



December 2, 2009

U.S. House Financial Services Committee
Washington, D.C. 20515

Dear Members of the House Financial Services Committee:

Because H.R. 2267 effectively converts approximately 91 million U.S. homes with Internet service into federally taxed, online casinos, Focus on the Family considers Representative Barney Frank's online gambling policies to be socially and fiscally irresponsible. Focus on the Family, and the millions of citizens we represent, strongly urge you to oppose Rep. Frank's legislation that would delay implementation of the Unlawful Internet Gambling Enforcement Act (UIGEA), alongside another bill to overturn UIGEA by legalizing and taxing Internet gambling in the United States.

H.R. 2267 legalizes online gambling and overturns or repeals UIGEA, approved by Congress in 2006. H.R. 2266 delays the implementation of UIGEA regulations by a year. The Treasury Department and Federal Reserve recently delayed implementation of UIGEA regulations by another six months without sufficient reason. We are asking *why?* H.R. 2266 would delay UIGEA regulations by a whole year, putting families at risk, frustrating Congress and rendering UIGEA vulnerable to repeal by Rep. Frank's political manipulation. Furthermore, these unnecessary delays allow illegal online gambling sites to continue mocking U.S. laws and exporting illegal funds out of our nation's fragile economy without sufficient penalty. Other countries – most recently Poland – have policies prohibiting online gambling.

We urge you to consider your obligation to protect the wellbeing of U.S. citizens and families through wise financial prudence during these uncertain economic times. Taxing Internet gambling for federal revenues by exploiting people and addiction is a shameful business. No government policy should legalize or expand such an irresponsible and detrimental vice. Consider a few troubling facts:

- Problem gambling is three to four times higher with Internet gamblers than non-Internet gamblers.
- The Internet is piped into 91 million homes and used by nearly 230 million men, women and children in the U.S. – 24/7 gambling, addiction, speed, anonymity
- In 2009, approximately 2,184 online gambling sites operated by 585 foreign entities.
- Children - U.K. research established that one-third of online gambling sites could not stop children from gambling and many gambling sites conducted business irresponsibly.
- Crime is commonplace -terrorists using online gambling sites [*The Economic Times*, 1/2/2009]
[See <http://fota.ednetworks.net/pdfs/2009-06-04-gambling-letter2.pdf> for Fact Sheet and citations]

We cannot – and will not – stand by silently while online gambling interests manipulate a handful of Members of Congress, like Barney Frank, to push their dangerous agenda deep into U.S. federal policy. Lives and families are at stake, not to mention the future of our nation in the midst of economic duress. Neither state borders nor deadbolts on front doors can keep online casinos out of our homes. Thus, UIGEA must be upheld and its regulations implemented soon to protect families and state jurisdiction over gambling laws.

- **Please oppose H.R. 2266** – delays deadline for financial service compliance with UIGEA by a year.
- **Please oppose H.R. 2267** – legalizes, expands and taxes Internet gambling in the U.S.

Thank you for your time, consideration and service.

Sincerely,

Tom Minnery, Senior Vice President
Government and Public Policy