

PHOTOCOPY  
PRESERVATION

# GAMBLING -

## Commission Study Report

| Recommendations                                                                                                                                                                                       | Agree                     | Disagree                        | Don't Know                 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|---------------------------------|----------------------------|
| <b>Chapter 3. Regulating Gambling</b>                                                                                                                                                                 |                           |                                 |                            |
| 3-1 States are best equipped to regulate gambling within their border except for tribal and Internet gambling.                                                                                        | Treas, DOJ, FTC, Interior |                                 | NIGC                       |
| 3-2 All legal gambling should be restricted to those at least 21.                                                                                                                                     | Treas, DOJ, FTC           | NIGC, Interior                  |                            |
| 3-3 "Cruises to nowhere" should be prohibited unless the state specifically legalizes them.                                                                                                           | Interior                  | Treas                           | DOJ, NIGC, FTC             |
| 3-4 Warnings about gambling should be posted in all gambling facilities.                                                                                                                              | DOJ                       | Treas, NIGC                     | FTC, Interior              |
| 3-5 States should adopt campaign contribution restrictions from gambling entities.                                                                                                                    |                           | Treas, Interior                 | DOJ, NIGC, FTC             |
| 3-6 States should not authorize any further convenience gambling operations and should cease and roll back existing operations.                                                                       |                           | Treas                           | DOJ, NIGC, FTC, Interior   |
| 3-7 Betting on collegiate and amateur athletic events be banned altogether.                                                                                                                           |                           | Treas, DOJ, NIGC                | FTC, Interior              |
| 3-8 Where there is little regulatory oversight already, there should be background checks and licensing for those managing or supplying state lotteries.                                              | Treas, DOJ, NIGC          |                                 | FTC, Interior              |
| 3-9 States with lotteries should adopt legislative "best practices."                                                                                                                                  | DOJ                       |                                 | NIGC, FTC, Interior        |
| 3-10 Instant games should be prohibited.                                                                                                                                                              |                           | Treas, NIGC, Interior           | DOJ, FTC                   |
| 3-11 Aggressive advertising strategies, particularly those targeted at the poor or young, should be banned.                                                                                           |                           | Treas, DOJ, NIGC, FTC, Interior |                            |
| 3-12 Casino type gambling should be banned from pari-mutual facilities.                                                                                                                               |                           | Treas, NIGC                     | DOJ, FTC, Interior         |
| 3-13 Educational and prevention programs should be funded to help recognize that almost all sports gambling is illegal and can have serious consequences.                                             | DOJ                       |                                 | Treas, NIGC, FTC, Interior |
| 3-14 Enforceable advertising guidelines should be voluntarily adopted. Congress should amend the federal truth-in-advertising laws to include Native American gambling and state-sponsored lotteries. | DOJ                       | FTC                             | Treas, NIGC, Interior      |
| 3-15 Congress should delegate to the appropriate federal agency the task of annually gathering data concerning lottery operations.                                                                    |                           | Interior                        | Treas, DOJ, NIGC, FTC      |
| 3-16 States and tribal governments should do periodic reassessments of the various forms of gambling                                                                                                  | DOJ, NIGC, Interior       |                                 | Treas, FTC                 |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |            |                 |                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|-----------------|---------------------------------|
| permitted in their borders.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |            |                 |                                 |
| 3-17 Federal, state, and tribal gambling regulators should be subject to a cooling-off period that prevents them from working for any gambling operation subject to their jurisdiction for a period of 1 year.                                                                                                                                                                                                                                                                                                                                                  | NIGC       | Interior        | Treas, DOJ, FTC                 |
| 3-18 Jurisdictions should consider doing “Gambling Impact Statements” when considering expanding existing operations or adding new forms of gambling.                                                                                                                                                                                                                                                                                                                                                                                                           | Treas, DOJ | Interior        | NIGC, FTC                       |
| 3-19 States with lotteries should limit advertising and number of sales outlets in low-income areas.                                                                                                                                                                                                                                                                                                                                                                                                                                                            |            | Treas, FTC      | DOJ, NIGC, Interior             |
| 3-20 States with lotteries should create a private citizen oversight board.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |            |                 | Treas, DOJ, NIGC, FTC, Interior |
| 3-21 Penalties and enforcement efforts regarding underage gambling should be greatly increased.                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Treas, DOJ |                 | NIGC, FTC, Interior             |
| 3-22 States should curtail the growth of new lottery games, reduce lottery advertising, and limit locations for lottery machines.                                                                                                                                                                                                                                                                                                                                                                                                                               |            | Treas           | DOJ, NIGC, FTC, Interior        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |            |                 |                                 |
| <b>Chapter 4. Problem and Pathological Gambling</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |            |                 |                                 |
| 4-1 Government gambling regulatory agencies should require, as a condition of any gambling facility’s license to operate: (1) a mission statement on policy regarding pathological gambling; (2) a high-level person to oversee the mission statement; (3) contracts with state-recognized gambling treatment professionals; (4) refusal of service to any customer who exhibits indications of a gambling disorder; (5) provide customers with signs of disorders a list of treatment programs; and (6) provide insurance for pathological gambling employees. |            | Treas, NIGC     | DOJ, FTC, Interior              |
| 4-2 States and tribes should enact a gambling privilege tax which shall be used for research, prevention, education, and treatment.                                                                                                                                                                                                                                                                                                                                                                                                                             |            | Treas, Interior | DOJ, NIGC, FTC                  |
| 4-3 States should require that private and public insurers and managed care providers cover problem-gambling treatment under their plans.                                                                                                                                                                                                                                                                                                                                                                                                                       |            |                 | Treas, DOJ, NIGC, FTC, Interior |
| 4-4 Each gambling facility must implement procedures to allow for voluntary self-exclusion, enabling gamblers to ban themselves from a gambling establishment for a specified period of time.                                                                                                                                                                                                                                                                                                                                                                   | Treas      | Interior        | DOJ, NIGC, FTC                  |
| 4-5 Encourage private volunteerism to solve problem gambling.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Treas      |                 | DOJ, NIGC, FTC                  |
| 4-6 Each state-run or approved gambling operation should be required to post two state-approved providers                                                                                                                                                                                                                                                                                                                                                                                                                                                       |            | Treas           | DOJ, NIGC, FTC,                 |

