

PRIVATE BILLS AND  
RESOLUTIONS

Under clause 3 of rule XII, private bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mr. KANJORSKI:

H.R. 5753. A bill for the relief of Charmaine Bieda; to the Committee on the Judiciary.

By Mr. KUCINICH:

H.R. 5754. A bill for the relief of Theresa and Stefan Sajac; to the Committee on the Judiciary.

## ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 23: Mr. FATTAH, Mr. TOM DAVIS of Virginia, and Ms. VELÁZQUEZ.

H.R. 97: Mr. LEWIS of Kentucky and Mr. BRADY of Pennsylvania.

H.R. 198: Mr. BISHOP of Georgia.

H.R. 215: Mr. PETERSON of Minnesota and Mr. DOGGETT.

H.R. 550: Mr. MELANCON, Mr. SPRATT and Mr. LIPINSKI.

H.R. 552: Mr. GOODLATTE and Mr. NUSSLE.

H.R. 583: Mr. ALLEN and Mr. DELAHUNT.

H.R. 898: Ms. NORTON.

H.R. 946: Mr. ANDREWS.

H.R. 951: Mr. CAPUANO.

H.R. 959: Mr. HOLDEN.

H.R. 1059: Ms. PELOSI and Mr. CARDIN.

H.R. 1079: Mr. HUNTER.

H.R. 1188: Mr. MARSHALL.

H.R. 1227: Mr. HASTINGS of Washington, Mr. TIBERI, and Mr. OSBORNE.

H.R. 1248: Mr. HEFLEY.

H.R. 1369: Mr. GENE GREEN of Texas.

H.R. 1425: Mr. GUTIERREZ.

H.R. 1426: Mr. HEFLEY and Mr. BISHOP of Georgia.

H.R. 1462: Ms. GINNY BROWN-WAITE of Florida.

H.R. 1517: Mr. PLATTS, Mr. BOUSTANY, and Mr. SMITH of Texas.

H.R. 1545: Mrs. WILSON of New Mexico.

H.R. 1621: Mr. CLAY.

H.R. 1671: Mr. PICKERING.

H.R. 1704: Mr. DELAHUNT.

H.R. 1898: Mr. COLE of Oklahoma and Mr. GUTKNECHT.

H.R. 1996: Mr. BERMAN and Mr. PAYNE.

H.R. 2037: Mr. BRADY of Pennsylvania.

H.R. 2178: Mr. DINGELL and Mr. EVANS.

H.R. 2230: Mr. SHAYS.

H.R. 2378: Mr. BISHOP of Georgia.

H.R. 2568: Mr. BOUCHER.

H.R. 2928: Mr. WU.

H.R. 3142: Mr. WYNN.

H.R. 3145: Mr. PETERSON of Minnesota and Mr. SNYDER.

H.R. 3151: Mr. CUMMINGS and Mr. PETERSON of Minnesota.

H.R. 3478: Mr. GREEN of Wisconsin, Mr. WYNN, Mr. DOYLE, and Mr. ENGLISH of Pennsylvania.

H.R. 3559: Mr. CHANDLER, Mr. GINGREY, Mr. FRELINGHUYSEN, Mr. CUELLAR, Mrs. SCHMIDT, Mr. CASE, and Mr. PAYNE.

H.R. 3639: Mr. ANDREWS.

H.R. 3762: Mr. SAXTON.

H.R. 4158: Mr. WEXLER.

H.R. 4341: Mr. PETERSON of Pennsylvania.

H.R. 4371: Mr. CLEAVER, Mr. GOODE, and Mr. JEFFERSON.

H.R. 4384: Mr. PAYNE.

H.R. 4434: Mr. FILNER.

H.R. 4547: Mr. NUSSLE, Mr. WAMP, and Mr. CHABOT.

H.R. 4550: Mr. PAYNE.

H.R. 4597: Mr. BRADY of Pennsylvania, Mr. FILNER, Ms. SLAUGHTER, and Mr. BACA.

H.R. 4624: Mr. SANDERS and Mr. PETERSON of Minnesota.

H.R. 4654: Mr. DUNCAN.

H.R. 4740: Mrs. DRAKE.

H.R. 4747: Mrs. CHRISTENSEN, Mr. HASTINGS of Florida, Mr. CLYBURN, Mr. BRADY of Pennsylvania, Ms. MCCOLLUM of Minnesota, and Mr. CASE.

H.R. 4751: Mr. JONES of North Carolina, Mr. CLAY, Mr. FILNER, Mr. WYNN, and Mr. GINGREY.

H.R. 4824: Mr. SNYDER and Mr. HINCHEY.

H.R. 4903: Mr. GORDON.

H.R. 4924: Mrs. EMERSON.

H.R. 4980: Mr. BRADLEY of New Hampshire.

