

work within their employment structure, as a first step, so contractors can clean their own houses. Any reading that would exclude disclosures within an employee's internal chain of command would simply be an illogical, exceedingly narrow reading of the statute. Congress fully intends the employee protections, as amended, to be interpreted to include disclosures within the employee's company.

I thank my fellow Senators for joining Senator COLLINS and me in our efforts to protect whistleblowers and provide greater contractor accountability and oversight.

#### LOOP FUNDING

Ms. MIKULSKI. Mr. President, as chairwoman of the Appropriations Subcommittee on Commerce, Justice, Science, and related agencies, I rise today to clarify for the U.S. Senate the sponsorship of a congressionally designated project included in the Joint Explanatory Statement to accompany the consolidated appropriations amendment to H.R. 2764. Specifically: Senator LEVIN should be listed as having requested funding for city of Grand Rapids, MI, for LOOP funded through the Department of Justice.

#### INTERNET GAMBLING

Mr. KYL. Mr. President, I would like my colleagues to be aware of an important letter signed by 45 State attorneys general expressing "grave concerns" about Representative BARNEY FRANK's Internet Gambling Regulation and Enforcement Act, H.R. 2046.

The State attorneys general note that the recently enacted Unlawful Internet Gambling Enforcement Act of 2006 has "effectively driven many illicit gambling operators from the American marketplace." The Frank bill "proposes to do the opposite, by replacing state regulations with a federal licensing program that would permit Internet gambling companies to do business with U.S. customers." The letter continues:

A federal license would supersede any state enforcement action, because § 5387 in H.R. 2046 would grant an affirmative defense against any prosecution or enforcement action under any Federal or State law to any person who possesses a valid license and complies with the requirements of H.R. 2046. This divestment of state gambling enforcement power is sweeping and unprecedented.

One final but very important point from the letter is the impact of the so-called "opt-out" provisions. Specifically, the letter reads:

[T]he opt-outs may prove illusory. They will likely be challenged before the World Trade Organization. The World Trade Organization has already shown itself to be hostile to U.S. restrictions on Internet gambling. If it strikes down state opt-outs as unduly restrictive of trade, the way will be open to the greatest expansion of legalized gambling in American history and near total preemption of State laws restricting Internet gambling.

The Frank bill is unacceptable to the State attorneys general and it ought to be unacceptable to Members of Congress as well. I urge my colleagues to oppose the Frank bill or any similar proposals that would create a permissive Federal licensing scheme for Internet gambling.

I ask unanimous consent to have printed in the RECORD the letter from the National Association of Attorneys General.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL ASSOCIATION OF  
ATTORNEYS GENERAL,  
Washington, DC, November 30, 2007.

Hon. NANCY PELOSI,  
*Speaker,*  
*House of Representatives.*  
Hon. HARRY REID,  
*Majority Leader,*  
*U.S. Senate.*

Hon. JOHN BOEHNER,  
*Minority Leader,*  
*House of Representatives.*  
Hon. MITCH MCCONNELL,  
*Minority Leader, U.S. Senate.*

TO THE LEADERSHIP OF THE U.S. HOUSE OF REPRESENTATIVES AND SENATE:

We, the Attorneys General of our respective States, have grave concerns about H.R. 2046, the "Internet Gambling Regulation and Enforcement Act of 2007." We believe that the bill would undermine States' traditional powers to make and enforce their own gambling laws.

On March 21, 2006, 49 NAAG members wrote to the leadership of Congress:

"We encourage the United States Congress to help combat the skirting of state gambling regulations by enacting legislation which would address Internet gambling, while at the same time ensuring that the authority to set overall gambling regulations and policy remains where it has traditionally been most effective: at the state level."

Congress responded by enacting the Unlawful Internet Gambling Enforcement Act of 2006 (UIGEA), which has effectively driven many illicit gambling operators from the American marketplace.

But now, less than a year later, H.R. 2046 proposes to do the opposite, by replacing state regulations with a federal licensing program that would permit Internet gambling companies to do business with U.S. customers. The Department of the Treasury would alone decide who would receive federal licenses and whether the licensees were complying with their terms. This would represent the first time in history that the federal government would be responsible for issuing gambling licenses.

