CHAIR JAMES: With that, we are ready to turn to our final piece of the day, which is gambling and addiction.

Dr. Shosky.

DR. SHOSKY: Thank you, Madame Chair.

There are two pieces that you might want to look at as we prepare for our discussion. One piece is the chapter that we have on pathological gambling. That’s the 4/20/99 version that you have in your briefing book.

And you’ll find that at Tab 6, Gambling and Addiction. There’s also a piece that was prepared by Commissioner Dobson. And the important language on the front of that, so you’ll be able to recognize it, is it says Draft Chapter on Pathological Gambling and then, at line 12, it says Additional Draft Language, Additional Draft Language.

That was one of the pieces that you would have received yesterday. And these are the two pieces that we’ll be discussing in this session.

CHAIR JAMES: Okay, let’s let everybody find those pieces and make sure we have them in front of us.

Can you hold up the Dobson piece so I can see what it looks like?

DR. SHOSKY: I’d be delighted to.

CHAIR JAMES: It was in the stuff last night? Okay.

This is it? Okay.

Does everybody have that in front of them?

DR. SHOSKY: The draft prepared by staff includes the recommendations at the back, as you will see, and the comments from the prior meeting. And within this particular chapter, there were some issues that were grouped in three sections.
The first is defining and measuring pathological gambling. That would include scope, definitions and prevalence.

The second major area was treatment and research efforts; what works in treatment; industry, government and private sector efforts; and a brief mention of future research needs because you’ll probably remember that there’s also a section in the future research chapter that would cover some of the same material.

And then finally the recommendations section.

If I may say a couple of things about the chapter prepared by staff, we gave a heavy emphasis to the studies that have been contracted for by the Commission. And you’ll notice, particularly at the bottom of page one, continuing through page two and three, that we give much justification for the DSM IV criteria and a discussion as to generally what we mean by pathological gambling.

After that, there’s the scope of pathological gambling, which is essentially an explanation of the studies that we used and then the results of those studies.

There were a couple of different ways of grouping the results of the studies, and what we finally decided to do was to use the studies in tandem and cover particular issues as they came up.

For example, if you’ll notice on the bottom of page six, we have both of the studies talking about adolescent gamblers, and that continues on to page seven. We mention that both studies, for example, found that men were more likely to be pathological problem or at risk gamblers than women.

There’s a discussion after that about African-Americans and other ethnic groups and educational factors, so forth and so
on. And then there’s a discussion about the availability of
gaming and pathological gambling, patterns of behavior; much
discussion about treatment, especially results that came out of
our studies; a mention of industry responses; the conclusions and
the recommendations.

And in the additional draft language section, which is
the piece prepared by Commissioner Dobson, what you have is a
different grouping of some of the material, and some of the
material is presented in more extensive fashion than we did.

Some of it’s a little bit shorter. But you’ll notice a
major difference on page five of that particular document where
some expenditure information is included that we did not have.
And you’ll notice a stronger discussion of the prevalence issue
from that point on through the middle of page 11.

And there may be other major differences. I’m not sure
I should speak for someone else’s work, but those were two that I
noted straight away that I thought were better than the material
that we had presented ourselves.

CHAIR JAMES: With that, I’d ask the commissioners,
following our discussion earlier today, how we may best want to
spend our time together this afternoon is postponing the
discussion on line items in either document and talking about
what it is that we want to say on this issue.

We have already said a great deal. We’ve reached some
consensus. What is it that we want to make sure is included in
the recommendation section?

Has everybody had a chance to read both documents?
Yes, no?

COMMISSIONER LEONE: This is the pathological gambling
-- yes.
CHAIR JAMES: Okay, having said that, what do you want
to say about this issue? Not all at one time.

Jim, why don’t I let you kick this off?

COMMISSIONER DOBSON: Well, this is -- again, this is
our statement. I think it’s up to the commissioners to react to
it. I don’t have anything to -- I do have several changes to our
own statement when the time comes, but I think we ought to get a
general view of it first.

CHAIR JAMES: John.

COMMISSIONER WILHELM: I think there’s a good deal of
work here that’s been done that’s quite good. On page 11 of
Jim’s document, the one we got last night, the one labeled
Additional Draft Language, I continue to have a problem that I
have voiced several times previously and to which I don’t believe
there’s ever been a satisfactory answer given by NORC, which is
the creation -- and I use the term carefully -- creation of
purported conclusions by mingling the telephone survey data and
the patron survey data.

Notwithstanding the sort of passive resistance of NORC,
it was my understanding that that was not supposed to be done.
And this business about the availability -- you have a casino
within 50 miles being associated with double the prevalence
results from that.

And moreover, going back to the conversation that we’ve
had, and I think we adopted a recommendation by Jim at our last
meeting -- one of the ones that can’t be found anywhere, Jim --
about the differential impacts of destination resorts as against
others, I think that the assertion that gambling prevalence is
greater for people that live within 50 miles of a casino, number
one, completely ignores the rather substantial distinctions among
kinds of casinos that we’ve talked about for two years; and, number two, as I said, I think is invalid because it mixes the data from those two surveys in a way that is not, in my view, statistically defensible.

So I have a problem with that particular assertion. I just don’t think there’s any support for it. More broadly, however, I think that, as I said, there’s a tremendous amount of good material in this draft.

CHAIR JAMES: Terry.

COMMISSIONER LANNI: I have -- again, I’ve voiced my concerns and, frankly, criticisms for NORC, and I’m going to do so again today. In the aspect of the document that’s been prepared by Dr. Dobson, there are numerous references that appear to be the NORC references.

And the problems I have with NORC are as follows: One, certainly what John has just mentioned that he had talked about NORC; but in addition to that, we talked before -- and they originally went through their preliminary report, they went through their next report and their final report, and they changed substantially.

All of a sudden, following the preliminary report, they come up with this at risk. Now, they used the terminology then "may be at risk." Then, when they came to the final report, they kind of edged into these things little by little.

They dropped "may" and just say they are at risk. So they have determined on their own, without peer review, that 15 million people are at risk. They also base this on lifetime consideration rather than past year.

They had both pieces of information. I’m very troubled by that. I am very troubled that they combined the telephone and
the patron surveys. And as far as I’m concerned, we’ve taken the
largest possible numbers here, and that may be because of the
source of this particular document was looking for the largest
possible numbers.

But again, I would recommend that there be ranges here.
And I am very, very bothered by taking the NORC report because I
don’t understand how they created this at risk category. It was
may be at risk, then they are at risk.

By the time this report is issued, we probably all will
be pathological gamblers, the way the friends at NORC are
working. In addition, in the conclusion on page 20 of Dr.
Dobson’s report, in line five it says "the number of individuals
in the United States with gambling problems is increasing."

CHAIR JAMES: I’m sorry, Terry, what page are we on?

COMMISSIONER LANNI: Page 20, conclusion. "The number
of individuals in the United States with gambling problems is
increasing." Well, if you look at the Harvard studies, that is
ture for adults, but not true for youth. And I am bothered by
that particular aspect.

And I think there’s a fair amount of editorializing in
that next line and is the magnitude of those problems -- as is
the magnitude of those problems. I don’t think we have support
for showing that the magnitude is there.

I have been consistent in saying and believing that
there are a certain portion -- or is a certain portion of the
population of this country that has problems with gambling, from
a pathological and a problem gambling standpoint.

I don’t buy into this issue of at risk. I’d like to
see some peer review on that whole terminology. And I don’t like
the fact that it’s lifetime when they put their figures together. I think we should look at past year.

We’ve already gone through a number of instances where we said if a person -- I’ll use a perfect example. I am 56 years of age. When I was 18, I attended a wedding. I’ll never forget it. And I went to a reception.

I drank enough champagne at that reception when I was 18 years of age that I can tell you I’ve never had a glass of champagne since. But if I filled out that prevalence report, I might be considered a person at risk for being an alcoholic by something I did foolishly when I was 18 years of age, which, I hate to admit, was 48 years ago.

I am not at risk. But I would be determined to be potentially at risk if I had answered yes to one of those questions. So I do not accept NORC’s assertion until we see peer review on that particular matter.

