



June 11, 2009

Dear Representative:

On behalf of a diverse, bipartisan coalition of family, state, economic and faith-based organizations, we urge you to oppose pending legislation that would promote legalized, Internet gambling in the United States. We represent millions of citizens who strongly oppose legalizing Internet gambling and Rep. Barney Frank recently introduced irresponsible legislation that effectively converts the United States into a national casino.

We oppose the following bills to legalize Internet gambling:

- **H.R. 2266** – (Barney Frank) – Delays deadline for financial institutions' compliance with federal regulations to stop payment to illegal, online gambling operations (UIGEA)
- **H.R. 2267** – (Barney Frank) – Legalizes Internet gambling in the U.S. (foreign and domestic); taxes revenues

These bills neutralize nearly a decade's worth of Congressional effort and progress to protect citizens and families from illegal Internet gambling through the passage of the Unlawful Internet Gambling Enforcement Act of 2006 (UIGEA). Just one year after the passage of UIGEA, a national study from the University of Pennsylvania found that Internet gambling among U.S. college students declined significantly. Currently, the number of foreign Internet gambling sites illegally soliciting and accepting wagers from U.S. citizens has been reduced by half since UIGEA's passage.

The *UC Group Ltd.* (U.K.) and the *Interactive Gaming Council* or *IGC* (Vancouver, Canada) have poured millions of dollars into legalizing online gambling in the U.S. And they plan to give \$3 million more to the *Poker Players Alliance* in 2009 to pressure Members of Congress. Although these efforts are driven primarily by distant, foreign gambling interests, those of us living in the United States realize the threat associated with such a form of gambling in our homeland.

The prevalence of gambling addiction is three to four times higher with Internet gambling versus non-internet gambling. When all factors are considered – 24/7 availability, in-home accessibility, speed of play, secrecy, anonymity, extremely addictive, no real age verification – online gambling represents a highly invasive and reckless form of taxation dependent on human exploitation. Good policy should not harm men, women and children to satisfy and profit a few individuals and/or special interests.

We cannot – and will not – stand by silently while online gambling interests manipulate a handful of Congress Members, like Barney Frank, to push their dangerous agenda into such far-reaching U.S. policy. Lives and families are at stake, not to mention the wellbeing of our nation and its fragile economy. Now is not the time for such a radical financial and social experiment.

We hope you'll join us in opposing H.R. 2266, H.R. 2267 and any other bills that jeopardize our nation and its people through legalizing Internet gambling. Thank you for your time and service to this great nation.

Sincerely,

Tom Minnery, Senior Vice President  
Gov't and Public Policy  
Focus on the Family

Tom McClusky, Senior Vice President  
FRC Action

Phyllis Schlafly, President and Founder  
Eagle Forum

Beverly LaHaye, Founder and Chairman  
Concerned Women for America

Mark Andrews, Chairman  
Casino Watch, Inc.

Eunie Smith, President  
Alabama State Eagle Forum

Dr. Richard Land, President  
Southern Baptist Ethics &  
Religious Liberty Commission

Dr. Don Wildmon, Founder & Chairman  
American Family Association

Dr. Keith Wiebe, President  
American Association of Christian Schools

Gary Bauer, President  
American Values

David Fowler, President  
Family Action of Tennessee, Inc.

Julaine K. Appling, CEO  
Wisconsin Family Council

Chris Hupke, Executive Director  
South Dakota Family Policy Council

John Helmberger, CEO  
Minnesota Family Council

Douglas Stiegler, Executive Director  
Association of Maryland Families

Thomas J. Shaheen  
Vice President for Policy  
Pennsylvania Family Institute

Gene Mills, Executive Director  
Louisiana Family Forum

Bill Brooks, President  
North Carolina Family Policy Council

Cathi Herrod, President  
Center for Arizona Policy

**Kris Mineau, President**  
**Massachusetts Family Institute**

<<< ATTACHMENT: FACT SHEET >>>

## **Internet Gambling – Fact Sheet**

[Updated: May 26, 2009]

### **Internet Gambling Bills (2009)**

**H.R. 2266** (Rep. Frank); **H.R. 2267** (Rep. Frank); **H.R. 2268** (Rep. McDermott);

*[Note: These bills attempt to compromise or undo the Unlawful Internet Gambling Enforcement Act of 2006 or "UIGEA".]*

## UIGEA: Effective Policy

- UIGEA is the result of more than a decade of congressional efforts to protect our nation and its families. One year after passing UIGEA, the University of Pennsylvania found that Internet gambling among college students significantly declined.<sup>1</sup> Additionally, Canadian researchers found that the number of illegal, foreign Internet gambling operations soliciting and accepting wagers from U.S. citizens have declined by half.<sup>2</sup> Implementation of UIGEA regulations will further decrease the incidence of predatory, illegal, online gambling transactions from the U.S.

