

104TH CONGRESS
1ST SESSION

H. R. 462

To establish the Commission on the Review of National Policies Toward Gambling.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 11, 1995

Mr. LAFALCE introduced the following bill; which was referred to the Committee on the Judiciary, and in addition to the Committees on Resources and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To establish the Commission on the Review of National Policies Toward Gambling.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; FINDINGS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “National Policies Toward Gambling Review Act of
6 1995”.

7 (b) FINDINGS.—The Congress finds the following:

1 (1) In 1976, the Commission on the Review of
2 the National Policy Toward Gambling issued its
3 final report to Congress. At the time of the report—

4 (A) casino gambling was legal in just 1
5 State, where it was a \$1,000,000,000 a year in-
6 dustry;

7 (B) Indian tribal gambling did not exist;

8 (C) State lotteries existed in just 13
9 States; and

10 (D) the link between gambling and orga-
11 nized crime was the paramount concern of the
12 commission.

13 (2) The gambling industry has grown dramati-
14 cally in recent years as demonstrated by the follow-
15 ing:

16 (A) Casino gambling is legal in well over
17 20 States and referenda on legalization are
18 being considered in many other States.

19 (B) Casino gambling has become a
20 \$30,000,000,000 a year industry.

21 (C) Indian tribal casino gambling accounts
22 for over 15 percent of all casino revenues.

23 (D) State lotteries exist in 36 States.

24 (E) Gambling in some form exists in all
25 but 2 States in the Union.

1 (3) Implementation of the Indian Gaming Reg-
2 ulatory Act in 1988 created a competitive environ-
3 ment between Indian tribes and States to legalize
4 and develop casinos at a swift pace, as evidenced by
5 the current status of casino gambling among rec-
6 reational activities in the United States.

7 (4) Today, the paramount public policy concern
8 relative to gambling is the impact of the gambling
9 industry itself on communities, States, and the Na-
10 tion as a whole.

11 (5) Gambling brings with it certain externalities
12 that other industries do not bring. Specifically, the
13 proliferation of the gambling industry raises con-
14 cerns regarding—

15 (A) corresponding proliferation of gam-
16 bling addiction;

17 (B) proliferation in addiction-related crime;

18 (C) proliferation in cross addictions be-
19 tween gambling and alcohol and drugs;

20 (D) decreases in worker productivity at the
21 national level due to excessive gambling;

22 (E) a potentially adverse impact on the
23 health and viability of existing small businesses
24 in communities where gambling is legalized and

1 in communities surrounding Indian reservations
2 where gambling exists;

3 (F) a competitive atmosphere developing
4 between States and Indian tribes, between
5 States and other States, and between States
6 and bordering countries, particularly Canada, to
7 attract the gambling dollar; and

8 (G) dramatic growth in the political influ-
9 ence of gambling advocates in city halls and
10 statehouses across the country, where govern-
11 ments must act as both regulator and profiteer
12 of gambling.

13 (6) There are variations and conflicts in the
14 regulatory structures controlling gambling nation-
15 wide, and in particular between Federal oversight
16 through the Indian Gaming Regulatory Act and
17 State laws.

18 (7) There is no adequate core or body of knowl-
19 edge at the national level on the impact of gambling
20 proliferation on the United States.

21 (8) Most of the economic impact studies of ca-
22 sino gambling have been sponsored by the gambling
23 industry.

24 (9) Little funding has been made available at
25 the State or Federal level for research into gambling

1 addiction and the socioeconomic cost to the Nation
2 of gambling addiction.

3 (10) Policymakers at the local, State, and Fed-
4 eral levels are in need of sound information and data
5 on the social and economic impact of gambling pro-
6 liferation on the Nation.

7 **SEC. 2. ESTABLISHMENT**

8 There is established a commission to be known as the
9 “Commission on the Review of National Policies Toward
10 Gambling” (in this Act referred to as the “Commission”).

