

1 **TITLE VIII—UNLAWFUL INTER-**
2 **NET GAMBLING ENFORCE-**
3 **MENT**

4 **SEC. 801. SHORT TITLE.**

5 This title may be cited as the “Unlawful Internet
6 Gambling Enforcement Act of 2006”.

7 **SEC. 802. PROHIBITION ON ACCEPTANCE OF ANY PAYMENT**
8 **INSTRUMENT FOR UNLAWFUL INTERNET**
9 **GAMBLING.**

10 (a) IN GENERAL.—Chapter 53 of title 31, United
11 States Code, is amended by adding at the end the fol-
12 lowing:

13 **“SUBCHAPTER IV—PROHIBITION ON FUNDING**
14 **OF UNLAWFUL INTERNET GAMBLING**

15 **“§ 5361. Congressional findings and purpose**

16 **“(a) FINDINGS.—Congress finds the following:**

17 **“(1) Internet gambling is primarily funded**
18 **through personal use of payment system instru-**
19 **ments, credit cards, and wire transfers.**

20 **“(2) The National Gambling Impact Study**
21 **Commission in 1999 recommended the passage of**

1 legislation to prohibit wire transfers to Internet
2 gambling sites or the banks which represent such
3 sites.

4 “(3) Internet gambling is a growing cause of
5 debt collection problems for insured depository insti-
6 tutions and the consumer credit industry.

7 “(4) New mechanisms for enforcing gambling
8 laws on the Internet are necessary because tradi-
9 tional law enforcement mechanisms are often inad-
10 equate for enforcing gambling prohibitions or regula-
11 tions on the Internet, especially where such gam-
12 bling crosses State or national borders.

13 “(b) RULE OF CONSTRUCTION.—No provision of this
14 subchapter shall be construed as altering, limiting, or ex-
15 tending any Federal or State law or Tribal-State compact
16 prohibiting, permitting, or regulating gambling within the
17 United States.

18 **“§ 5362. Definitions**

19 “In this subchapter:

20 “(1) BET OR WAGER.—The term ‘bet or
21 wager’—

1 “(A) means the staking or risking by any
2 person of something of value upon the outcome
3 of a contest of others, a sporting event, or a
4 game subject to chance, upon an agreement or
5 understanding that the person or another per-
6 son will receive something of value in the event
7 of a certain outcome;

8 “(B) includes the purchase of a chance or
9 opportunity to win a lottery or other prize
10 (which opportunity to win is predominantly sub-
11 ject to chance);

12 “(C) includes any scheme of a type de-
13 scribed in section 3702 of title 28;

14 “(D) includes any instructions or informa-
15 tion pertaining to the establishment or move-
16 ment of funds by the bettor or customer in, to,
17 or from an account with the business of betting
18 or wagering; and

19 “(E) does not include—

20 “(i) any activity governed by the secu-
21 rities laws (as that term is defined in sec-

1 tion 3(a)(47) of the Securities Exchange
2 Act of 1934 for the purchase or sale of se-
3 curities (as that term is defined in section
4 3(a)(10) of that Act);

5 “(ii) any transaction conducted on or
6 subject to the rules of a registered entity
7 or exempt board of trade under the Com-
8 modity Exchange Act;

9 “(iii) any over-the-counter derivative
10 instrument;

11 “(iv) any other transaction that—

12 “(I) is excluded or exempt from
13 regulation under the Commodity Ex-
14 change Act; or

15 “(II) is exempt from State gam-
16 ing or bucket shop laws under section
17 12(e) of the Commodity Exchange Act
18 or section 28(a) of the Securities Ex-
19 change Act of 1934;

20 “(v) any contract of indemnity or
21 guarantee;

- 1 “(vi) any contract for insurance;
- 2 “(vii) any deposit or other transaction
- 3 with an insured depository institution;
- 4 “(viii) participation in any game or
- 5 contest in which participants do not stake
- 6 or risk anything of value other than—
- 7 “(I) personal efforts of the par-
- 8 ticipants in playing the game or con-
- 9 test or obtaining access to the Inter-
- 10 net; or
- 11 “(II) points or credits that the
- 12 sponsor of the game or contest pro-
- 13 vides to participants free of charge
- 14 and that can be used or redeemed
- 15 only for participation in games or con-
- 16 tests offered by the sponsor; or
- 17 “(ix) participation in any fantasy or
- 18 simulation sports game or educational
- 19 game or contest in which (if the game or
- 20 contest involves a team or teams) no fan-
- 21 tasy or simulation sports team is based on

1 the current membership of an actual team
2 that is a member of an amateur or profes-
3 sional sports organization (as those terms
4 are defined in section 3701 of title 28) and
5 that meets the following conditions:

6 “(I) All prizes and awards of-
7 fered to winning participants are es-
8 tablished and made known to the par-
9 ticipants in advance of the game or
10 contest and their value is not deter-
11 mined by the number of participants
12 or the amount of any fees paid by
13 those participants.