## Internet Gambling: Addictive, Invasive, Predatory

- Video gambling is considered the "crack cocaine" of gambling, because it's the most addictive form of gambling ever developed. People become "hooked" or addicted in just one year.<sup>3</sup>
- Researchers from Canada, where online gambling is legal, find that the prevalence of problem gambling is three to four times higher with Internet gamblers than non-Internet gamblers.<sup>4</sup>
- The Internet is piped into approximately 91 million homes in the U.S. and used by nearly 230 million men, women and children, collectively representing about 14 percent of all global users.<sup>5</sup> Thousands of casinos could have instant access to millions of American families if Internet gambling is legalized.
- As of May 2009, there were more than 2,184 Internet gambling web sites owned by 585 different companies.<sup>6</sup>
- Jurisdictions with the most online gambling sites are: Malta – 325; Netherlands Antilles (Curacao) – 274; Kahnawake Mohawk Territory (Quebec) – 253; Costa Rica – 221; Gibraltar – 217; United Kingdom – 98; Antigua/Barbuda – 73. Sites with the most traffic are: Gibraltar, Isle of Man, Malta, and the U.K.<sup>7</sup>
- Catastrophic addiction potential: 24/7 availability; in-home access; online speed; most addictive form of gambling; secrecy; anonymity; lack of true age verification. If the prevalence of gambling addiction doubles within 50 miles of a casino,<sup>8</sup> imagine the addiction caused by thousands of online casinos, just a mouse click away, invading each home.
- A significant concern is children gambling online. U.K. researchers found that a 16 year old with a credit card was able to gamble on 30 out of 37 sites examined.<sup>9</sup> More recently, the U.K. Gambling Commission determined that one-third of all Internet casinos were deficient in stopping underage betting and many conduct business irresponsibly.<sup>10</sup>
- For every member of the *Poker Players Alliance*, there are 15-20 problem or pathological gamblers<sup>11</sup> and at least 150-200 people who are negatively impacted by the addicted gambler.<sup>12</sup>

## Foreign Gambling Interests: Pushing Their Agenda

- The *UC Group Ltd/Baker Tilly* (U.K.) and the *Interactive Gaming Council* or *IGC* (Vancouver, Canada) have poured millions of dollars into legalizing predatory online gambling in the U.S. They plan to give \$3 million more to the *Poker Players Alliance* in 2009 to influence Members of Congress and continue to pressure Rep. Barney Frank.<sup>13</sup>

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**Endnotes:** (1) "Card Playing Down Among College-Age Youth: Internet Gambling Also Declines," *Annenberg Public Policy Center* of the University of Pennsylvania, October 18, 2007. (2) (a) R.T. Wood, R.J. Williams, Internet Gambling: Prevalence, Patterns, Problems, and Policy Option, Final Report prepared for the Ontario Problem Gambling Research Centre, Guelph, Ontario, Canada, January 5, 2009, p. 20. (b) Casino City (2008). *Online Casino City*, <http://online.casinocity.com/> (2008). (3) R.B. Breen and M. Zimmerman, "Rapid onset of pathological gambling in machine gamblers," *Journal of Gambling Studies*, Vol. 18, No. 1, 2002. (4) *Ibid*, R.T. Wood, R.J. Williams, 2009. (5) Online data composite at: [www.internetworldstats.com](http://www.internetworldstats.com); *U.S. Census Bureau; Nielsen Online; Internetworldstats.com*; statistics updated: March 31, 2009. (6) Online Casino City web site, a subsidiary site of [www.casinocity.com](http://www.casinocity.com). Exact site for online gambling data: <http://www.online.casinocity.com/> and site owners at: <http://www.online.casinocity.com/ownership/>; Sites checked on May 26, 2009. (7) Casino City web site online, queried on May 26, 2009, link: <http://www.online.casinocity.com/jurisdictions/index.cfm?Id=&SearchAll=1&start=1&sortlist=sites&numberpage=25>. (8) Rachel A. Volberg, "Prevalence Studies of Problem Gambling in the United States," *Journal of Gambling Studies*, Summer 1996, p. 123. (9) "Children as young as 11 can set up gambling accounts at the click of a button," July 27, 2004, press release by *NCH, GamCare* and *CitizenCard*. Available at: <http://www.nch.org.uk/information/index.php?i=77&r=288>. (10) I. Drury, "Third of gambling websites let children place online bets," *Mail Online*, January 13, 2009. (11) *National Gambling Impact Study Commission Final Report*, June 1999, Sec. 4-1, <http://govinfo.library.unt.edu/ngisc/reports/4.pdf> (25 May 2009). [Note: Addictions counselors estimate the number of problem/pathological gamblers to be closer to 20 million in 2009, due to video gambling.] (12) RM Politzer, et al., "The epidemiologic model and the risk of legalized gambling: Where are we headed?" *Health Values*, 1992, Vol. 16, pp. 20-27. [For every pathological gambler, 10-17 people are negatively impacted.] (13) (a) Lobbying records (2008-09) compiled online at: *OpenSecrets.com*, May 21, 2009. (b) Associated Press, F.J. Frommer, "The Influence Game," April, 20, 2009, online at: <http://www.google.com/hostednews/ap/article/ALeqM5hQF-g0ld5ZBHErGJc8n7CYECIgbAD97M27CO0> (21 May 2009). *Focus on the Family*, 2009