11 **SEC. 3 DUTIES.**

12 (a) IN GENERAL.—The Commission shall conduct a
13 comprehensive legal and factual study of (1) gambling ac-
14 tivities in the United States, (2) the social and economic
15 impact of such gambling activities, and (3) existing Fed-
16 eral, State, and local policy and practices with respect to
17 legal prohibition and taxation of such gambling activities,
18 and in particular the relationship between the Indian
19 Gaming Regulatory Act and State and local laws. The
20 Commission shall formulate and propose such changes in
21 such policies and practices as the Commission may con-
22 sider appropriate.

23 (b) REQUIREMENTS.—The study to be conducted
24 under subsection (a) shall, at a minimum, include the fol-
25 lowing:

1 (1) An examination of the impact of gambling
2 activities on communities nationwide and the Nation
3 as a whole in terms of—

4 (A) the economic well-being of existing
5 small businesses and jobs;

6 (B) the growth in gambling addiction;

7 (C) the socioeconomic impact of gambling
8 addiction; and

9 (D) the growth in gambling related crime
10 and gambling-addiction related crime, particu-
11 larly given the proliferation of casino gambling
12 in recent years.

13 (2) A review of the effectiveness of existing
14 practices in law enforcement, judicial administration,
15 and corrections in the United States and in foreign
16 legal jurisdictions for the enforcement of the prohibi-
17 tion and taxation of gambling activities, including
18 consideration of possible alternatives to such prac-
19 tices.

20 (3) A study of existing statutes of the United
21 States and State and local jurisdictions that prohibit
22 and tax gambling activities, including preparation of
23 such a proposal for codification, revision, or repeal
24 of such statutes as the Commission may determine
25 to be required to carry into effect such policy and

1 practice changes as it may consider to necessary or
2 desirable.

3 **SEC. 4. MEMBERSHIP.**

4 (a) NUMBER AND APPOINTMENT.—The Commission
5 shall be composed of 15 members appointed not later than
6 90 days after the date of the enactment of this Act as
7 follows:

8 (1) Four individuals appointed jointly by the
9 President of the Senate and the minority leader of
10 the Senate.

11 (2) Four individuals appointed jointly by the
12 Speaker of the House of Representatives and the mi-
13 nority leader of the House of Representatives.

14 (3) Seven individuals appointed by the Presi-
15 dent of the United States.

16 (b) QUALIFICATIONS.—Members appointed pursuant
17 to subsection (a) shall be appointed from among individ-
18 uals who are not officers of the executive branch of the
19 Government or Members of Congress and who are spe-
20 cially qualified to serve on the Commission by virtue of
21 training and experience.

22 (c) CHAIRMAN.—The President of the United States
23 shall designate a Chairman from among the members of
24 the Commission.

1 (d) QUORUM.—Eight members of the Commission
2 shall constitute a quorum.

3 (e) VACANCIES.—Any vacancy in the Commission
4 shall not affect the powers of the Commission but shall
5 be filled in the same manner in which the original appoint-
6 ment was made.

7 (f) BASIC PAY.—

8 (1) RATES OF PAY.—Except as provided in
9 paragraph (2), members of the Commission shall
10 each be entitled to receive \$100.00 for each day (in-
11 cluding travel time) during which they are engaged
12 in the actual performance of duties vested in the
13 Commission.

14 (2) PROHIBITION OF COMPENSATION OF MEM-
15 BERS OF THE FEDERAL JUDICIARY.—Members of
16 the Commission who are members of the Federal ju-
17 diciary may not receive additional pay, allowances,
18 or benefits by reason of their service on the Commis-
19 sion.

20 (g) TRAVEL EXPENSES.—Each member of the Com-
21 mission shall receive travel expenses, including per diem
22 in lieu of subsistence, in accordance with sections 5702
23 and 5703 of title 5, United States Code.

1 **SEC. 5. STAFF.**

2 (a) APPOINTMENTS.—Subject to such rules and regu-
3 lations as may be adopted by the Commission, the Chair-
4 man of the Commission shall have the power to appoint
5 and fix the compensation of a Director and such additional
6 staff personnel (but not to exceed 15 staff members) as
7 the Chairman considers necessary.

