other Indian gaming jurisdictions, and I would
appreciate either from you or from Commissioner
Loescher specific suggestions in that regard.

MR. HILL: We will be as helpful as we can
in providing the Commission with information as to
areas we think that would lend to the specific study
areas that you are looking at, and I am thankful that
you are in agreement with that to see the full range
of the gaming facilities out in Indian country. Thank
you.

CHAIRPERSON JAMES: I would like to remind
the Commissioners that the workplan is, in fact, a
draft. We hope that by the time we finish tomorrow,
we will have the opportunity to incorporate your
suggestions and ideas, first cut. And as a result of
that, if you would give that information and
suggestions and make sure that the Commission has it
as we have those discussions tomorrow, I am sure we
would be happy to entertain them.

COMMISSIONER LANNI: Madam Chair, I have
a question of Mr. Hill. Mr. Hill, I think you
indicated that there is a 50 percent unemployment
factor in Indian nations?

MR. HILL: 50 percent -- there is an average of about 50 percent.

COMMISSIONER LANNI: That is as of today roughly?

MR. HILL: Yes, sir.

COMMISSIONER LANNI: What would be the unemployment factor in the -- I think it is -- 190 operations that exist within the federally recognized tribes? What would be the unemployment there, do you know?

MR. HILL: I think that -- I can use my tribe for an example. I think in those instances, you have to look at the size of the operation. I am from Oneida, Wisconsin, and we employ about 4,500 people, mainly non-Indian folks. But there is a job opportunity because of the revenue available to tribal governments, either in the services or other jobs or business purchases by the reservation. So there is an opportunity for every tribal member to work. In some of these other smaller, remote areas, the job creation is somewhat smaller. In the Dakotas, you might only
have maybe 100 employees. So the opportunity doesn't
really -- it is not a windfall in terms of job
creation in some of these remote areas where there
isn't a population to support a gaming enterprise. So
it is really on a case-by-case opportunity, and I
think the demographics really lend to how many jobs
are created.

COMMISSIONER LANNI: Would such
statistical information be available to this
Commission, through either your organization or
another? Maybe the Federal Government?

MR. HILL: Let us research that for you
and see if we can provide that information for the
Commission.

COMMISSIONER LANNI: Thank you.

MR. HILL: If we can't, we will let you
know as well.

COMMISSIONER LANNI: And I concur with Mr.
Wilhelm's thoughts about a broader visitation to the
Native American operations.

MR. HILL: Thank you, sir.

CHAIRPERSON JAMES: Any other questions or
COMMISSIONER MOORE: Madam Chairman?

CHAIRPERSON JAMES: Yes.

COMMISSIONER MOORE: I believe that Senator Bryan was probably talking about regulation -- federal regulation -- sometimes all of us don't like federal regulation. But sometimes I find federal regulation a little lacking. I think he was talking about maybe competition. I am from Mississippi. We have the Choctaw Tribe in Mississippi. I grew up with the Choctaw Tribe as a kid. They have a fine gambling institution at a place called Philadelphia, Mississippi. It has been noted for other things. I wonder when we talk about regulation -- what I hear is that the state does not regulate it because it is sort of a federal regulation. Another thing that I hear that was brought out by Senator Bryan is that they start out about 16 percent ahead because of no state or federal tax that they pay in. But I would have to say that this is an excellent run operation as far as I know and a lot of benefits are afforded the Indian children. But I believe that that is the regulation
that we are talking about, aren't we? Being regulated
by the same institutions that other gambling is
regulated by?

MR. HILL: Well, I think there is -- the
list I read off and in further negotiated compacts,
there is a scheme of regulations negotiated in the
contract. There are certain requirements of the
Federal Government under the Indian Gaming Regulatory
Act, and then there is tribal law that has travel
ordinances that are approved by the National Indian
Gaming Commission to approve the travel law before the
gaming activity can proceed. So there are layers and
layers and layers and it is unlike Nevada, where it is
probably a little bit smaller and more unique to fit
their specific situation. But as the federal law has
it, we have to cooperate with the state and the tribal
gaming ordinances have to be approved by the Federal
Government. So it is quite unique and quite different
in terms of governmental gaming -- the various things
that the tribes have to adhere to.

One thing that is kind of not noted and I
just want to underline it again is the tribal gaming
commissions themselves. Because Indian nations are
governments and have tribal gaming commissions that
have oversight over their one or two facilities that
they operate as well.

CHAIRPERSON JAMES: Mr. Hill, thank you.

This is indeed a subject that will require a great
deal more thought and study, and we would appreciate
your input as we go through the next two years as we
gather that kind of information and make that kind of
analysis. Yes?

COMMISSIONER LEONE: Madam Chair, we
should hear from the Chair or representatives of the
National Indian Gaming Commission.

CHAIRPERSON JAMES: Thank you. And we
will make sure that they are included at the
appropriate time.

MR. HILL: I would encourage that as well.

Thank you, sir.

