

WASHINGTON (December 3) - Citing new information from the FBI on the dangers posed by Internet gambling, Congressman Spencer Bachus (AL-6) today called on regulators to fully enforce a ban on illegal online gaming.

Bachus disclosed the warnings he received in a letter from FBI Assistant Director Shawn Henry during a hearing on legislation that would delay enforcement of the law by at least a year and eventually legalize Internet gambling. The legislation has been proposed by House Financial Services Committee Chairman Barney Frank.

"The FBI rejects the claim that you can validate the age and location of players, so there is still no failsafe way to prevent children from falling prey to online gambling in their bedrooms and dorm rooms. The FBI also says the games offered by offshore casino sites can be fraudulently manipulated and ill-gotten gains illegally transferred, which is a major concern for law enforcement. In a nation of laws, it only makes sense to put these illegal criminal enterprises out of business, not reward them," said Bachus, who is Ranking Member on the Committee.

Noting the potential for fraud, FBI Assistant Director Henry also wrote that no foolproof safeguards exist to prevent young people from gambling online.

"While the vendors may claim that they can validate age and location, they are more than likely relying on credit card information and geolocation to gather this information. Both can be spoofed. For age verification, the possession of a credit card is usually the only validation these sites require. Credit card numbers are easily compromised and can be bought by the hundreds on several 'underground' websites. Therefore, the simple act of owning a credit card number does nothing to validate someone's age," his letter said.

Bachus is an author of the Unlawful Internet Gambling Enforcement Act (UIGEA), which was enacted in 2006. Studies have credited the law with reducing online gambling among college students and other minors even though it has not yet been fully enforced.

Bachus stated, "If Congress repeals the law, online casinos will proliferate. In the next five years, Chairman Frank, I feel that if you are successful in creating a federal right to gamble on

the Internet, we will create a generation of millions of Americans who from their youth will be addicted to Internet gambling and, therefore, life-long problem gamblers."

The Treasury Department and Federal Reserve recently announced that they will postpone full enforcement of the law an additional six months, until June 2010. At Bachus' insistence, the regulators will be called to testify in front of the committee to explain the delay.

[Click here](#) to view video of Congressman Bachus' remarks.

[Click here](#) to read the letter to Congressman Bachus from FBI Assistant Director, Cyber Division, Shawn Henry.