Someone once mentioned before on this Commission after two years we know one thing definitively: that we don’t have enough information on this entire subject to reach definitive conclusions of any magnitude. And I’m a believer in that.

But having said that, I am firmly convinced that there are people who have problems with gambling and they need to be dealt with, and I’m a firm believer in that. But I find substantive disagreement with utilizing NORC’s largest numbers as a basis for developing this chapter and its conclusions.

COMMISSIONER McCARTHY: Madame Chair, as I listen to you, Terry, the greatest problem you have is with the $15 million dollar number?

COMMISSIONER LANNI: Fifteen million people, I think it is.
COMMISSIONER McCARTHY: Fifteen million adults?

COMMISSIONER LANNI: I think it’s people. I don’t know if it’s --

COMMISSIONER McCARTHY: Fifteen million American adults, adult gamblers. Having listened to what you said, is that the thing that gives you the --

COMMISSIONER LANNI: No, that’s one of the issues.

COMMISSIONER McCARTHY: The biggest concern?

COMMISSIONER LANNI: Lifetime as compared to using past year and lifetime. I’d like to look at it in both categories. That’s of equal concern. Merging the patron and the telephone surveys is a bother to me.

COMMISSIONER McCARTHY: Okay, I’m well past -- one vote here -- well past the merging. We talked about that several times in the research subcommittee during the process. They were doing it. John and I have a bit of a difference in that.

I’m satisfied that scientifically they justified the way they did that for the limited purposes they mix that. But I would like to make a recommendation on the language where 15 million is mentioned because --

CHAIR JAMES: Can we just close out that merger one first and then go to the 15 million? It was my understanding, based on the conversation that we had -- and I don’t remember whether it was at Virginia Beach or Washington -- that we would ask, wherever that was merged, that at least, at a minimal, it would be identified as such.

COMMISSIONER McCARTHY: They were going to submit tables, which they did.

CHAIR JAMES: Right. So, Terry, I don’t know if -- and I have not been able to look at this document carefully enough to
determine if, when those figures are quoted, that it is identified as a merged figure.

But that was in agreement, and that certainly should be reflected in anything that we do.

COMMISSIONER McCARTHY: They submitted the documents that they were asked to submit, as best I reviewed the main body --

CHAIR JAMES: Is it on merging?

COMMISSIONER McCARTHY: Yes.

CHAIR JAMES: Okay, John.

COMMISSIONER WILHELM: Yes, let’s look at page 11. This is a house built on a thin reed. I don’t mean Steve. By the way, Terry --

(Laughter.)

CHAIR JAMES: He likes the thin part.

COMMISSIONER WILHELM: Yeah, the thin part you could have, but -- by the way, Terry, we’ve agreed over at this end that it wasn’t 48 years ago, it was 38 years ago.

(Laughter.)

COMMISSIONER LANNI: Well, I never was very good at math.

(Laughter.)

Actually, I did get straight A’s in every math course I’ve ever taken, but that’s a separate issue.

COMMISSIONER WILHELM: It says here NORC looked at the availability of casinos as one factor in the problem of pathological gambling. That’s a fact. And then it says the availability of a casino within 50 miles is associated with double the prevalence of problem and pathological gamblers. No source.
And then it says past year levels of gambling in the combined telephone and patron surveys also echoed this finding with 40% of adults having gambled within the last year if a casino is closer, etc.

The finding that 40% of the adults gambled once during the past year has nothing to do with problem and pathological gambling.

So I think what’s happened here is that one sense which does talk about this combination of telephone and patron surveys without explaining why that is problematic is piled on top of a previous sentence that has no source at all and has a result that I don’t believe our record supports.

COMMISSIONER DOBSON: The source for all of this is in footnote 27, is it not, 27 and 28? That’s the statement in the question -- the topic statement is the first sentence that relates to NORC. I think that’s where all that came from.

COMMISSIONER WILHELM: See, I share Terry’s question about this at risk thing. I said this in one of our earlier meetings. I think that the at risk piece is misleading, at best, because there may be lots of other people -- wait, I’m still on the patron survey thing.

There may be lots of other people who are at risk that are not identified in this category that NORC invented at the last minute. But I think by including this conclusion that is constructed out of statistically shaky stuff, I really think we undermine the basic thrust of this chapter.

The basic thrust of this chapter, I take it, is that there’s a very serious problem in this country that is bigger than it used to be; and that while this survey -- you know, NORC, NRC and Harvard, and I guess they’re the best surveys that are
available -- only vary somewhat with respect to the prevalence of problem and pathological gambling.

Nevertheless, they’re within a reasonable range of one another and there’s a serious problem in this country. To me, that’s the thrust of this chapter, and I think that is valid and ought to be there.

And I think that by throwing in stuff like this 50 miles of a casino thing that have very demonstrable validity, that we’re undermining the point we want to make here. I think that this chapter should be constructed in a way that is unassailable.

And I think that it can be constructed in a way that is unassailable and that that’s what we want to do because we want to drive this point home.

Going back to our original purpose, our original purpose was to give policy makers at the state and local and tribal level hard information that they can use to inform their decisions. And I think we can give them hard information in this chapter without lobbing in stuff that is questionable, because I think that makes the whole thing shakier than it ought to be.

And in my mind, the two most questionable things are this proximity argument and the at risk group. And I think we undermine what we’re trying to do here. I think this chapter can be extremely powerful without including things that are questionable.

COMMISSIONER DOBSON: Madame Chair, the approach to any research report -- this is not research, but it’s a report of research -- is to offer operational definitions. When you say that individuals are at risk, that is not assailable if you then say what you mean by that and identify what it means.
It’s not pulled out of the air. So I don’t think you
are open to criticism if you have offered an operational
definition, and that is the NORC’s definition of numbers one and
two in the categories that are represented therewith.

So it’s not as though we pulled something out of the
air. It has a definition that is linked to data. If you don’t
like the definition, then you can argue with the definition, but
you’re not making unsupported statements.

CHAIR JAMES: Leo.

COMMISSIONER McCARTHY: I have a language change that I
would like to propose for the section that --

CHAIR JAMES: Is that related to the discussion that
we’re having right now?

COMMISSIONER McCARTHY: Yeah, the 15 million at risk.

CHAIR JAMES: Okay.

COMMISSIONER McCARTHY: The sentence I’m talking to is
in the introduction, and it may be appropriate elsewhere in here.
And I’m looking -- it appears --

CHAIR JAMES: Page one, line --

COMMISSIONER McCARTHY: Page one -- one, two, three,
four, five six -- begins on line six. I make this proposed
language change because I think there is some validity here in
the discussion on surrounding this point.

And I’ve had conversations with both Dean Gerstein, and
I’ve questioned him, and Howard Schaeffer. And I think to state
this more accurately -- before I give the language, let me -- the
essence of this is these 15 million American adults, that’s the
NORC proposal.
The rough equivalent on the Schaeffer side, the median number of this range is 5.4 million adults. But he then adds a few million juveniles, and NORC does not include juveniles.

Now, the essential point is that if we’re going to use the phrase at risk -- and that’s okay. If we do what Jim said, you’ve got to explain this. And I think we need to explain it by saying if they have one or two positive responses on the DSM IV screen, that means they’re sending warning signals; that at some point, they might progress into a problem or pathological stage.

That they might. On the other hand, they might not as well. They could move in either direction or they could stay static. And I think what we want to do in here, to be accurate and to reflect this properly, is not to confuse them with the much more legitimate categories of problem and pathological gamblers.

On the other hand, we owe the public an obligation by saying among these 15 million American adults -- or we’ll use the stricter -- and I didn’t take the high number that Howard Schaeffer gave me. So if we take the median number of 5.4 million, then we have to explain that these are people that have shown some symptoms that could lead to difficulty.

So there is a reason why we need to know about them. And when we get to the research section, we’ll see I adopted one of Howard Schaeffer’s proposal, which is to focus specifically on this group to understand just what kind of movement they have.

When I questioned him in Atlantic City, he said one-quarter to one-third. But he admitted this is a rough estimate and it needs research. One-third to one-quarter would become pathological gamblers, he thought.
But the truth is, we don’t know this with any exactitude, and that’s why we need the research on it. And at this stage, I think we need to state this more accurately, and here’s the language I propose:

In addition, the gambling behavior of over 15 million American adults manifest warning signals that suggest that a number of them might become problem or pathological gamblers.