CHAIRPERSON JAMES: Yes. Thank you so
much. I am going to call us in recess until -- let's
go until 10:40. Commissioners, there is coffee, decaf
and regular, and hot water on the table. We will come
back into session at that time.

(Whereupon, at 10:25 a.m. off the record
until 10:41 a.m.)

CHAIRPERSON JAMES: Bob, I am not going to
ignore your request to take up those matters after we
had the presentations that we had. But Mr. Snowden,
who is our representative from GSA, had a meeting this
morning and is not expected to be back until 11:00.
So I would like to delay those discussions until his
return. What we will do in the meantime is go over
some rather routine administrative matters. Maybe
have the discussion of the research questions and then
take up the remaining administrative matters upon his
return.

With that, I just want to do a little bit
of a briefing for you on some of the --

COMMISSIONER LOESCHER: Madam Chairman?

CHAIRPERSON JAMES: Excuse me?

COMMISSIONER LOESCHER: Madam Chairman, I
have a little problem with --

CHAIRPERSON JAMES: The Chair recognizes

Mr. Loescher and I would ask Commissioners not to
speak out of turn and only speak when recognized.

COMMISSIONER LOESCHER: Madam Chairman?

CHAIRPERSON JAMES: Yes.

COMMISSIONER LOESCHER: I would -- you

know, I don't know what Mr. Snowden has to say about

anything, but the Commission has a lot to say about

what goes on here. I would like to ask that we

consider the agenda first as a matter of course and

then deal with the format of the meeting. I am having

problems myself understanding how we are doing

business here, and I would like to begin to formalize

the process of doing business, if we could.

CHAIRPERSON JAMES: I appreciate that

concern, but I would also suggest that I doubt any of

us as Commissioners would want to undertake that task

without the best advice that is available to us. Now

if you are saying to me that you have no regard for

GSA and our legal counsel and advice and would like to

proceed without them, I am happy to entertain that

suggestion. I, for one, will not participate.

COMMISSIONER LOESCHER: Madam Chairman?

CHAIRPERSON JAMES: I do recognize you,
Mr. Loescher.

COMMISSIONER LOESCHER: It is not, in my mind, any disrespect not to conduct business without the GSA attorney. But the Commission is empowered under statute to conduct the business of the meeting and something as simple as looking at the agenda and how we would proceed forward on the agenda I don't believe needs legal counsel advice. I would humbly suggest that we consider the agenda and how we are going to proceed for the next two days.

CHAIRPERSON JAMES: I would suggest to the Commission that while it may seem to be a very simple and routine matter, establishing how we conduct our business and who has the authority to set and to approve or not approve an agenda is a very important matter. If it is a routine request, I am certainly happy to entertain that. I am not going to entertain at this point any discussion about an approval of an agenda. If you have a request that you would like to make in terms of moving something around on the agenda, I am more than happy to accommodate that request at this time.
COMMISSIONER LOESCHER: Madam Chairman,
you leave us no alternative. We either can move to
to entertain the agenda or we can recess until 11:00 when
Mr. Snowden returns. But I believe that the first
order of business should be entertaining the format of
the agenda.

CHAIRPERSON JAMES: Well, that in and of
itself is a question that I think deserves some
discussion. Whether or not the Commission has the
authority to set or approve the agenda and whether or
not we are simply going to adopt the minutes from the
last meeting, which was the matter that was before the
Commission for discussion. If we want to get into the
 substantive legal question of whether or not the
Commission must vote to approve the agenda, that is
something that I would very much like to hear some
discussion of and some advice from legal counsel on.
Yes, Richard?

COMMISSIONER LEONE: I am not even smart

enough --

CHAIRPERSON JAMES: To turn on the
microphone.
COMMISSIONER LEONE: That is my problem.

This is a golden opportunity to do my country boy.

But my question is not about how to make the microphone work. I am not sure I understand this change. I do understand the desirability of having a representative from GSA here when we discuss the administrative procedures we are going to follow. I am not sure -- does that mean we can't discuss -- that you have to move to the research questions?

CHAIRPERSON JAMES: No, that is not -- no, that is not.

COMMISSIONER LEONE: I just -- in the interest -- because I cannot see -- I may be missing something here. I certainly defer to Mr. Loescher if I am, but I can't see how in any way we are hamstrung or impaired or start down the wrong path if we don't just move and have the research discussion and hope that our government staff turns up and then we will have the agenda and other discussion. Unless, Bob, you object to having that research discussion at this time.

COMMISSIONER LOESCHER: Madam Chairman?
CHAIRPERSON JAMES: Mr. Loescher?

COMMISSIONER LOESCHER: I will yield to the discussion on the research discussion. But after that point, I would like to request that we formalize our agenda and our procedures here so that we can conduct some business hopefully within the next two days.