8 (b) APPLICABILITY OF CERTAIN CIVIL SERVICE
9 LAWS.—The Director and staff of the Commission may
10 be appointed without regard to the provisions of title 5,
11 United States Code, governing appointments in the com-
12 petitive service, and may be paid without regard to the
13 provisions of chapter 51 and subchapter III of chapter 53
14 of such title relating to classification and General Schedule
15 pay rates; except that an individual so appointed may not
16 receive pay in excess of the rate of basic pay payable for
17 level I of the Executive Schedule.

18 (c) QUALIFICATIONS.—In making appointments pur-
19 suant to this section, the Chairman of the Commission
20 shall include among the Chairman's appointments individ-
21 uals determined by the Chairman to be competent social
22 scientists, lawyers, law enforcement officers, and others
23 with professional expertise in areas related to gambling.

24 **SEC. 6. POWERS OF COMMISSION.**

25 (a) HEARINGS AND SESSIONS.—The Commission
26 may, for the purpose of carrying out this Act, hold hear-

1 ings, sit and act at times and places, take testimony, and
2 receive evidence as the Commission considers appropriate.
3 The Commission may administer oaths or affirmations to
4 witnesses appearing before it.

5 (b) POWERS OF MEMBERS AND AGENTS.—Any mem-
6 ber or agent of the Commission may, if authorized by the
7 Commission, take any action which the Commission is au-
8 thorized to take by this section.

9 (c) OBTAINING OFFICIAL DATA.—The Commission
10 may secure directly from any department or agency of the
11 United States information necessary to enable it to carry
12 out this Act. Upon request of the Chairperson of the Com-
13 mission, the head of that department or agency shall fur-
14 nish that information to the Commission.

15 (d) MAILS.—The Commission may use the United
16 States mails in the same manner and under the same con-
17 ditions as other departments and agencies of the United
18 States.

19 (e) ADMINISTRATIVE SUPPORT SERVICES.—Upon
20 the request of the Commission, the Administrator of Gen-
21 eral Services shall provide to the Commission, on a reim-
22 bursable basis, the administrative support services nec-
23 essary for the Commission to carry out its responsibilities
24 under this Act.

25 (f) SUBPOENA POWER.—

1 (1) IN GENERAL.—The Commission may issue
2 subpoenas requiring the attendance and testimony of
3 witnesses and the production of any evidence relat-
4 ing to any matter which the Commission is empow-
5 ered to investigate by this Act. The attendance of
6 witnesses and the production of evidence may be re-
7 quired from any place within the United States at
8 any designated place of hearing within the United
9 States.

10 (2) FAILURE TO OBEY A SUBPOENA.—If a per-
11 son refuses to obey a subpoena issued under para-
12 graph (1), the Commission may apply to a United
13 States district court for an order requiring that per-
14 son to appear before the Commission to give testi-
15 mony, produce evidence, or both, relating to the
16 matter under investigation. The application may be
17 made within the judicial district where the hearing
18 is conducted or where that person is found, resides,
19 or transacts business. Any failure to obey the order
20 of the court may be punished by the court as civil
21 contempt.

22 (3) SERVICE OF SUBPOENAS.—The subpoenas
23 of the Commission shall be served in the manner
24 provided for subpoenas issued by a United States

1 district court under the Federal Rules of Civil Pro-
2 cedure for the United States district courts.

3 (4) SERVICE OF PROCESS.—All process of any
4 court to which application is to be made under para-
5 graph (2) may be served in the judicial district in
6 which the person required to be served resides or
7 may be found.

8 (g) IMMUNITY.—The Commission is an agency of the
9 United States for the purpose of part V of title 18, United
10 States Code (relating to immunity of witnesses).

11 **SEC. 7. REPORTS.**

12 (a) INTERIM REPORTS.—The Commission may sub-
13 mit to the President of the United States and the Con-
14 gress interim reports as the Commission considers appro-
15 priate.

16 (b) FINAL REPORT.—The Commission shall transmit
17 a final report to the President of the United States and
18 the Congress not later than 2 years after the date of the
19 first meeting of the Commission. The final report shall
20 contain a detailed statement of the findings and conclu-
21 sions of the Commission.

1 **SEC. 8 TERMINATION.**

2 The Commission shall terminate on the 60th day fol-
3 lowing submittal of the final report of the Commission
4 pursuant to section 7(b).

