COMMISSIONER LANNI: "While recent studies have attempted to quantify these costs to society, we know that no dollar amount could represent what a lost or impaired parent or spouse or child means to the rest of a family."

That’s already in there.

"Furthermore, many of these costs are hidden."

I would add:

"And it is difficult to quantify the emotional damage and its long term impact on families and their children. As we consider these matters, it is important to keep in mind that virtually all of the negative consequences are not related to gambling, per se, but to problem or pathological behavior. As NORC indicated in its report, 'In a number of respects, the tangible impacts from problem gambling can be thought of as analogous to the economic impacts of alcohol abuse. In both situations, inappropriate and/or excess participation are legal, and widely pursued leisure activity, can exact an undesirable toll on individuals, families, friends and the surrounding community.'"

COMMISSIONER LEONE: I second the motion.

CHAIRWOMAN JAMES: It has been moved and seconded.

Discussion?

COMMISSIONER DOBSON: I would not be comfortable at all in making the statement that the negative consequences of gambling are not related to this. The consequences that are listed here are not related to gambling. It’s gambling behavior
that's triggered the problem. And I don't think we ought to make a statement like that.

COMMISSIONER LANNI: I would ask Jim, what is the cite for the gambling behavior has caused the problem? We said that gambling per se is not, but the problem, pathological behavior is. I don't think that differs from what you just said.

COMMISSIONER DOBSON: You say that all of the negative consequences are not related to gambling, per se.

COMMISSIONER LANNI: But to problem or pathological behavior.

COMMISSIONER DOBSON: But it doesn't -- doesn't develop in a vacuum. I mean, pathological behavior is expressed in reference to the particular activity. We had testimony, as I recall, to this Commission, that when gambling enterprises were brought into a neighborhood or into an area where they had not been before, that the problem became exacerbated. I think of Dr. Eves, for example, who came here and talked about having never had a problem with gambling until it was suddenly nearby, and then he found himself deeply involved in it.

COMMISSIONER LANNI: Jim, what if we added after behavior relating to it? Would that help you?

COMMISSIONER BIBLE: What are you doing here, suggesting? I don't understand this last thing.

COMMISSIONER LANNI: We'd say, "As we consider these matters, it's important to keep in mind that virtually all of the negative consequences are not related to gambling, per se, but to problem or pathological behavior relating to it." In other words, to individuals who are relating to there, they have problem or pathological aspects of it. I think the way it's
written right now, it gives one the clear impression and understanding that gambling is the cause.

COMMISSIONER DOBSON: Yeah. I -- tell me what you just -- the words you just put.

COMMISSIONER LANNI: I’m saying -- adding "relating to it", following the word "behavior."

COMMISSIONER DOBSON: I would accept "triggered by it."

COMMISSIONER LANNI: I’d say "relating." I mean, I can’t get into triggers. Triggered --

COMMISSIONER BIBLE: The gambling doesn’t trigger the problem.

COMMISSIONER LANNI: People have -- it seems to me that people have problems or are pathological and they would find comorbidity in a number of different instances.

COMMISSIONER DOBSON: You have indicated earlier in that sentence that -- you’ve used the word "related" twice, that the consequences are not related to it. And at the end you say related to it.

COMMISSIONER LANNI: No, I say not related to gambling, per se, but to problem or pathological behavior. I’ll drop "relating" and see if we can get another word.

COMMISSIONER DOBSON: The behavior becomes pathological when its -- when it’s expressed in gambling.

COMMISSIONER LEONE: I’ll wait.

COMMISSIONER LANNI: I’d like to hear Richard’s thoughts. Maybe he has a way that would be helpful.

COMMISSIONER LEONE: Well, as I understand it, you’re not arguing that what we’ve been discussing all this time as problem and pathological behavior in gamblers isn’t related to
It’s identified as relating to their activities in gambling. What you’re trying to say, that the very activity of gambling itself, unlike, say, smoking cigarettes, is not -- doesn’t necessarily have the same effect on everybody. Everybody doesn’t get tar nicotine in their lungs, and everybody gambles.

