NATIONAL GAMBLING IMPACT STUDY COMMISSION

FIRST ON-SITE MEETING

FOURTH REGULAR COMMISSION MEETING

Wednesday, January 21, 1998

The meeting was held in the Atlantic City Convention Center, 2001 Kirkman Boulevard, Atlantic City, New Jersey, at 9:00 a.m., Kay C. James, Chairman, presiding.

COMMISSIONERS PRESENT:

KAY C. JAMES, Chairman
WILLIAM A. BIBLE
JAMES C. DOBSON
J. TERRENCE LANNI
RICHARD C. LEONE
LEO T. McCARTHY
PAUL H. MOORE
JOHN W. WILHELM
PANELISTS PRESENT:

KENNETH LE FEVRE
FRANK LOBIONDO
ROSALIND NORRELL-NANCE
ROBERT TORRICELLI
PETER VERNIERO
JAMES WHELAN

ALSO PRESENT:

CHARLES BAKALY
TIM BIDWILL
NANCY MOHR KENNEDY
AMY RICKETTS
MARTHA CLEMENT ROBERTS
DOUG SEAY
GEORGE J. TERWILLIGER, III
DR. TIM KELLY
STEVE REED
RON RENO
ERIC ALTMAN
C-O-N-T-E-N-T-S

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CHAIRMAN JAMES: Good morning.

PARTICIPANTS: Good morning.

CHAIRMAN JAMES: Welcome to the fourth

meeting of the National Gambling Impact Study

Commission and, indeed, our first site visit.

I want to express my appreciation to the

State of New Jersey and to the City of Atlantic City

for the very warm welcome and assistance providing and

setting up this visit.

Those who represent this community, from

the Mayor and City Council President to the Casino

Control Commission, to local union representatives,

have worked very hard to insure that we would learn as

much as possible about the story this city has to tell

in a very short time.

For the benefit of those who are with us

for the first time, I want to take just a moment to

discuss the mission of this federal commission.

Congress established the National Gambling

Impact Study Commission to conduct a comprehensive and
factual study of the social and economic impacts of legalized gambling on states, tribes, communities, and individuals. The members of this Commission were appointed by the President, the Speaker of the House, and Senate Majority Leader, and are representative of a number of very important and divergent perspectives.

At our last meeting in Washington, the Commission established an ambitious research agenda that focused on analyzing existing research on the impact of gambling, fostering new research into this area, and surveying those involved in the industry both as proponents and as opponents.

Also included was the Commission's desire to examine the issue of the problem of pathological gambling.

The National Research Council has already begun to analyze the scientific and other literature related to gambling, and additional research will shortly be underway.

We have a very short time frame in which to complete this study and report back to the President, Congress, state and tribal governments.
Therefore, site visits, such as this first visit to Atlantic City, are critical to insure that this is not simply a federal effort based in Washington, but rather a serious examination of a serious matter that includes meeting those individuals who are most affected by legalized gambling.

Atlantic City is not only essential to that understanding, but it represents a unique opportunity to study the effects of legalized gambling over the past 20 years. There's a story to tell here in Atlantic City, and like any other story, I'm certain that is one that has both good and perhaps even some bad ones, but we're not here to judge or criticize the past 20 years, nor are we here to celebrate those times. Instead, we're here to learn first hand about the impact of legalized gambling upon this community and surrounding areas.

We're not here to tell you what gambling means to this community. Rather, we're here today to listen to those who live here in this community and allow them to tell their story.

Our reception thus far has been very warm,
very cordial, and indeed, very informative. As I said, many representatives of the community have been extraordinarily helpful in suggesting expert witnesses, site visits, and assisting in logistical arrangements.

Yesterday when I drove here from Philadelphia, I was pleased to see the Convention Center welcome signs at the toll booths and recognized the importance that the casinos have had even to the toll booth operator, who warmly welcomed us to this city.

I was fortunate to have the opportunity to visit some of the individuals and businesses affected by gambling. At the Atlantic City Medical Center we viewed what has become a first rate, community-based health system, from a trauma center with some of the finest staff in this part of the state, and also a neonatal unit proudly boasting of its success, to high technology radiology equipment unseen in most primary care facilities anywhere.

While much of the credit here is due to the quality staff of the medical center, a great deal
was accomplished because of the partnership the
hospital has with the casinos through the
Redevelopment Authority.

More importantly, I had the opportunity to
talk to members of this community most affected by
gambling, those who work in and around the casinos, those who -- we will spend
a lot of time this week hearing from gambling
experts and public officials, it is these individuals
who understand what legalized gambling truly means to
them and to their community.

These are the lives affected by our study,
and their stories are as critical to our process as
any others.

I want to thank Bob McDevitt,
the President of Union Local 54, for giving me the
opportunity to speak to some of these individuals.
Many represent great stories of personal initiative,
satisfaction, strong families, and hard work.

To them we pledge our commitment to listen
and to work toward a study that includes their
perspective.

Lastly, I want to recognize a group that
will probably not be recognized today: the millions
of men and women who come to Atlantic City each year
as tourists and casino patrons. Some come here and
experience the effects of legalized gambling only
under the lights of the casino floor, but some come
here and experience the impact of legalized gambling
elsewhere, sometimes in small, unimportant ways, and
sometimes in important ways like visits to that
emergency room.

While the vast majority come here and
leave as expected, some leave here coping with the
unanticipated consequences of problem gambling. We
will hear much about this tomorrow, but to those
individuals, as well, we also pledge our commitment to
listen and to work toward a study that recognizes the
problems they face.

While we certainly understand politics,
that's not why we're here today. I would encourage
those who are quick to judge the Commission and its
motives to do as we do and spend our time together
listening and learning.

I want to, again, thank you for your
hospitality, and we look forward to our time here in
Atlantic City. It's been wonderful thus far, and I'm
sure it will continue to be so.

We'll move now to our first panel, and,
ladies and gentlemen, please join me in welcoming our
inviting panelist, Senator Robert Torricelli and
Senator Frank LoBiondo -- Congressman. I've just
given you a wonderful promotion. Congressman Frank
LoBiondo.

The Senior Senator from New Jersey,
Senator Frank Lautenberg, is unable to be with us
today, but has sent his remarks to the Commission on
videotape. We'll view that tape at the conclusion of
the remarks of the panel members who are here and
present today.

Our first speaker in the Honorable Robert
Torricelli, who represented the Ninth District of New
Jersey from 1983 until his election to the United
States Senate in 1996. Please join me in giving him
a very warm welcome.

(Appause.)

SENATOR TORRICELLI: Members of the