H.R. 4982: Mr. GEORGE MILLER of California.

H.R. 4994: Mr. PETERSON of Minnesota and Mr. GORDON.

H.R. 5005: Mr. CALVERT, Mrs. MILLER of Michigan, Mrs. CUBIN, Mr. OTTER, Mr. PUTNAM, Mr. WAMP, and Mr. ROGERS of Michigan.

H.R. 5013: Mr. CALVERT and Ms. HART.

H.R. 5033: Mr. CAPUANO.

H.R. 5120: Mr. REICHERT.

H.R. 5150: Ms. LEE and Mr. LANTOS.

H.R. 5166: Mr. PETERSON of Minnesota.

H.R. 5182: Mr. CASE, Mr. BARROW, Mr. NUSSLE, Ms. WASSERMAN SCHULTZ, and Ms. SOLIS.

H.R. 5188: Mr. BROWN of Ohio and Mr. BISHOP of Georgia.

H.R. 5200: Mr. MILLER of North Carolina, Mr. SANDERS, Mr. BOSWELL, and Mr. CASE.

H.R. 5236: Mr. BISHOP of Georgia.

H.R. 5249: Mrs. MALONEY and Mr. GRAVES.

H.R. 5262: Mr. ROGERS of Michigan.

H.R. 5273: Ms. CARSON.

H.R. 5290: Mr. HONDA.

H.R. 5319: Mr. GILLMOR.

H.R. 5390: Mr. PETERSON of Minnesota, Mr. DELAHUNT, and Mr. MARSHALL.

H.R. 5405: Mr. GOHMERT.

H.R. 5409: Mr. INGLIS of South Carolina.

H.R. 5444: Mr. ENGLISH of Pennsylvania and Mr. BISHOP of Georgia.

H.R. 5453: Mr. SALAZAR.

H.R. 5455: Mr. JACKSON of Illinois.

H.R. 5465: Mr. HIGGINS, Mr. GORDON, Mr. ORTIZ, Mr. ETHERIDGE, and Mrs. JO ANN DAVIS of Virginia.

H.R. 5468: Mr. MCCOTTER.

H.R. 5476: Mr. MARSHALL.

H.R. 5507: Mr. INGLIS of South Carolina.

H.R. 5513: Mr. PETERSON of Minnesota, Mr. MURPHY, Mr. CROWLEY, Mr. ROTHMAN, and Mr. BISHOP of New York.

H.R. 5519: Mr. PLATTS.

H.R. 5520: Mr. FORTENBERRY.

H.R. 5536: Mr. MCCOTTER, Mr. BRADY of Pennsylvania, and Mr. ENGLISH of Pennsylvania.

H.R. 5539: Mr. GORDON, Mr. BOSWELL, and Mr. GREEN of Wisconsin.

H.R. 5550: Ms. SLAUGHTER.

H.R. 5555: Mr. PETERSON of Minnesota, Mr. HINCHEY, and Mr. BILIRAKIS.

H.R. 5556: Mr. RADANOVICH, Mr. BLUMENAUER, and Mr. BRADLEY of New Hampshire.

H.R. 5557: Mr. SAXTON, Mr. SANDERS, and Mr. WELDON of Pennsylvania.

H.R. 5562: Mr. ENGLISH of Pennsylvania and Mr. HOLT.

H.R. 5583: Ms. JACKSON-LEE of Texas and Ms. BORDALLO.

H.R. 5588: Ms. WOOLSEY, Mr. SCOTT of Virginia, Mr. BISHOP of Georgia, and Mr. BOREN.

H.R. 5605: Mr. GORDON, Ms. JACKSON-LEE of Texas, Ms. BORDALLO, Mr. KILDEE, Mr. McNULTY, Mr. JEFFERSON, Mr. RUPPERSBERGER, and Mr. PAYNE.

H.R. 5624: Mrs. MCCARTHY and Ms. BORDALLO.

H.R. 5640: Mr. CARDIN.

H.R. 5642: Ms. JACKSON-LEE of Texas, Ms. MATSUI, Ms. BALDWIN, and Mr. CASE.

H.R. 5656: Mr. MARIO DIAZ-BALART of Florida.

H.R. 5685: Mr. ISRAEL, Mr. HINCHEY, Mr. TOWNS, and Mr. BISHOP of New York.

H.R. 5696: Mr. CARDOZA.

H.R. 5704: Mrs. MUSGRAVE, Mr. REICHERT, Mrs. MYRICK, Ms. BERKLEY, and Mr. RENZI.

H.R. 5706: Mr. GREEN of Wisconsin.

H.R. 5738: Mr. ROTHMAN, Mrs. LOWEY, Mr. FITZPATRICK of Pennsylvania, and Ms. SLAUGHTER.