CHAIRPERSON JAMES: The agenda has been formalized. It is before you. And what I am suggesting at this point is before we have any further discussion about the agenda that we accommodate the General Services staff by waiting for them to return and that we move to the next item, which is the research question, which I believe to be a very important one. With that in mind, I am going to recognize the chairman of our research committee, and again thank them for the work that they have done.

If, Leo, you could begin with a little bit of background on what you did, the process you used, and what you have accomplished thus far.

COMMISSIONER MCCARTHY: May I ask that a staff member pass these out to the members of the
Commission? Thank you.

It is just a very brief report that I am making on behalf of the three-member subcommittee -- Dr. Dobson, Mr. Wilhelm, and myself. On Thursday, August 14, the three of us met at the Denver Airport to discuss research policies. We were informed the day before, and I think quite properly so, that as a standing subcommittee on research, we could not as a formal body -- as a subcommittee -- take substantive votes or deliberate in that sense because no public notice had been published in the Federal Register or in newspapers of wide circulation. So I wanted to mention at the outset that future deliberative meetings of the subcommittee will be noticed.

So today, the three of us come as individuals with a shared point of view on several issues, and after Carol Petrie makes her presentation regarding pathological gambling on behalf of the National Research Council -- that is scheduled this afternoon -- I think I and maybe Jim or John will have some comments to make in support of the research that would be undertaken.
During two and a half hours last Thursday -- we met for five or six hours. During two and a half hours, we each had the opportunity to ask Carol Petrie about the National Research Council process and what useful information its work might reveal in 15 months -- that work that was mandated in the language of the enabling statute. Each of us has confidence in the professional competence and objectivity of the NRC. I think each of us believes the synthesizing of all existing literature on pathological gambling will develop specific information that responsible government officials and the public in general can use in the ongoing debate of whether to initiate, expand, or limit legalized gambling in hundreds of communities across the country.

I want to repeat something that has been said here before. The National Research Council does not do original research. So what we are talking about here is synthesizing all of the existing literature on what we are describing as pathological gambling. It has been described as disordered gambling, and as...
compulsive gambling. We are simply using the term pathological gambling.

The subcommittee on research will try to ascertain what gaps, if any, may exist in the literature on pathological gambling. As we have talked to different people in this field, some have asserted that there are some material gaps in the literature. We will try to define what those gaps are and we will report back to the full Commission to see whether you want to do anything to attempt to fill those gaps.

On another subject, the subcommittee on research has been discussing how the Commission would undertake research on the economic consequences or impact of all forms of legalized gambling. Here we find that only limited original research or independent research has been done. We hope to develop a definitive approach to how the subcommittee would try to form something to bring back to you within the next 45 days when we report to the Chair and to the Commission.

Finally and importantly, Mr. Wilhelm
prepared some very useful general research policy guidelines that Dr. Dobson and I had the opportunity to comment upon. That has been distributed to all of you and I think there are copies that are going to be put out for members of the public that might want to look at it.

In addition, Mr. Wilhelm and Dr. Dobson both contributed significantly to a compilation of the study questions. There were a few items added or included that other members of the Commission indicated they thought should be among the study questions. There will be additional areas for proposed research gleaned from this list for the subcommittee's discussion and ultimately the full Commission's discussion in the future. I think all three of us on the subcommittee feel that this list of study questions should be seen as a work in progress and it is now offered for your critique today and hereafter, and I think you ought to get into a discussion of these questions.

CHAIRPERSON JAMES: Leo, can I interrupt just for a minute to ask if all the Commissioners have
those questions in front of them?

COMMISSIONER MCCARTHY: They were distributed to everybody.

CHAIRPERSON JAMES: If their plate looks like mine, it is rather confusing up here. I just want to give them a minute to find them.

COMMISSIONER MCCARTHY: Yes, right. Both of these statements -- as a matter of fact, the first one that I referred to, Mr. Wilhelm's general research policy guidelines that were only so slightly modified by Dr. Dobson and I --

CHAIRPERSON JAMES: There must be a story behind that, but that is okay.

COMMISSIONER MCCARTHY: Okay. They were tweaked. I think that is the end of the report, Madam Chair. And I think you wanted to get into a discussion of the study questions. I hope everybody has found that list. We have more copies if you haven't. That list is there before you.

CHAIRPERSON JAMES: Have those been made available to the public?

COMMISSIONER MCCARTHY: I asked staff to
make 100 copies of that so that members of the public
could look at them. I don't know if they have been
put out on a table where the public can --

CHAIRPERSON JAMES: As soon as I find out
where they are, I will let you know. Okay. Dr.
Dobson?

COMMISSIONER DOBSON: Madam Chairman, a
couple of things jumped out at us in the course of
these deliberations. The first was the hope that the
NRC could identify by reviewing the literature --
could identify the gaps in our understanding so that
we could then decide whether or not we would pursue
some kind of original research to fill those gaps.
But it became very clear in the course of our
discussions with Ms. Petrie that that was not going to
be possible because there is no report to be expected
from them for 15 months, which would be so late in the
operation of this Commission that no research based on
that will be possible.