And I think that captures the essence of what I was trying to say and I think it’s more accurate. After my conversations, my questions to Gerstein, my questions and conversations with Howard Schaeffer, I think that’s a more accurate reflection of what this actually is.

COMMISSIONER LANNI: I appreciate Commissioner McCarthy’s movement on the subject, but I still have a problem because we’re not clinically capable -- I’m not, I’ll put it. I’m not capable of responding yes, that’s appropriate.

I don’t know. I don’t know that any of those 15 million people are going to become -- I’m not so sure they’re problem gamblers or at risk gamblers, whatever that means -- that a percentage will become problem or pathological gamblers.

I assume they will, but I’m just not clinically capable or, on an educational basis, in a position to see that. I think we’re trying, as lay people, to reach conclusions that medical people are better able to reach.

COMMISSIONER McCARTHY: I’m relying on Howard Schaeffer in this regard. And so that’s why I feel comfortable in putting it the way that I did put it. So this is just not a conclusion of a--

COMMISSIONER LANNI: But we’re taking figures of NORC’s lifetime prevalence, which again I take issue with the lifetime
prevalence number. I would be much more interested in seeing -- I think showing both makes more -- you know, on a basis of fairness, showing lifetime prevalence and past year prevalence and have a range.

You know, if it’s -- past year would be X. I can’t remember what that number is. And lifetime would be 15 million. I’m still bothered by that. But I appreciate the movement in that regard. And this may be an issue that I will have a dissenting opinion and have to maybe submit my own chapter as my view on this.

COMMISSIONER DOBSON: Madame Chairman.

CHAIR JAMES: Commissioner Dobson.

COMMISSIONER DOBSON: I agree with what Leo has suggested. I think we do know that some of those people will go on to become problem and pathological gamblers because the nature of addiction, gambling addiction, which is established.

So there is a progression for some of those. We don’t know how many. We don’t know what the percent is. That’s why I think this is a very conservative statement that Leo has suggested, and I think it’s an improvement.

COMMISSIONER BIBLE: Is the 15 a lifetime rate or a past year?

COMMISSIONER DOBSON: Sir?

COMMISSIONER BIBLE: Is that a lifetime rate or a past year rate, the 15 million?

COMMISSIONER DOBSON: That’s a lifetime.

COMMISSIONER BIBLE: Why don’t you just make the sentence say what it is; in addition, over 15 million --

COMMISSIONER McCARTHY: Mention specifically this is a lifetime rate?
COMMISSIONER BIBLE: Yeah.

COMMISSIONER McCarthy: Yes.

COMMISSIONER BIBLE: Have indicated that sometime during their life -- I mean, just explain it what it is.

COMMISSIONER McCarthy: That's accurate.

COMMISSIONER Lanni: But is it not also accurate to put -- why can't we put both figures in, past year -- we're using NORC's study, which I question anyway, but that's a separate issue -- by using both. They had both. But then suddenly, when they go through different phases, they came up with lifetime, not just by happenstance.

Lifetime is a much larger number. They seem to err on the side of larger numbers whenever they decide to err. So I, for one, think we need to have -- I would like to reach consensus on this. I mean, I'm very concerned about pathological and problem gambling.

It's not an issue. I've said that from day one, as Jim will recount and other people on this Commission. And I'd like to see unanimity on this, as I would on each issue. And I would find unanimity if the commissioners would be willing to consider putting in the lifetime number, as well as the past year number.

CHAIR James: Does somebody know off the top of their head what the past year number was?

COMMISSIONER Lanni: Tim will know.

COMMISSIONER BIBLE: Well, we had testimony -- it was from the National Research Council -- in terms of public policy that the more reliable figure to use is past year.

COMMISSIONER Lanni: That's correct. They indicated that was the figured used -- you should be using in order to develop public policy.
COMMISSIONER McCARTHY: Well, I think to be accurate on that, Bill, if I may, they said it depends upon the question you’re asking. Sometimes lifetime is appropriate, and perhaps more often past year is appropriate.

COMMISSIONER BIBLE: We’d have to go back and take a look at the transcript. When they responded to a question, I believe that’s the way they responded in terms of public policy development, that the past year numbers were more appropriate.

COMMISSIONER LANNI: And if they said it’s more often, I think I’d err on the side of more often than less often. I might add that we were charged by the law that was signed into this -- the act that was signed law by the President, the NGISC was charged by the U.S. Congress and the President to contract with the NCR, NAS for assistance in conducting studies and, in particular, an assessment of pathological or problem gambling.

And I don’t understand in a pathological and problem gambling category, frankly, why we have at risk, which isn’t even --

COMMISSIONER McCARTHY: And we’re very heavily guided in many respects by what they wrote. I’ve read and reread what they gave us four or five times. I would like to submit the language that I’ve proposed with the change that this be labeled as lifetime, as suggested by --

COMMISSIONER DOBSON: Is that a motion?

COMMISSIONER McCARTHY: Whatever’s required by the Chair.

CHAIR JAMES: If you want to call it for a vote. If we’re not able to reach consensus, then we have to move towards a vote.
COMMISSIONER McCARTHY: Well, I think we have some dissent, so yes, I will submit it as a motion.

CHAIR JAMES: Well, hold that thought.

COMMISSIONER McCARTHY: I hold it.

CHAIR JAMES: Hold it for just a second because I heard a suggestion that if we could break it out from lifetime and talk about past year.

COMMISSIONER McCARTHY: I'm not proposing to do that.

CHAIR JAMES: You're not proposing to do that? Okay. So your motion is in --

COMMISSIONER McCARTHY: I'm willing to, you know, try to explain when I'm convinced that something ought to be changed -- I don't think there's anything the matter with advising the public that there are 15 million lifetime people.

Now, if elsewhere in this thing in the research side I use NRC numbers a couple of times, that's fine. But I'm satisfied with the way it is. Others may differ.

CHAIR JAMES: Well, there is --

COMMISSIONER LANNI: I'm sorry. No, I'd like to say, Leo, I agree with you. I have no problem including the lifetime. I don't understand why you think that more disclosure to the public would be wrong.

What is wrong with disclosing what the past year?

COMMISSIONER McCARTHY: No, we have past year figures, --

COMMISSIONER LANNI: But you're bothered by disclosing them.

COMMISSIONER McCARTHY: -- tables.

COMMISSIONER LANNI: You're bothered by disclosing that on this subject. I'd like to know why.
COMMISSIONER McCARTHY: I think it reads satisfactorily the way it is.

COMMISSIONER LANNI: You’re the attorney and I’m not, but that’s not the answer to my question. My question is: Why are you opposed to disclosing the fact -- and I should say -- let me say why are you opposed to disclosing numbers arrived at by the organization which you are very much a supporter of, NORC, to the public?

COMMISSIONER McCARTHY: Well, I differ --

COMMISSIONER LANNI: Please answer my question.

COMMISSIONER McCARTHY: I’m sorry.

COMMISSIONER LANNI: Why do you oppose including that in disclosure to the public in this report?

COMMISSIONER McCARTHY: You hadn’t heard what I was going to say yet. How did you know it wasn’t in answer to your question?

COMMISSIONER LANNI: Well, I’ll give you a chance to.

COMMISSIONER McCARTHY: I simply differ with at least two of you here that there’s no validity in lifetime figures. That’s all. And I think it’s okay to use the lifetime figure. We are trying to sketch the dimension of what this problem may be.

COMMISSIONER LANNI: Leo, you didn’t --

COMMISSIONER McCARTHY: And I think we ought to.

COMMISSIONER LANNI: Okay, you didn’t answer my question. I asked, and I’ll ask one more time very simply -- and you’re a very bright person, so I don’t have to make it simple, but you don’t want to answer it.
The issue is, why do you oppose disclosing past year numbers provided by the organization which you are in support of to the public?

COMMISSIONER McCARTHY: I don’t. They’re in there. They’re in this document. They’re in the report.

COMMISSIONER LANNI: Be more specific.

COMMISSIONER McCARTHY: You mean in this place. You want me to mention lifetime everywhere -- pardon me, past year everywhere lifetime is ever mentioned?