|                                                                                                                                                                                                                                                             |                                 |             |                            |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|-------------|----------------------------|
| of treatment and support services for problem gambling.                                                                                                                                                                                                     |                                 |             | Interior                   |
|                                                                                                                                                                                                                                                             |                                 |             |                            |
| <b>Chapter 5. Internet Gambling</b>                                                                                                                                                                                                                         |                                 |             |                            |
| 5-1 The federal government should prohibit Internet gambling not already authorized within the United States. DOJ should develop enforcement strategies for those who intentionally or unintentionally facilitate Internet gambling transactions.           | DOJ, FTC, Interior              | NIGC        | Treas                      |
| 5-2 Legislation should be passed to prohibit wire transfers to known Internet gambling sites or the banks that represent them. Legislation should also be passed which prohibits the recovery of credit card debts incurred while gambling on the Internet. | DOJ                             | Treas, NIGC | FTC, Interior              |
| 5-3 States should not permit the expansion of gambling into homes through technology and the expansion of account wagering.                                                                                                                                 | DOJ                             |             | Treas, NIGC, FTC, Interior |
| 5-4 The federal government should encourage or enable foreign governments not to harbor Internet gambling organizations that prey on U.S. citizens.                                                                                                         | Treas, DOJ, NIGC, FTC, Interior |             |                            |
|                                                                                                                                                                                                                                                             |                                 |             |                            |
| <b>Chapter 6. Native American Tribal Gambling</b>                                                                                                                                                                                                           |                                 |             |                            |
| 6-1 All tribal gaming commissions should work to ensure that tribal gambling operations meet the new Minimum Internal Control Standards and the NIGC focus special attention on tribal gambling operations struggling to comply with these requirements.    | Treas, DOJ, NIGC, Interior      |             | FTC                        |
| 6-2 IGRA's definitions of Class II and Class III gambling activities should be more clearly defined and Class III activities should not include any activities that are not permitted in that state.                                                        | DOJ, Interior                   | Treas, NIGC | FTC                        |
| 6-3 Labor organizations, tribal governments, and states should voluntarily work together to ensure the right of free association – including the right to organize and bargain collectively.                                                                | Treas                           | Interior    | DOJ, NIGC, FTC             |
| 6-4 Tribal governments, states, and labor organizations should work together voluntarily to extend to employees of tribal casinos the same or equivalent protections that are applicable to comparable state or private-sector employees.                   | Treas                           | Interior    | DOJ, NIGC, FTC             |
| 6-5 NIGC should publish aggregated financial Indian gambling data. Independent auditors should also review and comment on tribal compliance with the Minimum Internal Control Standards.                                                                    | Treas                           | DOJ, NIGC   | FTC                        |
| 6-6 Tribal members should be able to inspect the annual                                                                                                                                                                                                     | Treas                           | DOJ,        | NIGC, FTC                  |

|                                                                                                                                                                                                                                                                                    |                            |                     |                       |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|---------------------|-----------------------|
| certified independently audited financial statements and compliance review of the MICS submitted to the NIGC.                                                                                                                                                                      |                            | Interior            |                       |
| 6-7 Tribal and state sovereignty should be recognized, protected, and preserved.                                                                                                                                                                                                   | Treas, DOJ, NIGC, Interior |                     | FTC                   |
| 6-8 All relevant governmental gambling regulatory agencies should take the rapid growth of gambling into account as they formulate policies.                                                                                                                                       | Treas, DOJ, NIGC, Interior |                     | FTC                   |
| 6-9 The federal government should fully enforce all provisions of the IGRA.                                                                                                                                                                                                        | DOJ, NIGC, Interior        |                     | Treas, FTC            |
| 6-10 Tribes, states, and local governments should continue to work together to resolve issues of mutual concern rather than relying on federal law to resolve problems for them.                                                                                                   | DOJ, NIGC                  | Interior            | Treas, FTC            |
| 6-11 Tribes should enter into reciprocal agreements with state and local governments to mitigate the negative effects of the activities that may occur in other communities.                                                                                                       | Treas, DOJ, NIGC, Interior |                     | FTC                   |
| 6-12 The federal government should leave issues other than gambling (which is covered by IGRA) to the states and tribes for resolution.                                                                                                                                            |                            | DOJ, NIGC, Interior | FTC                   |
| 6-13 Congress should specify a constitutionally sound means of resolving disputes between states and tribes regarding Class III gambling. All parties to Class III negotiations should be subject to an independent, impartial decisionmaker who is empowered to approve compacts. | DOJ, NIGC, Interior        |                     | Treas, FTC            |
| 6-14 Congress should adopt no law altering the right of tribes to use existing telephone technology to link bingo games between Indian reservations.                                                                                                                               | DOJ, NIGC, Interior        |                     | Treas, FTC            |
| 6-15 Tribal governments should be encouraged to use some net revenues to diversify their economies.                                                                                                                                                                                | Treas, DOJ, NIGC, Interior |                     | FTC                   |
|                                                                                                                                                                                                                                                                                    |                            |                     |                       |
| <b>Chapter 7 Gambling's Impacts on People and Places</b>                                                                                                                                                                                                                           |                            |                     |                       |
| 7-1 States, tribal governments, and pari-mutuel facilities should ban credit card cash advance machines from the immediate area where gambling takes place.                                                                                                                        |                            | Interior            | Treas, DOJ, NIGC, FTC |
| 7-2 Gambling establishments should implement policies to help ensure the safety of children on their premises and to prevent underage gambling including: (1) post local curfews in public areas and (2) train employees to handle unattended children and underage gambling.      | Treas, DOJ, NIGC, Interior |                     | FTC                   |
| 7-3 State, local, and tribal governments should recognize                                                                                                                                                                                                                          | Treas,                     |                     | DOJ, FTC              |

|                                                                                                                                                                                                                                                                           |                 |                |                                 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|----------------|---------------------------------|
| that casino gambling has the ability to generate job creation.                                                                                                                                                                                                            | NIGC, Interior  |                |                                 |
| 7-4 State, local, and tribal governments should recognize that lotteries, Internet gambling, and non-casino EGD's do no create a concentration of good quality jobs.                                                                                                      |                 | NIGC, Interior | Treas, DOJ, FTC                 |
| 7-5 State, local, and tribal governments should recognize that casino development should be targeted for locations where the jobs would benefit distressed communities.                                                                                                   | Treas, Interior |                | DOJ, NIGC, FTC                  |
| 7-6 Studies of gambling's economic impact should include an analysis of gambling industry job quality.                                                                                                                                                                    | NIGC            |                | DOJ, FTC, Interior              |
| 7-7 State, local, and tribal governments should recognize that destination resorts create more and better jobs than casinos catering to a local clientele.                                                                                                                |                 | Interior       | Treas, DOJ, NIGC, FTC           |
| 7-8 State, local, and tribal governments should look to cooperation between labor unions and management as a means for protecting job quality.                                                                                                                            | Treas           | Interior       | NIGC, FTC                       |
| 7-9 Students should be warned of the dangers of gambling, beginning at the elementary level and continuing through college.                                                                                                                                               | Treas, DOJ      |                | NIGC, FTC, Interior             |
|                                                                                                                                                                                                                                                                           |                 |                |                                 |
| <b>Chapter 8. Future Research</b>                                                                                                                                                                                                                                         |                 |                |                                 |
| 8-1 Congress should encourage NIH to convene a multidisciplinary advisory panel that will help establish a broad framework for research on problem and pathological gambling issues.                                                                                      |                 |                | DOJ, NIGC, FTC, Interior        |
| 8-2 Congress should direct SAMHSA to add gambling components to the National Household Survey on Drug Abuse.                                                                                                                                                              |                 |                | Treas, DOJ, NIGC, FTC, Interior |
| 8-3 Congress should direct all federal agencies conducting or supporting longitudinal research panels to consider the feasibility of adding a gambling component to such surveys.                                                                                         | Treas, DOJ      |                | NIGC, FTC, Interior             |
| 8-4 Congress should encourage NIH to issue a revision of the special research program announcement for research applications on pathological gambling.                                                                                                                    |                 |                | Treas, DOJ, NIGC, FTC, Interior |
| 8-5 Congress should direct NIH to invite applications for supplemental funds to add legal and illegal gambling components to appropriate existing surveys and to issue a revision of the special program announcement for research applications on pathological gambling. |                 |                | Treas, DOJ, NIGC, FTC, Interior |
| 8-6 Congress should direct NIH to invite applications for supplemental funds to issue a revision of the special program announcement for research applications to commence a study of American adult problem gamblers                                                     |                 |                | Treas, DOJ, NIGC, FTC, Interior |

