's necessary -- it is a necessary ingredient for the Commission's overall work plan.

In addition, full production and distribution schedule I don't think can be developed until after we have our conversation today.

I think that our work plan will, by necessity, evolve around our research questions. Once that is formalized a little bit more, it will shape the direction that it goes.

And I should note this because I got asked several times by the press yesterday. Evidently the Las Vegas lobby was really at work because they did not see a suggested site visit for Las Vegas, and you know, they immediately try to read everything possible into that.

Well, we only gave recommendations for the first year, and it was a simple decision of in 1998 maybe we would end with a visit there. It certainly was not to be left out.
If, in fact, the Commission decides that they want to do something in a different order, this is nothing but a point of departure for our discussion. The Commission will develop the work plan. The process, I think, should be as we go through this, that Commissioners, if there are pieces that you see missing, if there are things that you want added, if you will simply state those, we can have discussion about that, and the staff will then go back and incorporate all of those ideas, and then it will be distributed to the full Commission.

So this is the point of departure for our discussion today, and we can, in fact, then move forward.

Yes, John.

MR. WILHELM: Question which pertains to the timetable in Roman numeral one behind Tab 7. I know that the appointing authorities, and particularly the President, paid no attention whatsoever to the time frames in the law, and my question is: as a practical matter, what happens if the Commission has not issued its report or otherwise completed its work
within the two years from the first meeting?

For example, does that mean there's no
more money, or is there any practical consequence of
running past the two-year period?

MR. SNOWDEN: Let me try to answer that
question. Your enabling legislation has a sunset
requirement. So at the end of the two years you cease
to exist.

What can happen --

(Laughter.)

MR. SNOWDEN: You, in the organizational
sense. Mr. Wilhelm, I wish you no ill will.

Okay. And again, many times the
appointing authority is unaware of the sunset
requirements of legislation, are not guided by that
appointing principle, and it is not unusual for a
commission -- and we've structured language for other
commissions -- technical amendments that will be a no
cost time extension to enable you to meet the charge
or the mandate of the law, but you would have to go
back to Congress and ask them to give you a no cost
time extension if you see that as being an appropriate
action.

CHAIRPERSON JAMES: The chair recognizes Mr. Bible.

MR. BIBLE: Mr. Snowden, as I read Section 10, it just says the Commission terminates 60 days after the Commission submits the report. So what you're saying is the report date is binding, and then you take 60 days beyond that, and there's automatic termination of the Commission?

MR. SNOWDEN: That's true.

MR. BIBLE: Thank you.

CHAIRPERSON JAMES: Any questions, comments, additions, deletions, timing issues?

Mr. Wilhelm.

MR. WILHELM: Yes. I have a series of comments about the -- if it's appropriate at this point -- about the proposed schedule and site visits.

CHAIRPERSON JAMES: Well, let's try to do this in some sort of an orderly way --

MR. WILHELM: Fine.

CHAIRPERSON JAMES: -- so that everyone can have their opportunity. Would you like to talk
about the time line first and any additions,
deletions?

And, again, remember point of departure.

It's your pleasure.

MR. BIBLE: I'd like to talk a little bit about the time lines because I think the time line gets driven to some extent by the appointment of the Executive Director, and as you know, that's within your prerogative. So when will that occur? When will a nomination be submitted to the Commission so we then have that nomination to consider?

CHAIRPERSON JAMES: Well, in one sense it could be determined by that. It is my desire that it not be. The Commission work is moving forward, and as I reported to the Commission yesterday, we have several candidates that are being reviewed by Dr. Moore and by Mr. Leone, and you know, as soon as they can finish their work -- and believe me, no one wants that done more quickly than I.

MR. BIBLE: I would think certainly after you make that nomination it would be appropriate to at least have another Commission meeting, probably
discuss that nomination, discuss the proposed rules.

Perhaps GSA will be in a position at that point and will meet fairly soon after this meeting because I agree with Dr. Moore. I think we've dallied way too long, and we need to get going.

CHAIRPERSON JAMES: I would concur.

The chair recognizes Mr. Leone.

MR. LEONE: As I read the timeline, the draft review is in February of '99, which means people would be preparing, that staff would be preparing a draft for us to work on in advance of that, right?

CHAIRPERSON JAMES: That's correct.

MR. LEONE: In effect. So the --

CHAIRPERSON JAMES: There is one incorrect date on there, and that's the study contracts, which are 9/20/99. That would be far too late.

MR. LEONE: Yeah, yeah.

CHAIRPERSON JAMES: And so we have to adjust that. That was actually a typo.

MR. LEONE: This means that some of these contracts that we'd be letting this fall really ought to be for one year. That's a constraint we should
impose on anybody we ask to do the work so that we
have them by late '98 and they can be incorporated
into the early 1999 draft writing and thinking about
the report.

    I mean, I think that's fine, by the way.
I mean everybody wants more time to do studies and
writing, but I think we should have that in mind, that
to the extent our work is driven by these dates, the
research and other things we commission will have to
be driven by these dates, and basically we're talking
about 12, 13, 14-month studies at the outside going
forward, I think.

    CHAIRPERSON JAMES: Commissioner Dobson.

    DR. DOBSON: The NRC made it very clear
yesterday and when they met before our Commission that
they have a 15-month schedule that is not subject to
flexibility, as I understood them.

    Leo, did you agree with that?

    And they don't issue preliminary reports.

So if you take their work, you wait 15 months for it.

    CHAIRPERSON JAMES: That's why you see the
dates here that you do. It's not the best of all
possible worlds, but it's what we have to work with.

MR. McCarthy: Is this, Madame Chair --

Chairperson James: Microphone.

MR. McCarthy: Have we given ourselves the maximum amount of time we can give? As I heard Commissioner Bible's question a moment ago, I would like to give us the maximum amount of time to authorize the research to be done because some of the research will not be authorized quite possibly for another four or five months.

Chairperson James: What you see here in terms of the date are pushed back to the maximum of what we can give in every area to give the absolute most --

MR. McCarthy: Okay. That's my question.

Chairperson James: Yeah. It's incredible, and you know, a lot of people thought that the limiting factor would be money, but I think it's important to note for the record that a very limiting factor is time, and that's as much of a limitation as our dollar amounts. To do good research requires time.
Any other changes at the pleasure of the Commission on the time line? Dr. Dobson.

DR. DOBSON: Madame Chairman, I'm sure that other Commissioners here are in the same situation I'm in, but specific dates as far as possible in advance would really help me. I live by the calendar. I know everybody does, and it would really be helpful if we could nail down the dates.

CHAIRPERSON JAMES: What I'd like to do is rather than getting into specific dates right now with nine Commissioners who are all extremely busy people is to make a commitment to you that by next week, working with your schedulers, we will try to come -- now, hear this. I mean, I've already had complaints from some Commissioners. "I'm sorry I cannot do that." We will go with the best date that we can come up with that will accommodate the most people, but recognizing that it is not going to be perfect, and we will try to have that completed by the end of next week, which is going to mean a lot of phone calls and a lot of working with schedulers, but we would like to lock in those dates as soon as possible.
Let's turn over now, and let's look at methodology, issues assessment, and what we are recommending here is that there are several kinds of meetings that the Commission can have. We can have hearings; we can have site visits; and then there will be working meetings where we are reviewing research, where we are listening to panelists give us information, and for scheduling purposes, we're trying to group as many of those as we can into one meeting, one time period.

So that we may have a three-day meeting that would include on Day 1 site visits by Commissioners, so that we would actually go out and visit some of these places, hear from people face to face, and interact with individuals on a personal basis.

Day 2 perhaps would be the hearing day; Day 3, Commission meetings and public comments. The distinction between hearings and public comments are that hearings and when we would receive testimony from people that we have invited to come before us, panelists, experts in the field.
Mr. Leone, I think yesterday you said that you felt that we had a tremendous need to hear from a variety of people and to collect information. That would give us the opportunity to do that.

And on Day 3, we would have the Commission meeting and have the opportunity to hear from the public. In other words, rather than trying to divide up and we'd have site visits and then at a later date have our Commission meeting and at a later date have hearings, we tried to do it and just get us together for three days to accommodate that.

Now, why don't you see hearings listed? Who are the individuals that will speak there? Who are the people that will be there?

First of all, for the record, let me state that the chair has made every attempt to accommodate every request of every Commissioner, and that's not going to change, and so if there are individuals that you want to hear from, please continue to let me know, and I will incorporate that.