It just seems to me like the language is not solicitous because I think -- and I think that’s what, basically, Jim is saying too is it’s ruling out making a distinction. But making the distinction this way doesn’t make any sense to me, Terry, because obviously the kind of pathological behavior we’re talking about on this Commission is the kind that’s related to gambling. And so the sentence, I think, is bound to throw anybody off.

When we say it’s not related to gambling, per se, one would expect you to go on, then, and say it’s related to their love of hopscotch or something.

But it’s not -- you know, the kind of pathological and problem behavior we’re discussing on this Commission is the kind that’s related to gambling. It may not be something that’s built into a slot machine or a card game, but it is the kind of behavior we’re looking at. There must be a better way to get at these two things than this is. I think --

COMMISSIONER LANNI: Do you have a suggestion?

COMMISSIONER LEONE: I’m trying. I only have one off the top of my head, but maybe if we could take a moment.

COMMISSIONER BIBLE: Well, could you try, "Are not related to gambling, per se, but to problem or pathological gambling behaviors"? It sounds a little redundant.

CHAIRWOMAN JAMES: It’s a very -- we’re operating very informally this afternoon.
COMMISSIONER MCCARTHY: The way you’ve got this worded totally defies a lot of what we have learned in the last two years. I don’t think you intend to do that, but I think it achieves that. The phrase that has been used which perhaps will get at your -- what you’re trying to state here, although I see it as somewhat distinct from what the original author of this paragraph was trying to state, is those negative outcomes associated with gambling, or something to that effect.

We appreciate that in a lot of the research -- there’s a lot we don’t yet understand. But we do understand that for a lot of people gambling will exacerbate or magnify certain elements of their personality, or whatever it is. And as you know, we’re doing research in a number of different directions. How much of it is environmental, how much is familial, how much is neurobiological. We don’t have all the pieces yet. So, we usually describe these things because, indeed, they are stimulated by gambling, especially by some kinds of games, very, very much. Whatever the set of conditions are that they have.

So, to say what you’re saying here, in effect, it’s not related to gambling, is sort of -- reaches too far, I think. It doesn’t really state even what we know right now.

CHAIRWOMAN JAMES: Are we ready for the question? Terry, did you have one more stab at it?

COMMISSIONER LANNI: Well, there was a suggestion that we change it to, "as we consider" -- drop "related" and "are not caused by gambling, per se. But to problem or pathological behavior relating to it." So, you drop the first "related" to address Jim’s concern, put "caused by."

CHAIRWOMAN JAMES: Are not caused by?
COMMISSIONER LANNI: "Gambling per se, but to," I would say, "but by problem or pathological behavior relating to it."

COMMISSIONER DOBSON: That assumes that the person has this serious problem, this pathological problem which simply gets attached to gambling, instead of gambling playing a role in the development of the pathological personality.

COMMISSIONER LANNI: Well, that is a point that I think is still very much open for debate. I think there are people who have pathological problem behavior attitudes. There’s a lot of co-morbidity. And they might latch on to a series of different issues. I’m not so sure the issue latches on to them, rather them latching on to it. It’s a fundamental difference in approach in that regard.

CHAIRWOMAN JAMES: Terry, which one would you like to offer as the motion, "caused by," or "related"?

COMMISSIONER LANNI: I would -- I would offer as the motion that, "Are not caused by gambling per se, but by problem or pathological behavior relating to it."

COMMISSIONER BIBLE: May I make a request, please, a courtesy request? This proposal is so far-reaching and so contradictory of what my impression is of the body of knowledge that we have so far, that I would very much appreciate it if Terry would be willing to just have a staff member type this up, whatever the amendment is that he wants, and let us take a look at it as he would amend it so we can try to understand it.

COMMISSIONER LANNI: I’d be happy to do it.

COMMISSIONER BIBLE: Thank you.

COMMISSIONER DOBSON: Madame Chairman?