|                                                                                                                                                                                                                                                                           |             |          |                                 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|----------|---------------------------------|
| below the pathological gambler threshold (APA DSM-IV).                                                                                                                                                                                                                    |             |          |                                 |
| 8-7 Congress should direct SAMHSA to add specific gambling questions to its annual surveys of mental health providers, which are conducted by the Center for Mental Health Services.                                                                                      |             |          | Treas, DOJ, NIGC, FTC, Interior |
| 8-8 SAMHSA should initiate treatment outcome studies conducted by scientists in the treatment research field.                                                                                                                                                             |             |          | Treas, DOJ, NIGC, FTC, Interior |
| 8-9 Congress should request that the National Science Foundation establish a multidisciplinary research program that will estimate the benefits and costs of illegal and separately each form of legal gambling allowed under federal, tribal, and state law.             |             |          | Treas, DOJ, NIGC, FTC, Interior |
| 8-10 Congress should direct NIJ to research what effect legal and illegal gambling has on property and/or violent crime rates.                                                                                                                                            |             | DOJ      | Treas, NIGC, FTC, Interior      |
| 8-11 Congress should direct NIJ or BJS to add gambling components to ongoing studies of federal prison inmates, parolees, and probationers who manifest disorders that frequently coexist with pathological gambling.                                                     |             | DOJ      | Treas, NIGC, FTC, Interior      |
| 8-12 Congress should direct NIJ to investigate and study the extent of adolescent participation in illegal gambling and all forms of legal gambling separately.                                                                                                           | DOJ         |          | Treas, NIGC, FTC, Interior      |
| 8-13 Congress should direct the Department of Labor to research job quality in the gambling industry as measured by income levels, health insurance coverage and affordability, pension benefits, job security, and other similar indicators.                             | NIGC        |          | Treas, DOJ, FTC, Interior       |
| 8-14 If Congress acts to prohibit Internet gambling, it should also require NIJ to measure its effectiveness for a period of one year.                                                                                                                                    | Treas, NIGC | DOJ      | FTC, Interior                   |
| 8-15 Congress should direct NIH to invite applications for supplemental funds to issue a revision of the special program announcement for research applications to commence a study of prevalence of problem and pathological gambling among gambling industry employees. |             |          | Treas, DOJ, NIGC, FTC, Interior |
| 8-16 Appropriate institutes should conduct research to determine if an analysis of available gambling patron data derived from banks and other credit agencies can assist in the identification of problem and pathological gamblers.                                     |             | Treas    | DOJ, NIGC, FTC, Interior        |
| 8-17 State and tribal governments should authorize and                                                                                                                                                                                                                    |             | Interior | DOJ, NIGC,                      |

|                                                                                                                                                                                                                                |  |          |                          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|----------|--------------------------|
| fund every two years an objective study of the prevalence of problem and pathological gamblers among their residents.                                                                                                          |  |          | FTC                      |
| 8-18 State and tribal governments should authorize and fund research programs for those who are likely to become problem or pathological gamblers in their resident population.                                                |  | Interior | DOJ, NIGC, FTC           |
| 8-19 State and tribal governments should require, as a condition of the granting of a license to operate a gambling facility or to sell goods or services in a gambling facility, full cooperation in any research undertaken. |  | Interior | DOJ, NIGC, FTC           |
| 8-20 State and tribal governments should consider authorizing research to collect and analyze data that would assess gambling related effects on customers and their families.                                                 |  |          | DOJ, NIGC, FTC, Interior |
|                                                                                                                                                                                                                                |  |          |                          |
|                                                                                                                                                                                                                                |  |          |                          |
|                                                                                                                                                                                                                                |  |          |                          |
|                                                                                                                                                                                                                                |  |          |                          |
|                                                                                                                                                                                                                                |  |          |                          |
|                                                                                                                                                                                                                                |  |          |                          |



## **Outline of Gambling Issues**

I. Agreement or Disagreement with National Gambling Impact Study Commission Report - CHART

II. DOJ Internet Gambling Bill

III. Treasury Report on the Relationship of Bankruptcy to Gambling

Treasury already distributed this report to a few members of Congress, but has not done any press on it. (Lott, Hastert, Obey, Byrd, Campbell, Dorgan, Kolbe, Hoyer, Bill Young, Stevens, Thurmond)

The report finds that there is no connection between state bankruptcy rates and either the extent of or introduction of casino gambling. The report does conclude, however, that there is a 6 percent increase in the probability of filing for bankruptcy for those individuals who gamble frequently -- especially in high risk ventures. Treasury estimates that it loses between \$86.5 and \$108.2 million per year from additional bankruptcies attributable to frequent high-risk gambling. The report recommends a research agenda and a public education campaign regarding bankruptcy and gambling.

IV. HHS Research Agenda

## **DRAFT 7-24-99**

### **I. Recommendations Where There is Disagreement Among the Agencies**

#### **3-2 All legal gambling should be restricted to those at least 21.**

Treasury, DOJ, and FTC agree with this recommendation. However, this recommendation, while consistent with age restrictions on alcohol is above most states age limitations for tobacco, which is 18. Interior and the NIGC disagree with this recommendation to the extent that it may encroach on tribal sovereignty.

#### **3-3 “Cruises to nowhere” should be prohibited unless the state specifically legalizes them.**

Interior agrees with this proposal.

Treasury disagrees and is concerned that the proposal, which is strongly supported by casino interests, is anti-competitive, too broad and will result in harmful economic impacts to inter-state commerce. Moreover, it is not clear that international cruises are covered. If international cruises are not covered this proposal favors long-distance cruises over short excursions. The proposal may stifle innovative and profitable new small business ideas. For instance, it would outlaw all gambling on fishing or scuba excursions and the fishing or scuba excursion might not be profitable without the gambling. Effects on Indian gaming also need to be carefully analyzed, particularly with respect to Florida.

DOJ, FTC, and the NIGC take no position. DOJ recommends, however, that any additional amendments to the federal statutes pertaining to gambling on day cruises not be done in piecemeal fashion. “Cruises to nowhere” are day cruises that leave and return to the same port during which gambling activities occur while the vessel is in international waters. Two federal statutes, 18 U.S.C. §§ 1081-1083 and 15 U.S.C. §§ 1171-1178, control gambling activities on American flag vessels while on such cruises. The language of both statutes is complex and any further piecemeal amendments should be avoided. Prior to the amendments that permitted such gambling on American flag vessels, foreign flag vessels were offering gambling day cruises because neither federal nor state statutes covered foreign flag vessels while in international waters unless the vessels had ties to the United States. These statutes were enacted, in part, to allow American flag vessels to compete with foreign flag vessels in offering gambling on day cruises when the vessel is in international waters. DOJ also notes that, even before Congressional amendments legalized “cruises to nowhere,” prosecutions of such cases were rare because federal prosecutors did not view this as a priority absent allegations of organized crime or criminal activities.

#### **3-4 Warnings about gambling should be posted in all gambling facilities.**

DOJ agrees with this recommendation.

Treasury and the NIGC disagree. The NIGC is concerned to the extent that it may encroach on tribal sovereignty. Treasury is concerned, that unlike the warning labels on cigarettes, we do not have consistent and extensive research on gambling that will translate to short slogans which could be posted in gambling facilities. Treasury believes that public information about gambling and its possible effects will prove more effective than short warning slogans and that our focus should be on making information and educational materials more accessible to all gambling patrons and their families.

**3-14 Enforceable advertising guidelines should be voluntarily adopted. Congress should amend the federal truth-in-advertising laws to include Native American gambling and state-sponsored lotteries.**

DOJ agrees with this recommendation as to aggressive advertising targeting youth.

The FTC disagrees with this recommendation.