The reason that you don't see them there at this point is because we're waiting on the work of
the Research Commission to be completed, because we at
this point cannot shape what direction we're going to
go until we hear from Commissioner McCarthy and
Wilhelm and Dobson on those important issues.

We have got to take that huge body of
questions that we were presented with yesterday and
narrow it down so that we can then begin to structure
the hearings to accommodate what we have set as our
priorities.

It's the old question again: what comes
first, the chicken or the egg?

Commissioner McCarthy.

MR. McCarthy: Are you still on
methodology here?

CHAIRPERSON JAMES: Yes, I'm still up and
answering the question why under hearings, as an
example, don't we see a listing of who all those
hearing speakers will be.

MR. McCarthy: Well, if I may suggest, the
subject matter that is listed here tentatively for the
Commission meetings is related to the discussion we're
now in. I looked at the first hearing, and the
subject matter, the focus, would be on crime and political corruption.

I don't think that's occupied five minutes of the Subcommittee on Research's discussion; whereas, the second meeting, addiction and local economic development, has occupied probably 90 percent of the time, and if you look at the list of study questions from Mr. Wilhelm and Dr. Dobson, they make up the vast bulk of the questions that are posed here. There are obviously a number of breakdowns underneath that.

CHAIRPERSON JAMES: Leo, all you have to do is say, "Let's switch them," and it's done if that's the sense of the Commission.

MR. McCARTHY: Well, I want to go beyond that. I'm not -- in looking at all of the priorities of the subject matter, I'm not sure where crime and political corruption fit. I'm not suggesting that it's not an important issue. I'm just suggesting with the resources that we have both on research and time, I would certainly like to address very aggressively the whole issue of pathological gambling and all of the related issues and even -- I think it's going to
be more time consuming -- the whole issue of economic
impact, economic consequences of legalized gambling.

So when we start to draft the folks, I
hope that's where it would be, and I'll slip this in
incidentally. I do think there's some logic in maybe
going to the two major forces of gambling in the
United States, Atlantic City and Las Vegas, but I sort
of think of Atlantic City in connection with New
England, and maybe the Pequot Indian tribe and somehow
not just limit our focus to Atlantic City, but in a
larger regional sense, and that would, I think, let us
get into the economic development issue and ask
questions about who are the customers, where do they
come from, and many other questions.

CHAIRPERSON JAMES: That can certainly be
done in a three-day visit to the area. We can have
the site visits around the -- and I think you will see
that there, to local communities so that we can get
outside a little bit, if necessary up to New England,
and that certainly can be done.

Commissioner Wilhelm and then Commission
Lanni.
MR. WILHELM: I have a number of comments if it's appropriate on the combination of the methodology and the schedule. Is that appropriate?

CHAIRPERSON JAMES: It certainly is.

MR. WILHELM: Thank you.

Well, first of all, I concur with Leo's comments with respect to the focus. I think this Commission will be more likely to have some measure of success in what Jim described a couple of minutes ago as an impossible task if we try to focus primarily on the pathological gambling or whatever term we're going to use for that and on economic impact.

I don't mean to suggest by that that it's inappropriate ever to look at related issues. Some issues, of course, fit into a variety of categories. Crime, for example, can be a piece of economic impact. Of course, but it seems to me that we ought to focus primarily on those two because they're huge by themselves, as Leo says.

And along with that, I don't understand the logic of suggesting that a particular visit to a particular city or region ought to focus on one issue.
Now, I am inferring that the word "focus" is not meant to be an exclusive term, but nevertheless, I would like to see us focus on the two issues that Leo puts forward, that is, pathological gambling or problem gambling and economic impact, wherever we go.

So for that reason I do not think that it makes sense to ascribe a particular focus to the particular city or region to which we're going.

Having said that, I have a number of comments about the proposed visits. First of all, there is a comment at the end of Roman numeral two that says 1999 dates and sites to be determined by the Commission. As a practical matter, if I understand the time line, which as you say is sort of not a whole lot we can do about, it seems to me that in essence 1999 visits are meaningless at least insofar as they might have an impact on the report.

So at least in my mind, whatever visits that are going to have some impact on the report need to be completed by the end of 1998, and so I've tried to think about where I think we need to go, and I have the following comments on the proposal.
I agree with the proposed visits -- and I
don't have much of an opinion about the particular,
you know, months -- but --

CHAIRPERSON JAMES: Could I interrupt just
a minute?

MR. WILHELM: Certainly.

CHAIRPERSON JAMES: To suggest that before
we get into the proposed visits because we really do
need that information from everyone that we discuss
briefly your first point, John, which is whether or
not we have -- and this is purely a logistical
question -- whether or not we want to focus a meeting
on a particular subject and have experts talk to us on
that particular subject; whether or not we want to
have a broad range of issues that are discussed at
every site or every visit.

Now, let me give you some pros and cons of
each one. One of the things that we struggled with is
that if you talk about a particular issue while you're
at a particular site, the implication would be that
there is a problem or an issue with that site related
to the topic that's being discussed. That is
certainly not the case, and we don't want to give that impression.

However, for the work of the Commission, it would certainly be good for us to be able to focus our comments and to be able to focus our discussion and to deal with an issue, hear the advice, hear the experts deal with that issue, and then set it aside and move on to the next issue.

If it is the pleasure of the Commission that we talk about every issue at every meeting, I mean it just makes for a logistical problem. There are lots of ways that we can do this. It really is what works best for you, and the chair will accommodate what is the wisdom of the Commission.

The chair recognizes Dr. Dobson.

DR. DOBSON: Madame Chair, you partially clarified what that statement -- what I was going to ask, but it does seem to me that there's a need for a primary focus at a particular point so that we're not taking the shotgun approach, but I would hope that when we're going to a city where certain questions are relevant, that we ought to deal with those.
For example, going to Cripple Creek, Colorado, which did not have gambling and then the law changed and suddenly they did, so what's the impact of that? That's a very different question than going to Las Vegas or Atlantic City.

So I would hope that where there are issues related to the location of the meeting, that we ought to include those.

CHAIRPERSON JAMES: The chair recognizes Mr. Wilhelm.

MR. WILHELM: I agree with Jim, and using as an example the suggested focus for Cripple Creek and Central City is problem gambling, and I don't think we should preclude a conversation about problem gambling in those cities, but I think you're quite right. You know, what happened before and after? Well, that covers a multitude of things in addition to problem gambling.

So, again, I was attempting, as a follow-up to Leo's comment to suggest something sort of part way between the two poles that you outline, Kay, because I think we ought to try to the extent we can
to focus everywhere we go primarily, though not
exclusively, on problem gambling and economic impact.

CHAIRPERSON JAMES: The chair recognizes

Mr. Leone.

MR. LEONE: I understand that there's
really two parts to your point you're making, John.
One is that you want the report to heavily emphasize
some issues more than other issues, and we could argue
about which issues those ought to be. I don't have
any particular problem with the ones you suggest.

On the other hand, I think that the
chair's work plan which has the individual meetings
focused on particular clusters of issues or particular
issues is sound and is the only reasonable way to
proceed. I think we should try to sort out what we
want that focus to be.

There are a couple of things that are
maybe on the list by implication, but that I'd like to
see on the list. For example, in addition to speaking
to the public and to communities that are trying to
deal with the introduction of gambling or decide about
the introduction of gambling, I think we're also
speaking to the federal government and governments,
and I think there are substantial regulatory issues in
the area of gambling, and as you know, I think there
are substantial issues about the way states conduct
lotteries, which doesn't naturally fall into any of
these categories.

So I guess what I'd say is I think you
have to organize the work so that there's a coherent
set of subjects or subject at each meeting. I don't
think that's at all in conflict with the notion that
the report might emphasize some issues more than other
issues. I think that's inevitably going to be the
case.

I think it would be fatal for us to try to
decide that today. We have a long way to go to have
an easy going working relationship as a group. It
would be my observation --

(Laughter.)

MR. LEONE: -- here at our second
gathering, and to now put on the table the notion of
what should be left in and what should be, by
implication, left out or reduced to a comment would be
really red meat because, you know, all of us have
particular things that concern us.

But I do think that it's reasonable to
proceed in this way and appropriate to proceed this
way. I think we should talk about the broad
categories. I have no particular view about where we
need to go or where we don't need to go or in what
sequence. I do think though that Kay's comment about
what we're going to talk about in a particular
community will not dissuade the local press from
deciding that we've come there to explore that issue,
and we might want to relabel some of these categories.

For example, I would never go to
California to discuss intergovernmental agencies.

