

113th CONGRESS
1st SESSION

H.R. _____

To restore long-standing United States policy that the Wire Act prohibits Internet gambling to give Congress and the public time to fully examine the issues surrounding Internet gambling, including the potential for money laundering, fraud, terrorism financing, cyber-crimes and participation by minors; and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

_____, ____ 2013

M. _____ introduced the following bill; which was referred to the Committee on _____

A BILL

To restore long-standing United States policy that the Wire Act prohibits Internet gambling to give Congress and the public time to fully examine the issues surrounding Internet gambling, including the potential for money laundering, fraud, terrorism financing, cyber-crimes and participation by minors, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE. This Act shall be cited as the “Internet Gambling Control Act”.

SEC. 2. LAW ENFORCEMENT STUDY

No later than two years after the date of enactment, the Director of the Federal Bureau of Investigation shall provide to the Committee on the Judiciary of the House of Representatives and the Committee on the Judiciary of the Senate a comprehensive report on the law enforcement aspects of Internet gambling, to include the Director’s assessment as to:

- (1) The potential for use of Internet gambling sites for money laundering, including through players acting in concert in online poker and other games;
- (2) The extent to which terrorist organizations could use Internet gambling to launder and transfer funds;
- (3) The potential use of Internet gambling sites for cyber-crimes;
- (4) The impact, if any, legalization of Internet gambling in the United States would have on participation by Americans on illegal foreign Internet gambling sites, and any cyber security and money laundering risks associated with such sites;
- (5) Whether the technology exists for participants to manipulate online poker and other games for fraudulent or other purposes;
- (6) The availability of technology which can be used to prevent participation by minors in Internet gambling and determine the location of an individual placing a bet on an Internet gambling site; and whether such technology can be defeated or circumvented through the use of technology, fraud or other means.
- (7) Whether the Federal government has the ability in terms of qualified personnel and financial resources to effectively police and prevent use of Internet gambling sites for criminal activity, including money laundering, cyber-crimes, terrorist financing, and fraud, and to prevent participation in Internet gambling by minors and by individuals located in states in which Internet gambling is illegal.

SEC. 3. WIRE ACT CLARIFICATION.

18 USC § 1084 is amended by adding at the end, the following:

(f) For the purposes of this Act:

- (1) the term “wire communication” includes the Internet, and any activity which involves the use, at least in part, of the Internet.
- (2) the term “any sporting event or contest” includes games in part or predominantly subject to chance, including games in which players compete against each other, and not against any person, entity, or fellow player hosting the game, the outcome of which, over any significant inter-

val, is predominantly determined by the skill of the players, and the purchase of a chance or opportunity to win a lottery or other prize (which opportunity to win is predominantly subject to chance).

(3) use of a “wire communication facility for the transmission in interstate or foreign commerce of bets or wagers” includes any transmission over the Internet carried interstate, incidentally or otherwise.

(4) the term “bets or wagers” does not include any activities set forth in 31 USC § 5362 (1)(E), or any activities permitted under 15 U.S.C. 3001 et seq.