Treasury, the NIGC, and Interior take no official position.

**3-17 Federal, state, and tribal gambling regulators should be subject to a cooling-off period that prevents them from working for any gambling operations subject to their jurisdiction for a period of 1 year.**

The NIGC agrees with this recommendation.

Interior disagrees with this recommendation.

Treasury, DOJ, and the FTC take no official position.

**3-18 Jurisdictions should consider doing “Gambling Impact Statements” when considering expanding existing operations or adding new forms of gambling.**

Treasury and Justice agree with this recommendation.

Interior disagrees with this recommendation.

The NIGC and the FTC take no official position.

**4-4 Each gambling facility must implement procedures to allow for voluntary self-exclusion, enabling gamblers to ban themselves from a gambling establishment for a specified period of time.**

Treasury agrees with this recommendation and would go even farther. Treasury notes that this proposal had strong support among all members of the Commission including representatives of the casino industry. It should be expanded to require credit card companies to put voluntary

bans on use of credit cards for cash advances and at casinos. Some credit card companies already monitor use of credit cards at casinos and for cash advances and this change could be easily implemented at relatively low cost.

Interior disagrees with this recommendation.

DOJ, the NIGC, and the FTC take no official position.

**5-2 Legislation should be passed to prohibit wire transfers to known Internet gambling sites or the banks that represent them. Legislation should also be passed which prohibits the recovery of credit card debts incurred while gambling on the Internet.**

DOJ agrees with this recommendation. DOJ notes that current federal statutes can be used to prohibit such wire transfers, and that if any new legislation is enacted, the banks should only be criminally liable if they knowingly aided and abetted the Internet gambling sites. Further, DOJ recommends that if a third party sends the wire transfer to the bank, the Internet gambling site would need to have caused the wire transfer as is required under current law. DOJ also agrees with the part of this recommendation that legislation should be passed which makes credit card debts incurred while engaging in illegal gambling on the Internet unrecoverable.

Treasury disagrees with this recommendation stating that the prohibition against wire transfers would be very difficult to enforce and that there are already state laws that prohibit recovery of credit card debts from gambling. Treasury suggests that an effective prohibition on Internet gambling might involve regulations on financial institutions and credit card companies.

The FTC, Interior, and HHS take no official position.

**6-2 IGRA's definitions of Class II and Class III gambling activities should be more clearly defined and Class III activities should not include any activities that are not permitted in that state.**

Justice and Interior agree with this recommendation.

Treasury and the NIGC disagree with this recommendation. Treasury states that a more narrow definition might be enacted that could improperly restrict what activities could be introduced on Indian reservations. Treasury does not support a prohibition against "any activities that are not permitted in that state."

The FTC and HHS take no official position.

**6-3 Labor organizations, tribal governments, and states should voluntarily work together to ensure the right of free association - including the right to organize and bargain collectively.**

Treasury agrees with this recommendation.

Interior disagrees with this recommendation.

DOJ, the NIGC, the FTC, and HHS take no official position.

**6-4 Tribal governments, states, and labor organizations should work together voluntarily to extend to employees of tribal casinos the same or equivalent protections that are applicable to comparable state or private-sector employees.**

Treasury agrees with this recommendation.

Interior disagrees with this recommendation.

DOJ, the NIGC, the FTC, and HHS take no official position.

**6-5 NIGC should publish aggregated financial Indian gambling data. Independent auditors should also review and comment on tribal compliance with the Minimum Internal Control Standards.**

Treasury agrees with this recommendation. Treasury states that more information on Indian gambling finances is needed to evaluate gambling impacts and to better understand the needs of the local Indian economy.

DOJ and the NIGC disagree with this recommendation. The NIGC states that no legislative change is necessary in order for the NIGC to publish this information. The NIGC also notes that independent auditors are already required to review and comment on tribal compliance with the Minimum Internal Control Standards.

The FTC and HHS take no official position.

**6-6 Tribal members should be able to inspect the annual certified independently audited financial statements and compliance review of the MICS submitted to the NIGC.**

Treasury agrees with this recommendation.

DOJ and Interior disagree with this recommendation.

The NIGC, the FTC, and HHS take no official position.

**6-10 Tribes, states, and local governments should continue to work together to resolve issues of mutual concern rather than relying on federal law to resolve problems for them.**

DOJ and the NIGC agree with this recommendation.

Interior disagrees with this recommendation.  
Treasury, the FTC, and HHS take no official position.

**7-8 State, local, and tribal governments should look to cooperation between labor unions and management as a means for protection job quality.**

Treasury agrees with this recommendation.

Interior disagrees with this recommendation.

The NIGC, the FTC, and HHS take no official position.

**8-14 If Congress acts to prohibit Internet gambling, it should also require NIJ to measure its effectiveness for a period of one year.**

Treasury and the NIGC agree with this recommendation.

DOJ disagrees with this recommendation. DOJ disagrees because this would be a very difficult study to perform with precision.

The FTC, Interior, and HHS take no official position.

## **II. Recommendations Where There is Agreement Among the Agencies**

### **A. Recommendations Where All Agencies Agree**

**3-1 States are best equipped to regulate gambling within their borders except for tribal and Internet gambling.**

Treasury, DOJ, Interior, the FTC agree with this recommendation, and the NIGC has no official position.

**3-8 Where there is little regulatory oversight already, there should be background checks and licensing for those managing or supplying state lotteries.**

Treasury, DOJ, and the NIGC agree with this recommendation, and Interior and the FTC have no official position.

**3-9 States with lotteries should adopt legislative “best practices”.**

DOJ agrees with this recommendation.

The NIGC, the FTC, and Interior take no official position.

**3-13 Educational and prevention programs should be funded to help recognize that almost all sports gambling is illegal and can have serious consequences.**

DOJ agrees with this recommendation.

Treasury, the NIGC, the FTC, and Interior take no official position.

**3-16 States and tribal governments should do periodic reassessments of the various forms of gambling permitted in their borders.**

DOJ, the NIGC, and Interior agree with this recommendation.

Treasury and the FTC take no official position.

**3-21 Penalties and enforcement efforts regarding underage gambling should be greatly increased.**

Treasury and DOJ agree with this recommendation.

The NIGC, the FTC, and Interior take no official position.

**4-5 Encourage private volunteerism to solve problem gambling.**

Treasury and Interior agree with this recommendation.

DOJ, the NIGC, the FTC take no official position.

## **Chapter 5. Internet Gambling**

**5-1 The federal government should prohibit Internet gambling not already authorized within the United States. DOJ should develop enforcement strategies for those who intentionally or unintentionally facilitate Internet gambling transactions.**

DOJ, the NIGC, the FTC, and Interior agree with this recommendation. DOJ believes that existing federal statutes are applicable to gambling activities over the Internet. To the extent that existing federal law should be clarified, the DOJ believes that current federal gambling statutes should be amended to proscribe Internet gambling as opposed to the creation of a new federal statute. DOJ is in the process of proposing amendments to Sections 1081 and 1084 of Title 18, United States Code, to cover gambling over the Internet and other new technologies.

Treasury and HHS take no official position.

**5-3 States should not permit the expansion of gambling into homes through technology and**

**the expansion of account wagering.**

DOJ agrees with this recommendation.

Treasury, the NIGC, the FTC, Interior, and HHS take no official position.