H.J. Res. 88: Mr. CRENSHAW.

H.J. Res. 90: Ms. BERKLEY.

H. Con. Res. 125: Mr. MORAN of Virginia, Mr. BROWN of Ohio, Mr. LARSEN of Washington, and Mr. LEWIS of Georgia.

H. Con. Res. 231: Mr. GINGREY.

H. Con. Res. 282: Mr. PAYNE.

H. Con. Res. 391: Ms. WOOLSEY.

H. Con. Res. 406: Mr. ANDREWS, Mr. MELANCON, Ms. ZOE LOFGREN of California, and Ms. JACKSON-LEE of Texas.

H. Con. Res. 432: Mr. ENGLISH of Pennsylvania.

H. Con. Res. 434: Mr. GARRETT of New Jersey, Mr. KUCINICH, Mr. SCHIFF, Mr. TOWNS, and Ms. SCHAKOWSKY.

H. Con. Res. 435: Ms. LINDA T. SÁNCHEZ of California.

H. Res. 526: Mr. HINCHEY and Mrs. CAPITO.

H. Res. 723: Mr. KENNEDY of Rhode Island and Mr. SALAZAR.

H. Res. 825: Mr. LEVIN.

H. Res. 852: Mr. ENGLISH of Pennsylvania.

H. Res. 858: Mr. GONZALEZ.

H. Res. 888: Mr. CUMMINGS, Ms. MOORE of Wisconsin, Mr. CLAY, Mrs. CHRISTENSEN, Ms. MILLENDER-MCDONALD, and Mr. HINCHEY.

## AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

H.R. 4411

OFFERED BY: Mr. DREIER

AMENDMENT No. 1: Strike all after the enacting clause and insert the following:

**SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.**

(a) SHORT TITLE.—This Act may be cited as the “Internet Gambling Prohibition and Enforcement Act”.

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title and table of contents.

**TITLE I—MODERNIZATION, OF THE WIRE ACT OF 1961**

Sec. 101. Definitions.

Sec. 102. Modification of existing prohibition.

Sec. 103. Authorization of civil enforcement.

Sec. 104. Authorization of appropriations.

Sec. 105. Rules of construction.

Sec. 106. Sense of Congress.

**TITLE II—POLICIES AND PROCEDURES REQUIRED TO PREVENT PAYMENTS FOR UNLAWFUL, GAMBLING**

Sec. 201. Policies and procedures required to prevent payments for unlawful gambling.

Sec. 202. Technical and conforming amendment.

**TITLE III—INTERNET GAMBLING IN OR THROUGH FOREIGN JURISDICTIONS**

Sec. 301. Internet gambling in or through foreign jurisdictions.

**TITLE I—MODERNIZATION OF THE WIRE ACT OF 1961****Sec. 101. DEFINITIONS.**

Section 1081 of title 18, United States Code, is amended—

(1) by designating the five undesignated paragraphs that begin with “The term” as paragraphs (1) through (5), respectively;

(2) by amending paragraph (5), as so designated, to read as follows:

“(5) The term ‘communication facility’ means any and all instrumentalities, personnel, and services (among other things, the receipt, forwarding, or delivery of communications) used or useful in the transmission of writings, signs, pictures, and sounds of all kinds by aid of wire, cable, radio, or an electromagnetic, photoelectronic or photooptical system, or other like connection (whether fixed or mobile) between the points of origin and reception of such transmission.”; and

(3) by adding at the end the following:

“(6) The term ‘bets or wagers’—

“(A) means the staking or risking by any person of something of value upon the outcome of a contest of others, a sporting event, or a game predominantly subject to chance, upon an agreement or understanding that the person or another person will receive something of value in the event of a certain outcome;

“(B) includes the purchase of a chance or opportunity to win a lottery or other prize (which opportunity to win is predominantly subject to chance);

“(C) includes any scheme of a type described in section 3702 of title 28; and

“(D) does not include—

“(i) any activity governed by the securities laws (as that term is defined in section 3(a)(47) of the Securities Exchange Act of 1934) for the purchase or sale of securities (as that term is defined in section 3(a)(10) of that Act);

“(ii) any transaction conducted on or subject to the rules of a registered entity or exempt board of trade under the Commodity Exchange Act;

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

“(iv) any other transaction that—

“(I) is excluded or exempt from regulation under the Commodity Exchange Act; or

“(II) is exempt from State gaming or bucket shop laws under section 12(e) of the Commodity Exchange Act or section 28(a) of the Securities Exchange Act of 1934;

“(v) any contract of indemnity or guarantee;

“(vi) any contract for insurance;

“(vii) any deposit or other transaction with an insured depository institution;

“(viii) participation in any game or contest in which participants do not stake or risk anything of value other than—

“(I) personal efforts of the participants in playing the game or contest or obtaining access to the Internet; or

“(II) points or credits that the sponsor of the game or contest provides to participants free of charge and that can be used or deemed only for participation in games or contests offered by the sponsor; or

“(ix) participation in any fantasy or simulation sports game or educational game or contest in which (if the game or contest involves a team or teams) no fantasy or simulation sports team is based on the current membership of an actual team that is a member of an amateur or professional sports organization (as those terms are defined in section 3701 of title 28) and that meets the following conditions:

“(I) All prizes and awards offered to winning participants are established and made known to the participants in advance of the game or contest and their value is not determined by the number of participants or the amount of any fees paid by those participants.

