

SCREAMING EAGLE POKER LLC CLARKSVILLE TN 37042 WWW.SCREAMINGEAGLEPOKER.COM

December 10, 2007

Jennifer J. Johnson Secretary Board of Governors of the Federal Reserve System 20th St. & Constitution Avenue, NW Washington, DC 20551 regs.comments@federalreserve.gov Department of the Treasury Office of Critical Infrastructure Protection and Compliance Policy Room 1327 Main Treasury Building 1500 Pennsylvania Ave., NW. Washington, DC 20220

Re:

FRB Docket No. R-1298; **Treasury** Docket No. DO-2007-0015; Prohibition on Funding of Unlawful Internet Gambling; 72 <u>Federal Register</u> 56680; October 4, 2007

Dear Ladies and Gentleman:

On behalf of the Screaming Eagle Poker Association, I am writing to express our concern about the Notice of Proposed Rulemaking (NPRM) issued pursuant to the Unlawful Internet Gambling Enforcement Act (UIGEA).

The Screaming Eagle Poker Association comprises a group of members of the Armed Forces -- nearly all combat veterans -- currently stationed or returning from the war in Iraq. Our organization plans, organizes and manages free No Limit Texas Hold'em Poker Tournaments on a weekly basis throughout Iraq, Afghanistan, and other military installations around the world The free events build *espirit de corps* and provide soldiers with a mental escape from the hardships endured while living, working and fighting in a combat zone. These tournaments have become the highest attended events at Morale Welfare Recreation centers (MWRs) throughout Iraq and are attended by hundreds of soldiers, airmen, sailors and marines as well as DOD civilians on a weekly basis. Many of our members also enjoy playing poker against their buddies back home on the Internet.

With respect to UIGEA, our organization opposed this legislation. As soldiers who have been sent to fight and, in some cases, die promoting freedom abroad, we were particularly disheartened that Congress appears to have little regard for personal freedoms at home. Nevertheless, UIGEA is now the law of the land, but with respect to the NPRM, we have some specific concerns which we hope your agency will address.

First, poker is a great American tradition which has been a mainstay for soldiers as far back as the American Civil War. With the new poker boom, it is particularly popular today with active military and veterans alike. We believe that it is a game where a player's success is ultimately determined not by luck but by that player's skill at the game. As such, we believe poker should be treated differently from slots, baccarat, and similar games of pure chance.

In the NPRM, however, the agencies make clear that they do not intend to clarify what the term "unlawful Internet gambling" means, and that they instead intend to apply that burden to the individual banks and payment systems which would be regulated. In that scenario, we would expect that banks and payment systems would generally opt to block everything to avoid any possibility of blocking the law. Worse still, for individuals or companies who believe that their transactions are being wrongfully blocked, there will be no avenue for redress, as there would be no agency action for them to appeal, and no private litigation either, as banks are protected from lawsuits on the basis of "over blocks."

It is not even arguably illegal for a member of the Armed Forces stationed overseas to play poker on-line, nor does it violate U.S. law for an Internet poker site to accept poker wagers from an American overseas. However, if the proposed rule were to take effect, it is very likely that overseas military personnel would find it practically impossible to play poker on the Internet, because the American banks that issue their credit cards will likely block all Internet poker transactions, whether legal or not.

We believe that it is incumbent on your agency to clarify exactly which transactions constitute the sort of "unlawful Internet gambling" that banks and payment systems are supposed to block under UIGEA. We further hope that this regulatory process will recognize the difference between skill games like poker and the games of chance that constitute traditional gambling.

Sincerely,

Felix Gutierrez President, Screaming Eagle Poker LLC "Willing to die...In order to live!"TM