CHAIRPERSON JAMES: Leo, would you like to
take issue with that?

The chair recognizes Dr. Dobson.

DR. DOBSON: Madame Chairman, I remind our
Commissioners that the broad categories are spelled
out for us in the law. There are six categories that
the law, the statute says will be studied at a
minimum, and in two years' time, we're not going to
get much beyond that I wouldn't think.

    I've got them listed here. You all
probably remember what they are, but they're laid down
for us.

    CHAIRPERSON JAMES: You will notice that
the work plan tried to address the categories that
were laid out in the law. That's how they were
resolved.

    The chair recognizes Mr. Lanni, then Mr.
Bible, and then after that we will go to Dr. Moore.

    MR. LANNI: Madame Chair, a couple of
comments.

    One, relative to John Wilhelm's comments,
I think the idea of maybe reducing some of the
concerns that local citizens might have may have an
emphasis at every stop, shall we say, on problem areas
of gaming, economic impacts, and then a third one to
be featured.

    That might be a better way to do it. I
think it would be very important though on that third
one that is featured, it shouldn't be a micro view,
but a macro view. You might go to a particular area,
and if it's a micro view and only at that particular area, we're not going to as a Commission have a full understanding of the impact in that particular area on a nationwide basis. So I think that would need to be done.

I also have a couple of comments. I'm a little confused as to why Branson, Missouri, was suggested unless some Commissioners or some staff members are interested in some of the supper clubs that are there because there's no gaming of any type in that area, which is confusing to me.

CHAIRPERSON JAMES: As I said, the chair tried to accommodate the request of all Commissioners, and it's there at the request of a Commissioner, and perhaps that Commissioner would like to address that.

Before I ask Dr. Dobson to address it, I think that was your -- that was not your recommendation?

MR. LANNI: See, they won't admit to it now. You know that.

CHAIRPERSON JAMES: They won't admit to it.
(Laughter.)

CHAIRPERSON JAMES: Who was that?

DR. DOBSON: Is there gambling nearby at Joplin or anything?

MR. LANNI: I think about two and a half hours if you speed, but there are a lot of great supper clubs there, and Bobby Rydell, I think, is there. Maybe you want to see him. I don't know.

(Laughter.)

CHAIRPERSON JAMES: Must have been for the entertainment.

DR. MOORE: I'm too young to remember him.

(Laughter.)

MR. LANNI: I'm not. I know Bobby, so I don't want to say anything.

I have a couple of other things.

CHAIRPERSON JAMES: Well, one thing --

MR. LANNI: I'm sorry.

CHAIRPERSON JAMES: -- before you do that, and I do recognize that we have to go to Mr. Bible and Mr. Moore, there's only one thing that concerns me at this point. I think your recommendation is an
excellent one, and that is that we look at a problem, look at the economic factors.

The law clearly says that we should look at economic and social, and what I would like to do is see us look at a problem, look at the economic impact, look at the social implications, and feature. So that would be the only caveat that I would have there.

MR. LANNI: One --

CHAIRPERSON JAMES: Absolutely.

MR. LANNI: Just a final point. I'm sorry.

There is a discussion, and I want to be very careful about this because I realize when you come to certain locales that people may take umbrage if you comment, but if you take a look, for example, at political corruption in Louisiana without offering any pejorative comments, I would say this. I remember Senator Glenn's comments on the floor of the Senate specifically said that this Commission would not be looking into political corruption.

And since time is of the essence and we have a lot of work to do, and unless there's
objection, I would really ask that we withdraw that
because it wasn't the sense of the Senate, and I think
we could spend a lot more time and with very few
results other than what has been found so far in
various areas.

CHAIRPERSON JAMES: I think our plate is
full without taking on that particular issue. I
certainly have no objection.

MR. BIBLE: I think Terry partially
addressed the issue in terms of looking at the micro
issues. I think at some point you're going to have to
dovetail the research product into the hearing
schedule.

Now, if you're going to take a look at, as
Commissioner Dobson suggests, economic development and
use Cripple Creek as an example, I think we should
have basic, fundamental research available to us prior
to going out, and I think the purpose of hearings is
to understand the meaning of that research, and I
think that's probably true in many of the other areas
also.

At some point you've got to dovetail or
bring the two work products together. Otherwise you're just going to have a kind of shotgun approach to hearings. You're going to have some people that are going to say, "Yeah, it's been great," and people that say, "No, it hasn't been great," or whatever in terms of their own experiences, but you're not going to have hard facts to talk about and to explore the meaning of the data.

CHAIRPERSON JAMES: Commissioner Moore.

DR. MOORE: My only comment would be that my people back home will think that I don't have much pull.

(Laughter.)

DR. MOORE: I see no site visit to Mississippi. I'll agree with Terrence that Louisiana has a lot of corruption, and I believe they know that.

(Laughter.)

DR. MOORE: But they have excellent food, and it's easier to get to than Mississippi, but there are a lot of flights, I believe, in the Biloxi Regional Airport now because of gambling, and you know, if we can work out a site visit there, I think
it would be nice. I think that you would see a nice
state, a pretty state, gambling that economically has
been a success, and then maybe we could find out the
social impacts of it. I don't think too much work has
been done on that, but I don't know of any real
problems, but it would be worth studying.

CHAIRPERSON JAMES: Well, Dr. Moore, I
wouldn't want you to overlook that in October, which
would be our next meeting, in fact, we'd be coming to
Mississippi.

DR. MOORE: But as a site visit.

CHAIRPERSON JAMES: We want to come see
you.

DR. MOORE: Site visit.

CHAIRPERSON JAMES: Yeah, as a site visit,
yeah, absolutely.

DR. MOORE: I was thinking of the major.

CHAIRPERSON JAMES: You want the whole
thing.

DR. MOORE: The whole thing, the site
visit.

CHAIRPERSON JAMES: We will take that
under advisement.

DR. MOORE: For anyone.

CHAIRPERSON JAMES: Commissioner Wilhelm.

MR. WILHELM: Yes. If it's appropriate

now, I'd like to make some comments following up on

some of the ones that have been made and adding some

about locations, and also schedule.

And I will say at the beginning of my

comments that I'm sure my comments will be universally

unpopular with all of the Commissioners because I see

a need for more meetings than you have laid out, and

I don't say that critically. I just think that we

need more meetings.

And in particular, I believe that the

Commission needs to have a meeting in October which is

not a road trip, and I believe that for two reasons.

One, I think it would be unwise to launch

out upon these road trips without a set of rules

governing our procedures, and obviously that takes

another meeting based on what happened this morning.

And, secondly, I would be extremely

nervous, quite frankly, about -- and you made
reference to this a little earlier this morning, Kay,
about launching into these road trips without an
Executive Director because I think that the planning
of these trips, not just the logistics, but the
overall, you know, integration and scheduling and
thought about focus and so forth, while obviously you
as the chair and the Commissioners would participate
in, it's very hard for me to see pulling that off in
a successful and productive way without an Executive
Director.

So I would like to propose initially that
we have a Commission meeting in October, which is not
a road trip, which, along with whatever else, would
hopefully deal with the question of the selection of
an Executive Director and with the rules of the
Commission. So that's the first sort of scheduling
and location point that I wanted to make.

Now, along with that --

CHAIRPERSON JAMES: Before you --

MR. WILHELM: Yes.

CHAIRPERSON JAMES: -- move on to another
issue, I thought I heard the consensus this morning
that we needed to have an additional meeting fairly
soon to address those issues. So that would be in
addition to the October meeting and prior to it.

MR. WILHELM: Okay.

MR. BIBLE: You're thinking of something
in September?

CHAIRPERSON JAMES: Absolutely. Yeah, to
resolve those issues.

MR. WILHELM: Okay. I suspect you may
have, based on the Research Committee's work, you may
have trouble scheduling that, but that's something
that can be worked upon.

With respect to the trips to other
locations besides Washington, I agree, responding to
the suggestions here and recognizing that they were
suggestions, I agree with going to Atlantic City. I
agree with going to California, and I agree with going
to Connecticut, and I'd like to in a moment make a
couple of comments on the latter two of those.

I do not agree with going to Colorado or
to Branson, Missouri, or to New Orleans, and I'd like
to say why in each case.
If we had more time, I would support going to Colorado. I'm personally unfamiliar with that market. I know it's an unusual market, and I don't disagree that it would be interesting to look at. I simply don't see, given other priorities how that reasonably fits in as a priority.

