

UNLAWFUL INTERNET GAMBLING FUNDING PROHIBITION
ACT

MARCH 27, 2003.—Ordered to be printed

Mr. OXLEY, from the Committee on Financial Services,
submitted the following

R E P O R T

together with

DISSENTING VIEWS

[To accompany H.R. 21]

[Including cost estimate of the Congressional Budget Office]

The Committee on Financial Services, to whom was referred the bill (H.R. 21) to prevent the use of certain bank instruments for unlawful Internet gambling, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

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PURPOSE AND SUMMARY

H.R. 21 prohibits the acceptance of any bank instrument for unlawful Internet gambling. It defines certain terms for purposes of the Act; establishes civil remedies, criminal penalties, and regulatory enforcement authorities; encourages cooperation by foreign governments in the enforcement of the Act; and requires the Secretary of the Treasury to report annually to Congress on deliberations between the United States and other countries on issues relating to Internet gambling. Its primary purpose is to give U.S. law enforcement a new, more effective tool for combating offshore Internet gambling sites that illegally extend their services to U.S. residents via the Internet.

BACKGROUND AND NEED FOR LEGISLATION

The Committee has established a comprehensive hearing and markup record on Internet gambling, most particularly in the 107th Congress. In addition to the extensive debate at the Committee's October 11, 2001 markup of H.R. 3004, the Financial Anti-Terrorism Act of 2001, Internet gambling was addressed at the Committee's October 3, 2001 hearing on terrorism and money laundering. At that hearing, the Federal Bureau of Investigation (FBI), the Department of Justice, and a money laundering expert testified that Internet gambling serves as a vehicle for money laundering and can be exploited by terrorists for that purpose. The FBI also testified about pending litigation linking organized crime to money laundering and Internet gambling.

At two hearings held in July, 2001 by the Subcommittee on Oversight and Investigations and the Subcommittee on Financial Institutions and Consumer Credit, witnesses discussed the legal status of Internet gambling, the social and financial challenges it poses, and legislative options for addressing those challenges.

Many legal experts, including officials from the Department of Justice, State attorneys general, and others involved in law enforcement hold the view that Internet gambling is generally prohibited under various Federal statutes. Among them, the Federal Wire Act (18 U.S.C. 1084 et seq.) criminalizes the knowing use of a wire communication facility by a gambling establishment for the transmission of bets and wagers in interstate or foreign commerce.

Conventional forms of gambling activities, such as casino wagering, State lotteries, slot machines and horseracing, legal in many jurisdictions, are regulated by the individual States. However, these activities are subject to intense scrutiny and a myriad of licensing and other operational requirements. Virtually all States prohibit the operation of gambling businesses not expressly permitted by their respective constitutions or special legislation. Internet gambling currently constitutes illegal gambling activity in all 50 States. Although in June of 2001 the Nevada legislature authorized the Nevada Gaming Commission to legalize on-line, Internet gambling operations if and when such operations can be conducted in compliance with Federal law, the Gaming Commission believes that such compliance cannot be ensured at present.

Because Internet gambling is generally held to be illegal under Federal and State law, most of the estimated 2,000 Internet gambling sites today operate from offshore locations in the Caribbean

and elsewhere. As such, they operate effectively beyond the reach of U.S. regulators and law enforcement, as well as the statutory anti-money laundering regimes that apply to U.S.-based casinos. These "virtual casinos" advertise the ease of opening betting accounts mainly through the use of credit cards and alternative payment systems. Internet gambling sites are not only vulnerable to criminal exploitation by money launderers; they also can easily abuse a customer's credit card information or manipulate the odds of a particular wager to the casino's advantage.