CHAIRWOMAN JAMES: Well, the question had been called.
I have to --

COMMISSIONER DOBSON: That’s right. Let’s vote on it. If it passes, then you can make -- I would -- I would hope that it -- I mean, I hope it doesn’t pass, but if it does then perhaps you would then recommend that we look at it.

COMMISSIONER MCCARTHY: If the vote is on the present language as Terry introduced it, I don’t think it would pass, but since he’s proposing an amendment which he’s indicating to us is designed to respond to questions raised here in this discussion, I have no idea how individual members of this Commission are going to interpret that amendment.

CHAIRWOMAN JAMES: Not caused by.

COMMISSIONER MCCARTHY: So --

CHAIRWOMAN JAMES: Could you read it as it exists right now, Terry?

COMMISSIONER LANNI: As I’m proposing it?

CHAIRWOMAN JAMES: Right. As we’ll consider it.

COMMISSIONER LANNI: Okay. Looking at the document, I’m not going to read any of it that is already in the lighter type because that’s in the existing proposed language. Line seven would still read, I would add, "And it is difficult to quantify the emotional damage." That is a change, as was originally noted. When we get down to the next line I would read the following, "as we consider these matters it is important to keep in mind that virtually all of the negative consequences are not caused by gambling per se, but by problem or pathological behavior relating to it." And then it would continue as it was originally proposed.

COMMISSIONER MCCARTHY: May I just make this comment?
CHAIRWOMAN JAMES: Sure.

COMMISSIONER MCCARTHY: Which I hope will be seen as somewhat friendly. The language that you put in, many of these costs are hidden. I don’t know about hidden, but I do agree with your language they are difficult to quantify.

COMMISSIONER LANNI: That’s the only change from the original text.

COMMISSIONER MCCARTHY: Right. Now, I don’t have a problem with that language. Indeed, the way we worded the research proposal was very carefully to get at that that we’re seeking to find out if we could even design an instrument, a reliable instrument that would measure this, because we don’t know the answer to that. Maybe it would turn out to be impossible. So, I don’t agree with -- pardon me. I don’t disagree with your -- your characterization of this is very difficult to quantify. It’s only after that that I think we get into, if you’ll forgive me, somewhat considerable overstatement.

COMMISSIONER WILHELM: Yeah, I don’t think I heard any objection to, "and it is difficult."

COMMISSIONER LEONE: I have one other question, which is of an importance to me that I was going to get to it as -- this replaces the end reality of those hidden costs, "The emotional costs of addictive behavior concern us far more than the annual economic expense of problem or pathological gamblers"? I would have a lot -- I would have a lot of trouble with that language coming out of here. I can come up with lots of examples of things with positive economic effects that I’m not for.

COMMISSIONER LANNI: That’s not the intent.

COMMISSIONER LEONE: Okay. So, that stays in.
COMMISSIONER LANNI: I know this has convoluted the whole process, the question has been called, but it would stay in.

COMMISSIONER LEONE: And the -- manager of your laryngitis.

COMMISSIONER WILHELM: Yeah.

COMMISSIONER BIBLE: May I renew my request, please, that whatever changes are going to be made in this section, if we could have the staff type them up and with certainty get back to it in a little while, as soon as you think it should be fit back into the discussion?

CHAIRWOMAN JAMES: Sure. We’ll table that and move on.

COMMISSIONER LANNI: The next one is chapter seven, of course, page four, lines 10 through 14, 41 through 42. Again, rather than take the time to read it, if you would take a look at the page four which I’ve included, which has the diamond and the stars are two different points here. The first --

COMMISSIONER BIBLE: Could we just make sure we’re catching up with you?

COMMISSIONER LANNI: I’m sorry. Sure. It’s page four, line number 10 through 14, 41 and 42.

COMMISSIONER BIBLE: Chapter seven.

COMMISSIONER LANNI: Page four.

COMMISSIONER BIBLE: I’m looking at page four in the binder.

COMMISSIONER LANNI: Right. Which it is.

COMMISSIONER BIBLE: All right. Now, your language is where?