14 “(II) All winning outcomes re-
15 flect the relative knowledge and skill
16 of the participants and are determined
17 predominantly by accumulated statis-
18 tical results of the performance of in-
19 dividuals (athletes in the case of
20 sports events) in multiple real-world
21 sporting or other events.

1 “(III) No winning outcome is
2 based—

3 “(aa) on the score, point-
4 spread, or any performance or
5 performances of any single real-
6 world team or any combination of
7 such teams; or

8 “(bb) solely on any single
9 performance of an individual ath-
10 lete in any single real-world
11 sporting or other event.

12 “(2) BUSINESS OF BETTING OR WAGERING.—
13 The term ‘business of betting or wagering’ does not
14 include the activities of a financial transaction pro-
15 vider, or any interactive computer service or tele-
16 communications service.

17 “(3) DESIGNATED PAYMENT SYSTEM.—The
18 term ‘designated payment system’ means any system
19 utilized by a financial transaction provider that the
20 Secretary and the Board of Governors of the Fed-
21 eral Reserve System, in consultation with the Attor-

1 ney General, jointly determine, by regulation or
2 order, could be utilized in connection with, or to fa-
3 cilitate, any restricted transaction.

4 “(4) FINANCIAL TRANSACTION PROVIDER.—
5 The term ‘financial transaction provider’ means a
6 creditor, credit card issuer, financial institution, op-
7 erator of a terminal at which an electronic fund
8 transfer may be initiated, money transmitting busi-
9 ness, or international, national, regional, or local
10 payment network utilized to effect a credit trans-
11 action, electronic fund transfer, stored value product
12 transaction, or money transmitting service, or a par-
13 ticipant in such network, or other participant in a
14 designated payment system.

15 “(5) INTERNET.—The term ‘Internet’ means
16 the international computer network of interoperable
17 packet switched data networks.

18 “(6) INTERACTIVE COMPUTER SERVICE.—The
19 term ‘interactive computer service’ has the meaning
20 given the term in section 230(f) of the Communica-
21 tions Act of 1934 (47 U.S.C. 230(f)).

1 “(7) RESTRICTED TRANSACTION.—The term
2 ‘restricted transaction’ means any transaction or
3 transmittal involving any credit, funds, instrument,
4 or proceeds described in any paragraph of section
5 5363 which the recipient is prohibited from accept-
6 ing under section 5363.

7 “(8) SECRETARY.—The term ‘Secretary’ means
8 the Secretary of the Treasury.

9 “(9) STATE.—The term ‘State’ means any
10 State of the United States, the District of Columbia,
11 or any commonwealth, territory, or other possession
12 of the United States.

13 “(10) UNLAWFUL INTERNET GAMBLING.—

14 “(A) IN GENERAL.—The term ‘unlawful
15 Internet gambling’ means to place, receive, or
16 otherwise knowingly transmit a bet or wager by
17 any means which involves the use, at least in
18 part, of the Internet where such bet or wager
19 is unlawful under any applicable Federal or
20 State law in the State or Tribal lands in which

1 “(i) the bet or wager is initiated and
2 received or otherwise made exclusively—

3 “(I) within the Indian lands of a
4 single Indian tribe (as such terms are
5 defined under the Indian Gaming
6 Regulatory Act; or

7 “(II) between the Indian lands of
8 2 or more Indian tribes to the extent
9 that intertribal gaming is authorized
10 by the Indian Gaming Regulatory Act;

11 “(ii) the bet or wager and the method
12 by which the bet or wager is initiated and
13 received or otherwise made is expressly au-
14 thorized by and complies with the require-
15 ments of—

16 “(I) the applicable tribal ordi-
17 nance or resolution approved by the
18 Chairman of the National Indian
19 Gaming Commission; and

1 “(II) with respect to class III
2 gaming, the applicable Tribal-State
3 Compact;

4 “(iii) the applicable tribal ordinance
5 or resolution or Tribal-State compact in-
6 cludes—