Furthermore, obviously in two years and
with limited money, we are going to have to select
very carefully what we can study and do it effectively
and in a scientific manner. But the NRC is not going
to be useful to us in identifying those areas of
research.

CHAIRPERSON JAMES: Thank you.

COMMISSIONER MCCARTHY: I would finally
make this comment. I think that we are going to need
to actively search for additional research monies from
any foundation we can -- Ford, Pew, or wherever it
might be available. The subcommittee members
discussed that and we think that extremely important.
So we would welcome any guidance from members of the
Commission that would lead us to some success in that
area. Thanks.

CHAIRPERSON JAMES: Would you walk us
through, Leo, the study questions -- just the general
categories and what we can anticipate finding under
each of those? And I would ask the Commissioners to
look carefully as we go through that for any comments
or input that you would like to give to the research
subcommittee. And I would say to the public that I am
told that these are available and that they are on a
table outside so that you can follow the discussion.
COMMISSIONER MCCARTHY: I would ask Dr. Dobson and Mr. Wilhelm to join in freely on this since they were the original source of most of the questions on here and their staff. I don't know if you wanted me to do more than read this. Perhaps we should give the members of the Commission a chance to glance through this and jot down question marks next to areas that they might be puzzled about.

CHAIRPERSON JAMES: Dr. Dobson?

COMMISSIONER DOBSON: If I may clarify at least from my perspective. This list represents the universe of interesting questions that might be studied. I don't think -- and I hope Leo that I am speaking for you and John -- I don't think that we think or are proposing that this Commission do all of this. But we are going to have to look at this and decide what is feasible with the time frame we have and the amount of money that we are allocated. Because we haven't seen even a budget yet. So it is difficult to say what we can do. But this is the scope of questions that we wish we had the information for.
CHAIRPERSON JAMES: John?

COMMISSIONER WILHELM: Yes, I agree with the comments by both Jim and Leo on this subject. I want to emphasize, first of all, that as Leo said as the chair of the subcommittee, that we look upon both of these documents, but especially the study question recommendations as, as he said, a work in progress. And we are interested in the point of view of other Commissioners about this, either now or later.

It is fair to say that in very broad terms the study questions related to economic impact are things that I was particularly focused upon given my own primary reason for having been appointed to the Commission. And it is fair to say that Jim Dobson contributed a great deal of the material on problem gambling and on social impact. I agree with Jim that there is -- there seems to be little or no possibility that the Commission could commission scientific research or obtain scientific research on all of these questions. Even if it had an unlimited budget, it probably couldn't do that. But certainly since it doesn't have an unlimited budget, it will have no
prayer of doing that. So I think that Jim is right in
saying that -- in suggesting that the question of
focusing in on which of these issues are going to be
studied in depth, and in connection with that, how
much money is available will be critical.

You had indicated at the first meeting of
the Commission, Kay, that you were considering
assigning a couple of the Commissioners to work on
budget and I don't know what the status of that is.
But clearly that is a concern. In addition, going
back to Jim's first comment this morning, he is right
that the National Research Council, which we are
required by the law to use and which I think I share
Leo's comments -- I think we were quite impressed with
the presentation from the National Research Council.
But nevertheless, Jim is right that they don't do
original research. And he is also right that we were
advised by the NRC representative that we met with,
who will be here as well during this meeting, that
they also don't give sort of progress reports along
the way as they do their work.

That presents a very significant problem,
I think, for the Commission with respect to the area of research to which the NRC is assigned, namely the problem gambling or pathological gambling or whatever the right umbrella term is. Because given the apparent fact that the existing literature in that field has a great deal of holes in it -- and I don't consider myself an expert on this -- and given the apparent fact that original research in that area will be both very expensive, but more importantly I think for the Commission's purposes extremely time consuming, I think it is going to be very difficult for us to even identify in a way that we could agree upon what the so-called gaps are and secondly figure out how to commission original research on them. My guess is that as a practical matter, original research could not be decided upon, commissioned, and completed by the time the Commission is required by the law to make its report. As an example, we were told that a so-called prevalence study starting from scratch -- and apparently there is no good prevalence study nationally -- would take several years in order to be done with appropriate scientific validity. So I think
Jim is right that the question of how much, if any, original research in the so-called gaps, even if we find a way to identify the so-called gaps, is an extremely difficult question.

Because of the reputation and the thoroughness of the NRC, the subcommittee, as Leo indicated, is farther along in its thinking with respect to that issue than it is on the economic impact issue. But again, the economic impact issue poses something of the same kind of problem, that is, at least at first pass it would appear to the subcommittee that original research is called for in a number of these things, and again, there is not only a dollar question and a question of identifying the appropriate projects, but more importantly a time question in terms of the Commission's two-year mandate.

