

**Statement of Chairman Kay C. James
Midwest Site Visit – Chicago, IL
May 20-21, 1998**

Good morning and welcome to the sixth meeting of the National Gambling Impact Study Commission and our third site visit. My name is Kay James and, on behalf of the Commission, I would like to call this meeting to order and declare that we do indeed have a quorum to conduct business.

As I have done in each of the cities we have visited, I would like to take a moment and explain exactly what the National Gambling Impact Study Commission is. For those of you who are joining us for the first time, this Commission was created by Congress in 1996 to “conduct a comprehensive legal and factual study of the social and economic impacts of gambling in the United States on governments, communities, businesses and individuals.” This is an extremely timely study, as legalized gambling has grown to a \$550 billion a year industry. Gambling is legal in all but two states and thirty-eight states operate some form of a lottery. Many communities today are seeking information about the benefits and costs of gambling and its impact on the community.

The nine members of the Commission were appointed by the President, Speaker of the House and Senate Majority Leader. In June 1999, we will report our findings to the federal, state and Native American tribal governments. Previously, we have conducted three meetings in Washington, established an ambitious research agenda and conducted on-site meetings in Atlantic City, New Jersey and Boston, Massachusetts.

When the Commission developed its schedule of site visits, it was not conceived as an effort to visit every type of gambling occurring across the nation. To do so would take far longer than two years and more effort than nine individuals could muster. I think, by now, that each of the Commissioners has a good idea of what a casino, racetrack, lottery or slot machine looks like. We recognize that there are distinctions among the various types of casinos, betting parlors, and lottery games and will continue to work to understand them. But, our principal task remains as Congress directed – to assess the social and economic impact of legalized gambling upon the nation.

Instead, in devising a site visit schedule that crossed the nation and examined various forms of gambling, we hope to ensure that we are able to hear firsthand from those who are directly touched by gambling – from families, business owners, and gambling industry workers, to government leaders. We hear on a daily basis from lobbyists who tell us about the positive and negative impact of gambling nationwide. But it is the individual housewife and the individual mayor and the individual convenience store owner who can tell you with experience what impact gambling has had on their community. In addition, we look forward to hearing from experts from the academic, regulatory, and legislative arenas.

We are pleased to be here in Chicago today and tomorrow to discuss the issues of riverboat and Internet gambling, particularly the impact of the former in the Midwest. We appreciate the invitation extended to us by Congressman Weller and a few local officials to visit their communities. As I said earlier, we believe that our time on-site should focus on hearing the testimony of experts and individuals and allowing for substantive questions.

Commissioners have been offered the opportunity to visit the riverboats and surrounding communities and may end up doing so privately on their own schedules.

In terms of meeting our responsibilities to Congress and the American people, this Commission has accomplished a great deal already. Individual commissioners represent varying perspectives and viewpoints on gambling and its impact in our communities. Consensus on some important areas is beginning to emerge. Nevertheless, much work remains to be done. Later this year, we will visit California, Arizona, Louisiana, Mississippi, and Nevada.

Much has been written about the strong and often contradictory opinions that surround our visit. We have invited many experts, individuals and government officials to testify before us. Some have very strong opinions for or against various types of gambling. Some groups have arranged press conferences, briefings, and even demonstrations around our meeting dates to make their points.

Spirited debate and differences of opinion are to be expected and encouraged -- as the Dean of a graduate school of government, I teach all of our students that sound public policy involves the clash and debate of ideas. This is the very hallmark of our heritage and democratic process. My responsibility as chairman is to ensure that the process for this discussion is fair, balanced and objective and to that end, I believe we have developed an informative agenda.

Part of my responsibility as chairman is to protect the right of all sides to be heard. I would ask everyone participating here today, including the audience, to be respectful, civil and fair to others, particularly those who have differing opinions. For that too is a hallmark of our shared American democratic tradition. We are grateful to all those who felt strongly enough to come here today to be heard. The Commission is here to listen and to learn.

In closing, I would like to thank Governor Edgar and the State of Illinois for their hospitality in hosting our meeting here. In particular, I would like to express our appreciation to Mike Belletire and Susan Weber of Illinois Gaming Board for their time, assistance and foresight. They have addressed numerous logistical details, provided valuable regional information and worked to ensure that every side of these issues was represented. I would also like to extend my sincere gratitude to Chicago Mayor Richard Daley and his complete commitment to assist our efforts today.

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