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“60 Minutes” and *Washington Post* Coverage Highlights Why Congress Should Regulate Internet Gambling and Protect Consumers

Current prohibition leaves Americans unprotected

Jeffrey Sandman, spokesperson for the Safe and Secure Internet Gambling Initiative, today issued the following statement in regards to recent coverage on CBS News’ “60 Minutes” and in *The Washington Post* on the dangers Americans face when they gamble online.

“The 60 Minutes and Washington Post stories demonstrate unambiguously that the existing government prohibition on Internet gambling is a failure and a mistake. The millions of Americans who continue to gamble online are vulnerable to being defrauded by offshore operators who exploit U.S. prohibition policies, leaving U.S. consumers without legal protections when they make a bet or play poker online. It is clear that a different approach is necessary to protect consumers, as well as to recapture the billions of tax dollars currently lost to offshore gambling operators and out of the U.S. economy. Now more than ever, Congress should understand why it should step in and regulate the industry to protect the public. We are hopeful that increased attention in the media about the issue will lead to increased movement in Congress.”

Left out from the 60 Minutes and Post coverage were details about the specific benefits achieved through regulation. Legislation introduced last year by Rep. Barney Frank, the Internet Gambling Regulation and Enforcement Act of 2007, would establish an enforcement framework for licensed gambling operators to accept bets and wagers from individuals in the U.S. It includes a number of built-in consumer protections, including safeguards against all of the types of improper activity identified in the recent news coverage. These safeguards include protections to combat compulsive and underage gambling, money laundering, fraud and identity theft. Moreover, as the coverage reveals, the structure of the Internet allows for greater protections since there is a complete audit trail of all Internet gambling activity and transactions. A companion piece of legislation would ensure the collection of taxes on regulated Internet gambling activities. Revenues from regulated Internet gambling are estimated to be between \$8.7 billion and \$42.8 billion over 10 years, according to a tax revenue analysis prepared by PricewaterhouseCoopers.”

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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