COMMISSIONER LANNI: Well, specifically I’m asking in this particular area right now.

COMMISSIONER McCARTHY: I know. But if the argument’s made here, then it has to be done in every other occasion. I don’t know that I agree with that point.

COMMISSIONER LANNI: Are you saying that the argument where just in this one area you would support it and elsewhere you wouldn’t? I’m confused. Maybe you’re confused.

COMMISSIONER DOBSON: Terry, excuse me.

CHAIR JAMES: I’m going to let you respond, and then we do have a motion on the floor. And if it doesn’t get a second, it --

COMMISSIONER DOBSON: Second.

CHAIR JAMES: -- will die.

(Laughter.)

COMMISSIONER WILHELM: It will die or we’ll die?

CHAIR JAMES: It will, but it didn’t.

Jim.

COMMISSIONER DOBSON: Terry, the reason I favor the word lifetime is because pathological and problem gambling tends to be a chronic, addictive behavior over time; and therefore, the
lifetime designation is much more likely to deal with that lifelong or long term difficulty.

COMMISSIONER LEONE: What is the number for the last year?

Do you know, Tim?

DR. KELLY: Yes, it’s 2.9%, so we’d multiply that times 200 million to get the number, which would be --

COMMISSIONER LEONE: So would Jerry be happy if you added the clause "in the last year alone?"

(Laughter.)

COMMISSIONER DOBSON: How about "an unbelievable?"

(Laughter.)

COMMISSIONER LANNI: The Commission’s purpose is not to make me happy. The Commission’s purpose is to come up with a responsible recommendation based upon factual evidence.

COMMISSIONER BIBLE: I think in terms of --

COMMISSIONER LEONE: I withdraw it if it will make you happy, if that will make you happy.

(Laughter.)

COMMISSIONER LANNI: I am not unhappy, trust me. I have everything in the world to be happy about.

COMMISSIONER BIBLE: But I think in terms of the final report, we shouldn’t weave between the two numbers. I think we ought to make a decision to either use one set, the other set or both. And I already said the reader is not confused if we move between them.

CHAIR JAMES: What is that when you multiply it out?

COMMISSIONER McCARTHY: Do I understand that the number of past year was 5 point --

DR. KELLY: 5.8 million.
COMMISSIONER McCarthy: 5.8 million?

COMMISSIONER Lanni: That’s combined patron and telephone. You’re back to combining it again.

DR. Kelly: Yes, it’s 2.3% in the survey; 14.3% in the patron.

COMMISSIONER McCarthy: They’re merging the patron interview and telephone interview? What do I get in return here?

Chair James: We have a motion on the floor that’s been moved and properly seconded. We are having discussion on that particular motion.

Leo, could I get you, for the benefit of our discussion, to restate your motion?

COMMISSIONER McCarthy: So Mr. Leone’s suggestion, if I were to -- last year alone, the stunning number of 5.8 million -- or something to that effect.

COMMISSIONER Leone: Seriously, I take it that it would be satisfactory if the language of this were -- I don’t remember your precise wording -- that lifetime 15 million, and the last year 5.8 million.

And I guess I don’t understand --

COMMISSIONER McCarthy: All right, I will agree with that change if the seconder does.

COMMISSIONER Leone: As long as they’re together. I would think the --

COMMISSIONER McCarthy: The reasonable team of McCarthy and Dobson has acceded.

COMMISSIONER Dobson: Would the record show accommodating we’ve been on this issue?

(Laughter.)

We may need the Chair later on.
COMMISSIONER McCARTHY: We'd like to move briskly to the next eight issues.

COMMISSIONER BIBLE: Mr. Lanni gives Mr. Dobson a marker for one later issue.

COMMISSIONER McCARTHY: Now, that was a very large issue, so that counts for four other issues.

CHAIR JAMES: Having said that, what I see now is that Mr. Leone is offering a friendly amendment to your motion.

COMMISSIONER McCARTHY: No, he doesn't even have to offer it. We both accede it. It's part of our motion.

CHAIR JAMES: It's a part of your motion. And -- so do we even need a motion at this point?

(Chorus of no's.)

COMMISSIONER McCARTHY: We withdraw our motion.

CHAIR JAMES: See, if we just stay at it long enough, we can get there.

COMMISSIONER LANNI: One minor --

CHAIR JAMES: One dissenting view.

COMMISSIONER LANNI: No, no, no; I just think there should be a reference here in those numbers that this is from the NORC survey, and I don't see that in the introduction.

CHAIR JAMES: That is footnoted.

COMMISSIONER LANNI: The footnote is all. It is footnoted elsewhere, as you know, Jim.

COMMISSIONER DOBSON: Yes, that's fine.

CHAIR JAMES: Other issues?
COMMISSIONER WILHELM: I have an extremely minor observation on page seven, line number eight. In Oregon, the lifetime prevalence of problem and pathological gambling is 4.9%. Every other sentence like this just says the survey indicated or survey showed or whatever.

Nowhere else do we just state that it is 4.9%. We don’t know that. We know that a survey said that. And I think this sentence should be constructed consistent with the others.

COMMISSIONER McCARTHY: Excuse me. I have one other -- have we gotten John’s point?

CHAIR JAMES: Yes, we do.

COMMISSIONER McCARTHY: I have one other point. I notice that -- and I’ll have to double check this -- the Harvard study for Level II, which Dr. Schaeffer agrees is roughly comparable to the at risk population, is larger than the number we’re now using for NORC.

It’s 5.3 million. That’s the median, and he’s using a past year number. I want to double check that. And if that is accurate, we may or may not want to make some reference to that in this.

COMMISSIONER LANNI: It’s a lower number. I think the other one was 5.8 million, wasn’t it? It’s 5.8. That’s lower.

COMMISSIONER McCARTHY: I’m talking about past year, Level II, the median number between Dr. Schaeffer’s range.

COMMISSIONER LANNI: He’s got a separate -- no, he’s got a separate number.

COMMISSIONER McCARTHY: This language from the Harvard study is not in here. The range was 3.7 to 7 million.

COMMISSIONER LANNI: But that mid point is lower than the NORC at risk number for past year.
COMMISSIONER McCARTHY: NORC was 5.8.

CHAIR JAMES: Right.

COMMISSIONER LANNI: And yours is 5.3 is all I’m trying to say.

COMMISSIONER McCARTHY: All right.

COMMISSIONER LANNI: Okay, if I may come back to another one.

CHAIR JAMES: Certainly.

COMMISSIONER LANNI: I think to clarify on the introduction on line eight, page one, in addition, over 15 million -- we’re going to use the range, I understand that -- are at risk of gambling addiction.

I think to be more accurate it’s really at risk of problem gambling and/or pathological gambling because you skipped over problem and just went right to addiction.

COMMISSIONER DOBSON: Yes.

CHAIR JAMES: And there was some additional language that had already been put in that said manifest warning signals that might lead them to problem or pathological gambling

COMMISSIONER DOBSON: Madame Chair, may I amend my own statement here --

CHAIR JAMES: Yes, sir.

COMMISSIONER DOBSON: -- in a place or two?

Page ten, item eight, nine and ten -- or lines eight, nine and ten. Both studies found that pathological, problem and at risk gambling was proportionally higher among African-Americans than other ethnic groups.

I think we all agree that Native Americans have not been evaluated or studied in this regard. So we can’t make that statement without indicating that we don’t know with regard to
Native Americans. This implies that the comparison between Native Americans and African-Americans is known.

CHAIR JAMES: Page ten.

COMMISSIONER DOBSON: Eight, nine and ten.

CHAIR JAMES: Lines eight, nine and ten.

COMMISSIONER McCARTHY: A general comment, if I may.

In trying to prepare for the future research section, what they have found was there’s been minimal research on minority groups: ten that were identified on African-Americans, five on Hispanic-Americans, and perhaps three or four on Native Americans.

So I think whenever we refer to any such statistics, we certainly want to do it in a very cautionary way.

COMMISSIONER DOBSON: Right, and this seems a little more concrete than I think we have evidence to support.

There’s no problem. Go on to the next one.

CHAIR JAMES: I’m not sure if Terry gave up the floor yet. You were going through what some issues --

COMMISSIONER LANNI: No, no; I have two more.