COMMISSIONER LANNI: Well, it should be in the
documents that are submitted. Star David and then the taggle.

COMMISSIONER BIBLE: Page four. Thank you.

COMMISSIONER LANNI: Okay. Before you read it, the reason I was raising this, I think it does -- we need to address the issue of co-morbidity. I think it’s poorly worded. And suggest a clarifying language which I think is necessary to point out that illegal gambling can complicate social -- complications. So, with that in mind, if you read that and then the proposed language it would be helpful.

By the way, the one on the Star David is -- I’m withdrawing, so you can overlook that.

COMMISSIONER BIBLE: The whole page?

COMMISSIONER LANNI: It’s on the same page. The one on the -- further the typed. So, if you just read lines 10 through 14. I’m deleting the 41 through 42. My request is to review lines 10 through 14. And the next page gives the suggested action.

CHAIRWOMAN JAMES: So, you’re withdrawing that one?

COMMISSIONER MCCARTHY: May I make a suggestion, because I do think it is fair to try to estimate costs with co-morbidity in mind. As a matter of fact, specifically in several parts of that outstanding research program which the Commission has adopted unanimously in its wisdom, its profound, infinite wisdom.

COMMISSIONER WILHELM: In your wisdom.

COMMISSIONER MCCARTHY: We do -- we do try to get at the problem of co-morbidity, because its a totally legitimate problem. So, how much of the cost of negative outcomes we ascribe to pathological gambling versus how much we ascribe to
other existing, co-existing disorders, is a very tough question and one it is very fair to ask for.

Now, looking at your language here, however -- let me get to the point I noticed a moment ago. "To the extent pathological gambling is a symptom of another disorder," I don’t know what that means.

COMMISSIONER DOBSON: That’s the language he wants to replace. He wants to replace that language with this.

COMMISSIONER LEONE: That’s the existing language.

COMMISSIONER LANNI: That’s right. That is --

COMMISSIONER LEONE: You need this package.

COMMISSIONER MCCARTHY: I’ve got the package. And that replaces the paragraph you were just questioning, as I understand it.

I don’t have a problem with a good deal of this language. I do -- I’m puzzled by the sentence that begins:

"Only to the extent that researchers can isolate the effects of pathological gambling on, say, marital stability from the effects of co-existing conditions like drug abuse can researchers determine the net negative effects on pathological gambling on marriage."

COMMISSIONER BIBLE: That’s just used by way of example. I assume you could take any example.

COMMISSIONER MCCARTHY: Yeah. No, I appreciate your example. But because we know virtually nothing about -- about how disorders that share co-morbidity, where more than one person interacts with each other, trying to establish causal relationships.
COMMISSIONER LANNI: Does anyone want to drop from "only on" to -- would that be --

COMMISSIONER MCCARthy: That would help.

COMMISSIONER DOBSON: Terry, may I offer a friendly amendment?

COMMISSIONER LANNI: Sure.

COMMISSIONER LANNI: I think I could accept all three of these paragraphs if in line two where you say, "Legalized gambling ledger only net social and economic costs."

COMMISSIONER LANNI: I think that’s a good addition.

COMMISSIONER DOBSON: Okay.

CHAIRWOMAN JAMES: So, we’ve added "social and economic."

COMMISSIONER WILHELM: You did add "only"?

COMMISSIONER LANNI: No. He’s saying only net social and economic costs.

CHAIRWOMAN JAMES: No, the second paragraph.

COMMISSIONER LANNI: Oh, I’m sorry. In the second paragraph, after the footnote six, beginning with the word "only" and ending with the word "marriages" would be deleted.

CHAIRWOMAN JAMES: Question has been called. All in favor? Any opposed?

COMMISSIONER LANNI: Thank you. Page number five through six, and that’s line number 26, and then 27 and 31, and 45 too. And this has, I’ll let you read it, but the Commission received hundreds of pages of testimony from local officials, and we just didn’t include anything in here giving some reference to those mayors who appeared before us, so I’m suggesting that we add that new language as an insert. And that, "The Commission
also heard from scores of local officials in jurisdictions where casinos are located. Among those who informed the Commissioners with their testimony were" -- well, it lists all the mayors. "We also heard from these mayors. Without exception, these elected officials expressed support for gambling and recited instances of increased revenues for their cities. They also discussed community improvements made possible since the advent of gambling in their communities, and reviewed the general betterment of life for the citizenry in their cities and towns."

