

For Immediate Release
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New Internet Gambling Legislation Would Protect Consumers and Generate Billions in New Revenue

(Washington, D.C. – May 6, 2009) Representative Barney Frank (D-MA), Chairman of the House Committee on Financial Services, and Representative Jim McDermott (D-WA) today are introducing two new bills that together would regulate Internet gambling and ensure that taxes are collected from wagers placed over the Internet. Chairman Frank also introduced today a separate bill, the Reasonable Prudence in Regulation Act of 2009, which would delay for one year the required compliance with the Unlawful Internet Gambling Enforcement Act of 2006 (UIGEA) regulations, which sought to limit the ability for Americans to gamble online.

“As Americans continue to wager online more than \$100 billion annually in a thriving underground marketplace, it is time for Congress to acknowledge that prohibition has been a failure and a new approach is needed,” said Jeffrey Sandman, spokesperson for the Safe and Secure Internet Gambling Initiative. “We support the legislation introduced today by Representatives Frank and McDermott that provides a sensible solution to regulate Internet gambling in a way that protects consumers and collects billions of dollars in otherwise lost revenue.”

The Internet Gambling Regulation, Consumer Protection and Enforcement Act of 2009, introduced by Chairman Frank, would establish a licensing and enforcement framework to permit gambling operators licensed under this regime to accept wagers from individuals in the U.S. The legislation also mandates a number of significant consumer protections including safeguards against compulsive and underage gambling, money laundering, fraud and identify theft.

Legislation to be introduced today by Rep. McDermott would ensure that individual and corporate taxes owed on regulated Internet gambling activities are collected. According to a recent analysis, collecting taxes on regulated Internet gambling would allow the U.S. to capture much-needed revenue in an amount ranging from \$48.6 billion (excluding online sports gambling) up to to \$62.7 billion (including online sports gambling) over the next decade, a 21 percent increase from previous estimates. Without this legislation, this revenue will remain uncollected while millions of Americans gamble online without consumer protections.

About Safe and Secure Internet Gambling Initiative

The Safe and Secure Internet Gambling Initiative promotes the freedom of individuals to gamble online with the proper safeguards to protect consumers and ensure the integrity of financial transactions. For more information on the Initiative, please visit www.safeandsecureig.org. The Web site provides a means by which individuals can register support for regulated Internet gambling with their elected representatives.

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