With respect to Branson, as has been pointed out, there is no gambling there. There is no gambling, as I understand it, within 200 miles of it. So I don't understand the logic of that.

With regard to New Orleans, I think it would be much more sensible, as Dr. Moore indicated a few minutes ago, to have a full-blown visit to Mississippi, and I have two reasons for that.

One, the amount of gambling in Louisiana as compared to the amount of gambling in Mississippi is substantially smaller, and, two, I think it would be suicidal, and I mean that term quite literally, for this Commission to inject itself purposefully or inadvertently into the political debate going on in the State of Louisiana and in the United States Senate about the Senate race that occurred there, and I
believe that a site visit, because as probably most
people or all people in this room know, the questions
of the involvement of the gambling industry in the
contested Senate election has been front and center.

So I think that to wander purposefully or
accidentally into that would be catastrophic, and I
don't believe the Commission would probably ever
recover from it.

With respect to the Connecticut visit,
which I support, having lived in Connecticut for 24
years, I'm particularly delighted at the idea of going
there in October. There is no nicer place in the
universe than Connecticut in October.

But I think that in addition to the two
Native American casinos in Connecticut, which
certainly bear examination, I think we ought to also
take advantage of looking at Bridgeport, Connecticut,
which is a very interesting example of a city where
there was a proposal to have gambling, and that
proposal failed, and I think it would be very
interesting to look at Bridgeport in the wake of that.

And I think it would be interesting to
look at Massachusetts on the same visit.

Massachusetts is a place where there is presently no casino gambling, although there have been proposals for at least Native American, as well as potentially commercial gambling, but more importantly, I think Massachusetts, along with California, is a perfect environment in which to look at the lottery, particularly because the lottery in Massachusetts has gone, I believe, as far and probably farther than any other state in going beyond what we'd traditionally think of as the lottery, and they have, in particular, these keno outlets, you know, every time you turn around in the State of Massachusetts, which I think really need to be looked at.

So I would support the Connecticut visit.

I would advocate including not only the Native American casinos, but also Bridgeport, and also Massachusetts in that visit.

I support California, and this is part of why I said this would be unpopular. I want to suggest the possibility of one more day in California, and the reason for that is California has a broad -- first of
all, it's a huge place. So it takes a while to go
anywhere, but it has a broad spectrum of gambling to
look at, and I think it's important to look at it not
just in separate compartments, but also as they fit
together in that state.

There's an enormous number of Native
American casinos, and there are, I think, the -- I'm
assuming that the intergovernmental reference was, in
part, to the disputes that surround the state
government versus the federal government versus the
tribal governments' views of those, of course, but
there are 20-some odd if not 30 Native American
casinos.

There is, again, a pretty aggressive
lottery, complete with keno outlets and bars and
restaurants. There are card clubs. There's a new
generation of them that looked from the outside like
full blown casinos, and of course, there's
parimutuels.

So I support going to California, but I
would like to suggest the consideration for one
additional day in California.
I think we very much need -- and this is
the other reason I know this is unpopular -- I think
we very much need four other visits. As Dr. Moore
said, and as I mentioned a moment ago, I think it
would be entirely appropriate to go to Mississippi.
Mississippi, depending on how you measure it is now
either the second or third largest gambling state in
terms of casino style gambling. It presents the
issues that some people are interested in about the
difference between river boat gambling and dockside
gambling. It presents by far the most rapid growth of
a large scale gambling industry that is available to
look at, and it presents a variety of types of market
environments, between Tunica and Biloxi, in
particular, and finally, it has one variety of Native
American casino which I think needs to be looked at,
which is a Native American casino managed by a
traditional gambling company.

So for those reasons, I think it would be
important to go to Mississippi.

I think it would be important to go to
Nevada, and I say Nevada as distinguished from simply
Las Vegas, and this is the other area where I think we ought to give consideration to one more day, and the reason for that is I think it would be silly to look at the gambling industry without looking at Las Vegas, but there's a very different market 90 miles down the road called Laughlin, Nevada, which I think would be well worth looking at.

And in addition, we might consider as an additional window on Native American gaming the possibility of trips to Arizona where there's a substantial amount of Native American gaming, particularly in the Phoenix and Scottsdale area, which isn't, you know, all that far, but that's why I thought we might need another day.

Third, I think we need a trip to a --

CHAIRPERSON JAMES: John, we're out of money.

MR. WILHELM: I understand that. I knew this would be very unpopular. I just think we need to think about where we're going and why. So obviously all of these probably aren't going to happen, but I think we need to look at sort of a straight, if you
will, normal looking river boat environment, which
could be Missouri and Illinois taken together. I mean
there's a lot of river boats up and down or, for that
matter, it could be Missouri, Illinois, and Iowa taken
together. There's a lot of boats up and down that
river.

And finally, and I think this is
important, and I don't think we ought to lose sight of
it. I think we ought to go to Wisconsin for the
specific reason of looking at a very different kind of
Native American gaming.

So, again, I recognize in advance that
those are unpopular, and I hadn't thought of the
budgetary issue, as well, as you point out, but that
would be my view of the kinds of things that we do
need to look at, recognizing that there's too much
time involved.

CHAIRPERSON JAMES: The chair recognizes
Mr. Lanni.

MR. LANNI: Thank you, Madame Chair.

One way that would help in a little bit,
if you take a look in California, looking at John's
proposal there, you might not have to add a day. If you think about covering card clubs, parimutuel, that could be done at one facility, Hollywood Park Racetrack at Inglewood, and then 90 miles to the east, and if you do it in January, it's a nice time to do it, speaking of good states with good weather, is in Palm Springs, where there are Native American operations there. It could be done in a day, and you hit three of the more significant aspects, and then lottery could be part of it also since that's significant in California.

So you might be able to compile it into a shorter period of time by picking up more venues or single venues with more events.

CHAIRPERSON JAMES: The chair recognizes Mr. Loescher.

MR. LOESCHER: Thank you, Madame Chairman. I would like to offer -- in that package of material that I gave this morning, there was a memorandum from the National Indian Gaming Association, and I had put to them about two months ago the prospect of being invited to Native American
casinos and gaming operations across America, and what 
they did is they listed the criteria and how they 
would go about it, but they didn't give me any 
locations because they couldn't decide among 
themselves, and I had an overwhelming list of 
communities that they wanted us to go to on my own 
letters from these various tribes.  

But I would recommend that we do have 
invitations, and it does make sense looking at their 
criteria to go to California, to look at Native 
American gaming; the Oneida, Wisconsin, area, to look 
at Native American gaming; and to the Phoenix– 
Scottsdale, Arizona, area to look at Native American 
gaming, and I would recommend that.  

I don't have an invitation from my friends 
in Connecticut, and I certainly wouldn't want to 
impose on them without some kind of sense of 
invitation, and I would oppose going there right now.  

Madame Chairman, I really think the field 
visits ought to be field visits, maybe coupled with 
public hearings, so that we could get a sense of 
people across America, what they think about, and
there may be short Commission meetings there.

I'm worried about this hearing business because I would like to use the hearing process to supplement the work that we're doing in the Commission through the contractors and through the staff, and as we get the Executive Director on board, he'll have more of a sense where those gaps are in the work, and I really would like to offer for the record my comments that I think the hearings ought to be more formal, and there ought to be no more than two locations in America to make it convenient for people to testify.

As you know, our statute says we can pay their expenses and whatnot to come. So I offer that idea. I think field visits are going to be really full. I mean just getting there is going to be interesting, and then when we get there, lots of people are going to have lots to show us, and I think a limited agenda and a public hearing is kind of a context that would be invaluable to the Commission.

I don't, Madame Chairman, agree necessarily with the way this paper is laid out on the
study questions, proposed schedule, and the focused
business. I believe people would take offense, and I
would have a sense of concern, that we go to a
community and we focus on problem gambling or crime or
whatever. I think we're connoting something that may
not be there.

And I agree that maybe, you know, saying
everything's on deck in terms of our questions and our
missions is probably too much, as well, but I really
think our field visits have a lot to offer, and if we
go and look and then we ask people to come to public
hearing, maybe have a short Commission meeting, I
think that's good enough.

But this idea of having a focus at each
field visit, I don't think -- I don't think is a good
idea.

Madame Chairman --

CHAIRPERSON JAMES: Let me address that

before --

MR. LOESCHER: Yeah.

CHAIRPERSON JAMES: -- you move on to your
next item.
I thought that I had the sense of the Commission that we would adopt -- and if I don't, I need to hear that -- that we would adopt Mr. Lanni's recommendation that we have at each Commission meeting the problem, the economic impact, something of a positive nature, and so that's --

PARTICIPANT: Social.