**5-4 The federal government should encourage or enable foreign governments not to harbor Internet gambling organizations that prey on U.S. citizens.**

Treasury, DOJ, the NIGC, the FTC, and Interior agree with this recommendation. DOJ notes that this recommendation would need to be accomplished through treaties or other agreements with foreign countries, where such Internet gambling is legal. Mutual legal assistance treaties and extradition treaties currently in effect may require “dual criminality,” which would require that the Internet gambling be prohibited in the foreign country from which the Internet gambling website operates. Treasury urges that regulatory efforts should be on interdiction through Internet providers and financial institutions.

## **Chapter 6. Native American Tribal Gambling**

**6-1 All tribal gaming commissions should work to ensure that tribal gambling operations meet the new Minimum Internal Control Standards and the NIGC focus special attention on tribal gambling operations struggling to comply with these requirements.**

Treasury, DOJ, the NIGC, and Interior agree with this recommendation.

The FTC and HHS take no position.

**6-7 Tribal and state sovereignty should be recognized, protected, and preserved.**

Treasury, DOJ, the NIGC, and Interior agree with this recommendation.

The FTC and HHS take no official position.

**6-8 All relevant governmental gambling regulatory agencies should take the rapid growth of gambling into account as they formulate policies.**

Treasury, DOJ, the NIGC, and Interior agree with this recommendation.

The FTC and HHS take no official position.

**6-9 The federal government should fully enforce all provisions of the IGRA.**

DOJ, the NIGC, and Interior agree with this recommendation.



Treasury, the FTC, and HHS take no official position.

**6-11 Tribes should enter into reciprocal agreements with state and local governments to mitigate the negative effects of the activities that may occur in other communities.**

Treasury, DOJ, the NIGC, and Interior agree with this recommendation.

The FTC and HHS take no official position.

**6-13 Congress should specify a constitutionally sound means of resolving disputes between states and tribes regarding Class III gambling. All parties to Class III negotiations should be subject to an independent, impartial decision maker who is empowered to approve compacts.**

DOJ, the NIGC, and Interior agree with this recommendation.

Treasury, the FTC, and HHS take no official position.

**6-14 Congress should adopt no law altering the right of tribes to use existing telephone technology to link bingo games between Indian reservations.**

DOJ, the NIGC, and Interior agree with this recommendation. DOJ notes that its amendments to Sections 1081 and 1084 of Title 18, United States Code, which relate to Internet gambling, provide that these amendments are not intended to repeal or amend IGRA. The NIGC states that the recommendation should not be limited to telephone technology since tribes also use other technology such as satellite technology to operate certain games. In addition, the NIGC states that this recommendation should not be limited to bingo because tribes use similar technology with other games such as linked slot machines.

Treasury, the FTC, and HHS take no official position.

**6-15 Tribal governments should be encouraged to use some net revenues to diversify their economies.**

Treasury, DOJ, the NIGC, and Interior agree with this recommendation.

The FTC and HHS take no official position.

**7-2 Gambling establishments should implement policies to help ensure the safety of children on their premises and to prevent underage gambling including: (1) post local curfews in public areas and (2) train employees to handle unattended children and underage gambling.**

Treasury, DOJ, the NIGC, and Interior agree with this recommendation.

The FTC and HHS take no official position.

**7-3 State, local, and tribal governments should recognize that casino gambling has the ability to generate job creation.**

Treasury, the NIGC, and Interior agree with this recommendation.

DOJ, the FTC, and HHS take no official position.

**7-5 State, local, and tribal governments should recognize that casino development should be targeted for locations where the jobs would benefit distressed communities.**

Treasury and Interior agree with this recommendation.

DOJ, the NIGC, the FTC, and HHS take no official position.

**7-6 Studies of gambling's economic impact should include an analysis of gambling industry job quality.**

The NIGC agrees with this recommendation.

DOJ, the FTC, Interior, and HHS take no official position.

**7-9 Students should be warned of the dangers of gambling, beginning at the elementary level and continuing through college.**

Treasury and DOJ agree with this recommendation.

The NIGC, the FTC, and Interior take no official position.

**8-3 Congress should direct all federal agencies conducting or supporting longitudinal research panels to consider the feasibility of adding a gambling component to such surveys.**

Treasury, DOJ, and HHS agree with this recommendation. HHS and its agencies agree that ongoing longitudinal surveys may be a useful, cost-effective means of obtaining data on gambling, and the feasibility of adding a gambling component should be considered. DOJ suggests that this recommendation be restricted to cohorts of adult, general population studies.

The NIGC, the FTC, and Interior disagree with this recommendation.

**8-4 Congress should encourage NIH to issue a revision of the special research program announcement for research applications on pathological gambling.**

HHS agrees with this recommendation. The National Institute of Alcoholism and Alcohol Abuse

(NIAAA), the National Institute of Drug Abuse (NIDA), and the National Institute of Mental Health (NIMH) are already planning an amendment to the special research program announcement for research applications on pathological gambling.

Treasury, DOJ, the NIGC, the FTC, and Interior take no official position.

**8-5 Congress should direct NIH to invite applications for supplemental funds to add legal and illegal gambling components to appropriate existing surveys and to issue a revision of the special program announcement for research applications on pathological gambling.**

HHS agrees with this recommendation. As noted above, NIAAA, NIDA, and NIMH are planning an amendment to the special research program announcement for research applications on pathological gambling. However, since surveys are supported through a variety of mechanisms, the addition of a gambling component to surveys would need to be addressed in a separate announcement, not an amendment to the pathological gambling program announcement (PA). It is important to note that many of the existing surveys that NIH supports already ask respondents a great number of questions and adding additional questions on gambling may take away from obtaining the primary data. NIH is hopeful that money will be available to develop proper survey instruments and to enable NIH to implement the Commission's recommendations.

Treasury, DOJ, the NIGC, the FTC, and Interior take no official position.

**8-6 Congress should direct NIH to invite applications for supplemental funds to issue a revision of the special program announcement for research applications to commence a study of American adult problem gamblers below the pathological gambler threshold (APA DSM-IV).**

HHS agrees with this recommendation.

Treasury, DOJ, the NIGC, the FTC, and Interior take no official position.

**8-12 Congress should direct NIJ to investigate and study the extent of adolescent participation in illegal gambling and all forms of legal gambling separately.**

DOJ agrees with this recommendation. DOJ states that the proposed study is a good idea, assuming funds were made available. OJJDP might be the more appropriate sponsor; however, this matter could be negotiated between the two agencies. DOJ estimates that this study would cost \$750,000.

Treasury, the NIGC, the FTC, Interior, and HHS take no official position.

**8-13 Congress should direct the Department of Labor to research job quality in the gambling industry as measured by income levels, health insurance coverage and affordability, pension benefits, job security, and other similar indicators.**

The NIGC agrees with this recommendation. Labor responded that it “doesn’t know” whether it should conduct this study.

Treasury, DOJ, the FTC, Interior, and HHS take no official position.

**8-15 Congress should direct NIH to invite applications for supplemental funds to issue a revision of the special program announcement for research applications to commence a study of prevalence of problem and pathological gambling among industry employees.**

HHS agrees with this recommendation. HHS states that NIAAA, NIDA, and NIMH are already planning an amendment to the special research program announcement for research applications on pathological gambling, and will examine the feasibility of incorporating this element.

Treasury, DOJ, the NIGC, the FTC, and Interior take no official position.

## **B. Recommendations Where All Agencies Disagree**

**3-5 States should adopt campaign contribution restrictions from gambling entities.**

Treasury and Interior disagree with this proposal. Treasury states that comprehensive finance reform is needed and that there is no rationale for a proposal that targets just one industry.

DOJ, the NIGC, and the FTC have no official position.