“(II) All winning outcomes reflect the relative knowledge and skill of the participants

and are determined predominantly by accumulated statistical results of the performance of individuals (athletes in the case of sports events) in multiple real-world sporting or other events.

“(III) No winning outcome is based—

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

“(bb) solely on any single performance of an individual in any single real-world sporting or other event.

“(7) The terms ‘credit’, ‘creditor’, ‘credit card’, and ‘card issuer’ have the same meanings as in section 103 of the Truth in Lending Act.

“(8) The term ‘electronic fund transfer’—

“(A) has the same meaning as in section 903 of the Electronic Fund Transfer Act, except that such term includes transfers that would otherwise be excluded under section 903(6)(E) of that Act; and

“(B) includes any fund transfer covered by Article 4A of the Uniform Commercial Code, as in effect in any State.

“(9) The term ‘financial institution’ has the same meaning as in section 903 of the Electronic Fund Transfer Act, except that such term does not include a casino, sports book, or other business at or through which bets or wagers may be placed or received.

“(10) The term ‘financial transaction provider’ has the same meaning as in section 5361 of title 31 (as added by title II of this Act).

“(11) The term ‘foreign jurisdiction’ means a jurisdiction of a foreign country or political subdivision thereof.

“(12) The term ‘gambling business’ means a business of betting or wagering.

“(13) The term ‘information assisting in the placing of bets or wagers’ means information knowingly transmitted by an individual in a gambling business that enables or facilitates a bet or wager and does not include—

“(A) any posting or reporting of any educational information on how to make a legal bet or wager or the nature of betting or wagering, as long as such posting or reporting does not solicit or provide information for the purpose of facilitating or enabling the placing or receipt of bets or wagers in a jurisdiction where such betting is illegal; or

“(B) advertising relating to betting or wagering in a jurisdiction where such betting or wagering is legal, as long as such advertising does not solicit or provide information for the purpose of facilitating or enabling the placing or receipt of bets or wagers in a jurisdiction where such betting is illegal.

“(14) The term ‘insured depository institution’—

“(A) has the same meaning as in section 3 of the Federal Deposit Insurance Act; and

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

“(15) The term ‘interactive computer service’ has the same meaning as in section 230(f) of the Communications Act of 1934.

“(16) The terms ‘money transmitting business’ and ‘money transmitting service’ have the same meanings as in section 5330(d) (determined without regard to any regulations prescribed by the Secretary thereunder).

“(17) The terms ‘own or control’ and to be ‘owned or controlled’ include circumstances within the meaning of section 2(a)(2) of the Bank Holding Company Act of 1956.

“(18) The term ‘person’ includes a government (including any governmental entity (as defined in section 3701(2) of title 28)).

“(19) The term ‘State’ means a State of the United States, the District of Columbia, or a commonwealth, territory, or possession of the United States.

“(20) The term ‘tribe’ or ‘tribal’ means an Indian tribe, as defined under section 4(5) of the Indian Gaming Regulatory Act of 1988).

“(21) For purposes of Section 1085(b), the term ‘account’ means—

“(A) the unpaid balance of money or its equivalent received or held by an insured depository institution in the usual course of business and for which it has given or is obligated to give credit, either conditionally or unconditionally, to an account, including interest credited, or which is evidenced by an instrument on which the depository institution is primarily liable; and

“(B) money received or held by an insured depository institution, or the credit given for money or its equivalent received or held by the insured depository institution in the usual course of business for a special or specific purpose, regardless of the legal relationships established thereby, including escrow funds, funds held as security for securities loaned by the depository institution, funds deposited as advance payment on subscriptions to United States Government securities, and funds held to meet its acceptances.”.

