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## U.S. House of Representatives Committee on Financial Services 2129 Rayburn House Office Building Washington, DC 20515

June 4, 2007

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## Dear Colleague:

Last year, the Unlawful Internet Gambling Enforcement Act (UIGEA) was enacted, which restricted the use of the payments system for Americans who sought to gamble online. I opposed this legislation because I believe that it is an inappropriate interference on the personal freedom of Americans and this interference should be undone.

This spring, I introduced HR 2046, the Internet Gambling Regulation and Enforcement Act of 2007, because I believe we can protect consumers without restricting their freedom. My legislation would allow Americans to bet online by creating an exemption to the UIGEA for operators that are licensed and regulated. These operators would be:

- Subject to review of their financial condition and corporate structure, business experience and criminal background checks, and agree to be subject to U.S. jurisdiction;
- Prohibited from accepting any type of bet or wager that is initiated or terminated in a state or tribal land that prohibits that type of Internet gambling, or any sports league that opted out of authorizing online gambling activities.

Moreover, any Internet gambling operator receiving a license would be required to have the appropriate safeguards in place to:

- Ensure an individual placing a bet or wager is 18 years of age or older;
- Ensure an individual placing a bet or wager is physically located in a jurisdiction that permits Internet gambling at the time a bet or wager is placed;
- Combat fraud and money laundering as prescribed by regulations issued by the Director or designee;
- Combat compulsive Internet gambling.

To add your name as a cosponsor to this legislation, please have your staff contact Kellie Larkin at 5-6052.

BARNEY ERANK