CHAIRPERSON JAMES: Yeah, and the social for each site to avoid the problem that you're raising, Mr. Loescher. So I thought we had addressed that and that that one was resolved, but if it isn't, let me know.

It is?

MR. McCARTHY: I think the third part of Mr. Lanni's --

CHAIRPERSON JAMES: Microphone, please.

MR. McCARTHY: I'm sorry. The third part of Mr. Lanni's proposal was that there may be some specific issue that has broad applicability --

CHAIRPERSON JAMES: Correct.

MR. McCARTHY: -- that could be added, whether it's a focus on lotteries or a focus on --
CHAIRPERSON JAMES: Correct.

MR. McCarthy: -- you know, some other issue.

CHAIRPERSON JAMES: Correct.

Mr. Lanni.

MR. LANNI: Just an additional factor, Leo, was that I thought that additional one should be on a macro basis, not on a micro.

MR. LOESCHER: Right.

MR. LANNI: That we should be covering a broad base, not just a particular community that we're involved, not that they couldn't respond on their own particular aspect.

CHAIRPERSON JAMES: Yeah, and so that's the direction that we're going to be headed with that.

Did you --

MR. LOESCHER: Madame Chairman.

CHAIRPERSON JAMES: -- have a comment on that particular problem?

PARTICIPANT: Mine is on cities.

CHAIRPERSON JAMES: Okay. We'll get back to that one. We're going to finish with Mr. Loescher.
MR. LOESCHER: Yes. Thank you.

Madame Chairman, I appreciate the clarification, and I support the approach that you've decided on here.

A couple more points. I agree with the notion that we ought to have a meeting soon, and I don't know how this schedule is going to work out in September, and I hope I can make it, and it's really tough, you know, to come all the way for so many meetings, but we'll -- you know, I do endorse the notion that we have a formal meeting before we go start the field visit routine.

And I believe that the Executive Director business and the rules and the contracts and all of that should be the essence of that agenda.

Just for the record, again, I want to object to you having a committee to review the Executive Director without all the Commissioners knowing who they are and participating in that review, since you're offering that to some of the Commissioners, but just for the record, I still object to that, that practice, procedure you have.
The other is that I just want to comment about something I talked about yesterday, the chicken and the egg theory. I'm willing to go along and listen to all of these questions. You know, I think they're interesting, and they provide a view, a spin of how people look at things in terms of the various six or seven areas that we have to study, but I really support the notion like we did with the NRC yesterday on pathological gaming and the approach of the contracting that we ought to request whomever is going to do the contracting to offer us the prospectus on each of those six areas, and we, the Commission, get to look at how they're going to go about the contract and see how it goes that way.

I really endorse that over the notion that we can formulate questions and get to the end that way. I think getting experts to offer their contractual approach is more -- it'll get us done sooner than later.

And, Madame Chairman, that's the extent of my comments on this business.

CHAIRPERSON JAMES: Thank you.
I think Dr. Dobson was next, and then I'll come back over to Mr. McCarthy.

DR. DOBSON: Madame Chair, we already have far more cities than we can possibly go to. I'd like to make a suggestion for how we might kill two birds with one stone.

I was concerned that if possible we go to a city that does not have gambling, but which is nearby. You know, it's across the state line so that that city does not get the benefits of gambling, and yet is impacted by it. Such a city is Memphis, where we could also visit Tunica in the Mississippi Delta and, therefore, satisfy the request for more clout for Dr. Moore, which he questioned, and go to Mississippi, but also see the impact on a city that does not have gambling, but is influenced by it.

CHAIRPERSON JAMES: Let's see. Was there anyone that I had agreed -- I said I will recognize Mr. McCarthy, and then I will come back to you, Mr. Lanni.

MR. McCARTHY: I've personally found the discussion we've been having and some of the comments
of my fellow Commissioners in trying to sharpen my own
thinking on this thing, and I have just a couple of
points that I want to make, Madame Chair.

You'll have the usual difficulty in trying
to schedule the next Commission meeting I can tell you
from just trying to talk to Dr. Dobson and Mr.
Wilhelm, trying to schedule the next Subcommittee on
Research meeting to discuss the economic impact
issues. It's been extraordinarily difficult because
we're each quite busy.

And I would just suggest it would be wise
of the Commission to give you the flexibility that if
you can't arrange that next Commission meeting
presumably here in D.C. until, say, early October,
then you have the flexibility, and you're going to try
to ascertain that very soon, but we have the
flexibility in our thinking to maybe shift the first
site visit over into early November. That's a
thought.

Secondly, after this discussion I'm
persuaded that the chair and that the Executive
Director that we will bring on board soon should
really look at Day 1 and Day 2 and Day 3 with a lot of
flexibility because the needs will vary from site to
site, and it may be on Day 1 that we want only half
the day for site visits and use the other half of the
day for something else, and the same is true of Day 2
and Day 3. The logic should order what events we will
have on those three days.

Third, regarding site selection, while I'm
always sensitive to the wishes of each Commissioner
to, with pride, have us in their vicinity, be it
Colorado or Mississippi or wherever it would be, both
really remarkable places, I think we've got to apply
very rigorous tests to site selection, and
Mississippi, I think, may meet that. I'm not sure,
Dr. Dobson, that Cripple Creek does, but I'm open to
be persuaded on the point.

The rigorous test in my mind -- there's
several tests, but one at least is that there are
thousands of state and local officials that are going
to be looking at the information gleaned from the
research that we authorize, from the hearings that we
hold, from the ultimate report of this Commission, and
I do agree that when we hold these hearings, there have to be macro lessons if not applicable to every gambling site, present or potential, all over America, then at least fairly broadly applicable, if you will, with lessons derived from the testimony and the questions posed by members of the Commission to witnesses, what we learn at the site visits.

So if I go to any one of these sites, I want to know that I'm developing knowledge that I may try to put into the ultimate report with five votes or more that those elected or appointed or career officials at the state and local level have to make the decisions on the initiation or limitation or expansion of gambling will have to make by the thousands over the next decade all throughout this country.

And finally, in making these site decisions, certainly I want lessons to be drawn that can be as broadly applicable as possible, but there are also some regional lessons to be drawn, and I think that's one of the reasons that a couple of the members of the Commission proposed that we do some
micro studies, to try to get a fix on this.

And in that dialogue I remember suggesting to Mr. Wilhelm that we try to make that as broad a region as we can to understand the travel of the people who gamble and the movement.

There's one Las Vegas which is a convention and tourist destination, and maybe they come from all over. That's a unique model, I think. Atlantic City is very, very different, where a lot of the people come from areas far outside Atlantic City, but within that region.

And when we look at these site selections, I would like to be able to understand that movement and what motivates state and local officials and what arguments are being made and what the logic of it is, as well as what it means economically and socially to that immediate area, Atlantic City and outside Atlantic City.

And I would add the additional thought that I don't think I was -- I suggested maybe going to the Pequot. You know, that may or may not be a good idea. I do think we need to understand which Indian
tribal operations have broad applicability. That is
certainly an extraordinary and unique operation, like
Las Vegas. It seems to be pretty unique, and maybe we
do need to look at other Indian tribal gambling sites
to see which ones perhaps have broader application
throughout the country.

Thank you, Madame Chair.

CHAIRPERSON JAMES: Thank you.

The chair recognizes Mr. Leone.

MR. LEONE: I have two thoughts. First,
on the topics, I think Jim pushed us in the right
direction, which is to remind us that even though
these six topics that are in the law can inflate
issues, in particular, and one category in some cases
has two or three things that really are not
particularly related to one another; it might make a
certain amount of sense to at least think in terms of
covering those six areas in some fashion even if we're
selective if we have six meetings as at least a
portion of the meeting set aside for whatever people
we can bring forward and information we can bring
forward, whatever discussion we want to have on those
issues. I mean that is our mandate, and in each of
them there is something interesting.

You know, we could also have the one about
the Internet and cyberspace. We could have our own
meeting and try, but that's an area of unexplored
territory, regulatory issues, as well as what's going
on, that I would hate to see us miss because there's
no place to go and visit where that is happening, but,
say, Antigua, but it's happening everywhere.

The second thing is I'd hate to see this
Commission develop into kind of a two tiered body in
which people who in one fashion or another do this for
a living or have the time, are able to participate in
and devote -- I mean, if I were in the business, or in
the business of regulating it, or in the business of
fighting it, or in the business of making money out of
it, I would consider the Commission important enough
to set aside my regular business.

