CHAIRPERSON JAMES: Good morning. Welcome to the Inaugural Meeting of the National Gambling Impact Study Commission.

For those of you whom I've not had the opportunity meet, my name is Kay James, and I've been selected to chair this important effort. I want to personally commend each of the Commissioners for their willingness to serve in this study. We all have other jobs and it's a sacrifice, I know, for you to commit your time and energy to this effort.

I've come to recognize that public service involves sacrifice, and it's hard and frustrating and sometimes filled conflict. But if it wasn't, it would not be called service. Albert Einstein once said, "It is the duty of every citizen, according to his best capacities, to give validity to his convictions in public affairs."

I'm one of those people who believes that we must act on our convictions, and I suspect that each of you does as well. Your participation in this
Commission is public service in the truest sense.

I also would like to acknowledge the press and the public observers who are here this morning. It's vitally important that we hear from all sectors of our communities as we study this issue. Good government depends on strong public input, and this effort will require from individual and corporate citizens, communities, and local tribal and state governments, their participation.

We have been charged with a very broad and very difficult task -- to conduct a comprehensive legal and factual study of the social and economic implications of gambling in the United States.

In 1976 when this industry was last studied by the Federal Government -- we will hear more about that study, incidentally, a little later at lunch -- Americans spent less than $25 billion on legalized gambling. At that time, gambling was only legal in two states. Last year, according to a recent Front Line special, Americans spent more than $500 billion, and some form of gambling is legal today in all but two states.
Those who know me know that I like to shoot straight, and this is an understatement. I cannot help but notice that on this Commission there is a broad difference of opinion, or at least that's what the press has told us about each other.

I don't know what each member thinks about every facet of gambling, or at this point even if there are truly held convictions on every aspect of gambling. That's why we have two years to study this issue, and I do suspect that we will often have different perspectives. And that's a good thing.

It means that we will come to the table and forcefully and respectfully represent the range of opinions on gambling, and as a result together hammer out a bold final product. Diversity of opinion is no blemish upon the American public policy process. It is what makes us unique as a truly representative democracy.

What I can tell you is that I will use my role as Chairman to protect this diversity of opinions in three ways. First, as I expressed to the Speaker when he called me about the chairmanship, and as I
promised to each of you, I will make sure that we conduct the proceedings of this Commission in a fair, balanced, and objective manner. We will hear from all sides.

We will look at the multiple implications of this issue, and if it is the will of the Commission we will visit communities and institutions. We will take our Commission out to the American people, so that they will have the opportunity to have their input.

Secondly, we will treat differences of opinion among Commissioners and citizens in a professional, respectful, and honest manner.

And finally, we will limit our work to what the legislation calls for — a legal and factual study of the social and economic implications of gambling.

And I want to take a minute to discuss the last item. Many stories have appeared in the press, I suspect most fueled by rumors, about the moral opposition some of the Commissioners have about gambling, including myself. This is interesting to
me, because I don't know of anyone who knows my moral position on gambling, just as I do not genuinely know that of any of the other Commissioners.

I admit that I do have strong moral opinions about many things, and just as that does not disqualify me, it will not shape our study in this Commission. We have not been tasked by Congress to examine the moral implications of gambling. As I understand the law, we've been tasked to assess the economic and social impacts of gambling.

Now, let's be clear about this. Morality is important. Good public policy should include a moral perspective. We need only look to our own history as a nation and how often America's course was determined by actions taken because they were simply just the right thing to do.

I will challenge, however, religious organizations and leaders to begin a dialogue about the moral implications of gambling, as we do our work here. This dialogue will be helpful to our elected representatives as they consider gambling in the future and the recommendations we present in two
In the meantime, our work will focus tightly on the specific issues which we have been charged to address -- the social and economic impacts of gambling. And those issues are of great importance today. Gambling and its impact is far more complex today than it was during the last federal study.

What used to be limited to a dozen horsetracks and a small number of casinos has grown to be one of the fastest growing industries in America. States have come to rely upon official lotteries for revenue for education, aging, mental health, and other important programs.

Largely unregulated gaming operations have surpassed virtually all of the traditional revenue sources for the Native American community. The Internet has opened unusual and uncontrolled opportunities for international gaming. As more and more Americans look to legalize gambling for entertainment, revenue alternatives, and new jobs, there are many public policymakers who want to make informed decisions.
They are looking to us -- this Commission -- to roll up our sleeves, stand shoulder to shoulder, and provide the facts and information that will allow them to act.

Lastly, we should confront the social implications of this issue. While there are those who tout the benefits of gambling, there are also those whose lives have given testimony to the dangers of problem gambling. Now is the time for a nationwide study that provides an objective and research-based analysis of legalized gambling.

Our meeting today is largely organizational and administrative. First, the Commissioners will be sworn in and begin their duties officially. To welcome the members and provide some guidance are the original congressional sponsors of the legislation, Virginia Congressman Frank Wolf and Former Illinois Senator Paul Simon.

We will then discuss the legal aspects of advisory commissions, the financial disclosure and ethics requirements, administrative processes, and the Federal Advisory Commission Act. While this
Commission will endeavor to operate in an open and accessible manner to the public, we will also adhere to the Trade Secrets Act and not voluntarily disclose proprietary information.

The next agenda item will be the issue of the Executive Director, and during lunch we will hear from Charles Morin, the Chairman of the Commission on the Revenue of the National Policy Toward Gambling, which met from 1972 to 1976. If nothing else, we should appreciate Congress's relative brevity of naming our Commission. Afterwards, we will discuss the Commission's plans for the next two years.

Finally, at the conclusion of the meeting today, we will have a press availability for all of those Commissioners who may have statements or things that they would like to say to the press. And we will be conducting that over in that portion of the room, and so anyone is encouraged to participate that would like to.

I want to conclude today by thanking a number of individuals without whom we could not have met today. Many of you present today I am certain
have served on boards and commissions within your organizations and even at the state level, and some federal.

I can assure you that nothing can prepare you for the challenge and sheer magnitude of the task of establishing a federal commission. Simply to get to this point today involved a Herculean effort by many individuals.

Mr. Calvin Snowden, who sits to my left, is the Director of Agency Liaison Services, and the entire staff of the General Services Administration, which provides logistical support to non-permanent federal initiatives, have been absolutely wonderful, and we owe a debt of gratitude to them for the work that they've done.

This includes Cassandra Browner, who is the Personnel Specialist; Fred Porter, who is the Budget Analyst; and especially Kathy Archer, who is the Management Analyst. Without them, we would not be here today.

And I’d also like to thank my staff from Regent University, who is very concerned about exactly
when the staff is going to be up and running, so they
can get back to their real day jobs, and also for the
students who have participated in this policy process
by their first foray into public policy, which
included holepunching, stapling, folding --

(Laughter.)

And lastly, I would like to thank Jeff
Hysen, the Assistant Regional Counsel, and Thedlus
Thompson, the Assistant General Counsel, at GSA, for
being here today.