CHAIR JAMES: Are you done?

COMMISSIONER LANNI: No, I have two more.

CHAIR JAMES: He has two more. Do you want to finish?

COMMISSIONER LANNI: I just wanted to come back again on the conclusion on page 20, line five, six. Indicate the number of individuals in the United States with gambling problems is increasing, as is the magnitude of those problems.

And as I noted on the Schaeffer meta-analysis, there was no increase -- there was in youth, but not in adult gambling. So I don’t know what the basis for this statement is, and it’s not supported with a footnote, that I can find.
I presume --

COMMISSIONER DOBSON: I’m sorry, Terry. It took me a second to get with you.

COMMISSIONER LANNI: Okay, page 20, I’m sorry, Jim.

COMMISSIONER DOBSON: Okay.

COMMISSIONER LANNI: Page 20, your conclusion, line five. The number of individuals in the United States with gambling problems is increasing, as is the magnitude of those problems. I just need the basis for that statement, the support, because there’s no footnote.

COMMISSIONER DOBSON: Well, the first 20 does not --

COMMISSIONER LANNI: Line number five and six?

CHAIR JAMES: Yeah, it is page 20 in your document.

COMMISSIONER DOBSON: It’s the one I’ve got all my notes on.

All right, which line, please?

CHAIR JAMES: Line five.

COMMISSIONER LANNI: Line five, page 20. The first line of the conclusion.

COMMISSIONER DOBSON: Okay.

COMMISSIONER BIBLE: Well, and the first part of the sentence has to be true because the population in the United States is increasing. You’re not talking about the rate increasing, you’re talking about a number of individual --

CHAIR JAMES: An aggregate.

COMMISSIONER LANNI: That’s probably unartful drafting. But, I mean, I think that the issue I was questioning was the -- I assumed it meant rate. And I think when I read the Howard Schaeffer report, the meta-analysis said it wasn’t increasing as a percentage for adults, but it was for youth.
April 27, 1999  N.G.I.S.C.  Washington, DC Meeting

Or is it the other way? No, adults are increasing and youth are -- the other way around. I’m sorry. So I just wanted to know about the cite or source.

COMMISSIONER DOBSON: Page 12 and 13. What you’re referencing there is a summary and it goes back to page 12 and 13, which addresses this.

COMMISSIONER LANNI: Can you help me where on page --

COMMISSIONER WILHELM: That’s the availability of gambling. That must be somewhere else you’re talking about.

COMMISSIONER LANNI: Line 19?

COMMISSIONER DOBSON: And that’s creating real problems. We’re working on two different documents, and I’ve got my notes and writings on one and don’t want to abandon it.

COMMISSIONER LANNI: I think it’s line 16. I see it here as being based upon Rachel Volberg’s study, who examined statewide surveys conducted since 1980 and found that, after 1990, states which introduced gambling had higher rates of problem and pathological gambling.

COMMISSIONER DOBSON: Terry, on page 12 and 13, three to 14 on page 13.

COMMISSIONER BIBLE: Is the notion five and six to talk about rate or talk about number?

COMMISSIONER WILHELM: Says number.

COMMISSIONER BIBLE: And that would be true. Number would be increasing.

COMMISSIONER LANNI: The population is increasing.

COMMISSIONER DOBSON: Do you follow me on page 13?

COMMISSIONER LANNI: Yes. No, I see them here. I didn’t --

COMMISSIONER DOBSON: Okay.
COMMISSIONER LANNI: Again, we discussed this.

COMMISSIONER DOBSON: Okay.

CHAIR JAMES: The question in this on page 20 in the conclusion where it talks about the number of individuals, whether it’s an aggregate number or percentage or rate, and they were just making the point that of course it would be number because the population is increasing, and therefore you have more.

COMMISSIONER DOBSON: That’s right.

COMMISSIONER LANNI: Which is right? Is it the absolute number or is it the rate?

COMMISSIONER DOBSON: It may be both.

COMMISSIONER LANNI: Maybe Ron -- he says it’s both.

Well, then let me ask you this question. Then you have comma, "as is the magnitude of those problems." What is the source for the magnitude of those problems? I don’t mind Ron giving us this.

COMMISSIONER DOBSON: Did you hear?

COMMISSIONER LANNI: No, I didn’t.

COMMISSIONER DOBSON: He said that obviously goes back to the social cost section, which we’re not dealing with here.

COMMISSIONER LANNI: It’s in a different section?

COMMISSIONER DOBSON: Yes.

COMMISSIONER LANNI: But the conclusion I think we are reaching is from the body of this. Wouldn’t it have to be included in the body?

COMMISSIONER BIBLE: See, I read that to mean that the individuals experienced more profound problems and the average score in the DSM IV criteria had increased or something of that nature, and we have no data to support that.
Commissioner Lanni: No, that’s my understanding. It sounds like things are worse for those people, --

Commissioner Bible: Yes.

Commissioner Lanni: -- in addition to the fact that there are more of them. Again, I think it’s the drafting and reading it. And if we have support for it, that’s fine to put it in there; but I don’t what the support is.

I don’t remember getting a job of that nature.

Chair James: What we would need is a footnote there to make sure that we can document it. And maybe overnight and as we discuss this tomorrow, we can take a look and see --

Commissioner Dobson: Fair enough. The point is well made.

Chair James: Terry, did you have any others?

Commissioner Lanni: Oh, you know me.

Chair James: Oh, I know you do.

Commissioner Lanni: I don’t understand on page 20, beginning with the last word in letter (a) on line 17. A review of various practices engaged in by the different forms of gambling that contribute to or exacerbate a problem gambling condition must also be a priority.

I don’t know what you mean by that. What are we thinking of as far as the practices?

Commissioner Bible: Do you want to do more research in that area?

Commissioner Lanni: I’m all for research. I’m all for research.

Commissioner Dobson: In terms of marketing and credit issues and things of that nature, I think that’s --
COMMISSIONER BIBLE: Well, that’s what we’re saying. Is this an existing practice that’s continue or exacerbate?

COMMISSIONER LANNI: They’re not defined. I mean, I don’t think I found that in here. You know, you have pointed out correctly -- you’ve commented the other conclusions by Rachel Volberg and Howard Schaeffer on lines five and six, but I don’t see anything in the report -- and I, again, just read it very quickly because we just received it -- that indicates that there is a reference to practices of gambling industry entities that are exacerbating the problem condition.

COMMISSIONER DOBSON: Give us an opportunity to look back through the text and, if that’s not supported, we will remove it.

COMMISSIONER LANNI: And if it is supported, it will be footnoted as to what the support would be?

COMMISSIONER DOBSON: Yes.

CHAIR JAMES: Jim, I think you had a couple of things.

COMMISSIONER DOBSON: Yes, I do. Some of you may remember the discussion that took place when the NORC data came back. And the respondents gave answers that were obviously in error reporting earnings that were greater than losses.

Do you remember that issue? That ought to be referenced in here if there is a problem with the credibility of some of the responses that took place, and this is the section that I think that ought to be included.

COMMISSIONER BIBLE: How do we delineate which areas don’t have credibility in the NORC report?

(Laughter.)

COMMISSIONER DOBSON: Well, this one is beyond reason.

This one -- as you remember, there’s a two billion dollar factor
where people earn more or won more than they lost, and that can’t
be true or you guys would go broke.

CHAIR JAMES: John.

COMMISSIONER WILHELM: I think Bill raises a good
point. And I don’t know if my continued objection to the
commingling of the telephone data and the patron data to arrive
at this conclusion about proximity to casinos -- I don’t know if
that lacks -- I don’t know if I’m the only person concerned about
that here.

But it seems to me that if we’re going to act as
though, in this report, that the NORC report is sound, that we
have to kind of take it all. I personally have questions about
quite a few piece of the NORC report.

On the other hand, I am mindful of a comment that
Richard made a while back; and that is that if we put too much
weight on the NORC report, then we undermine our purpose here
because, no matter what anyone thinks about the NORC report and
its particulars, it’s a step forward in terms of the available
research.