And this is the second time I thought of
this today. When you mentioned earlier today I hope
you had your lawyers look over these rules, I didn't
because my private attorney would charge me his usual
fees, and that seemed impractical. My daughter's a
lawyer, but she has other interests.

For some of us who are serving as
citizens, I know to some people it seems like all it
would mean for me is giving up watching C Span for an
afternoon, but, in fact, we do other things, and we're
not completely -- it is difficult to do all of this.

Now, my solution to that is we may want to
have some site visits or explorations that don't
involve the whole Commission, a subgroup, open.

I would also say -- let me make a
suggestion, as well, that has worked in other
contexts. While I think subcommittees are rational
and essential as a way, or committees, to approach the
work, I think we could also say that any member is
welcome to attend any meeting of such a group or to be
part of any discussion, and then it would be really
again a case of if you are willing to devote the time
and meet that schedule. That's fine.

I mean my own experience in other contexts
is that that works pretty well, and I think we might
suggest that as an informal operating procedure or
formal operating procedure when and if we have
operating procedures, and if and when we can have such
committees.

(Laughter.)

MR. LEONE: If and when they can meet
publicly or otherwise.

But I do think this is a good cut at it,
is what I want to say, while I had raised some
questions myself. I don't think a committee of nine
people can select the cities and select the topics and
organize our work, let alone figure out what dates are
going to work for a sufficient quorum.

So I suggest that when you get all of this
input, you might propose two tiers of activities, real
Commission meetings at different locations that
involve hearings and other things, as long as you're
getting everybody together, with maybe alternative
dates proposed once you get them set, and I don't see
any reason why -- I understand the importance to
people of -- I mean, frankly, I'd be delighted if you
wanted to visit Princeton and see what a community is
like where all the gambling is in the stock market,
and it's been going very well lately. It won't go on forever, but I understand the importance people attach to certain kinds of visits and certain kinds of locations, and I understand that, too, but in fact, as important as site visits are and direct interaction, most of the information many of us are going to learn about this industry and these issues is going to come from books, reading material, people appearing, other people's reports, and first-hand information, and just realistically it's not going to be possible for us to become experts.

So I'm on the other side of this issue from John and Bob. I think we have to be highly selective and have a core group of locations and a core set of issues that we're going to meet about to move the work of the Commission forward.

CHAIRPERSON JAMES: What I'd like to suggest is that I know that I have a very difficult job, but that's why they pay us the little bucks, is to take back the sense that I have from the comments that I've heard here, try to incorporate as much of as seems reasonable using some guidelines, and I think,
John, that the guidelines that I think you offered --
perhaps it was -- I think you offered them -- about
what are the essential things that would mean a good
site visit, what are the kinds of things that ought to
be there. Someone offered those. I'll look at the
transcript and then pick them out, but for right now
I'll give you the credit, and I have some tough
decisions to make.

And I would appreciate the consideration
of the Commission in making those tough decisions,
that it's not going to be easy. Everyone is not going
to be happy with the final outcome. I'll do the best
that I can to accommodate what I feel to be the sense
of the Commission.

Having said that, what I would like to
bring back to you and hopefully by the administrative
meeting that we do will be yet again a draft, and the
reason that I think that's important is that while we
focus our attention on perhaps at least the next
meeting after that and fleshing that out, I think that
we want to remain as flexible as we can because my
sense is that as we get deeper into the research and
deeper into the discussion, we may want to change our minds about a site visit. We may want to decide that one area is more important than another.

And I want to maintain that flexibility for this Commission. So I'd like to flesh out the next visit or the next meeting.

I would also say in answer to you, Richard, on, you know, the site visits and the hearings, that was one of the things that we took into consideration when we broke it out into days like that. There are certain Commissioners that have a great deal of expertise in certain areas that may not have a need to do that, to attend a certain site visit or feel a need to participate in a certain hearing. That's at your discretion.

But by doing it on days like that, if you want to come in a day later, if you can't give the entire time, that's entirely appropriate. It is with the maximum amount of flexibility for the Commissioners and their schedules that this was done with that in mind.

The process that I'd like to do on this
section, as well as when we continue on the rest, is
to take the sense of the Commission, come up with a
draft, send it out to all of you, let you have your
comments, incorporate those comments, and then have a
final draft document when we return again.

Dr. Dobson and then Mr. Wilhelm.

DR. DOBSON: Would the chair entertain a
motion? Would that be appropriate at this moment with
regard to several of the comments that have already
been made?

CHAIRPERSON JAMES: I am certainly open to
that.

DR. DOBSON: I'd like to move that we do
add a meeting, that it occur in October, and that as
Leo suggested, that the first site visit be pushed to
early November in order to accommodate the business
that's not yet completed on the floor.

CHAIRPERSON JAMES: Is there a second?

MR. LANNI: I'll second.

CHAIRPERSON JAMES: All in favor -- oh,
would you like to discuss that? We like to discuss
most everything. Any discussion?
(No response.)

CHAIRPERSON JAMES: Call for the question.

All in favor.

(Chorus of ayes.)

CHAIRPERSON JAMES: All opposed?

(No response.)

CHAIRPERSON JAMES: The ayes have it.

Great.

Mr. Wilhelm.

MR. WILHELM: I am quite comfortable with the procedure you just outlined, and I think that Richard's comments are points very well taken. I would, however, like to repeat one point I made earlier. I would like to implore you not to inject this Commission into the Louisiana-Senate political football. I mean quite literally I think it would be suicidal, and I don't think the Commission would ever recover.

So I'm very comfortable with the procedure you outlined, but I do want to implore you on that point.

Thank you.
MR. McCARTHY: May I answer that, Madame Chair?

CHAIRPERSON JAMES: The chair recognizes Mr. McCarthy.

MR. McCARTHY: I think what that means is that the first meeting should not occur in that region because I think it would be unavoidable. So I think there's a general sense that Mississippi is extremely important and should be included in the schedule of sites, but perhaps you can consult with Dr. Moore on a future date and not the first one for this meeting.

CHAIRPERSON JAMES: Is there a sense of where you'd like to go first?

MR. McCARTHY: I hesitate to differ with my friend, John Wilhelm, but Atlantic City is not a bad place to start, the meeting you had proposed for the second site visit.

MR. BIBLE: Do you want to make that into more of a regional type meeting? I think your suggestion of looking at regions makes a lot of sense.

MR. McCARTHY: I agree. That's what I said before. It's not just about Atlantic City. It's
about the larger region, and I hope we do that with
each visit that we're talking about.

When we were talking about the research
and doing it on a -- whether it's a local area or
state area, I thought it should be a region, and I had
been thinking in my mind about the Southern Gulf
region, about the Northeast-Mid-Atlantic region, about
the Midwest, and about the West. Those are very large
regions, but I think we have to try to think in those
terms.

So I do agree with the point. It's not
just about Atlantic City or its history. It's about
all of the issues that are embraced in that region,
most of which will have a national message.

CHAIRPERSON JAMES: Let's see if we can
put together a suggested plan for Atlantic City. I
hope that you all would be available to staff as
they're putting that together to answer a question or
get your input, ideas, and suggestions. I think that
would work well.

And for the record, I'd like to state that
because of the immense clout that Dr. Moore has on
this Commission and because of the high regard and
respect that this entire Commission has for him -- I'm
doing this for the hometown audience, Dr. Moore. Is
that good?

(Laughter.)

CHAIRPERSON JAMES: That we will have a
Mississippi site visit at some point on our schedule.
Dr. Moore?

DR. MOORE: May I comment to that? A lot
of people say that I'm a little critical, and some
people say, you know, that I'm sarcastic. There's a
little bit of truth to my sarcasm, but I would be
perfectly happy, whatever this chair decides and
whatever this Commission likes. I can stand the
pressure in Mississippi.

(Laughter.)

CHAIRPERSON JAMES: If the rest of them in
Mississippi are like you, we want to come.

Mr. Loescher.

MR. LOESCHER: Yes. Madame Chairman, I'd
like to supplement my earlier comments because I know
you'll be looking at the transcript again.
We had a paper from Mr. Bible on Internet gaming, and I don't know anything about it, and I don't think very many people do from what I read in all the magazines and newspapers, and I think it might be helpful that an early hearing focus preliminarily on this topic, and maybe we ought to have several panels of invited people just to start us off because I'm kind of hesitant to see a contract go out to do the work without having some preliminary information about what it is, and all of these other areas getting to be a little knowledgeable about, and I'm comfortable about voting on contracts to those, but the Internet gaming thing, I believe we ought to have an early hearing and have invited panels so we can get some information.