**3-6 States should not authorize any further convenience gambling operations and should cease and roll back existing operations.**

Treasury disagrees with this proposal because it believes that the primary impact of this proposal is to reduce competition and to benefit casinos over gambling in stores and in restaurants.

DOJ, the NIGC, the FTC, and Interior have no official position.

**3-7 Betting on collegiate and amateur athletic events be banned altogether.**

DOJ, Treasury, and the NIGC disagree with this recommendation. DOJ and Treasury note that sports wagering is only legal in four states, and only offered in two of these four states – Nevada and Oregon. Accordingly, additional federal laws on sports betting would, therefore, have very limited effect.

The FTC and Interior take no official position.

**3-10. Instant games should be prohibited.**

Treasury, the NIGC, and Interior disagree with this recommendation. The NIGC notes that many tribes currently offer types of instant games that are played in accordance with tribal, state, and federal law. Treasury notes that it is unaware of evidence indicating that instant games are more harmful than casino games, and that the only impact of this restriction may be to reduce competition with casinos.

DOJ and the FTC take no official position.

**3-11 Aggressive advertising strategies, particularly those targeted at the poor or young, should be banned.**

Treasury, DOJ, the NIGC, the FTC, and Interior disagree with this recommendation. The FTC and DOJ are concerned that this recommendation might not pass constitutional muster, particularly in light of the recent Supreme Court decision in Greater New Orleans Broadcasting Assoc. v. United States, 119 S.Ct. 1923 (1999)(striking down FCC regulation prohibiting broadcast advertising of lawful private casino gambling on First Amendment grounds).

**3-12 Casino type gambling should be banned from pari-mutuel facilities.**

Treasury and the NIGC disagree with this recommendation. The NIGC notes that some tribes and states currently operate casino-type gambling together with pari-mutual facilities in accordance with federal law.

DOJ, the FTC, and Interior take no official position.

**3-15 Congress should delegate to the appropriate federal agency the task of annually gathering data concerning lottery operations.**

Interior disagrees with this recommendation.

Treasury, DOJ, the NIGC, and the FTC take no official position.

**3-19 States with lotteries should limit advertising and number of sales outlets in low-income areas.**

Treasury and the FTC disagree with this recommendation.

DOJ, the NIGC, and Interior take no official position.

**3-22 States should curtail the growth of new lottery games, reduce lottery advertising, and limit locations for lottery machines.**

Treasury disagrees with this recommendation.

DOJ, the NIGC, the FTC, and Interior take no official position.

#### **Chapter 4. Problem and Pathological Gambling**

**4-1 Government gambling regulatory agencies should require, as a condition of any gambling facility's license to operate: (1) a mission statement on policy regarding pathological gambling; (2) a high-level person to oversee the mission statement; (3) contracts with state-recognized gambling treatment professionals; (4) refusal of service to any customer who exhibits indications of a gambling disorder; (5) provide customers with signs of disorders a list of treatment programs; and (6) provide insurance for pathological gambling employees.**

Treasury and the NIGC disagree with this recommendation. The NIGC reports that many tribes already commit substantial portions of their gaming revenue to problem gambling programs and that no legislative fix is necessary. Treasury believes that the requirement for a "mission statement" is too vague to be enforceable.

DOJ, the FTC, and Interior take no official position.

**4-2 States and tribes should enact a gambling privilege tax which shall be used for research, prevention, education, and treatment.**

Treasury and Interior disagree with this recommendation. Treasury notes that the proposal does not specify the size of the tax and that the proposed tax might not benefit out-of-state residents. Treasury believes that this recommendation needs to be improved.

DOJ, the NIGC, and the FTC take no official position.

**4-6 Each state-run or approved gambling operation should be required to post two state-approved providers of treatment and support services for problem gambling.**

Treasury disagrees with this recommendation. Treasury believes that this proposal is vague, and that it might be more useful for states to mandate that gambling establishments provide a copy of the state-approved providers list to problem gamblers who request information or help. Treasury believes that casinos and other gambling establishments should not pick therapists for problem gamblers.

DOJ, the NIGC, the FTC, and Interior take no official position.

**6-12 The federal government should leave issues other than gambling (which is covered by the IGRA) to the states and tribes for resolution.**

DOJ, the NIGC, and Interior disagree with this recommendation. DOJ notes that the federal government does have some role in its trust responsibility to tribes and in the area of the

environment.

The FTC and HHS take no official position.

## **Chapter 7. Gambling's Impacts on People and Places**

### **7-1 States, tribal governments, and pari-mutuel facilities should ban credit card cash advance machines from the immediate area where gambling takes place.**

Interior disagrees with this recommendation.

Treasury, DOJ, the NIGC, the FTC, and HHS take no official position. However, Treasury notes that pari-mutuel facilities are included but casinos are not. Treasury notes that the phrase "where gambling takes place" should be better defined. As written, this provision could ban ATMs in stores, bars, and restaurants that sell lottery tickets or have slot machines or video games. Treasury states that this provision may help problem gamblers who overact to gambling activities. On the other hand, safety concerns suggest that it may not be appropriate to force all gamblers to drive all over to get cash. It may be more effective for financial institutions to implement electronic blocks of certain credit cards and ATM transactions for some individuals or impose a ceiling on cash withdrawals.

### **7-4 State, local, and tribal governments should recognize that lotteries, Internet gambling, and non-casino EGD's do not create a concentration of good quality jobs.**

The NIGC and Interior disagree with this recommendation.

Treasury, DOJ, the FTC, and HHS take no official position.

### **7-7 State, local, and tribal governments should recognize that destination resorts create more and better jobs than casinos catering to a local clientele.**

Interior disagrees with this recommendation.

Treasury, DOJ, the NIGC, the FTC, and HHS take no official position.

## **Chapter 8. Future Research**

### **8-1 Congress should encourage NIH to convene a multi disciplinary advisory panel that will help establish a broad framework for research on problem and pathological gambling issues.**

HHS disagrees with this recommendation. HHS notes that it has been the position of Congress and the Executive Branch that the establishment of new advisory panels for any purpose is not to be encouraged. Activities currently underway at NIH such as the workshops on gambling

research issues that are in the preliminary state of planning could substantially address the scientific issues. HHS states that if a multidisciplinary advisory panel is convened, the panel should focus on scientific issues within the scope of the NIH mission and foster more involvement of various disciplines in addressing such questions and issues as determination of the behavioral, psychological and biological nature of pathological gambling, e.g., what are the underlying factors; illuminating the interplay of problem and pathological gambling with other disorders such as mood disorder; illuminating the basic behavioral and biological principles and processes that are involved. There are also substantial assessment and measurement issues with pathological gambling as such gamblers often conceal and deny the extent of this behavior. In addition, there are significant design issues for several important lines of research, e.g., illuminating risk and protective correlates so that prevention research can have a scientific basis, and addressing the lack of methodological progress in the past twenty years in the prevalence studies. HHS states that the advisory panel's work could thus usefully concentrate on conceptual, analytic, design, and measurement issues. These scientific foci could help the research community concentrate on important questions for basic and clinical science, and could also be helpful to those addressing other recommendations of the commission (state and tribal governments that are contracting for prevalence studies).

DOJ, the NIGC, the FTC, and Interior take no official position.