At the Oversight Subcommittee's hearing on July 12, 2001, the American Gaming Association-representing commercial casinos and their supporters in the United States, addressed some of the practical problems associated with Internet gambling, including the difficulty of subjecting Internet operations to the kinds of regulation currently applied to U.S.-based casinos. According to the AGA, its major concern is that offshore Internet gambling sites "frustrate important state policies, including restrictions on the availability of gaming within each State." The AGA went on to say: "* * * unregulated Internet gambling that exists today allows an unlicensed, untaxed, unsupervised operator to engage in wagering that is otherwise subject to stringent federal and state regulatory controls. These controls are vital to preserving the honesty, integrity and fairness that those in the gaming industry today have worked so hard for so long to bring about." The AGA further reported that it does not believe the technology for exercising such controls with respect to Internet gambling is yet available.

Testifying from a State perspective, the New Jersey Director of Gaming Enforcement also noted that offshore Internet gambling operations provide no tax revenue or jobs to States, unlike State-regulated casinos.

In addition to the legal and economic challenges cited above, problem gambling-including problem Internet gambling-can lead to personal and family hardships, such as lost savings, excessive debt, bankruptcy, foreclosed mortgages, and divorce. In particular, Internet gambling is proving to be a serious problem for many college students. The National Collegiate Athletic Association (NCAA) at the July, 2001 hearings underscored the vulnerability of young people to losing large sums through Internet gambling. According to a Nellie Mae survey cited by the NCAA, 78 percent of college students have credit cards, nearly a third have four or more credit cards, and one in ten will graduate with balances over \$7,000. One student reportedly lost \$10,000 on Internet sports gambling over a three-month period. And, in another case, a student reportedly lost \$5,000 on a single Internet wager on the Super Bowl and was forced to drop out of school. Further, current events show that not just student athletes, but professional athletes can be caught by the lure of Internet gambling, as the sports pages have detailed the roughly \$500,000 owed by Washington Capitals hockey star Jaromir Jagr to a Caribbean Internet betting site.

The New Jersey Director of Gaming Enforcement testified that the State of New Jersey had filed a suit against certain offshore casinos found to be taking online bets from minors in that State. Witnesses from the National Council on Problem Gambling and the Compulsive Gambling Center testified about the problems associated with compulsive or pathological gambling, and the Christian

Coalition, in a letter to a Member of the Committee, echoed concerns about the impact of gambling on families and society and, in particular, the impact of Internet gambling on the poor, youth, and those who are already compulsive gamblers.

Because of the pervasive legal, economic and social challenges posed by the rapid growth of Internet gambling, the National Gambling Impact Study Commission unanimously recommended in its 1999 final report that the Federal government prohibit, with no new exemptions, all Internet gambling not already authorized by law. The Commission also recommended that legislation be adopted to prohibit wire transfers to Internet gambling sites or to the banks which represent them, and called on the government to develop enforcement strategies that include credit card providers and money transfer agencies that facilitate Internet gambling.

H.R. 21, the Unlawful Internet Gambling Funding Prohibition Act, builds on the recommendations of the National Gambling Impact Study Commission by prohibiting gambling businesses from accepting credit cards or other bank instruments in connection with unlawful Internet gambling. Because of the anticipated difficulty in enforcing this prohibition offshore, the legislation also authorizes the Attorney General (or appropriate State officials) to seek an injunction against any person to prevent or restrain a violation of this bill, including to prohibit banks and other financial service providers from processing any credit card transaction or other financial instrument with a specified illegal Internet gambling site. The bill provides for the Secretary of the Treasury, in conjunction with the Federal Reserve and the U.S. Attorney General, to prescribe regulations reasonably designed to identify, block or prevent unlawful Internet gambling transactions, and provides that a payment system is not liable for blocking or refusing a restricted transaction in an attempt to comply with the bill's enforcement. It is intended to provide regulatory flexibility so that compliance may be achieved through coding of transactions or—for those financial instruments for which coding is not viable—through alternative methods consistent with the bill's goals. The bill is identical to H.R. 556, which passed the House of Representatives by voice vote in the 107th Congress. It is similar to provisions incorporated in the 107th Congress in the Committee-reported version of H.R. 3004, the Financial Anti-Terrorism Act of 2001, as well as to legislation adopted by the House Banking Committee in the 106th Congress (H.R. 4419).