A suggestion that I had made, which the subcommittee hasn't reached yet but which is contained in the document that I sent to you and to all the Commissioners, is to try to get hold of at least the economic part of the research by focusing on a few, I
use the term targeted areas -- but a few case studies
that would, in my mind, be a cross-section of
geographic areas that present one or several examples
of the kind of gambling undertakings that we ought to
be looking at. We ought to be looking at an area with
heavy casino concentration. We ought to be looking
at, as was indicated in the discussion this morning,
various kinds of Native American gambling. We ought
to be looking at so-called convenience gambling. We
ought to be looking at lotteries. We ought to be
looking at games run by lotteries like Keno. So I
think maybe the way to get a hold of that is to try to
pick out some targeted areas and to commission
somebody that we can agree upon as being objective to
make a scientific study of the impact of whatever
forms of gambling may exist in a cross-section of
areas of that kind.

But again, I think Jim is right. The
question of how we get original scientific research
done in the time frame that we have and in the budget
that we probably will have to me is a daunting
question.
CHAIRPERSON JAMES: Let me just say one thing for clarification. I just happen to be one of those people that has the audacity to believe that a budget ought to be driven by policy as opposed to policy driven by budget. Therefore, I thought it was important for us to have this conversation about the scope of the research and look at what we really want to get done and hear a recommendation so that we can say, what would that cost? What would that mean? What kind of resources do we need to have available. And if those resources don't exist within the Commission money, to see if there is foundation money out there that is available to do that.

And just, this is probably as appropriate time as any since you raised the question, John -- I have asked Richard if he would oversee the budget process and he can appoint any or get any assistance that he needs from any other Commissioner. It is at his discretion. And as a result of that, I would -- while you may think that there is a great deal of leeway there, I assure you that there is not. By the time -- particularly when you look at -- and one of
the reasons it is difficult to finalize those kinds of things is we need to hear from the Commission on the workplan in terms of what -- how many sites we want to visit -- and all of that information needs to be gathered before Richard can sit down with the staff at the Commission and come back to you with a completed budget. So when those policy decisions are finished being made, then I think Richard will be in a position of coming back to the Commission with a final budget. And we are going to have some tough choices to make. Are we going to have to give up five site visits in order to get some additional research done? Or are we going to have to -- so that is the kind of discussion that I am anticipating that we will have as we move along in the process. I am going to recognize John, and then come back to you, Jim.

COMMISSIONER WILHELM: Just -- I don't want to belabor this, but given the -- even aside from the money problem -- given the apparent fact that to do original scientific research in most of these areas, time is the real problem. And it may -- I don't want to be a pessimist so early. But it may
well be that the best the Commission can do in a
determine the things that need to be studied and
perhaps to figure out a way to begin the process of
studying them, as opposed to kidding ourselves that by
the time we write our report less than two years from
now that that kind of research will have been
completed. But I think, from what I can tell --
certainly in the economic area, which I know better,
and perhaps in the other area as well, even getting a
start on real scientific research in these areas and
making sure that it is happening would, itself, be a
contribution.

CHAIRPERSON JAMES: Thank you. Jim?

COMMISSIONER DOBSON: One of the things we
are going to need to do is decide what we mean by the
term research, which can mean everything from
scientifically designed longitudinal work that is
extremely expensive and time consuming. To illustrate
John's point, we had hoped in the early part of our
deliberations the other day to have a national study
of prevalence. Ms. Petrie told us that would cost $15
million for that one question. There is also
information gathering, which is sometimes called
research. We might be able to do a lot more of the
latter than the former as time goes on.

CHAIRPERSON JAMES: Good point.

COMMISSIONER BIBLE: When the subcommittee
met, did they take this rather extensive list and
divide it into various categories -- those categories
that respond to the mandates of the law, those
categories that are study areas that were not included
within the law and then take that latter set category
and divide it into areas of relative priority as to
what the subcommittee --

COMMISSIONER MCCARTHY: We think all of
the questions listed here --

CHAIRPERSON JAMES: Leo, would you --

CHALKBOARD JAMES: Excuse me just a minute.

COMMISSIONER MCCARTHY: If I may respond.

CHAIRPERSON JAMES: Would you do that?

COMMISSIONER MCCARTHY: They respond to
the mandate of the law.

CHAIRPERSON JAMES: Excuse me just a
minute, Leo. And I think it would also be very helpful to point out that beginning this process, every Commissioner was asked to submit their suggestions, ideas, and questions and feed them into this particular subcommittee. And as a result of that, you went on then to divide out your work. And if you could, for the benefit of the public and for those Commissioners who may not know, talk a little bit about the process that you used. That would be helpful.

COMMISSIONER MCCARTHY: We had in mind the mandates of the law when we were writing the questions. I think the three of us feel that the questions that are asked on here come within one or another portions of the charge of the enabling statute. That doesn't mean we have exhausted the list. That is why we tried to say that this is a work in progress.

I think this -- whereas I did phone every member of the Commission I could reach as soon as this subcommittee was created five or six weeks ago, this will now stimulate more thinking by members of the
Commission and by the public, I think. Whether we are
omitting any significant areas that should really be
included.