7 “(I) age and location verification
8 requirements reasonably designed to
9 block access to minors and persons lo-
10 cated out of the applicable Tribal
11 lands; and

12 “(II) appropriate data security
13 standards to prevent unauthorized ac-
14 cess by any person whose age and
15 current location has not been verified
16 in accordance with the applicable trib-
17 al ordinance or resolution or Tribal-
18 State Compact; and

19 “(iv) the bet or wager does not violate
20 any provision of—

1 “(I) the Interstate Horseracing
2 Act of 1978 (15 U.S.C. 3001 et seq.);

3 “(II) chapter 178 of title 28
4 (commonly known as the ‘Professional
5 and Amateur Sports Protection Act’);

6 “(III) the Gambling Devices
7 Transportation Act (15 U.S.C. 1171
8 et seq.); or

9 “(IV) the Indian Gaming Regu-
10 latory Act (25 U.S.C. 2701 et seq.).

11 “(D) INTERSTATE HORSERACING.—

12 “(i) IN GENERAL.—The term ‘unlaw-
13 ful Internet gambling’ shall not include
14 any activity that is allowed under the
15 Interstate Horseracing Act of 1978 (15
16 U.S.C. 3001 et seq.).

17 “(ii) RULE OF CONSTRUCTION RE-
18 GARDING PREEMPTION.—Nothing in this
19 subchapter may be construed to preempt
20 any State law prohibiting gambling.

1 “(iii) SENSE OF CONGRESS.—It is the
2 sense of Congress that this subchapter
3 shall not change which activities related to
4 horse racing may or may not be allowed
5 under Federal law. This subparagraph is
6 intended to address concerns that this sub-
7 chapter could have the effect of changing
8 the existing relationship between the Inter-
9 state Horseracing Act and other Federal
10 statutes in effect on the date of the enact-
11 ment of this subchapter. This subchapter
12 is not intended to change that relationship.
13 This subchapter is not intended to resolve
14 any existing disagreements over how to in-
15 terpret the relationship between the Inter-
16 state Horseracing Act and other Federal
17 statutes.

18 “(E) INTERMEDIATE ROUTING.—The in-
19 termediate routing of electronic data shall not
20 determine the location or locations in which a

1 bet or wager is initiated, received, or otherwise
2 made.

3 “(11) OTHER TERMS.—

4 “(A) CREDIT; CREDITOR; CREDIT CARD;
5 AND CARD ISSUER.—The terms ‘credit’, ‘cred-
6 itor’, ‘credit card’, and ‘card issuer’ have the
7 meanings given the terms in section 103 of the
8 Truth in Lending Act (15 U.S.C. 1602).

9 “(B) ELECTRONIC FUND TRANSFER.—The
10 term ‘electronic fund transfer’—

11 “(i) has the meaning given the term
12 in section 903 of the Electronic Fund
13 Transfer Act (15 U.S.C. 1693a), except
14 that the term includes transfers that would
15 otherwise be excluded under section
16 903(6)(E) of that Act; and

17 “(ii) includes any fund transfer cov-
18 ered by Article 4A of the Uniform Com-
19 mercial Code, as in effect in any State.

20 “(C) FINANCIAL INSTITUTION.—The term
21 ‘financial institution’ has the meaning given the

1 term in section 903 of the Electronic Fund
2 Transfer Act, except that such term does not
3 include a casino, sports book, or other business
4 at or through which bets or wagers may be
5 placed or received.

6 “(D) INSURED DEPOSITORY INSTITU-
7 TION.—The term ‘insured depository institu-
8 tion’—

9 “(i) has the meaning given the term
10 in section 3(c) of the Federal Deposit In-
11 surance Act (12 U.S.C. 1813(c)); and

12 “(ii) includes an insured credit union
13 (as defined in section 101 of the Federal
14 Credit Union Act).

15 “(E) MONEY TRANSMITTING BUSINESS
16 AND MONEY TRANSMITTING SERVICE.—The
17 terms ‘money transmitting business’ and
18 ‘money transmitting service’ have the meanings
19 given the terms in section 5330(d) (determined
20 without regard to any regulations prescribed by
21 the Secretary thereunder).