We have other instances of people who didn’t think that it did. So, I think for balance we should include the ones that did, not saying that we agree or disagree with those individual mayors.

COMMISSIONER WILHELM: I would support the inclusion of this because it just reflects our record. I would point out, however, that we’re missing some mayors. Maybe the staff could -- for example, we’re missing Mayor Whalen of Atlantic City and Mayor Jones of Las Vegas.

COMMISSIONER LANNI: There were references in other parts of the --

COMMISSIONER WILHELM: To them?

COMMISSIONER LANNI: To them. In other parts of different chapters.

COMMISSIONER WILHELM: That’s fine.

COMMISSIONER DOBSON: Madame Chair, is this item seconded?

CHAIRWOMAN JAMES: It has not been seconded.

COMMISSIONER LEONE: I second the motion.

COMMISSIONER DOBSON: Is this the substitute -- this is
an insert and doesn’t replace anything else?

COMMISSIONER LANNI: No. This is just an insert to the

--

COMMISSIONER DOBSON: I’ve got it. May I offer a

friendly amendment? Instead of "scores", could you say "a

number" or even "many"? Scores bothers me.

COMMISSIONER LANNI: All right. Scores is --

COMMISSIONER DOBSON: I like "many." I like "number"

better.

COMMISSIONER LANNI: What would you like?

COMMISSIONER DOBSON: Number.

CHAIRWOMAN JAMES: Any number. All in favor? Any

opposed? Next?

COMMISSIONER LANNI: Well, we have the issues on page

21, there’s still a couple more on that particular one. Page 21

of the report, I suggested new language. This has to do with the

information supplied regarding the economic impact of gambling on

the host communities. I think it’s inadequate. And the

reference, "we’ve got problems in our bankruptcies" deserves more

in-depth discussion, as we’ve obviously suggested additional

research on that. So, I have new language that I’m suggesting

there. And that is on page 21 with the documents that I have

presented to you. It’s a copy of page 21 from the report, with

modifications that I’m suggesting.

COMMISSIONER BIBLE: All right. So, we want to look at

page 21 in the binder.

COMMISSIONER LANNI: You can look at the binder, but

it’s right there.

COMMISSIONER LEONE: The package -- page 21 is a
substitute for something that’s on page five, that is marked page five in the back.

CHAIRWOMAN JAMES: Should we call a few minute recess?

Why don’t we call a five minute recess and make sure all of our papers are cleared up, and this will go so much more smoothly.

CHAIRWOMAN JAMES: Commissioner Lanni.

COMMISSIONER LANNI: If I could return to -- while we are looking at this document, if I could turn to chapter seven, page number four, and the one that we had asked for a rewrite, I have presented this to several Commissioners, they seemed to be comfortable with it. The new language would be in line four, six, seven -- line six, excuse me, would still be "And it is difficult." I think we agreed with that. "To quantify the emotional damage.

The next sentence, which was a bother for people, beginning with "as" and ending with the word "behavior" would be deleted, and we would merely go with the following:

"As NORC indicated in its report, in a number of respects, the tangible impacts from problem gambling can be thought of as analogous to the economic impacts of alcohol abuse. In both situations, inappropriate and/or excess participation in a legal and widely pursued leisure activity can exact an undesirable toll on individuals, family friends, and the surrounding community. That would be my proposal.

CHAIRWOMAN JAMES: Great. Hearing no objection, it is done.

COMMISSIONER LEONE: Could I just clarify my own
-- does that mean that the language is to be inserted as stated?

CHAIRWOMAN JAMES: As it was read.

COMMISSIONER LANNI: We’re back to the issue of the co-
morbidity -- host communities, excuse me. Host communities,

which I’ve proposed.