Again, I want to get back to what John
Wilhelm said and Jim Dobson have said. The reality is
that we are going to have to make some choices here
and reduce this down. It may be that someone thinks
criminal justice commission issues are the most
important thing around. Others may think that
economic impact is absolutely the most important issue
for us to get into. We are going to have to weigh
these things so that the subcommittee will come out
with recommendations on them too.

COMMISSIONER WILHELM: Kay?

CHAIRPERSON JAMES: Yes, John.

COMMISSIONER WILHELM: As a follow-up to
that comment, I at least, and I believe the other
members of the subcommittee would be quite interested
in the Commissioners' views either today or in the
next couple of weeks about the relative priority of
these various questions and also if -- I don't know if
this was what you were suggesting Bill -- but if there
is a belief that some of these questions fall outside
the charge in the law to the Commission, certainly
that should be pointed out. Because the effort here,
I think, was to cast a wide net in terms of an initial
draft of questions. In the draft that I had
submitted, there is a specific reference to the law
after each of the questions. And that was the effort
that I had made in the exhibit that I did. But
certainly having cast a wide net here, we need to
figure out as a Commission what the priorities are.
Because as Leo and Jim have said, there is no prayer
of looking at all of this.

CHAIRPERSON JAMES: Let me just make one
point for clarification. We were talking about what
the Commission was mandated to study. In the law it
says at a minimum that should include, which doesn't
mean that if the Commission so chooses, it cannot
study things that are outside that purview.

COMMISSIONER BIBLE: Right, but you would
have to study A to F, I would assume --

CHAIRPERSON JAMES: You would have to
study what? I am sorry.
COMMISSIONER BIBLE: A to F of the statute enumeration before you go to the next item.

CHAIRPERSON JAMES: Well, I think that is up to the research -- at a minimum, that is what we need to do. We certainly cover that. And I think that should guide our decision making process. If you have an entire plate of things that you could look at, at a minimum we must do what the law requires but we are not mandated to stick solely to what is in the legislation.

COMMISSIONER BIBLE: I understand that.

CHAIRPERSON JAMES: Leo, if you could continue going through that, that would be -- if there are any other questions on any subject.

COMMISSIONER MCCARTHY: Well, I found the general attitudes of the three members of the subcommittee -- getting that out and stimulating that as being very fruitful. Let me suggest, Madam Chair, if I may, that now that the members have had an opportunity to glance at this, if they have some specific remarks they would like to make about the way any of these questions are framed, give us their
thoughts on them. Or after today -- not now, because they were just given this a few minutes ago.

CHAIRPERSON JAMES: Certainly. Mr. Leone?

COMMISSIONER LEONE: Let me raise a question. At a risk of complicating the discussion, since we talked and since I got a notion of the way the process would work for the National Research Council, I have had a kernel of concern growing because in a rationale world -- of course, Congress might have done this itself -- we would start with the baseline of what do we know and how good is the information and what does that tell us about what we need to know in order to make informed judgments. And it is perfectly rationale to take a -- I mean, if you take budget A, which is the money we know we have, versus some money we might hope to have -- take a very substantial portion of that and allocate it to finding the answers as far as possible with a reliable group searching for the answers. On the other hand, that group will not tell us anything for a long time and we will be operating in many respects somewhat in the dark. And I began to think about a process which is
-- this is not the only inquiry of this type where there is a real limit on -- where you have to back into policy, Kay, as much as it is more rationale to go the other way around and say these are our priorities and therefore we will start spending money on A and spend what is left on B and what is left on C. We might at least want to think about whether we are making a choice that I would put starkly this way. If we are spending a lot of money for information, relatively speaking, that will only be available to us at the tail-end and will tell us what is known and what isn't known and how a group of experts feel -- how comfortable they are with the information, and I am oversimplifying, we might also want to start a process that involves putting in place a panel to advise us or to talk to us about this and to be a sounding board for our own research staff. As a minimum, one would expect that six months down the road or a year down the road our research staff, with the right people, would become a set of people who are pretty savvy about what kind of information is out there and how good it is and what sort of problems you
run into. And we might even be able to engage -- I
have been able to do this in other contexts -- panels
of people to come in and tell us what they think is
known or unknown, and get that information directly to
at least the subcommittee and maybe occasionally to
the whole Commission where it is appropriate. Because
I am deeply troubled by the notion that -- and I
understand -- if I were running the study, I wouldn't
want, particularly in such a public forum, to have
drabs and drabs come out along the way. But that
means we are groping in the dark for almost the whole
length of this process and maybe there is information
that is available on an interim basis or a judgment on
an interim basis that would help us a lot in deciding
where we ought to go.