1 **“§ 5363. Prohibition on acceptance of any financial**
2 **instrument for unlawful Internet gam-**
3 **bling**

4 “No person engaged in the business of betting or wa-
5 gering may knowingly accept, in connection with the par-
6 ticipation of another person in unlawful Internet gam-
7 bling—

8 “(1) credit, or the proceeds of credit, extended
9 to or on behalf of such other person (including credit
10 extended through the use of a credit card);

11 “(2) an electronic fund transfer, or funds trans-
12 mitted by or through a money transmitting business,
13 or the proceeds of an electronic fund transfer or
14 money transmitting service, from or on behalf of
15 such other person;

16 “(3) any check, draft, or similar instrument
17 which is drawn by or on behalf of such other person
18 and is drawn on or payable at or through any finan-
19 cial institution; or

20 “(4) the proceeds of any other form of financial
21 transaction, as the Secretary and the Board of Gov-

1 errors of the Federal Reserve System may jointly
2 prescribe by regulation, which involves a financial in-
3 stitution as a payor or financial intermediary on be-
4 half of or for the benefit of such other person.

5 **“§ 5364. Policies and procedures to identify and pre-**
6 **vent restricted transactions**

7 “(a) REGULATIONS.—Before the end of the 270-day
8 period beginning on the date of the enactment of this sub-
9 chapter, the Secretary and the Board of Governors of the
10 Federal Reserve System, in consultation with the Attorney
11 General, shall prescribe regulations (which the Secretary
12 and the Board jointly determine to be appropriate) requir-
13 ing each designated payment system, and all participants
14 therein, to identify and block or otherwise prevent or pro-
15 hibit restricted transactions through the establishment of
16 policies and procedures reasonably designed to identify
17 and block or otherwise prevent or prohibit the acceptance
18 of restricted transactions in any of the following ways:

19 “(1) The establishment of policies and proce-
20 dures that—

1 “(A) allow the payment system and any
2 person involved in the payment system to iden-
3 tify restricted transactions by means of codes in
4 authorization messages or by other means; and

5 “(B) block restricted transactions identi-
6 fied as a result of the policies and procedures
7 developed pursuant to subparagraph (A).

8 “(2) The establishment of policies and proce-
9 dures that prevent or prohibit the acceptance of the
10 products or services of the payment system in con-
11 nection with a restricted transaction.

12 “(b) REQUIREMENTS FOR POLICIES AND PROCE-
13 DURES.—In prescribing regulations under subsection (a),
14 the Secretary and the Board of Governors of the Federal
15 Reserve System shall—

16 “(1) identify types of policies and procedures,
17 including nonexclusive examples, which would be
18 deemed, as applicable, to be reasonably designed to
19 identify and block or otherwise prevent or prohibit
20 the acceptance of the products or services with re-
21 spect to each type of restricted transaction;

1 “(2) to the extent practical, permit any partici-
2 pant in a payment system to choose among alter-
3 native means of identifying and blocking, or other-
4 wise preventing or prohibiting the acceptance of the
5 products or services of the payment system or par-
6 ticipant in connection with, restricted transactions;

7 “(3) exempt certain restricted transactions or
8 designated payment systems from any requirement
9 imposed under such regulations, if the Secretary and
10 the Board jointly find that it is not reasonably prac-
11 tical to identify and block, or otherwise prevent or
12 prohibit the acceptance of, such transactions; and

13 “(4) ensure that transactions in connection with
14 any activity excluded from the definition of unlawful
15 internet gambling in subparagraphs (B), (C), or
16 (D)(i) of section 5362(10) are not blocked or other-
17 wise prevented or prohibited by the prescribed regu-
18 lations.

19 “(c) COMPLIANCE WITH PAYMENT SYSTEM POLI-
20 CIES AND PROCEDURES.—A financial transaction provider

1 shall be considered to be in compliance with the regula-
2 tions prescribed under subsection (a) if—

3 “(1) such person relies on and complies with
4 the policies and procedures of a designated payment
5 system of which it is a member or participant to—

6 “(A) identify and block restricted trans-
7 actions; or

8 “(B) otherwise prevent or prohibit the ac-
9 ceptance of the products or services of the pay-
10 ment system, member, or participant in connec-
11 tion with restricted transactions; and

12 “(2) such policies and procedures of the des-
13 ignated payment system comply with the require-
14 ments of regulations prescribed under subsection
15 (a).

16 “(d) NO LIABILITY FOR BLOCKING OR REFUSING TO
17 HONOR RESTRICTED TRANSACTIONS.—A person that
18 identifies and blocks a transaction, prevents or prohibits
19 the acceptance of its products or services in connection
20 with a transaction, or otherwise refuses to honor a trans-
21 action—

1 “(1) that is a restricted transaction;

2 “(2) that such person reasonably believes to be
3 a restricted transaction; or

4 “(3) as a designated payment system or a mem-
5 ber of a designated payment system in reliance on
6 the policies and procedures of the payment system,
7 in an effort to comply with regulations prescribed
8 under subsection (a),

9 shall not be liable to any party for such action.