So it seems to me that we have to do one of two things.
Either we have to accept the NORC report in this final report and
footnote it appropriately and so on, but accept what it says; or
we’re going to have to take a very large number of votes to
decide, you know, whether a majority does or doesn’t accept this,
that or the other conclusion, which strikes me as a very, very
difficult and problematic exercise.

COMMISSIONER McCARTHY: I strongly agree with what Mr.
Wilhelm just said.

COMMISSIONER DOBSON: I know you do. We’ve talked
about it, Leo. But this is an outlier. This is a bit of data
that are completely out of sync with reality. It could not be
ture that the individuals who answered these questions actually
earned more -- two billion dollars more, or at least extrapolated
to the nation -- two billion dollars more than they lost.

That is impossible. It’s not a matter of a
philosophical difference or anxieties or concerns about the
entire NORC study. It is an outlier in what came back. And even
NORC has admitted that and said it. We talked about it.

COMMISSIONER McCARTHY: Madame Chair, --

CHAIR JAMES: Yes, please.

COMMISSIONER McCARTHY: -- may I make a recommendation?

CHAIR JAMES: By all means.

COMMISSIONER McCARTHY: I would like to suggest that
Jim draft his own statement, and any other member of the
Commission that wants to sign that with him may do so for some
personal comment. But I agree with John.

We cannot make decisions on each section of the NORC
report or the NRC report, and I have some displeasure with
sections in both, based on our own personally subjective reaction
to this. Unless we find some kind of clear answer that, after
questioning NORC or the NRC, they still say this is what we meant
and we stand with the statement in question.

If they want to reverse themselves because they simply
-- obviously made a mistake and they want to change it, that’s
one thing. But I totally agree with the thrust of what I just
heard John Wilhelm say.

It’s not our place to try to, in effect, alter the
final report that we were given -- any of the final reports that
we were given. Add some editorial comment on it, if we want to
in it, and that’s the best we can do.
COMMISSIONER DOBSON: Obviously I disagree with that. The Commission can do it with it what it wants. To my knowledge, the only information that they gave us where NORC sat and told us that the findings could not be valid, that requires a comment by us.

COMMISSIONER McCARTHY: Let’s get a letter from them to that effect.

CHAIR JAMES: They made that statement. I believe it was at Virginia Beach, in that meeting. And I think it is a matter of record that they did make --

COMMISSIONER McCARTHY: Let’s get a letter from them saying it.

COMMISSIONER WILHELM: Well, but they made a bunch of statements. I mean, you know, they also said at one point, and it’s on the record, that you couldn’t validly mix patron survey and the telephone survey. Then they did it anyway, and then they reversed themselves.

I mean, you know, if we’re going to go down this road, then we’re going to have to go down all of this road, not just whatever piece of this road suits somebody. And I think we ought to examine everything NORC concluded, if that’s where we’re going.

Because I think a lot of it is internally contradictory, bogus and other things. But, you know, it is what it is, and I think Richard’s right, that we shouldn’t pile too much weight on it.

CHAIR JAMES: Terry.

COMMISSIONER LANJNI: If we’re going to ask NORC questions -- I always like to ask NORC questions if they don’t give us answers.
COMMISSIONER WILHELM: I don’t because they don’t answer.

COMMISSIONER LANNI: Well, they don’t answer, but I always like to go on the record of having asked the question.

COMMISSIONER WILHELM: Leo, you can shake your head, but the issue is very simple.

COMMISSIONER McCARTHY: No, no, no; I’m just talking about the ping-pong. We’ve played this game now --

COMMISSIONER LANNI: No, but I still want to go on record --

COMMISSIONER McCARTHY: -- in several meetings about NORC.

COMMISSIONER LANNI: -- I find it very difficult with NORC where they -- the first preliminary report, there was no category called at risk. The next report had may be at risk. And then, as that kind of got accepted, they dumped that aspect and just called it at risk.

I mean, they went from it didn’t exist to may be at risk to at risk, and I am dumbfounded over that particular process. And if we’re going to send a letter to them, I want to ask that question as to how they came up with that.

COMMISSIONER DOBSON: In fact, Madame Chair, going to John’s point and Terry’s, you all have discussed that at risk issue repeatedly and the combining of the data repeatedly.

Why, John, is it appropriate for you all to talk about your concerns about that? And in fact, it just influenced the way we wrote. But my concern about this opens the whole thing to analysis. You have violated your own principle.

There are aspects of this NORC thing we have already beat to pieces.
COMMISSIONER WILHELM: Well, actually, Jim, since you addressed that to me, let me respond. I don’t think that’s a correct recitation of what just happened here. The at risk data is still in the report. It’s merely put in a more accurate piece of phraseology --

COMMISSIONER DOBSON: That’s what I’m asking to do.

COMMISSIONER WILHELM: -- by Leo.

No, you want to say something in the report is wrong. And apparently nobody else agrees with me on the commingling issue, so that’s going to stay in there.

Again, if we want to examine every one of the statements in this report that are attributed to NORC, I’m up for that; but that’s going to be quite a process. Because I think a lot of it is junk. But, you know, it is what it is and it’s what we have.

And it’s much better than anything that has been done before, so it’s an improvement. But we either have to accept it or we don’t, it seems to me. I don’t see how we pick and choose the ones we like and don’t like.

COMMISSIONER DOBSON: Madame Chair, I may be alone in this. If we are, let’s go on. I am not sure where the rest of the commissioners are.

COMMISSIONER LEONE: I have to go. And remember, you’re all invited.

(Laughter.)

Congratulate this author on his effort.

CHAIR JAMES: Is he available for some additional writing challenges?

Jim, I know that this is very important to you, and I allow the conversation to go on hoping that we will, as we have
in previous discussions, get to the point where we can reach some consensus on this issue.

Let me tell you what my take on it is. I am very concerned that we call into question the credibility of the information that NORC has been able to produce by saying in this one area that there are some huge issues that don’t make sense.

I mean, NORC themselves, when they presented, said that this was a fluke and they couldn’t explain why the data came back this way.

COMMISSIONER DOBSON: Why can’t we say that? That’s part of their report, too.

CHAIR JAMES: Is there any problem with including that, that this -- that, I mean, NORC did say that for the record?

COMMISSIONER McCARTHY: Madame Chair, I have a big problem with that. Let’s get -- pose the question to NORC from our friend Jim and see what they want to write back in answer. Let them handle it.

COMMISSIONER BIBLE: But I think if we’re going to do that in that one area, there’s other areas that I have more concerns.

COMMISSIONER DOBSON: There are. And there’s another one that I feel even more strongly about that you all already know about, and that’s the youth -- the results of the telephone survey where I said at the last meeting that one I feel strongly enough about to write a minority report on.

I cannot let that one --

COMMISSIONER BIBLE: And I was concerned between the two reports that, at one point, they indicated that pathological gamblers had experienced -- I think it was greater than 50% experimentation or usage of illegal drugs.
By the time they took the patron survey and blended it in, that number dropped significantly. And I’ve got to believe that if you walk up to somebody on the street and say are you using illegal drugs, they’re going to tell you no.

CHAIR JAMES: So is what I’m hearing that this Commission is not prepared to accept the research as presented by NORC and would like to put to them a list of questions?

COMMISSIONER McCARTHY: We have been through this battle so many times that it’s not my feeling, and I don’t know whose feeling it is around the table -- it wasn’t Leone’s feeling when he left. Let’s keep this in context here.

We’ve got parts of this that each one of us might find that we have some doubt about. This is a research report. Any member of the Commission is quite capable of writing some kind of narrative remarks of their own on this report or the NRC report or the Cook-Clotfelter report.

I still say John’s comment is really valid here on any of the research reports. Jim had some strong feelings on another economic development report that we did, too. I understand that. There’s room in this final report to write any editorial comments that we want to write.

But it’s late in the game to be trying to blow apart any of these final reports.

COMMISSIONER DOBSON: John, that could be said about everything you say from here on the rest of the Commission -- I mean Leo. We can take every comment you make and say well, Leo, if you want to put that in your own report, do so, but we’re not going to pay attention to it.

I have a concern. If I can’t win the argument or the presentation to the rest of the commissioners, I lose. But don’t
April 27, 1999  N.G.I.S.C.  Washington, DC Meeting

send me out to the final report -- my own comments until I find out where the rest of the Commission is.