CHAIRPERSON JAMES: Can we move on then to the next section of the work plan, which are just some general guidelines? I think that for the sake of the record I'd like to suggest that we at this point in our formal work plan include the research guidelines suggested by Mr. Wilhelm and voted on by the Commission this morning to be included in the document.
at this point, if the chair can do that.

Would you have any objection? Yes.

MR. McCARTHY: Are we now back in what --

CHAIRPERSON JAMES: We are moving on to

the next section.

MR. McCARTHY: I have a comment about the

guidelines that are included in our program here. Is

that appropriate for --

CHAIRPERSON JAMES: Well, right now we're

in the general. Let's go page by page --

MR. McCARTHY: That's fine.

CHAIRPERSON JAMES: -- and do this in some

sort of an orderly fashion.

MR. McCARTHY: Fine.

CHAIRPERSON JAMES: We're looking at the

research in general. I think that's nothing more

there than a restatement of the law, which helps us

all to stay focused. There shouldn't be any

controversy there.

So if you'll turn over to page 4, we are

now at the guidelines, and my suggestion is that we

insert Mr. Wilhelm's research guidelines. I think Mr.
McCarthy has the floor, and then we --

MR. McCARTHY: In place of what's here?

CHAIRPERSON JAMES: That's correct.

MR. McCARTHY: That's fine.

MR. WILHELM: Well, can I just make an observation, Leo? Correct me if I'm wrong. I had sent to the Commissioners, first to the Research Committee and then to all of the Commissioners, a copy of the set of proposed research policies.

The Research Committee at its meeting last week adopted and then, of course, as you point out, the Commission adopted a modified version of one part of those proposed guidelines. There's a whole set of other aspects that the Research Committee has not yet acted upon, including, among other things, some of the issues that are addressed in B and C here about how contracts are approved and stuff like that.

So we could get into those issues this morning if you like or, alternatively, it was my understanding that the Research Committee was going to try to revisit the rest of those issues and make some kind of recommendation to the Commission as a whole,
again, using as a prime example the issues of how is
a contract or a subcontract approved and by whom and
so forth.

So I have no problem in getting into those
today. I just wanted to be clear that those are not
issues that were addressed by the portion of the issue
that the Research Committee recommended and the
Commission adopted.

CHAIRPERSON JAMES: I think it would be
very helpful to the Commission, and the chair would
like to recommend that we leave that in the hands of
the Research Subcommittee, let you get the appropriate
information, let you work through some of those, and
report back perhaps at our next meeting on that.

And my suggestion was going to be that we
not get into that discussion at this particular time.

MR. McCARTHY: That's fine.

CHAIRPERSON JAMES: Mr. Wilhelm.

MR. WILHELM: I don't know if it's
appropriate right now. I wanted to raise a question
just for my own understanding and perhaps the
understanding of the other Commissioners and the
public, as well, about the procedure that we will follow, not today, but in the future with respect to the public comment portion of our future meetings. Would that be appropriate?

CHAIRPERSON JAMES: Certainly. I was going to address that issue at the beginning of our public comment period after lunch, but if you'd like to do that now we can.

MR. WILHELM: Well, I just didn't want to cut into the public comment time. That's all.

CHAIRPERSON JAMES: I'll tell you what I'd like to do is to finish this discussion on the work plan, and then we can bring up any other business that needs to come before the Commission, and that certainly is an important one.

Any other suggestions, guidelines, advice, guidance for the staff as we go forward? Dr. Dobson.

DR. DOBSON: So these guidelines -- excuse me, Madame Chair -- these guidelines on page 4 are not applicable?

CHAIRPERSON JAMES: That's correct.

DR. DOBSON: I have two. Obviously
research must be original. That doesn't make any
sense at all.

CHAIRPERSON JAMES: Certainly.

DR. DOBSON: That is not going to apply.

CHAIRPERSON JAMES: That is not.

DR. DOBSON: Good.

CHAIRPERSON JAMES: And what we have
suggested, to make sure everyone understands, is that
B and C will go to the Research Subcommittee --

DR. DOBSON: Yes.

CHAIRPERSON JAMES: -- for their
discussion and draft.

MR. McCARTHY: I thought we got a
promotion to full committee status. Are we demoted
again since --

CHAIRPERSON JAMES: It not clear what you
are, but --

MR. McCARTHY: The tides are --

(Laughter and simultaneous conversation.)

CHAIRPERSON JAMES: All right. Let's see.

We are moving along in our discussion.

What we'll do at this point, as I
suggested, and just to recap, is that the staff will
go back, incorporate the will of the Commission and
the sense that we have. We will flesh out the next
visit and submit a draft, not in quite that detailed
a form as the next visit, for the Commission's review.

It is my suggestion that the work plan
stay in draft form to be able to respond to the
Suggestions coming to us from our Research Committee,
as well as from individual Commissioners who have an
interest that they would like to pursue.

I don't think any vote is required on
that, and we will send that to our staff to work on.

We were doing much too well in terms of
our scheduling, and this is an appropriate time if
there are any other issues, and I know, John, that you
have one that you'd like to bring up, and it has to do
with the public comment period.

MR. WILHELM: Yes. I think it's important
for the future for the Commission to have clarity and,
if possible, have the perception of fairness with
respect to the way in which individuals and/or
organizations schedule themselves for the public
I do not have a proposal because I don't have any particular opinion about how this ought to be done. I do think that we might consider from the point of view of public perception where it's wise to have a first come-first serve kind of a sign-up. It may be wise. This is not a legislative committee where you can say with some degree of clarity that a person's testimony is for or against a particular piece of legislation. We don't have that kind of for and against here in terms of the issues that we're talking about.

So I'm not completely sure what the alternative to first come-first serve would be or, indeed, if there should be an alternative. Speaking for my own perspective and my own union and the labor movement generally, certainly if the approach as a practical matter is going to be that it's whoever can camp out at the Commission's offices or tie up the phone line one minute after the Register notice is published or whoever can produce, you know, 1,000 people in a room or something like that, you know,
we're good at that. We know how to do that, and
that's fine. I have no problem with it, but --

(Laughter.)

MR. WILHELM: -- it doesn't strike me as
necessarily the most ideal form of procedure from the
point of view of public perception.

So I'm only raising the issue. I
sincerely don't have a proposal, but I would like to
be completely clear on how this is going to work.

That is, as an example, the Register notice that was
published for this meeting says that people who want
to speak in the public comment portion call a certain
person at a certain phone number. So if the procedure
will be that prior to the publication of the notice
that nobody can sign up and that, you know, starting,
you know, five seconds after the publication of the
notice everybody can sign up, as long as everybody
knows that, I suppose that's okay.

It does strike me that that kind of
approach may contribute to the perception of
unfairness, but I'm just really looking to understand
whatever it is we're going to do in that regard.
Thank you.

CHAIRPERSON JAMES: I can tell you this, John, that whatever procedure I picked was going to be perceived as unfair by somebody.

MR. WILHELM: I recognize that.

CHAIRPERSON JAMES: And so I think it is important for you to know how we came to that particular process, and we simply asked: what are the procedures that other commissions have used? Give us some guidelines on that.

And we actually got the guidelines from several other commissions, and the language that appeared in our public announcement was actually guidelines that were lifted exactly word for word from several other commissions that have public comment periods.

I don't have a dog in this fight. I just wanted to be fair, open, and for the public to have the most opportunity that they have to express their opinions.

And I can tell you that there are flaws in any process, and it was suggested by some that perhaps
we go a pro-con, pro-con. Can you imagine the staff?

Yeah, can you imagine the staff interviewing the
public to determine their position and then telling
them that based on what they want to say, they have
been denied access to this Commission? I just cannot
imagine the feasibility of that working.

And in terms of the Commission, I have to
tell you that to hear some of the -- and there's no
other way to say it -- whining that's gone on -- as my
good friend Arianna Huffington says, there is no
dignified way to whine -- whining about lack of access
to this Commission when, in fact, we have honored
every single request that we possibly can for people
to address this Commission, and we'll continue to do
that, by the way, but you have to know as chair that
there is no easy way to do this, and no way that's
going to be perceived by all interested groups as
being completely open and honest and fair.

And so, you know, as crazy as it seems
from my perspective saying, "How about just saying
first come-first serve?" and we did not take any phone
calls until, you know, everyone had the opportunity to
be notified about that particular meeting, the
opportunity to address this Commission.

