

Congress of the United States  
Washington, D.C. 20515

December 1, 2010

The Honorable Harry Reid  
Democratic Leader  
S-221, U.S. Capitol  
Washington, D.C., 20001

The Honorable Mitch McConnell  
Republican Leader  
S-230, U.S. Capitol  
Washington, D.C. 20001

Dear Leaders Reid and McConnell:

We oppose any attempt by the Senate to legalize Internet gambling during the lame duck session. We have heard reports that certain interests might be pushing the Senate to attach such a bill to a “must pass” measure because they have calculated that a secretive, closed-door, undemocratic process represents their best opportunity to regain access to the U.S. market. If the process by which Congress enacted the recent health legislation taught us anything, it is that this is not an appropriate way to legislate on policy objectives with such far-reaching and potentially disruptive consequences. Creating a Federal right to gamble that has never existed in our country’s history and imposing an unprecedented new tax regime on such activity require careful deliberation, not back-room deals or earmarks for special interests.

As the Republican leaders of the House committees with jurisdiction over Internet gambling matters – Financial Services, Judiciary and Ways & Means – we believe that our committees must have a role in the process. Licensing and taxing Internet gambling requires expertise in the payment systems, experience in criminal justice and proficiency in tax policy. Such expertise lies with the committees of jurisdiction, and cannot be brought to the table properly as part of a last-minute, secretive process.

It is true that a bill addressing Internet gambling passed the Financial Services Committee in spite of bipartisan *opposition* but none of our committees or the entire House has ever considered anything akin to what reports suggest the Senate might soon do – give offshore operators who currently may not legally offer wagering to customers in the United States Federal gaming licenses and tax Internet transactions. It should also be noted that in 2006, the last time the whole House considered an Internet gambling bill, it voted 317 to 93 to *prohibit* gambling online.

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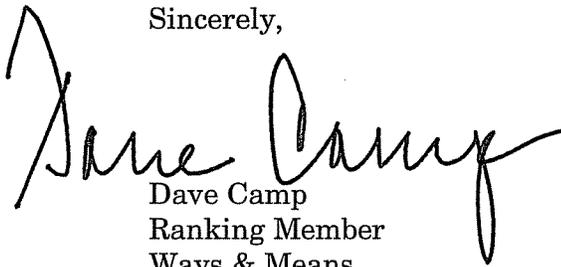
We also are concerned that this new rush to embrace Internet casino gambling might be partially motivated by one of the gravest sins that afflicts this Congress: desperation for more tax dollars to pay for ever-increasing Federal spending. Congress should not take advantage of the young, the weak and the vulnerable in the name of new revenues to cover more government spending. Considering that the social and economic harm done to America's families and to young people from unlawful Internet gambling is well-documented, we ask: is addicting the Federal government to Internet gambling taxes really worth it?

Thank you for your consideration.

Sincerely,



Spencer Bachus  
Ranking Member  
Financial Services



Dave Camp  
Ranking Member  
Ways & Means



Lamar Smith  
Ranking Member  
Judiciary

cc: Hon. Jon Kyl, Senate Republican Whip  
Hon. John Boehner, House Republican Leader  
Hon. Eric Cantor, House Republican Whip  
Hon. Mike Pence, House Republican Conference Chairman