10 “(e) REGULATORY ENFORCEMENT.—The require-
11 ments under this section shall be enforced exclusively by—

12 “(1) the Federal functional regulators, with re-
13 spect to the designated payment systems and finan-
14 cial transaction providers subject to the respective
15 jurisdiction of such regulators under section 505(a)
16 of the Gramm-Leach-Bliley Act and section 5g of
17 the Commodities Exchange Act; and

18 “(2) the Federal Trade Commission, with re-
19 spect to designated payment systems and financial
20 transaction providers not otherwise subject to the ju-
21 risdiction of any Federal functional regulators (in-

1 including the Commission) as described in paragraph
2 (1).

3 **“§ 5365. Civil remedies**

4 “(a) JURISDICTION.—In addition to any other rem-
5 edy under current law, the district courts of the United
6 States shall have original and exclusive jurisdiction to pre-
7 vent and restrain restricted transactions by issuing appro-
8 priate orders in accordance with this section, regardless
9 of whether a prosecution has been initiated under this sub-
10 chapter.

11 “(b) PROCEEDINGS.—

12 “(1) INSTITUTION BY FEDERAL GOVERN-
13 MENT.—

14 “(A) IN GENERAL.—The United States,
15 acting through the Attorney General, may insti-
16 tute proceedings under this section to prevent
17 or restrain a restricted transaction.

18 “(B) RELIEF.—Upon application of the
19 United States under this paragraph, the district
20 court may enter a temporary restraining order,
21 a preliminary injunction, or an injunction

1 against any person to prevent or restrain a re-
2 stricted transaction, in accordance with rule 65
3 of the Federal Rules of Civil Procedure.

4 “(2) INSTITUTION BY STATE ATTORNEY GEN-
5 ERAL.—

6 “(A) IN GENERAL.—The attorney general
7 (or other appropriate State official) of a State
8 in which a restricted transaction allegedly has
9 been or will be initiated, received, or otherwise
10 made may institute proceedings under this sec-
11 tion to prevent or restrain the violation or
12 threatened violation.

13 “(B) RELIEF.—Upon application of the at-
14 torney general (or other appropriate State offi-
15 cial) of an affected State under this paragraph,
16 the district court may enter a temporary re-
17 straining order, a preliminary injunction, or an
18 injunction against any person to prevent or re-
19 strain a restricted transaction, in accordance
20 with rule 65 of the Federal Rules of Civil Pro-
21 cedure.

1 “(3) INDIAN LANDS.—

2 “(A) IN GENERAL.—Notwithstanding
3 paragraphs (1) and (2), for a restricted trans-
4 action that allegedly has been or will be initi-
5 ated, received, or otherwise made on Indian
6 lands (as that term is defined in section 4 of
7 the Indian Gaming Regulatory Act)—

8 “(i) the United States shall have the
9 enforcement authority provided under
10 paragraph (1); and

11 “(ii) the enforcement authorities spec-
12 ified in an applicable Tribal-State compact
13 negotiated under section 11 of the Indian
14 Gaming Regulatory Act (25 U.S.C. 2710)
15 shall be carried out in accordance with
16 that compact.

17 “(B) RULE OF CONSTRUCTION.—No provi-
18 sion of this section shall be construed as alter-
19 ing, superseding, or otherwise affecting the ap-
20 plication of the Indian Gaming Regulatory Act.

1 “(c) LIMITATION RELATING TO INTERACTIVE COM-
2 PUTER SERVICES.—

3 “(1) IN GENERAL.—Relief granted under this
4 section against an interactive computer service
5 shall—

6 “(A) be limited to the removal of, or dis-
7 abling of access to, an online site violating sec-
8 tion 5363, or a hypertext link to an online site
9 violating such section, that resides on a com-
10 puter server that such service controls or oper-
11 ates, except that the limitation in this subpara-
12 graph shall not apply if the service is subject to
13 liability under this section under section 5367;

14 “(B) be available only after notice to the
15 interactive computer service and an opportunity
16 for the service to appear are provided;

17 “(C) not impose any obligation on an
18 interactive computer service to monitor its serv-
19 ice or to affirmatively seek facts indicating ac-
20 tivity violating this subchapter;

1 “(D) specify the interactive computer serv-
2 ice to which it applies; and

3 “(E) specifically identify the location of the
4 online site or hypertext link to be removed or
5 access to which is to be disabled.