There are some questions in the area of
economics, which is my field, that I am really curious
about. Not just bankruptcies but savings rates and a
variety of other things and I wonder what is known
about that. I have been chatting informally with
economists I know about what kind of research is
available, even in parallel areas where some new
service -- entertainment service or the communications industry is a good example because there is a rapid proliferation of things you can buy in the last 20 years, everything from videos to cable television to home satellite dishes. What do we know about where that money comes from and what it means about the extra, disposable dollar?

Anyway, I would just say that we should -- as important as it is to get started, I hope we get started in a way that it helps us to inform the process as we go along, rather than simply at the end to have available reports that we will be trying to digest and we can make available.

CHAIRPERSON JAMES: Richard, I couldn't agree more. And it seem to me that as we have the discussion tomorrow on our workplan, one of the things that will be important for us to consider is putting together not a panel of experts but several panels of experts on different subject matters that they will be presenting as we go throughout our two-year time together, giving us the benefit of that information and having those kinds of discussions. So I am
hopeful that we will have that on an ongoing basis.

Dr. Dobson?

COMMISSIONER DOBSON: Madam Chairman, I agree thoroughly with what you just said and what Richard said as I understood it. Because the whole issue of research is a narrow area for those who spend their lives in it. The academic community specializes in subjects that they study, and those people are out there who know this field. We have got all these questions. How are we going to sort this out? We don't know what is already there. Some of these questions may have been answered and some of them obviously are not. We need that kind of expertise to come in.

Now the NRC it does not seem to me is going to give us that kind of information because they are studying one area of pathological gambling and they are going to wait 15 months to tell us anything. They don't issue preliminary reports. So I would think that a savvy staff member, Richard, as you describe him or here, who could interface with the academic community and tell us what is known and guide us as to
which of these we ought to put our emphasis on would
be helpful. The first Commission, as I heard in the
last meeting, narrowed it down to six questions that
they were trying to answer. Somebody is going to have
to help us get from three pages down to a bite size
that we can get a hold of.

COMMISSIONER MCCARTHY: That's your job,
Solomon.

COMMISSIONER DOBSON: Bring the knife.

CHAIRPERSON JAMES: John?

COMMISSIONER WILHELM: Just for further
clarification in response to Bill's point a few
minutes ago. The study question recommendations are
-- the attempt was to organize them along the same
lines as Section 4(a)(2) of the Act establishing the
Commission. That is the subsection titled "Matters to
be Studied", and it has A through F. The sections of
the study question recommendations A through F were
designed by the drafters to correspond with A through
F in Section 4(a)(2). That may be of some help to the
Commissioners in determining whether in their judgment
these questions go beyond the minimum things that we
are supposed to be studying. I think it would be very
-- you are correct, Kay, in pointing out that the law
says that we look at these things at a minimum.
However, since the likelihood of being able to analyze
A through F in depth seems to me to be slim, it seems
to me to be ambitious, though technically we could, to
go beyond those minimum questions. But at any rate,
for the guidance of the Commissioners in trying to
look at this, the A through F in the study question
recommendations was designed to correspond with A
through F in Section 4(a)(2) of the Act.
CHAIRPERSON JAMES: And it does. Terry?
COMMISSIONER LANNI: Madam Chair, not on
a substantive matter relative to the comments made by
the three individual Commissioners, I think they are
sound and logical and thoughtful. I still would like
the record to note that we have yet to define the
rules for creating committees. I find it intriguing
that this is called a subcommittee. I wonder what it
is a subcommittee of. Is it a subcommittee of a
committee? And if so, what is that committee and what
is the make-up of that committee.
So that matter, according to your schedule, is not to be considered until tomorrow. I would like the record to reflect that -- again, not in substance. I think the approach of these three individuals is logical, sound, and clear. The composition of the individuals into a group is nothing that I object to. I object to the fact that we have not had a chance to consider the rules for definition of creation of committees, subcommittees, and the make-up of those, which we have or some people have made -- I have made some suggestions on rules. I think Dr. Dobson has as has at least one other individual.

CHAIRPERSON JAMES: Correct.

COMMISSIONER LANNI: So I would like the record to so-note that.

CHAIRPERSON JAMES: Duly noted.

COMMISSIONER MCCARTHY: May I add that I agree. We should be called a full committee and have the --

COMMISSIONER LANNI: Once the rules are adopted, I would support that.
COMMISSIONER MCCARTHY: We would feel fuller about it. In any event, there have been a couple of critical points raised about budget here. There is no question that this is a tough task. I think some of the research studies that we ultimately authorize will get periodic reports in. We will hear from Carol Petrie this afternoon on the NRC process. But I don't want to leave a misimpression here. I am the one that originally raised the discussion about possible gaps in the literature on pathological gambling with my two colleagues on the subcommittee. I think that you will get a chance to hear in the testimony this afternoon that there will be a lot of valuable information at the end of the 15-month period. There is a lot of literature. There has been a lot of writing on this. We simply, as a cautionary thing, are trying to point out to the rest of the members of the Commission that there are some gaps. The greater problem is going to be in the economic development/economic impact area, where apparently there is less literature -- scientific, objective literature -- than there is in the
pathological gambling area. That is going to be a
tough problem for us to tussle with, but it is one of
the most important areas, I think most Commissioners
would agree.