And if anyone has another suggestion for
how they'd like to see it done, I'm open to discussing
that. We're happy to change it, and I'm happy to
entertain that kind of discussion.

I think I don't need to recognize -- okay.

Then I'll go to Mr. Bible.

MR. BIBLE: I think if it does become a
problem, you can just arrange to assign everybody a
number and then draw them by lot as to how you're
going to --

CHAIRPERSON JAMES: I'm sorry?

MR. BIBLE: Just do a drawing. Just
assign everyone a number and draw.

CHAIRPERSON JAMES: Oh, a lottery?

(Laughter.)

CHAIRPERSON JAMES: Let's see. So we
would let the public gamble on whether or not they
have the opportunity to address this Commission. What
a novel idea.

(Laughter.)
CHAIRPERSON JAMES: Well, I'll tell you there are some interesting things that we could discuss about whether or not that would be appropriate. How we would hold the lottery, how you would notify people as to whether or not they have been selected; we'll take a look at that at your suggestion, Mr. Bible, and see the feasibility of that.

John.

MR. WILHELM: And I suppose we could study whether people sign up meeting after meeting have a problem. No, I'm just kidding.

CHAIRPERSON JAMES: Compulsive testifiers.

MR. WILHELM: Yeah, compulsive testifiers, right. Good.

Kay, I completely recognize the things that you said. There is no system that will make everybody happy. I appreciate that, and that's why I really don't have a proposal. I just want to know how it's going to work.

CHAIRPERSON JAMES: Why don't I suggest this? That we come up with whatever these guidelines
are, and we will do our work, I mean, in checking and
making sure that there's precedent, and we did that.
You have to know we did that.

MR. WILHELM:  Sure.
CHAIRPERSON JAMES:  We checked for
precedent, and we will publish that so that everyone
understands whatever it is is the final outcome.
Everyone should have an equal opportunity to address
this Commission, and I don't want to be in a position
of limiting someone's ability to testify or to come
before us because of what they believe.

"We've heard too much from your
perspective. We want to hear another."  I just -- you
know, that --

MR. WILHELM:  I agree.

CHAIRPERSON JAMES:  -- just does not sound
American to me.

MR. WILHELM:  I completely agree with
that. I think the idea of sort of publishing or
circulating the procedures is a very good one, and as
a part of that, I think it would be important for the
Commissioners to understand the timetable that you use
to issue the Register notice, how that works, and I
also think it would be very important in order to
insulate the Commission staff from any potential
criticism that whoever is responsible for receiving
these requests keep a careful log of not only who, but
when and so forth.

And finally, I would just ask -- and
again, I have no proposal -- that we have clarity on
whether the notice for this meeting appears to suggest
telephone is the only way you can do this or whether -
- and again, I don't know if there should be -- but
whether there's either electronic or fax or other
forms or in person; you know, whether there's more
than one way to sign up. I don't know that there
should be or not.

CHAIRPERSON JAMES: We will look at all of
that. One of the things that was taken into
consideration is if you have multiple ways of doing
it, then how do you determine in which order they came
in, but we will wrestle with all of that. We will
talk to, again, other commissions. This is not a new
problem, and I know that the more controversial the
issue, then the more people are concerned about fairness.

But what I can tell you is this: that I will absolutely protect the integrity of this Commission in a fair and open process.

Mr. Lanni.

MR. LANNI: Madame Chair, just a matter of notice is that your agenda indicates the meeting is to be concluded with those public comments at 3:30. As I indicated to you last night, I have a conflict that cannot be avoided, and I must leave exactly at 3:30, and if I do, it will not be in any form of disrespect to a given speaker at that particular moment.

CHAIRPERSON JAMES: Absolutely, and let me suggest this, too, and it is merely a suggestion, and if I could get concurrence on this, it would almost be a miracle.

Having been through and chaired public comment periods before in a variety of settings, the temptation will be for Commissioners to want to either address or correct or challenge a speaker that they disagree with or take the opportunity to agree with
someone and launch into a speech as to why that
speaker is absolutely in line and in sync with what
they believe. So either pro or con.

My suggestion is going to be this, and
that is that we take it as an opportunity to be in a
listening mode, and that we restrain ourselves from
making comments, from making speeches, and that in the
long run, I want to suggest that that is in the best
interest of the public.

We don't want to delay or eat into the
time that someone has by doing that, and it will be an
exercise in restraint, and I know it. It will be very
difficult for us to sit there and hear things that we
think are just absolutely on target or hear things
that we just absolutely disagree with and not comment,
but I'm going to suggest to you as Commissioners that
we do that, that we not comment on and we just are in
a mode to receive information, and that will be a
tremendous exercise of restraint on each and every one
of us, but one that I believe is very important.

And we will have the opportunity during
our regular meetings to address misinformation or
misconceptions or wrong data, but our job at that point is to be in a listening mode and to hear from the public, and we could make this drag on for hours if we challenge every speaker that comes up and have to comment on what they have to say.

And so with that caveat, are there any other issues that need to come before the Commission at this particular point in time?

(No response.)

CHAIRPERSON JAMES: Well, then I'm going to suggest that we go into recess until after lunch. I know that there are scheduling things that need to happen, subcommittee meetings, people that would like to talk to each other. Please use that extra time to do that, and we are in recess until 1:30.

Thank you.

(Whereupon, at 11:35 a.m., the meeting was recessed for lunch, to reconvene at 1:30 p.m., the same day.)
A-F-T-E-R-N-O-O-N  S-E-S-S-I-O-N  

(1:32 p.m.)

CHAIRPERSON JAMES: We now have an opportunity to hear from interested members of the public, and I notice from the registration list that we have citizens, organizations, and government officials present.

We certainly appreciate your taking your time to come here today to share your thoughts with the Commission.

Before we begin, I want to review just a few simple guidelines for public participation, and that participation will last from now until 3:30, and I'm going to ask all interested parties who registered to address the Commission to please confirm their registration at the desk outside, and in consideration of other speakers, please limit your remarks to three minutes. If you have additional remarks, they may be submitted for the record, and Tim Bidwill will indicate two minutes, one minute, and 15 seconds to each speaker.

Please, I ask that you indicate your name,
your organization if that applies, and state that at
the beginning of your presentation, and we are asking
that each of our speakers please remain seated during
their presentation.

We have 40 individuals registered to speak
and nine on the waiting list. We will go until the
end of the session, and if you are unable to make a
presentation, you may submit your comments for the
record.

Let me just say before we begin I want to
make a point about the conduct of these and all other
meetings. As I stated yesterday, it is my
responsibility to insure that the process and conduct
of meetings is done in accord with all federal
regulations, as well as in a professional, respectful,
and fair manner. I have and will bend over backwards
to make sure that no one has an unfair advantage at
these meetings in order to make their case.

I appreciate the professional and polite
manner in which the Commissioners have dealt with one
another and the way in which advocates for and against
gambling have approached the Commission and each
other.

However, I do want to note that in registering for the public comment period, some individuals have been rude, demanded to be moved up on the list, and in other ways attempted to intimidate Commission staff. One person even suggested that what they had to say was so much more important than any of the citizens who registered to testify that they should be given special consideration.

I think you will all agree that this kind of arrogance and behavior has no place here and will not be tolerated by the chair. This Commission will treat all speakers fairly and equally.

And for the record, I just want to say that from my perspective it is the citizens that I am most interested in hearing from. We will have the opportunity to hear from our panel of experts and to look at the research.

I have asked Commissioners that, as difficult as it may be, that we restrain ourselves in terms of giving agreement or dissent with the speakers, but no one is to imply that we don't have an
opinion. I think it should be clear to all now that we are all very strong in our beliefs and our opinions, and but we are going to try to restrain ourselves so that we can hear as many speakers as possible.

If we get involved in a dialogue or a debate, that only takes up time from the public.

With that, I'd like to welcome our first speaker, Ms. -- is it Roman or Romain?

MS. ROMAN: Roman.

CHAIRPERSON JAMES: Roman. Thank you, and welcome.

MS. ROMAN: Thank you.

I'm Kim Roman, and I represent No Casino of Anne Arundel County, Maryland.

Imagine being a child left outside a casino for hours on end while a parent gambles. I don't have to imagine it. I lived it. Ironically we moved to Las Vegas for my mother's health, but because the casinos played upon my father's addictive behaviors, supplying him with free drinks and constant encouragement from scantily clad women to keep