#### SEC. 102. MODIFICATION OF EXISTING PROHIBITION.

Section 1084 of title 18, United States Code, is amended to read as follows:

#### “1084. Use of a communication facility to transmit bets or wagers; criminal penalties

“(a) Except as otherwise provided in this section, whoever, being engaged in a gambling business, knowingly—

“(1) uses a communication facility for the transmission in interstate or foreign commerce, within the special maritime and territorial jurisdiction of the United States, or to or from any place outside the jurisdiction of any nation with respect to any transmission to or from the United States, of—

“(A) bets or wagers;

“(B) information assisting in the placing of bets or wagers; or

“(C) a communication, which entitles the recipient to receive money or credit as a result of bets or wagers, or for information assisting in the placing of bets or wagers; or

“(2) accepts, in connection with the transmission of a communication in interstate or foreign commerce, within the special maritime and territorial jurisdiction of the United States, or to or from any place outside the jurisdiction of any nation with respect to any transmission to or from the United States of bets or wagers or information assisting in the placing of bets or wagers—

“(A) credit, or the proceeds of credit, extended to or on behalf of another (including credit extended through the use of a credit card);

“(B) an electronic fund transfer or funds transmitted by or through a money transmitting business, or the proceeds of an electronic fund transfer or money transmitting service, from or on behalf of the other person;

“(C) any check, draft, or similar instrument which is drawn by or on behalf of the other person and is drawn on or payable through any financial institution; or

“(D) the proceeds of any other form of financial transaction as the Secretary of the Treasury and the Board of Governors of the Federal Reserve System may prescribe by regulation which involves a financial institution as a payor or financial intermediary on behalf of or for the benefit of the other person,

shall be fined under this title or imprisoned not more than five years, or both.

“(b) Nothing in this section prohibits—

“(1) the transmission of information assisting in the placing of bets or wagers for use in

news reporting if such transmission does not solicit or provide information for the purpose of facilitating or enabling the placing or receipt of bets or wagers in a jurisdiction where such betting is illegal;

“(2) the transmission of information assisting in the placing of bets or wagers from a State or foreign country where such betting or wagering is permitted under Federal, State, tribal, or local law into a State or foreign country in which such betting on the same event is permitted under Federal, State, tribal, or local law; or

“(3) the interstate transmission of information relating to a State-specific lottery between a State or foreign country where such betting or wagering is permitted under Federal, State, tribal, or local law and an out-of-State data center for the purposes of assisting in the operation of such State-specific lottery.

“(c) Nothing in this section prohibits the use of a communication facility for the transmission of bets or wagers or information assisting in the placing of bets or wagers, if—

“(1) at the time the transmission occurs, the individual or entity placing the bets or wagers or information assisting in the placing of bets or wagers, the gambling business, and, subject to section 1084(b)(3), any individual or entity acting in concert with a gambling business to process the bets or wagers are physically located in the same State, and for class II or class III gaming under the Indian Gaming Regulatory Act, are physically located on Indian lands within that State;

“(2) the State or tribe has explicitly authorized such bets and wagers, the State or tribal law requires a secure and effective location and age verification system to assure compliance with age and location requirements, and the gambling business and any individual or entity acting in concert with a gambling business to process the bets or wagers complies with such law;

“(3) the State has explicitly authorized and licensed the operation of the gambling business and any individual or entity acting in concert with a gambling business to process the bets and wagers within its borders or the tribe has explicitly authorized and licensed the operation of the gambling business and any individual or entity acting in concert with a gambling business to process the bets and wagers, on Indian lands within its jurisdiction;

“(4) with respect to class II or class III gaming, the game and gambling business complies with the requirements of the Indian Gaming Regulatory Act; and

“(5) with respect to class III gaming under the Indian Gaming Regulatory Act, the game is authorized under, and is conducted in accordance with, the respective Tribal-State compact of the Tribe having jurisdiction over the Indian lands where the individual or entity placing the bets or wagers or information assisting in the placing of bets or wagers, the gambling business, and any individual or entity acting in concert with a gambling business to process those bets or wagers are physically located, and such Tribal-State compact expressly provides that the game may be conducted using a communication facility to transmit bets or wagers information assisting in the placing of bets or wagers.

For purposes of this subsection, the intermediate routing of electronic data constituting or containing all or part of a bet or wager, or all or part of information assisting in the placing of bets or wagers, shall not determine the location or locations in which a bet or wager is transmitted, initiated, received or otherwise made; or from or to

which a bet or wager, or information assisting in the placing of bets or wagers, is transmitted.

“(d) Nothing in this section creates immunity from criminal prosecution under any laws of any State or tribe.

“(e) Nothing in this section authorizes activity that is prohibited under chapter 178 of title 28, United States Code.