H.R. 21 is not intended to spell out which activities are legal and which are illegal under the bill; rather, it relies on the substantive laws in effect at the time a case is brought under the legislation, and law enforcement's interpretation of the underlying law. It would not in general apply to a computer or video game that does not involve the staking or risking of something of value, nor to a game of skill played, created or distributed over the Internet.

H.R. 21 is not intended to impose new burdens on financial institutions to identify which offshore gambling sites may be engaged in unlawful activities. Rather, the legislation contemplates a mechanism whereby banks and other financial service providers will be provided, pursuant to an injunction, with the names of specific Internet gambling sites to which payments are to be prohibited. The obligation of financial institutions pursuant to such an injunc-

tion would be similar in effect to their obligations under certain other U.S. laws, such as those administered by the Office of Foreign Assets Control (OFAC) barring financial transactions with terrorists and drug kingpins. The bill recognizes that many credit card companies and credit card banks are taking steps to identify, block or prevent Internet gambling transactions, and allows for enforcement of this bill by the Federal bank regulators prior to the issuance of an injunction.

HEARINGS

No hearings were held on this legislation in the 108th Congress.

COMMITTEE CONSIDERATION

The Committee on Financial Services met in open session on March 13, 2003 and ordered H.R. 21, the Unlawful Internet Gambling Funding Prohibition Act, reported to the House with a favorable recommendation by a voice vote, a quorum being present.

COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee to list the record votes on the motion to report legislation and amendments thereto. No record votes were taken in conjunction with the consideration of this legislation. A motion by Mr. Oxley to report the bill to the House with a favorable recommendation was agreed to by a voice vote.

COMMITTEE OVERSIGHT FINDINGS

Pursuant to clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee made findings that are reflected in this report.

PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee establishes the following performance related goals and objectives for this legislation:

Using authority granted by this legislation, the Attorney General, and the Federal functional regulators and the Federal Trade Commission under applicable law (section 505(a) of the Gramm-Leach-Bliley Act), will reduce the availability of illegal offshore Internet gambling in the United States.

NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX EXPENDITURES

In compliance with clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee adopts as its own the estimate of budget authority, entitlement authority, or tax expenditures or revenues contained in the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

COMMITTEE COST ESTIMATE

The Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

Pursuant to clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, the following is the cost estimate provided by the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 27, 2003.

Hon. MICHAEL G. OXLEY,
*Chairman, Committee on Financial Services,
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 21, the Unlawful Internet Gambling Funding Prohibition Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are Ken Johnson and Mark Hadley.

Sincerely,

DOUGLAS HOLTZ-EAKIN,
Director.

Enclosure.

H.R. 21—Unlawful Internet Gambling Funding Prohibition Act

Summary: H.R. 21 would prohibit gambling businesses from accepting credit cards, checks, or other bank instruments from gamblers who illegally bet over the Internet. The bill also would require financial institutions to take steps to identify and block gambling-related transactions that are transmitted through their payment systems. The Office of the Comptroller of the Currency (OCC), the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation (FDIC), the Office of Thrift Supervision (OTS), and the National Credit Union Administration (NCUA) would enforce the provisions of H.R. 21 as they apply to financial institutions.

CBO estimates that implementing this legislation would result in no significant cost to the federal government. The bill could affect direct spending and revenues, but CBO estimates that any impact on direct spending and revenues would not be significant.

H.R. 21 would create no new intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

Estimated cost to the Federal Government: CBO estimates that the government would incur no significant costs under H.R. 21. CBO estimates that implementing H.R. 21 would increase administrative costs of the Department of Justice, but any such costs would be negligible. The bill also would have a small effect on the operating costs of the FDIC and the Federal Reserve System. Finally,

the bill would have a negligible effect on the collection and spending of criminal penalties.