A federal license would supersede any state enforcement action, because §5387 in H.R. 2046 would grant an affirmative defense against any prosecution or enforcement action under any Federal or State law to any person who possesses a valid license and complies with the requirements of H.R. 2046. This divestment of state gambling enforcement power is sweeping and unprecedented.

The bill would legalize Internet gambling in each State, unless the Governor clearly specifies existing state restrictions barring Internet gambling in whole or in part. On that basis, a State may "opt out" of legalization for all Internet gambling or certain types of gambling. However, the opt-out for types of gambling does not clearly preserve the right of States to place conditions on legal types of gambling. Thus, for example, if the State permits poker in licensed card rooms, but only between 10 a.m. and mid-

night, and the amount wagered cannot exceed \$100 per day and the participants must be 21 or older, the federal law might nevertheless allow 18-year-olds in that State to wager much larger amounts on poker around the clock.

Furthermore, the opt-outs may prove illusory. They will likely be challenged before the World Trade Organization. The World Trade Organization has already shown itself to be hostile to U.S. restrictions on Internet gambling. If it strikes down state opt-outs as unduly restrictive of trade, the way will be open to the greatest expansion of legalized gambling in American history and near total preemption of State laws restricting Internet gambling.

H.R. 2046 effectively nationalizes America's gambling laws on the Internet, "harmonizing" the law for the benefit of foreign gambling operations that were defying our laws for years, at least until UIGEA was enacted. We therefore oppose this proposal, and any other proposal that hinders the right of States to prohibit or regulate gambling by their residents.

Sincerely,

John Suthers, Attorney General of Colorado; Bill McCollum, Attorney General of Florida; Douglas Gansler, Attorney General of Maryland; Troy King, Attorney General of Alabama; Talis J. Colberg, Attorney General of Alaska; Terry Goddard, Attorney General of Arizona; Dustin McDaniel, Attorney General of Arkansas; Edmund G. Brown, Jr., Attorney General of California; Richard Blumenthal, Attorney General of Connecticut; Joseph R. (Beau) Biden III, Attorney General of Delaware; Linda Singer, Attorney General of District of Columbia; Thurbert E. Baker, Attorney General of Georgia; Alicia G. Limtiaco, Attorney General of Guam; Mark J. Bennett, Attorney General of Hawaii; Lawrence Wasden, Attorney General of Idaho; Lisa Madigan, Attorney General of Illinois; Stephen Carter, Attorney General of Indiana; Paul Morrison, Attorney General of Kansas; Charles C. Foti, Jr., Attorney General of Louisiana; G. Steven Rowe, Attorney General of Maine; Lori Swanson, Attorney General of Minnesota; Jim Hood, Attorney General of Mississippi; Jeremiah W. (Jay) Nixon, Attorney General of Missouri; Mike McGrath, Attorney General of Montana; Kelly A. Ayotte, Attorney General of New Hampshire; Anne Milgram, Attorney General of New Jersey; Gary King, Attorney General of New Mexico; Roy Cooper, Attorney General of North Carolina; Wayne Stenehjem, Attorney General of North Dakota; Marc Dann, Attorney General of Ohio; W.A. Drew Edmondson, Attorney General of Oklahoma; Hardy Myers, Attorney General of Oregon; Tom Corbett, Attorney General of Pennsylvania; Patrick C. Lynch, Attorney General of Rhode Island; Henry McMaster, Attorney General of South Carolina; Larry Long, Attorney General of South Dakota; Robert E. Cooper, Jr., Attorney General of Tennessee; Greg Abbott, Attorney General of Texas; Mark Shurtleff, Attorney General of Utah; William H. Sorrell, Attorney General of Vermont; Robert McDonnell, Attorney General of Virginia; Rob McKenna, Attorney General of Washington; Darrell V. McGraw, Jr., Attorney General of West Virginia; J.B. Van Hollen, Attorney General of Wisconsin; Bruce A. Salzburg, Attorney General of Wyoming.