COMMISSIONER McCARTHY: That’s right.

CHAIR JAMES: Jim, did I hear you say that you wanted to draft a letter to NORC and ask that particular question? Is that what’s before us right now?

COMMISSIONER DOBSON: I will if it has any import, if the commissioners will allow us to use it.

CHAIR JAMES: Well, I certainly, before making any decision, would want to know how they would respond to you and how they would answer that question.

COMMISSIONER DOBSON: They’ve been asked both of those questions. And at the meeting you referred to in Virginia Beach, they admitted that that two billion figure had to be wrong. That’s why I don’t want it in there.

COMMISSIONER MOORE: I think they just caught a bigger fish -- they told people they caught a bigger fish than they did.

(Laughter.)

COMMISSIONER LANNI: I can’t believe that would happen.

COMMISSIONER WILHELM: Besides, it isn’t in there as presently drafted.

Can I make a comment on Jim’s other objection to NORC, which is the youth thing? For the reason I said before, I don’t particularly want to try to pick and choose amongst the pieces of the NORC report that we -- different ones of us may find to be questionable or -- questionable. Just leave it at that.

However, I believe that this draft has one particular sort of overall failure in its thrust, even though, as I said before, I think most of this draft makes a great deal of sense.
And that is, I do not believe that this draft puts enough stress on the problem of problem gambling amongst adolescents. And I believe that can be remedied without having to get into whether or not NORC’s particular figure on that is right or not.

I believe that, without reaching that question -- which, as I said before, I don’t want to reach because I think it opens a Pandora’s box -- that we could put more emphasis in this document on the problem of adolescent gambling, and I believe that we should.

COMMISSIONER DOBSON: I agree, John.

CHAIR JAMES: So, in the redrafting of that, I would imagine you would address that as you will work with the --

COMMISSIONER LANNI: Well, and that would be Dr. Schaeffer.

COMMISSIONER WILHELM: Yeah, and why don’t we just quote Dr. Schaeffer?

COMMISSIONER DOBSON: Stichfield and Renners or whatever.

COMMISSIONER WILHELM: Yeah, there’s plenty of support for that.

COMMISSIONER LANNI: Why can’t we do that?

COMMISSIONER WILHELM: In other words, why don’t we support people who say that and not worry about people that don’t.

COMMISSIONER DOBSON: Well, I’m just reminding you that the youth issues are covered in more length than the social impact chapter which we’re about to look at.

CHAIR JAMES: Yes, but there’s no reason why it couldn’t be here.
COMMISSIONER DOBSON: Couldn’t be here, too.

COMMISSIONER WILHELM: And I just have one other comment about this one. I realize that the data on -- I don’t know what the right term for it is, cross addictions, people with multiple addictions.

COMMISSIONER DOBSON: Comorbidity.

COMMISSIONER WILHELM: Thank you.

I realize the data on that isn’t very complete or good or thorough, or whatever the term might -- not enough data on it. Nevertheless, I believe that that phenomenon ought to be given more focus in this document than it is presently given.

COMMISSIONER McCARTHY: I would insert it’s going to be a major part of the future research.

COMMISSIONER WILHELM: Good.

COMMISSIONER McCARTHY: Because it’s obviously a very significant factor and we don’t know how to measure it.

COMMISSIONER BIBLE: But we do have some information on it, and that’s why I was particularly interested in --

COMMISSIONER McCARTHY: Yes.

COMMISSIONER BIBLE: -- the usage of illegal drugs.

COMMISSIONER McCARTHY: We have some, but not nearly enough. Because what we have generally comes from the treatment population. And as we know, that’s a very small percentage of those who actually need treatment, even if we apply the most conservative measures.

And what we’ve found in the treatment population is that, for the most part, they’re white males in their 30’s and 40’s with high school and some college, which means those that can afford to pay private providers.
No insurance companies allowed, other than for employees of gambling facilities, so customers have no access to it. And the data is very, very frail. But we all have reason to suspect there’s a lot of comorbidity out there.

And I think with some decent research, that’s going to be confirmed in very significant ways.

CHAIR JAMES: John.

DR. SHOSKY: Right, I just wanted to add that I believe it’s in NORC there’s a chart on comorbidity that would be a nice chart to consider for this chapter as well.

COMMISSIONER BIBLE: And that’s the term that I’ve been having difficulty getting the two numbers to jive between version one of the report and version three of the report. They are widely varied.

CHAIR JAMES: John.

COMMISSIONER WILHELM: I have one final comment.

CHAIR JAMES: Before we leave that, --

COMMISSIONER WILHELM: I’m sorry.

CHAIR JAMES: I thought it was related to -- Jim, we really did struggle and come up with a way to deal with these issues of the combining of the data and the lifetime and last year. And I, before we finish with this, would like to ask if overnight we can think about how we could handle that in this particular draft without going towards -- see if there is some language that we can use that would express that that we could agree on, and would ask you to work on that --

COMMISSIONER DOBSON: We will do that.

CHAIR JAMES: -- and come back with that. Okay.

Okay, John.
COMMISSIONER WILHELM: The last point I wanted to make about this is -- had to do with the section called Expenditures, which begins on page five and carries over to page six. I have no difficulty with anything that is here in that section. But I also believe that we -- the section should reflect the NORC conclusion about the social costs. And it should be described for what it is because we’ve previously discussed the fact it does include some things it might include. So it should be described for what it is. But I think the NORC conclusion about social costs should be -- there’s a section called expenditures.

CHAIR JAMES: It starts on page five.

COMMISSIONER WILHELM: Starts on the bottom of page five and runs over -- on Jim’s document, yeah. I think that that ought to be described for what it is, but I think it ought to be included. And I think we also ought to include the NORC data on the relative costs of gambling as against other -- you know, tobacco and alcohol and all that stuff they had in that chart.

It seems to me -- again, I’ve got no problem with anything that’s here. But it seems to me, in the interest of completeness, we ought to include that as well.

CHAIR JAMES: And again, my concern at the end of this is that our recommendations are not, in fact, strong enough and/or specific enough in this area and would like to see them stronger and more specific.

COMMISSIONER WILHELM: Oh, I’m sorry. I said final point, but I lied.

CHAIR JAMES: You did. You have another. Okay.
COMMISSIONER WILHELM: I have one other, which is that in the section on industry response, --

CHAIR JAMES: Page?

COMMISSIONER WILHELM: I'm sorry, page 19. Again, I don't have any difficulty with what's here, but it strikes me as incomplete in two regards. First, I thought there was a good deal of agreement on the part of the commissioners at the last meeting that the voluntary codes that the AGA put forward were meritorious, and they don't appear to be mentioned here.

CHAIR JAMES: Well, not only that, but I really think that there -- that in looking towards how we can get some very concrete, specific and hard hitting recommendations, we can look towards that particular report which I thought had some very strong ones that could be applied to other parts of the industry as well and we should look there for that.

They were excellent. I think we should use it.

COMMISSIONER DOBSON: May I ask Terry for clarification on the American Gaming Association if there has been funding not for the things mentioned here, research, help lines and guide, but for treatment?

COMMISSIONER LANNI: I can't speak for the American Gaming Association, but I can speak for individual companies. Our company does provide treatment for patrons and employees. And I think that was a question on Commissioner McCarthy’s survey that went out to the casinos, the question about funding for treatment, research, what have you.

COMMISSIONER DOBSON: Right.

COMMISSIONER LANNI: So you have some responses when you have a chance to read it -- if you have not had a chance to
review that. But I know our company does. I can’t speak for the AGA.

COMMISSIONER DOBSON: We don’t make any reference in this section to money for treatment.

COMMISSIONER McCARTHY: Is this the section that this should go in? Because there are definitely -- based on the responses to the casino questionnaires, there are some specific things that we want in here that industry -- we want to make specific recommendations, but I didn’t think of it in this chapter.

Is this the appropriate chapter where that should happen?

DR. SHOSKY: Well, in terms of the --

COMMISSIONER McCARTHY: Training of staff, programs.

CHAIR JAMES: Absolutely.

COMMISSIONER McCARTHY: Insurance that covers recommendations. Now, it covers not only their own employees, because most of them have that, but customers?