Basis of estimate

The bill would have only minor budgetary effects, as described below.

Spending subject to appropriation

Because H.R. 21 would establish new federal crimes relating to Internet gambling, the federal government would be able to pursue cases that it otherwise would not be able to prosecute. CBO expects, however, that most cases would be pursued under existing state laws. Therefore, we estimate that any increase in federal costs for law enforcement, court proceedings, or prison operations would not be significant. Any such additional costs would be subject to the availability of appropriated funds.

H.R. 21 would require the Department of the Treasury to submit an annual report on deliberations with other countries on issues related to Internet gambling. CBO estimates that preparing and completing the report would cost less than \$100,000 a year, subject to the availability of appropriated funds.

Direct spending and revenues

The NCUA, the OTS, and the OCC charge fees to cover all their administrative costs; therefore, any additional spending by those agencies to implement the bill would have no net budgetary effect. That is not the case with the FDIC, however, which uses deposit insurance premiums paid by banks to cover the expenses it incurs to supervise state-chartered institutions. (Under current law, CBO estimates that the vast majority of thrift institutions insured by the FDIC would not pay any premiums for most of the 2004–2013 period.)

The bill would cause a small increase in FDIC spending but would not affect its premium income. In total, CBO estimates that H.R. 21 would increase direct spending and offsetting receipts of the NCUA, OTS, OCC, and FDIC by less than \$500,000 a year over the 2002–2006 period.

Budgetary effects on the Federal Reserve are recorded as changes in revenues (governmental receipts). Based on information from the Federal Reserve, CBO estimates that enacting H.R. 21 would reduce such revenues by less than \$500,000 a year.

Because those prosecuted and convicted under the bill could be subject to criminal fines, the federal government might collect additional fines if the bill is enacted. Collections of such fines are recorded in the budget as governmental receipts (i.e., revenues), which are deposited in the Crime Victims Fund and spent in subsequent years. Any additional collections are likely to be negligible because of the small number of cases involved. Because any increase in direct spending would equal the amount of fines collected (with a lag of one year or more), the additional direct spending also would be negligible.

Intergovernmental and private-sector impact: Although H.R. 21 would prohibit gambling businesses from accepting credit card payments and other bank instruments from gamblers who bet illegally over the Internet, the bill would not create a new intergovern-

mental or private-sector mandate as defined in UMRA. Under current federal and state law, gambling businesses are generally prohibited from accepting bets or wagers over the Internet. Thus, H.R. 21 does not contain a new mandate relative to current law and would impose no costs on state, local, or tribal governments.

Estimate prepared by: Federal spending: Ken Johnson and Mark Hadley; federal revenues: Mark Booth; impact on state, local, and tribal governments: Victoria Heid Hall; impact on the private sector: Jean Talarico.

Estimate approved by: Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act were created by this legislation.

CONSTITUTIONAL AUTHORITY STATEMENT

Pursuant to clause 3(d)(1) of rule XIII of the Rules of the House of Representatives, the Committee finds that the Constitutional Authority of Congress to enact this legislation is provided by Article 1, section 8, clause 1 (relating to the defense and general welfare of the United States), and clause 3 (relating to the power to regulate foreign and interstate commerce).

APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

Section 1. Short title

This section provides the short title of the bill, the “Unlawful Internet Gambling Funding Prohibition Act.”

Section 2. Findings

This section provides certain Congressional findings. In particular, Congress finds that: (1) Internet gambling is primarily funded through the use of personal banking instruments and plays a large role in the creation of ultimately uncollectible personal debt; and (2) Internet gambling is susceptible to abuse by money launderers.

Section 3. Prohibition on acceptance of any bank instrument for Internet gambling

This section prohibits a gambling business from accepting bank instruments in connection with unlawful Internet gambling. Cov-

ered instruments include credit cards, electronic fund transfers, and checks.