#### **8-2 Congress should direct SAMHSA to add gambling components to the National Household Survey on Drug Abuse.**

HHS disagrees with this recommendation. HHS (SAMHSA) agrees that it is important to understand the dimensions of problem and pathological gambling nationwide. SAMHSA notes, however, that the National Household Survey on Drug Abuse (NHSDA) uses a sample that is skewed toward younger persons in order to identify substance abuse problems in the 12-17 and 18-25 age groups. In addition, the current length of the survey may make it difficult to add questions without compromising the information obtained regarding substance abuse. Therefore, it may not be possible to use the NHSDA to address the full range of issues that are of concern to the Commission. SAMHSA will work with other HHS agencies to find an appropriate survey instrument to address broader-range questions related to gambling. In considering adding questions to pilot in any given survey instrument, SAMHSA will work with the NIH and other HHS agencies and stakeholder groups to ensure that the Commission's concerns are addressed to the extent possible.

Treasury, DOJ, the NIGC, the FTC, and Interior take no official position.

#### **8-7 Congress should direct SAMHSA to add specific gambling questions to its annual surveys of mental health providers, which are conducted by the Center for Mental Health Services.**

HHS disagrees with this recommendation. SAMHSA agrees that it is important to have additional information on the infrastructure which is available to treat gamblers. SAMHSA does not believe that the Inventory of Mental Health Organizations (IMHO) conducted by SAMHSA's



Center for Mental Health Services, or the Drug and Alcohol Services Information System (DASIS) conducted by SAMHSA's Office of Applied Studies are appropriate survey instruments to obtain information about treatment for gambling. SAMHSA will work with other HHS agencies and key stakeholders to identify other appropriate mechanisms for gathering this type of information.

Treasury, DOJ, the NIGC, the FTC, and Interior take no official position.

**8-8 SAMHSA should initiate treatment outcome studies conducted by scientists in the treatment research field.**

HHS disagrees with this recommendation. SAMHSA agrees that it is important to ensure that treatment for gambling is effective. SAMHSA does not agree, however, that it should initiate treatment outcome studies at this time. SAMHSA is interested in working closely with other HHS agencies and stakeholders to review relevant research findings and identify appropriate mechanisms for application and dissemination of those findings to improve treatment effectiveness at the community level.

Treasury, DOJ, the NIGC, the FTC, and Interior take no official position.

**8-10 Congress should direct NIJ to research what effect legal and illegal gambling has on property and/or violent crime rates.**

DOJ disagrees with this recommendation. DOJ states that such a study is impossible because it requires that a researcher be able to attribute specific neighborhood crimes to specific perpetrators, and then to attribute motives to each offense.

Treasury, the NIGC, the FTC, Interior, and HHS take no official position.

**8-11 Congress should direct NIJ or BJS to add gambling components to ongoing studies of federal prison inmates, parolees, and probationers who manifest disorders that frequently coexist with pathological gambling.**

DOJ disagrees with this recommendation. DOJ states that this recommendation is too broad and too vague, and ignores the potential negative consequences of many add-ons. Interview time on projects like inmate surveys is precious because it is constrained. As BJS has found through its many years of such surveys, respondents lose focus after 30-40 minutes, often becoming irritable as well as disinterested. Adding questions on gambling means dropping questions on drug abuse, spousal abuse, or some other social concern.

Treasury, HHS, the NIGC, the FTC, and Interior take no official position.

**8-16 Appropriate institutes should conduct research to determine if an analysis of available gambling patron data derived from banks and other credit agencies can assist in the**

**identification of problem and pathological gamblers.**

Treasury disagrees with this recommendation. Treasury has concerns about whether this research can be conducted without violating privacy concerns. Many credit card companies use their own data to charge higher interest rates for individuals who obtain cash advances or buy casino chips but it is not clear how a research institute could obtain comparable data.

DOJ, the NIGC, the FTC, Interior, and HHS take no official position.

**8-17 State and tribal governments should authorize and fund every two years an objective study of the prevalence of problem and pathological gamblers among their residents.**

Interior and Treasury disagree with this recommendation. Treasury states that this recommendation is too rigid and that it will be costly to repeat this study every two years in multiple jurisdictions.

DOJ, the NIGC, the FTC, and HHS take no official position.

**8-18 State and tribal governments should authorize and fund research programs for those who are likely to become problem or pathological gamblers in their resident population.**

Interior disagrees with this recommendation.

DOJ, the NIGC, the FTC, and HHS take no official position.

**8-19 State and tribal governments should require, as a condition of the granting of a license to operate a gambling facility or to sell goods or services in a gambling facility, full cooperation in any research undertaken.**

Interior disagrees with this recommendation.

DOJ, the NIGC, the FTC, and HHS take no official position.

**C. Recommendations Where All Agencies Take No Position**

**3-20 States with lotteries should create a private citizen oversight board.**

Treasury, DOJ, the NIGC, the FTC, and Interior take no official position.

**4-3 States should require that private and public insurers and managed care providers cover problem-gambling treatment under their plans.**

Treasury, DOJ, the NIGC, the FTC, and Interior take no official position.

**8-9 Congress should request that the National Science Foundation establish a multi disciplinary research program that will estimate the benefits and costs of illegal and separately each form of legal gambling allowed under federal, tribal, and state law.**

Treasury, DOJ, the NIGC, the FTC, Interior, and HHS take no official position.

**8-20 State and tribal governments should consider authorizing research to collect and analyze data that would assess gambling related effects on customers and their families.**

DOJ, the NIGC, the FTC, Interior, and HHS take no official position.

## **APPENDIX OF ALL RECOMMENDATIONS**

### **Chapter 3. Regulating Gambling**

3-1 States are best equipped to regulate gambling within their borders except for tribal and Internet gambling.

3-2 All legal gambling should be restricted to those at least 21.

3-3 “Cruises to nowhere” should be prohibited unless the state specifically legalizes them.

3-4 Warnings about gambling should be posted in all gambling facilities.

3-5 States should adopt campaign contribution restrictions from gambling entities.

3-6 States should not authorize any further convenience gambling operations and should cease and roll back existing operations.

3-7 Betting on collegiate and amateur athletic events be banned altogether.

3-8 Where there is little regulatory oversight already, there should be background checks and licensing for those managing or supplying state lotteries.

3-9 States with lotteries should adopt legislative “best practices”.

3-10 Instant games should be prohibited.

3-11 Aggressive advertising strategies, particularly those targeted at the poor or young, should be banned.

3-12 Casino type gambling should be banned from pari-mutuel facilities.

3-13 Educational and prevention programs should be funded to help recognize that almost all sports gambling is illegal and can have serious consequences.

3-14 Enforceable advertising guidelines should be voluntarily adopted. Congress should amend the federal truth-in-advertising laws to include Native American gambling and state-sponsored lotteries.

3-15 Congress should delegate to the appropriate federal agency the task of annually gathering data concerning lottery operations.

3-16 States and tribal governments should do periodic reassessments of the various forms of gambling permitted in their borders.

3-17 Federal, state, and tribal gambling regulators should be subject to a cooling-off period that prevents them from working for any gambling operations subject to their jurisdiction for a period of 1 year.

3-18 Jurisdictions should consider doing “Gambling Impact Statements” when considering expanding existing operations or adding new forms of gambling.

3-19 States with lotteries should limit advertising and number of sales outlets in low-income areas.

3-20 States with lotteries should create a private citizen oversight board.

3-21 Penalties and enforcement efforts regarding underage gambling should be greatly increased.

3-22 States should curtail the growth of new lottery games, reduce lottery advertising, and limit locations for lottery machines.

#### **Chapter 4. Problem and Pathological Gambling**

4-1 Government gambling regulatory agencies should require, as a condition of any gambling facility’s license to operate: (1) a mission statement on policy regarding pathological gambling; (2) a high-level person to oversee the mission statement; (3) contracts with state-recognized gambling treatment professionals; (4) refusal of service to any customer who exhibits indications of a gambling disorder; (5) provide customers with signs of disorders a list of treatment programs; and (6) provide insurance for pathological gambling employees.