So I want to stress that I believe a lot
of valuable information will be gleaned from the
synthesis of existing research on pathological
gambling that the National Research Council will
undertake. And I think most of you, if not all of
you, are going to be impressed with that after we hear
the presentation this afternoon.

CHAIRPERSON JAMES: That is great. John?

COMMISSIONER WILHELM: Yes, and I would
particularly urge the Commissioners to try, as I have
tried, to understand what the NRC means by this
process of synthesizing the literature. It is
intended, as I understand it, to be a great deal more
than simply making a catalog. It is intended to
inform about what is out there, the scientific
soundness or lack thereof of what is out there, what
one can reasonably conclude, not just from each piece
of work but from juxtaposing and combining the work
that is there and also what is missing. So I don't think we ought to think that in 15 months we are going to get some kind of bibliography. I think the presentation this afternoon will emphasize that it is a great deal more than that.

CHAIRPERSON JAMES: Thank you. Let me suggest a process at this point that I think may be helpful. If each of the Commissioners would take the time in the next few days to go through the general research considerations and the policies and practices and look at the questions under each category. Bill, I think you are absolutely correct. While there are no mandates in the legislation, we have been told at a minimum we must look at a few things. Getting even that job done is going to be difficult. And, Jim, I think you are correct in stating that the previous commission was able to boil down their research agenda to six main questions and we certainly have got to do some culling and honing at this point in order to focus where we are going with this research agenda.

So I would like to task each of the Commissioners to send their comments to Leo. And,
Leo, if you could get back to us by way of mail just where you are in the process and let us see how you were able to hone that down. Unfortunately, given to -- for a lot of reasons, not the least of which are budgetary constraints and schedules of Commissioners, we are going to have to necessarily communicate that way at some points in order to move this process along rather than waiting for the next set of meetings.

But I do want to thank each of the members for the work that they have done thus far and to ask each of us to at this point do our part to help move that process along. Terry?

COMMISSIONER LANNI: Madam Chair, I had a question. You had indicated to Leo that he should get back to us. Could you define us?

CHAIRPERSON JAMES: The Commission.

COMMISSIONER LANNI: Thank you.

COMMISSIONER BIBLE: So you see a meeting then to formalize the research project with the full Commission?

CHAIRPERSON JAMES: Well, if in fact that cannot be done by mail and we have to delay it or by
what other process we deem we can set up with electronics as they exist today, then it will have to wait for the next Commission meeting. I am hopeful that we don't have to wait that long to confirm that process.

COMMISSIONER BIBLE: Can we meet electronically or poll or do things of that nature?

CHAIRPERSON JAMES: I think that we can.

COMMISSIONER BIBLE: It is a gamble.

CHAIRPERSON JAMES: It is what? What did he say? It is a gamble. I think that when we have our briefing and we go over some of the administrative issues on FACA, we can deal with that question at that time.

COMMISSIONER DOBSON: Madam Chair?

CHAIRPERSON JAMES: Yes.

COMMISSIONER DOBSON: The chairman of our committee, Leo, has really done an outstanding job to this point and I want to commend him and ask a question of you, Leo, as to whether you feel heavy responsibility going through these questions and trying to decide what to recommend to the rest of the
Commission without research consultation or without some experts to assist us. That is a weighty responsibility and it is based on information that I don't have.

COMMISSIONER MCCARTHY: I want to agree. As brilliant as the three of us are, I think we need some help. I am hopeful that the commission will soon employ not only an executive director, and I know that is diligently being pursued, but a research director as well. There will be someone who tries to help within the structure of the Commission, I am sure, on research, but I am talking about someone who will help us -- work with us to define the areas of research -- that would work with the three members of the subcommittee and the chairperson and the gentleman on the Commission here who is going to make weighty decisions on budget. And then appear before the full Commission to try to scope this. My only other specific notion at this point is to expeditiously as we can move forward on the economic impact section of the research. But if two other members of the committee/subcommittee suggest that studying the rise
of crime or no rise of crime in connection with
gambling is more important, then that is what we will
bring back to the Commission itself. But I hope that
by the next Commission meeting, we will have an
overview of all of the other areas of research. I
wanted to signal ahead of time that economic impact
would be the most important area in my view that we
ought to be proceeding with.

CHAIRPERSON JAMES: Thank you. And again,
I want to thank that committee for the work that they
have done and I would not attach too much significance
to the title that they were given. I realize that it
is a term of art and may carry some significance, but
we had to call them something. But we do appreciate
the work that they have been done. We could call them
worse.

I just had a couple of administrative
matters and then I want to turn to the questions that
were raised earlier by Mr. Loescher. Just to give you
an update on a few things. One, I had mentioned
earlier that the Commission does have offices now and
it is at 800 North Capitol Street. Particularly for