“(f) When any common carrier, subject to the jurisdiction of the Federal Communications Commission, is notified in writing by a Federal, State, tribal, or local law enforcement agency, acting within its jurisdiction, that any communication facility furnished by it is being used or will be used by its subscriber for the purpose of transmitting or receiving gambling information in interstate or foreign commerce, within the special maritime and territorial jurisdiction of the United States, or to or from any place outside the jurisdiction of any nation with respect to any transmission to or from the United States in violation of Federal, State, tribal, or local law, it shall discontinue or refuse, the leasing, furnishing, or maintaining of such facility, after reasonable notice to the subscriber, but no damages, penalty or forfeiture, civil or criminal, shall be found against any common carrier for any act done in compliance with any notice received from a law enforcement agency. Nothing in this section shall be deemed to prejudice the right of any person affected thereby to secure an appropriate determination, as otherwise provided by law, in a Federal court or in a State, tribal, or local tribunal or agency, that such facility should not be discontinued or removed, or should be restored.”

#### SEC. 103. AUTHORIZATION OF CIVIL ENFORCEMENT.

Chapter 50 of title 18, United States Code, is amended by adding at the end the following new section:

##### § 1085. Civil remedies

“(a) JURISDICTION.—The district courts of the United States (in addition to any other remedies under current law) shall have original and exclusive jurisdiction to prevent and restrain violations of section 1084 by issuing appropriate orders in accordance with this section, regardless of whether a prosecution has been initiated under section 1084.

##### “(b) PROCEEDINGS.—

“(1) The United States may institute proceedings under this section—

“(A) to obtain injunctive or declarative relief, including but not limited to a temporary restraining order and a preliminary injunction, against any person (other than a financial transaction provider) to prevent or restrain a violation or a threatened violation of section 1084;

“(B) in the case of an insured depository institution that is a financial transaction provider, to—

“(i) restrain an account maintained at such insured depository institution if such account is—

“(I) owned or controlled by a gambling business; and

“(II) includes proceeds of, or is used to facilitate a violation of, section 1084; or

“(ii) seize funds in an account described in subparagraph (i) if such funds—

“(I) are owned or controlled by a gambling business; and

“(II) constitute the proceeds of, were derived from, or facilitated, a violation of section 1084.

“(C) The limitation in subparagraph (A) shall not apply if the financial transaction provider is a gambling business within the meaning of section 1081(12), in which case such financial transaction provider shall be subject to the enforcement provisions under subparagraph (A).

“(2) The attorney general (or other appropriate State official) of a State in which a communication in violation of section 1084 allegedly has been or will be initiated or received may institute proceedings under this section to obtain injunctive or declarative relief to prevent or restrain the violation or threatened violation. Upon application of the attorney general (or other appropriate State official) of an affected State under this paragraph, the district court may enter a temporary restraining order, a preliminary injunction, an injunction, or declaratory relief against any person (other than a financial transaction provider) to prevent or restrain a violation or threatened violation of section 1084, in accordance with rule 65 of the Federal Rules of Civil Procedure.

“(3) Notwithstanding paragraphs (1) and (2), for a communication in violation of section 1084 that allegedly has been or will be initiated or received on Indian lands (as that term is defined in section 4 of the Indian Gaming Regulatory Act)—

“(A) the United States shall have the enforcement authority provided under paragraph (1);

“(B) the enforcement authorities specified in an applicable Tribal-State compact negotiated under section 11 of the Indian Gaming Regulatory Act (25 U.S.C. 2710) shall be carried out in accordance with that compact; and

“(C) if there is no applicable Tribal-State compact, an appropriate tribal official may institute proceedings in the same manner as an attorney general of a State.

No provision of this section shall be construed as altering, superseding, or otherwise affecting the application of the Indian Gaming Regulatory Act.

“(4) Notwithstanding paragraph (3), no relief shall be granted under this section against a financial transaction provider except as provided in paragraph (1).

“(c) No damages, penalty, or forfeiture, civil or criminal, shall be found against any person or entity for any act done in compliance with any notice received from a law enforcement agency.

“(d) Relief granted under this section against an interactive computer service (as defined in section 230(f) of the Communications Act of 1934) shall—

“(1) be limited to the removal of, or disabling of access to, an online site violating section 1084, or a hypertext link to an online site violating such section, that resides on a computer server that such service controls or operates; except this limitation shall not apply if the service is violating section 1084 or is in active concert with a person who is violating section 1084 and receives actual notice of the relief;

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

“(3) not impose any obligation on an interactive computer service to monitor its service or to affirmatively seek facts indicating activity violating section 1084;

“(4) specify the interactive computer service to which it applies; and

“(5) specifically identify the location of the on-line site or hypertext link to be removed or access to which is to be disabled.”

#### SEC. 104. AUTHORIZATION OF APPROPRIATIONS.

In addition to any other sums authorized to be appropriated for this purpose, there are authorized to be appropriated to the Department of Justice for each of fiscal years 2007 through 2010 \$10,000,000 for investigations and prosecutions of violations of section 1084 of title 18, United States Code.

#### SEC. 105. RULES OF CONSTRUCTION.

(a) Nothing in this Act may be construed to prohibit any activity that is allowed

under Public Law 95-515 as amended (15 U.S.C. 3001 et seq.).