4-2 States and tribes should enact a gambling privilege tax which shall be used for research, prevention, education, and treatment.

4-3 States should require that private and public insurers and managed care providers cover problem-gambling treatment under their plans.

4-4 Each gambling facility must implement procedures to allow for voluntary self-exclusion, enabling gamblers to ban themselves from a gambling establishment for a specified period of time.

4-5 Encourage private volunteerism to solve problem gambling.

4-6 Each state-run or approved gambling operation should be required to post two state-approved providers of treatment and support services for problem gambling.

#### **Chapter 5. Internet Gambling**

5-1 The federal government should prohibit Internet gambling not already authorized within the United States. DOJ should develop enforcement strategies for those who intentionally or unintentionally facilitate Internet gambling transactions.

5-2 Legislation should be passed to prohibit wire transfers to known Internet gambling sites or the banks that represent them. Legislation should also be passed which prohibits the recovery of credit card debts incurred while gambling on the Internet.

5-3 States should not permit the expansion of gambling into homes through technology and the expansion of account wagering.

5-4 The federal government should encourage or enable foreign governments not to harbor Internet gambling organizations that prey on U.S. citizens.

## **Chapter 6. Native American Tribal Gambling**

6-1 All tribal gaming commissions should work to ensure that tribal gambling operations meet the new Minimum Internal Control Standards and the NIGC focus special attention on tribal gambling operations struggling to comply with these requirements.

6-2 IGRA's definitions of Class II and Class III gambling activities should be more clearly defined and Class III activities should not include any activities that are not permitted in that state.

6-3 Labor organizations, tribal governments, and states should voluntarily work together to ensure the right of free association - including the right to organize and bargain collectively.

6-4 Tribal governments, states, and labor organizations should work together voluntarily to extend to employees of tribal casinos the same or equivalent protections that are applicable to comparable state or private-sector employees.

6-5 NIGC should publish aggregated financial Indian gambling data. Independent auditors should also review and comment on tribal compliance with the Minimum Internal Control Standards.

6-6 Tribal members should be able to inspect the annual certified independently audited financial statements and compliance review of the MICS submitted to the NIGC.

6-7 Tribal and state sovereignty should be recognized, protected, and preserved.

6-8 All relevant governmental gambling regulatory agencies should take the rapid growth of gambling into account as they formulate policies.

6-9 The federal government should fully enforce all provisions of the IGRA.

6-10 Tribes, states, and local governments should continue to work together to resolve issues of mutual concern rather than relying on federal law to resolve problems for them.

6-11 Tribes should enter into reciprocal agreements with state and local governments to mitigate the negative effects of the activities that may occur in other communities.

6-12 The federal government should leave issues other than gambling (which is covered by the IGRA) to the states and tribes for resolution.

6-13 Congress should specify a constitutionally sound means of resolving disputes between states and tribes regarding Class III gambling. All parties to Class III negotiations should be subject to an independent, impartial decision maker who is empowered to approve compacts.

6-14 Congress should adopt no law altering the right of tribes to use existing telephone technology to link bingo games between Indian reservations.

6-15 Tribal governments should be encouraged to use some net revenues to diversify their economies.

## **Chapter 7. Gambling's Impacts on People and Places**

7-1 States, tribal governments, and pari-mutual facilities should ban credit card cash advance machines from the immediate area where gambling takes place.

7-2 Gambling establishments should implement policies to help ensure the safety of children on their premises and to prevent underage gambling including: (1) post local curfews in public areas and (2) train employees to handle unattended children and underage gambling.

7-3 State, local, and tribal governments should recognize that casino gambling has the ability to generate job creation.

7-4 State, local, and tribal governments should recognize that lotteries, Internet gambling, and non-casino EGD's do not create a concentration of good quality jobs.

7-5 State, local, and tribal governments should recognize that casino development should be targeted for locations where the jobs would benefit distressed communities.

7-6 Studies of gambling's economic impact should include an analysis of gambling industry job quality.

7-7 State, local, and tribal governments should recognize that destination resorts create more and better jobs than casinos catering to a local clientele.

7-8 State, local, and tribal governments should look to cooperation between labor unions and management as a means for protection job quality.

7-9 Students should be warned of the dangers of gambling, beginning at the elementary level and continuing through college.

## **Chapter 8. Future Research**

8-1 Congress should encourage NIH to convene a multi disciplinary advisory panel that will help establish a broad framework for research on problem and pathological gambling issues.

8-2 Congress should direct SAMHSA to add gambling components to the National Household Survey on Drug Abuse.

8-3 Congress should direct all federal agencies conduction or supporting longitudinal research panels to consider the feasibility of adding a gambling component to such surveys.

8-4 Congress should encourage NIH to issue a revision of the special research program announcement for research applications on pathological gambling.

8-5 Congress should direct NIH to invite applications for supplemental funds to add legal and illegal gambling components to appropriate existing surveys and to issue a revision of the special program announcement for research applications on pathological gambling.

8-6 Congress should direct NIH to invite applications for supplemental funds to issue a revision of the special program announcement for research applications to commence a study of American adult problem gamblers below the pathological gambler threshold (APA DSM-IV).

8-7 Congress should direct SAMHSA to add specific gambling questions to its annual surveys of mental health providers, which are conducted by the Center for Mental Health Services.

8-8 SAMHSA should initiate treatment outcome studies conducted by scientists in the treatment research field.

8-9 Congress should request that the National Science Foundation establish a multi disciplinary research program that will estimate the benefits and costs of illegal and separately each form of legal gambling allowed under federal, tribal, and state law.

8-10 Congress should direct NIJ to research what effect legal and illegal gambling has on property and/or violent crime rates.

8-11 Congress should direct NIJ or BJS to add gambling components to ongoing studies of federal prison inmates, parolees, and probationers who manifest disorders that frequently coexist with pathological gambling.



8-12 Congress should direct NIJ to investigate and study the extent of adolescent participation in illegal gambling and all forms of legal gambling separately.

8-13 Congress should direct the Department of Labor to research job quality in the gambling industry as measured by income levels, health insurance coverage and affordability, pension benefits, job security, and other similar indicators.

8-14 If Congress acts to prohibit Internet gambling, it should also require NIJ to measure its effectiveness for a period of one year.

8-15 Congress should direct NIH to invite applications for supplemental funds to issue a revision of the special program announcement for research applications to commence a study of prevalence of problem and pathological gambling among industry employees.

8-16 Appropriate institutes should conduct research to determine if an analysis of available gambling patron data derived from banks and other credit agencies can assist in the identification of problem and pathological gamblers.

8-17 State and tribal governments should authorize and fund every two years an objective study of the prevalence of problem and pathological gamblers among their residents.

8-18 State and tribal governments should authorize and fund research programs for those who are likely to become problem or pathological gamblers in their resident population.

8-19 State and tribal governments should require, as a condition of the granting of a license to operate a gambling facility or to sell goods or services in a gambling facility, full cooperation in any research undertaken.

8-20 State and tribal governments should consider authorizing research to collect and analyze data that would assess gambling related effects on customers and their families.

---

## **Clinton Presidential Records Digital Records Marker**

---

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a publication.

---

Publications have not been scanned in their entirety for the purpose of digitization. To see the full publication please search online or visit the Clinton Presidential Library's Research Room.

---

# THE NATIONAL GAMBLING IMPACT STUDY COMMISSION



## EXECUTIVE SUMMARY

June 1999