COMMISSIONER WILHELM: This is the one with all the

mayors in it?

CHAIRWOMAN JAMES: No. We’ve done the mayors.

COMMISSIONER LANNI: We’ve done the mayors. This is

the one we’ve asked you to review, and that’s when we found that

some people didn’t have it. It’s page 21.

COMMISSIONER WILHELM: Oh. Okay.

COMMISSIONER LANNI: Beginning with "In the community."

And the word that is in there is "case studies." It should be

"analysis." That’s a typo. "In the community analysis conducted

by NORC." The change would be the reference to NORC again.

"The NORC 100 community database analysis of

Casino proximity reported that there is a

statistically significant casino effect on per

capita casino spending on four of five employment

measures and on seven of 16 income-earning

measures. This analysis also found that there is

marked decrease in the percentage of the labor

force that is unemployed, a slight increase in

construction earnings, an increase in actual per

capita construction earnings and a substantial

percentage increase in earnings, in hotel --

excuse me, hotel and lodgings and recreation and

amusement industries."
And that’s cited as 14.

"A study conducted for the national Institute of Justice, Office of Justice Programs, U.S. Department of Justice, provides additional evidence of the economic impact of gambling on host communities. The study reports that a clear majority, 59 percent of the 128 individuals interviewed, were favorably disposed towards the presence of a casino in their community. Both believe the casino enhanced the quality of life 65 percent, had a positive effect on the economy 77 percent."

And that’s cited.

"And those individuals in economic development positions tended to be overwhelmingly positive toward casinos with 95 percent, indicating casinos had a positive impact -- excuse me, economic impact on the community, and 86 percent said it’s improved the quality of life of residents. I would propose that that language be amended and included accordingly."

COMMISSIONER DOBSON: Madame Chair, I don’t know that - - I don’t know that I have any serious problem with this, but two thoughts occur to me that I just want to share with my -- with my friends on the Commission here.

One is that this is a pretty small sample that we’re heading upon here. It reminds me of the size of the sample in the interview survey of pari-mutuel gambling. And -- what you fellas said earlier about we really can’t rely on those numbers
too much. But I’ll go along with you. I’ll go along with you.

COMMISSIONER BIBLE: Well, if we took out all of the
community analysis and take out all the patron survey, I’ll be
happy.

COMMISSIONER MCCARTHY: And the second thing I wanted
to mention was that it’s just encourage after a year of
occasional differences with people -- the NORC research report,
to see it endorsed in such strong terms.

COMMISSIONER DOBSON: I don’t mean this in a -- I don’t
mean this in an offensive way, but I -- I am a little uneasy
about it. I’m quite confident that these citations are
accurately taken from the report. But what I don’t know off the
top of my head is how selective they are. If the NORC report
also included a variety of other measures that would have made
for a more mixed picture, or if the National Institute of Justice
report that’s referred to here had other points in it. And I’m
just a little -- I mean, there’s no -- I have no problem with,
obviously, citing official reports like that, including one that
we commissioned ourselves. I just want to make sure -- I don’t
want the spirit of cooperation to go too far.

It’s my understanding that at least some of those 125
individuals -- 128 individuals -- were casino executives, which
would cast doubt on the findings as well. I’m not absolutely
positive of that, but that’s our memory of it. Have we seen this
study? This was in evidence?

COMMISSIONER BIBLE: You’re talking about the GOG
study?

COMMISSIONER DOBSON: That’s right. I don’t remember
it either, and that’s a second concern. The first paragraph is
no problem for me, from a study conducted through the 77 percent figure there. I have those two concerns. One, the objectivity of those 128 individuals, and secondly, whether we’ve seen this before, whether it’s in evidence. Because I don’t remember seeing that study.

COMMISSIONER LANNI: Jim, what would you like to have deleted?

COMMISSIONER DOBSON: Starting with the study and ending with 77 percent, until we know more about that study and who the sample was.

COMMISSIONER LANNI: Let’s let it go and I’ll redact that and remove it.