(b) Nothing in this Act may be construed to preempt State law prohibiting gambling.

#### SEC. 106. SENSE OF CONGRESS.

It is the sense of Congress that this Act does not change which activities related to horse racing may or may not be allowed under Federal law. Section 105 is intended to address concerns that this Act could have the effect of changing the existing relationship between the Interstate Horseracing Act (15 U.S.C. 3001 et seq.), and other Federal statutes that were in effect at the time of this Act's consideration; this Act is not intended to change that relationship; and this Act is not intended to resolve any existing disagreements over how to interpret the relationship between the Interstate Horseracing Act and other Federal statutes.

### TITLE II—POLICIES AND PROCEDURES REQUIRED TO PREVENT PAYMENTS FOR UNLAWFUL GAMBLING

#### SEC. 201. POLICIES AND PROCEDURES REQUIRED TO PREVENT PAYMENTS FOR UNLAWFUL GAMBLING.

Chapter 53 of title 31, United States Code, is amended by adding at the end the following new subchapter:

#### “SUBCHAPTER IV—POLICIES AND PROCEDURES REQUIRED TO PREVENT PAYMENTS FOR UNLAWFUL GAMBLING

##### “§ 5361. Definitions

“For purposes of this subchapter, the following definitions shall apply:

“(1) CREDIT; CREDITOR; CREDIT CARD; AND CARD ISSUER.—The terms ‘credit’, ‘creditor’, ‘credit card’, and ‘card issuer’ have the same meanings as in section 103 of the Truth in Lending Act.

“(2) DESIGNATED PAYMENT SYSTEM.—The term ‘designated payment system’ means any system utilized by a financial transaction provider that the Secretary and the Board of Governors of the Federal Reserve System, in consultation with the Attorney General, jointly determine, by regulation or order, could be utilized in connection with, or to facilitate, any restricted transaction.

“(3) ELECTRONIC FUND TRANSFER.—The term ‘electronic fund transfer’—

“(A) has the same meaning as in section 903 of the Electronic Fund Transfer Act, except that such term includes transfers that would otherwise be excluded under section 903(6)(E) of that Act; and

“(B) includes any fund transfer covered by Article 4A of the Uniform Commercial Code, as in effect in any State.

“(4) FINANCIAL INSTITUTION.—The term ‘financial institution’ has the same meaning as in section 903 of the Electronic Fund Transfer Act, except that such term does not include a casino, sports book, or other business at or through which bets or wagers may be placed or received.

“(5) FINANCIAL TRANSACTION PROVIDER.—The term ‘financial transaction provider’ means a creditor, credit card issuer, financial institution, operator of a terminal at which an electronic fund transfer may be initiated, money transmitting business, or international, national, regional, or local payment network utilized to effect a credit transaction, electronic fund transfer, stored value product transaction, or money transmitting service, or a participant in such network, or other participant in a designated payment system.

“(6) INSURED DEPOSITORY INSTITUTION.—The term ‘insured depository institution’—

“(A) has the same meaning as in section 3 of the Federal Deposit Insurance Act; and

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

“(7) MONEY TRANSMITTING BUSINESS AND MONEY TRANSMITTING SERVICE.—The terms ‘money transmitting business’ and ‘money transmitting service’ have the same meanings as in section 5330(d) (determined without regard to any regulations prescribed by the Secretary thereunder).

“(8) RESTRICTED TRANSACTION.—The term ‘restricted transaction’ means any transaction or transmittal involving any credit, funds, instrument, or proceeds described in any paragraph of section 5362 which the recipient is prohibited from accepting under such section.

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

“(10) UNLAWFUL GAMBLING.—

“(A) IN GENERAL.—The term ‘unlawful gambling’ means to place, receive, or otherwise knowingly transmit a bet or wager by any means which involves the use of a communication facility where such bet or wager is unlawful under any applicable Federal or State law in the State or tribal lands in which the bet or wager is initiated, received, or otherwise made.

“(B) EXCLUSION OF CERTAIN AUTHORIZED TRANSACTIONS.—The term ‘unlawful gambling’ does not include any intrastate or intratribal transactions authorized under section 1084(c) of title 18, United States Code.

“(C) INTERMEDIATE ROUTING.—With respect to section 5362, the intermediate routing of electronic data shall not determine the location or locations in which a bet or wager is initiated, received, or otherwise made.

“(11) OTHER TERMS.—The terms ‘bet or wager’, ‘communication facility’, ‘gambling business’, ‘own and control’, ‘person’, ‘State’, and ‘tribal’ have the same meanings as in section 1081 of title 18.