6 “(2) COORDINATION WITH OTHER LAW.—An
7 interactive computer service that does not violate
8 this subchapter shall not be liable under section
9 1084(d) of title 18, except that the limitation in this
10 paragraph shall not apply if an interactive computer
11 service has actual knowledge and control of bets and
12 wagers and—

13 “(A) operates, manages, supervises, or di-
14 rects an Internet website at which unlawful bets
15 or wagers may be placed, received, or otherwise
16 made or at which unlawful bets or wagers are
17 offered to be placed, received, or otherwise
18 made; or

19 “(B) owns or controls, or is owned or con-
20 trolled by, any person who operates, manages,
21 supervises, or directs an Internet website at

1 which unlawful bets or wagers may be placed,
2 received, or otherwise made, or at which unlaw-
3 ful bets or wagers are offered to be placed, re-
4 ceived, or otherwise made.

5 “(d) LIMITATION ON INJUNCTIONS AGAINST REGU-
6 LATED PERSONS.—Notwithstanding any other provision
7 of this section, and subject to section 5367, no provision
8 of this subchapter shall be construed as authorizing the
9 Attorney General of the United States, or the attorney
10 general (or other appropriate State official) of any State
11 to institute proceedings to prevent or restrain a restricted
12 transaction against any financial transaction provider, to
13 the extent that the person is acting as a financial trans-
14 action provider.

15 **“§ 5366. Criminal penalties**

16 “(a) IN GENERAL.—Any person who violates section
17 5363 shall be fined under title 18, imprisoned for not more
18 than 5 years, or both.

19 “(b) PERMANENT INJUNCTION.—Upon conviction of
20 a person under this section, the court may enter a perma-
21 nent injunction enjoining such person from placing, receiv-

1 ing, or otherwise making bets or wagers or sending, receiv-
2 ing, or inviting information assisting in the placing of bets
3 or wagers.

4 **“§ 5367. Circumventions prohibited**

5 “Notwithstanding section 5362(2), a financial trans-
6 action provider, or any interactive computer service or
7 telecommunications service, may be liable under this sub-
8 chapter if such person has actual knowledge and control
9 of bets and wagers, and—

10 “(1) operates, manages, supervises, or directs
11 an Internet website at which unlawful bets or wagers
12 may be placed, received, or otherwise made, or at
13 which unlawful bets or wagers are offered to be
14 placed, received, or otherwise made; or

15 “(2) owns or controls, or is owned or controlled
16 by, any person who operates, manages, supervises,
17 or directs an Internet website at which unlawful bets
18 or wagers may be placed, received, or otherwise
19 made, or at which unlawful bets or wagers are of-
20 fered to be placed, received, or otherwise made.”.

1 (b) TECHNICAL AND CONFORMING AMENDMENT.—
2 The table of sections for chapter 53 of title 31, United
3 States Code, is amended by adding at the end the fol-
4 lowing:

“SUBCHAPTER IV—PROHIBITION ON FUNDING OF UNLAWFUL INTERNET
GAMBLING

“5361. Congressional findings and purpose

“5362. Definitions

“5363. Prohibition on acceptance of any financial instrument for unlawful
Internet gambling

“5364. Policies and procedures to identify and prevent restricted transactions

“5365. Civil remedies

“5366. Criminal penalties

“5367. Circumventions prohibited”.

5 **SEC. 803. INTERNET GAMBLING IN OR THROUGH FOREIGN**
6 **JURISDICTIONS.**

7 (a) IN GENERAL.—In deliberations between the
8 United States Government and any foreign country on
9 money laundering, corruption, and crime issues, the
10 United States Government should—

11 (1) encourage cooperation by foreign govern-
12 ments and relevant international fora in identifying
13 whether Internet gambling operations are being used
14 for money laundering, corruption, or other crimes;

15 (2) advance policies that promote the coopera-
16 tion of foreign governments, through information

1 sharing or other measures, in the enforcement of
2 this Act; and

3 (3) encourage the Financial Action Task Force
4 on Money Laundering, in its annual report on
5 money laundering typologies, to study the extent to
6 which Internet gambling operations are being used
7 for money laundering purposes.

8 (b) REPORT REQUIRED.—The Secretary of the
9 Treasury shall submit an annual report to the Congress
10 on any deliberations between the United States and other
11 countries on issues relating to Internet gambling.

And the Senate agree to the same.