DR. SHOSKY: Well, it could go here, but if it’s -- excuse me. If it’s employment related, you might want to consider the chapter that’s called Gambling’s Impact on People and Places where employment is discussed.

CHAIR JAMES: I would argue that it should be here because it is -- I don’t see it as an employment issue. I see it as an issue related to pathological gambling and what are some of the suggestions that we, as a Commission, will make --

COMMISSIONER McCARTHY: I think that’s logical.

CHAIR JAMES: -- to all the various sectors. This is where we talk about states and what they can do. This is where we put in all of the various recommendations that we have talked
about in terms of responding to the issue of pathological and
problem gambling.

COMMISSIONER WILHELM: May I finish the point I was
making?

CHAIR JAMES: Yes, you may, and I apologize.

COMMISSIONER WILHELM: No, don’t apologize.

The other respect in which I thought the industry
response section was incomplete is -- has to do with industry
response from the portions of the gambling industry other than
commercial gaming operators.

The Indian Gambling Subcommittee, for example,
concluded, among other things, that some tribal governments that
operate casinos have been exemplary with respect to this issue.
The American Horse Council has recently come forward with a
program in this regard.

So, just by way of using those as examples, it seems to
me that the industry response section ought to be more complete.
And I don’t know if any lottery operators do anything or if the
questionnaire, you know, that went to the lottery directors
addresses that.

But the point I’m trying to make is that we shouldn’t
just talk about commercial casinos represented by the American
Gaming Association in this section.

CHAIR JAMES: Correct.

COMMISSIONER McCarthy: Have you seen a response from
the horse racing industry to the set of questions I sent Dr.
Curtis Bayer and he passed on to the industry?

DR. SHOSKY: I’m not sure.

CHAIR JAMES: I would agree. And this is -- and I
think just based on the testimony that we heard and the questions
that we asked when lottery representatives were present, we can come to the conclusion, based on that, that there’s a great deal more that could be done in that area.

And if we’re going to address that issue in terms of a recommendation, this is where it should be.

Terry.

COMMISSIONER LANNI: I’m saving for the last the one that bothers me the most, and that’s on page five under expenditures. To reach the conclusion that you have, I can’t support it because I haven’t found any evidence that would support this, and I’ll read it.

Line 18 under expenditures at page five. "The Commission heard repeated testimony from individual compulsive gamblers who reported tens and hundreds of thousands of dollars to gambling."

I can accept that.

Then, "problem and pathological gamblers account for a substantial percentage in the billions of dollars of gambling operation revenues each year." And the basis for that is NRC’s determination that problem and pathological gamblers report spending four and a half times as much on gambling each month as do non-problem gamblers.

Then my good friends, NORC, survey of more than 500 gamblers found that 13% were classified as problem and pathological gamblers. So of 500 people, they found 63 people who said they were problem pathological.

I might add that’s lifetime, not past year, which I am bothered by. And from that, we determined that a substantial percentage of the revenues of gambling come from problem and pathological gamblers.
I could not put my name to that particular paragraph, period. I will not put my name to that paragraph.

COMMISSIONER DOBSON: Terry, did you read the next paragraph after that?

COMMISSIONER LANNI: What page number?

COMMISSIONER DOBSON: Page six now.

COMMISSIONER LANNI: The problem is most people won’t read beyond that. They’ll stop right there.

"Recent studies at the state level provide further insights. A 1998 study commissioned by the state of Montana" -- now they’ve got a ton of gambling in Montana -- "found that problem and pathological gamblers account for 36% of video gambling and machine revenues, 28% of live Keno expenditures, and 18% of lottery scratch ticket sales."

A 1999 study for the Louisiana -- I don’t even count as part of this country -- for the Louisiana Gaming Control Board indicated that --

CHAIR JAMES: What the commissioner meant to say was --

COMMISSIONER LANNI: No, I meant what I meant about Louisiana. I think we should have some serious discussions with the French about taking it back.

(Laughter.)

"Indicated that problem and pathological gamblers in Louisiana comprise 30% of all spending on river boat casinos, 42% on Indian casino spending, and 27% of expenditure on video poker machines."

Well, I can bring a lot of studies in from states like New Jersey, Nevada, California -- New Jersey they had a far more extensive gambling than those particular states, and the state of Mississippi that won’t come close to those figures.
And Jim, I appreciate where you're coming from, but I think what you did -- and I've said this before. All of us who either oppose gambling or favor gambling, if we're going to have a speech, we get all the facts together that we want, we look at the ones that support our position, and we keep them.

The ones that we don't like, we throw away. And I probably do it, and I think you probably did it here. I just can't reach the conclusion that it's a substantial portion of the revenue in gambling comes from people with problem and pathological gaming.

I just cannot accept that.

COMMISSIONER DOBSON: Well, as we discussed at break time, Terry, none of us is objecting. You know, we've admitted that from the beginning. We all have our own biases and perspectives.

COMMISSIONER LANNI: Sure.

COMMISSIONER DOBSON: All I can do is present the way I see it. And if you all don't agree with it, then we won't be included.

COMMISSIONER LANNI: No, I'm speaking for myself, only myself. I don't think the facts substantiate that.

CHAIR JAMES: Well, let's talk it through, see if we can come to -- it seems to me, Terry, that the sentence that's causing you the most angst right here is on page five, bottom of the page.

COMMISSIONER LANNI: Substantial.

CHAIR JAMES: Yeah, problem and pathological gamblers account for a substantial percentage in the billions of dollars.

COMMISSIONER LANNI: No, I think it's a substantial percentage and then it's, in addition to that -- substantial
percentage to me is a big number as a percentage. And I have not seen statistics on a macro basis that support that.

You can always find things in individual states. And you have a report in the survey -- and I don’t know how strong those surveys are. I don’t think NORC had indicated that, nor the NRC.

And I’m just really bothered by reaching such a strong conclusion which I don’t think is based on substantive fact.

COMMISSIONER DOBSON: Okay, let me again tonight go back and look at the substantiation for that. And if it won’t stand muster, then it will change.

COMMISSIONER LANNI: Thank you.

CHAIR JAMES: Let’s continue to look at this chapter and see if there are any other -- rats, we let Dick Leone get away from us. We let moratorium go. And he said he did have language that he was prepared to suggest for us, and I think that’s a big issue.

Are there any other issues that we would like to -- oh, please, go right ahead.

COMMISSIONER DOBSON: This is the list of recommendations that I mentioned to you earlier that I’m going to pass out. Let me say two or three things about this. First, this was put together in the last week. Some of it’s done at the last minute.

And the language of those particular proposals, rather than recommendations -- the proposals may not be perfect and we may need to work with them. Some of them may not be acceptable. And in fact, what I think -- oh, and also, some of them are old ground.
Some of them have already been discussed and we don’t need to talk about them anymore.

There are eight pages of proposals on various topics that we have been dealing with. May I ask, at least as a procedure, I was trying to think of how to do this. The last thing any of us want is to go through this line by line and take the whole day tomorrow, and I know that would not happen anyway.

Some of them may have unanimity right now. I think some of them probably do. And some of them may have an eight to one opinion against an item and we don’t need to spend a lot of time on that.

Would it be appropriate, as you read this, to just write yes or no or question mark as you go through? And we might be able to adopt 15 of them without debate because they are pretty straightforward.

There may be ten of them that have no support at all. There’s no sense spending a lot of time on that. At least it is a way to approach it.

Let me distribute this and tomorrow morning you tell us what you want to do with it.

CHAIR JAMES: That’s entirely appropriate. Now, what is this? Would you explain that for the benefit of --

COMMISSIONER DOBSON: These are proposals for recommendations.

CHAIR JAMES: Now, are they based on the conversations that we have already had or are these new proposals that we have not yet discussed?

COMMISSIONER DOBSON: Some of them are new proposals. And some of them are old ground and we can just pass over those.

CHAIR JAMES: Okay.
COMMISSIONER DOBSON: And yeah, Steve just said that some of it is old ground because it didn’t get in the report. It’s been discussed, --

CHAIR JAMES: Right.

COMMISSIONER DOBSON: -- but it didn’t get in the report, so they have been listed here again.

CHAIR JAMES: Very good. We will include that on our agenda for the morning.