#### “§ 5362. Prohibition on acceptance of any financial instrument for unlawful gambling

“No person engaged in a gambling business may knowingly accept, in connection with the participation of another person in unlawful gambling—

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

“(2) an electronic fund transfer, or funds transmitted by or through a money transmitting business, or the proceeds of an electronic fund transfer or money transmitting service, from or on behalf of such other person;

“(3) any check, draft, or similar instrument which is drawn by or on behalf of such other person and is drawn on or payable at or through any financial institution; or

“(4) the proceeds of any other form of financial transaction, as the Secretary and the Board of Governors of the Federal Reserve System may jointly prescribe by regulation, which involves a financial institution as a payor or financial intermediary on behalf of or for the benefit of such other person.

#### “§ 5363. Policies and procedures to identify and prevent restricted transactions

“(a) REGULATIONS.—Before the end of the 270-day period beginning on the date of the enactment of this subchapter, the Secretary and the Board of Governors of the Federal Reserve System, in consultation with the Attorney General, shall prescribe regulations (which the Secretary and the Board jointly determine to be appropriate) requiring each designated payment system, and all participants therein, to identify and block or otherwise prevent or prohibit restricted transactions through the establishment of policies and procedures reasonably designed to identify and block or otherwise prevent or prohibit the acceptance of restricted transactions in any of the following ways:

“(1) The establishment of policies and procedures that—

“(A) allow the payment system and any person involved in the payment system to identify restricted transactions by means of codes in authorization messages or by other means; and

“(B) block restricted transactions identified as a result of the policies and procedures developed pursuant to subparagraph (A).

“(2) The establishment of policies and procedures that prevent or prohibit the acceptance of the products or services of the payment system in connection with a restricted transaction.

“(b) REQUIREMENTS FOR POLICIES AND PROCEDURES.—In prescribing regulations under subsection (a), the Secretary and the Board of Governors of the Federal Reserve System shall—

“(1) identify types of policies and procedures, including nonexclusive examples, which would be deemed, as applicable, to be reasonably designed to identify and block or otherwise prevent or prohibit the acceptance of the products or services with respect to each type of restricted transaction;

“(2) to the extent practical, permit any participant in a payment system to choose among alternative means of identifying and blocking, or otherwise preventing or prohibiting the acceptance of the products or services of the payment system or participant in connection with, restricted transactions; and

“(3) consider exempting certain restricted transactions or designated, payment systems from any requirement imposed under such regulations, if the Secretary and the Board jointly find that it is not reasonably practical to identify and block, or otherwise prevent or prohibit the acceptance of, such transactions.

“(c) COMPLIANCE WITH PAYMENT SYSTEM POLICIES AND PROCEDURES.—A financial transaction provider shall be considered to be in compliance with the regulations prescribed under subsection (a), if—

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

“(A) identify and block restricted transactions; or

“(B) otherwise prevent or prohibit the acceptance of the products or services of the payment system, member, or participant in connection with restricted transactions; and

“(2) such policies and procedures of the designated payment system comply with the requirements of regulations prescribed under subsection (a).

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

“(1) that is a restricted transaction;

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

“(3) as a designated payment system or a member of a designated payment system in reliance on the policies and procedures of the payment system, in an effort to comply with regulations prescribed under subsection (a), shall not be liable to any party for such action.

“(e) REGULATORY ENFORCEMENT.—The requirements of this subchapter shall be enforced exclusively by—

“(1) the Federal functional regulators, with respect to the designated payment systems and financial transaction providers subject to the respective jurisdiction of such regulators under section 505(a) of the Gramm-Leach-Bliley Act and section 5g of the Commodities Exchange Act; and

“(2) the Federal Trade Commission, with respect to designated payment systems and financial transaction providers not otherwise subject to the jurisdiction of any Federal functional regulators (including the Commission) as described in paragraph (1).”

**SEC. 202. TECHNICAL AND CONFORMING AMENDMENT.**

The table of sections for chapter 53 of title 31, United States Code, is amended by adding at the end the following:

“SUBCHAPTER IV—POLICIES AND PROCEDURES REQUIRED TO PREVENT PAYMENTS FOR UNLAWFUL GAMBLING

“5361. Definitions.

“5362. Prohibition on acceptance of any financial instrument for unlawful gambling.

“5363. Policies and procedures to identify and prevent restricted transactions.”

**TITLE III—INTERNET GAMBLING IN OR THROUGH FOREIGN JURISDICTIONS**

**SEC. 301. INTERNET GAMBLING IN OR THROUGH FOREIGN JURISDICTIONS.**

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

(1) encourage cooperation by foreign governments and relevant international fora in identifying whether Internet gambling operations are being used for money laundering, corruption, or other crimes;

(2) advance policies that promote the cooperation of foreign governments, through information sharing or other measures, in the enforcement of this Act; and

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

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