Subsection (b) defines the term “bets or wagers” as the staking or risking by any person of something of value upon the outcome of a contest of others, a sporting event, or a game subject to chance with the agreement that the winner will receive something of greater value than the amount staked or risked. This subsection clarifies that “bets or wagers” does not include a bona fide business transaction governed by the securities laws; a transaction subject to the Commodity Exchange Act; an over-the-counter derivative instrument and any other transaction exempt from State gaming or bucket shop laws pursuant to the Commodity Exchange Act or Securities Exchange Act; a contract of indemnity or guarantee; a contract for life, health, or accident insurance; a deposit with a depository institution; certain participation in a simulation sports game or education game; or a lawful transaction with a business licensed or authorized by a State. Paragraph (2) excludes from the term “business of betting or wagering” any creditor, credit card issuer, insured depository institution, financial institution, operator of a terminal at which an electronic fund transfer may be initiated, money transmitting business, or international, national, regional, or local network utilized to effect a credit transaction, electronic fund transfer, stored value product transaction, or money transmitting service, or any participant in such network, or any interactive computer service or telecommunications service, unless that entity has actual knowledge and control of bets and wagers and operates or is controlled by an entity that operates an unlawful Internet gambling site. Subsection (b) also defines the terms “designated payment system,” “Internet,” “interactive computer service,” “restricted transaction” and “unlawful Internet gambling.”

Subsection (c) authorizes the Attorney General and State Attorneys General to pursue civil remedies, including a preliminary injunction or injunction against any person to prevent or restrain a violation of this legislation. It clarifies that the bill does not alter, supersede or otherwise affect the Indian Gaming Regulatory Act; generally limits the liability of an interactive computer service to the removal or disabling of access to an online site violating this section, upon proper notice; clarifies that an interactive computer service not liable under this bill is not liable under the Wire Act unless it has actual knowledge and control of bets and wagers, and operates or is controlled by an entity that operates, an unlawful Internet gambling site; sets out factors to be considered by a court in deciding whether to issue an injunction against any payment system; and provides for notice to bank regulators and institutions to allow violations to be addressed through the bank regulatory process before the injunction process is triggered.

Subsection (d) authorizes criminal penalties, including fines or imprisonment for not more than five years or both.

Subsection (e) provides that, notwithstanding the safe harbor provided in subsection (b)(2), a financial intermediary (creditor, credit card issuer, financial institution, operator of a terminal at which an electronic fund transfer may be initiated, money transmitting business, or national, regional, or local network), or interactive computer service or telecommunications service that has actual knowledge and control of bets and wagers, and operates or is

controlled by an entity that operates, an unlawful Internet gambling site can be held liable under this section.

Subsection (f) requires the Secretary of the Treasury, in conjunction with the Federal Reserve and the U.S. Attorney General, to prescribe regulations within six months requiring any payment system to establish policies and procedures reasonably designed to identify restricted transactions, block restricted transactions, or prevent restricted transactions from entering its system; and provides that a payment system is not liable for blocking or refusing a restricted transaction in an attempt to comply with the bill's enforcement. The Federal functional regulators and the Federal Trade Commission are given the authority to enforce this subsection.

Section 4. Internet gambling in or through foreign jurisdictions

Section 4 provides that, in deliberations between the U.S. Government and any other country on money laundering, corruption, and crime issues, the U.S. Government should encourage cooperation by foreign governments in identifying whether Internet gambling operations are being used for money laundering, corruption, or other crimes, advance policies that promote the cooperation by foreign governments in the enforcement of this legislation, and encourage the Financial Action Task Force on Money Laundering to study the extent to which Internet gambling operations are being used for money laundering. It also requires the Secretary of the Treasury to submit an annual report to Congress on the deliberations between the United States and other countries on issues relating to Internet gambling.

Section 5. Amendments to gambling provisions

Section 5 makes certain amendments to definitions under section 1081 of Title 18, the Federal Wire Act, and increases the penalty for unlawful wire transfers of wagering information.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

CHAPTER 50 OF TITLE 18, UNITED STATES CODE

CHAPTER 50—GAMBLING

* * * * *

§ 1081. Definitions

As used in this chapter:

(1) The term “gambling ship” means a vessel used principally for the operation of one or more gambling establishments. Such term does not include a vessel with respect to gambling aboard such vessel beyond the territorial waters of the United States during a covered voyage (as defined in section 4472 of the Internal Revenue Code of 1986 as in effect on January 1, 1994).

(2) The term “gambling establishment” means any common gaming or gambling establishment operated for the purpose of gaming or gambling, including accepting, recording, or registering bets, or carrying on a policy game or any other lottery, or playing any game of chance, for money or other thing of value.

(3) The term “vessel” includes every kind of water and air craft or other contrivance used or capable of being used as a means of transportation on water, or on water and in the air, as well as any ship, boat, barge, or other water craft or any structure capable of floating on the water.

(4) The term “American vessel” means any vessel documented or numbered under the laws of the United States; and includes any vessel which is neither documented or numbered under the laws of the United States nor documented under the laws of any foreign country, if such vessel is owned by, chartered to, or otherwise controlled by one or more citizens or residents of the United States or corporations organized under the laws of the United States or of any State.

(5) The term “[wire] communication facility” means any and all instrumentalities, personnel, and services (among other things, the receipt, forwarding, or delivery of communications) used or useful in the transmission of writings, signs, pictures, and sounds of all kinds by aid of wire, cable, *satellite*, *microwave*, or other like connection (*whether fixed or mobile*) between the points of origin and reception of such transmission.

* * * * *

§ 1084. Transmission of wagering information; penalties

(a) Whoever being engaged in the business of betting or wagering knowingly uses a wire communication facility for the transmission in interstate or foreign commerce of bets or wagers or information assisting in the placing of bets or wagers on any sporting event or contest, or for the transmission of a wire communication which entitles the recipient to receive money or credit as a result of bets or wagers, or for information assisting in the placing of bets or wagers, shall be fined under this title or imprisoned not more than [two] 5 years, or both.

* * * * *

DISSENTING VIEWS

H.R. 21 limits the ability of individual citizens to use bank instruments, including credit cards or checks, to finance Internet gambling. This legislation should be rejected by Congress since the federal government has no constitutional authority to ban or even discourage any form of gambling.

In addition to being unconstitutional, H.R. 21 is likely to prove ineffective at ending Internet gambling. Instead, this bill will ensure that gambling is controlled by organized crime. History, from the failed experiment of prohibition to today's futile "war on drugs," shows that the government cannot eliminate demand for something like Internet gambling simply by passing a law. Instead, H.R. 21 will force those who wish to gamble over the Internet to patronize suppliers willing to flaunt the ban. In many cases, providers of services banned by the government will be members of criminal organizations. Even if organized crime does not operate Internet gambling enterprises their competitors are likely to be controlled by organized crime. After all, since the owners and patrons of Internet gambling cannot rely on the police and courts to enforce contracts and resolve other disputes, they will be forced to rely on members of organized crime to perform those functions. Thus, the profits of Internet gambling will flow into organized crime. Furthermore, outlawing an activity will raise the price vendors are able to charge consumers, thus increasing the profits flowing to organized crime from Internet gambling. It is bitterly ironic that a bill masquerading as an attack on crime will actually increase organized crime's ability to control and profit from Internet gambling!

In conclusion, H.R. 21 violates the constitutional limits on federal power. Furthermore, laws such as H.R. 21 are ineffective in eliminating the demand for vices such as Internet gambling; instead, they ensure that these enterprises will be controlled by organized crime. Therefore I urge my colleagues to reject H.R. 21, the Internet Gambling Prohibition Act.

RON PAUL.

