THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Nevada (Mr. GIBBONS) come forward and lead the House in the Pledge of Allegiance.

Mr. GIBBONS led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, July 14, 2000.

Hon. J. DENNIS HASTERT,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted to Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate on July 14, 2000 at 9:05 a.m.

That the Senate Passed without amendment H.R. 3544.

That the Senate Passed without amendment H.R. 3591.

With best wishes, I am

Sincerely,

JEFF TRANDAHL,
Clerk of the House.

AMERICA'S FOREIGN OIL DEPENDENCY

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, Americans are paying more for gas now than at any other time in our history. Families like David and Jenny Davis of Reno, Nevada are being forced to eliminate their vacation plans and change their daily schedules, like eliminating after-school programs for their children, just to save money on gas; and all of this when our country's dependency on foreign oil is at an all-time high.

Yet, for 8 years, the Clinton-Gore administration has refused to address and reduce our dependence on foreign oil or to prevent foreign oil price-fixing schemes. Instead, the administration continues to support oil-producing countries, even though they blatantly banned together to raise oil prices.

Now American families are paying for the administration's actions or inactions. Our hard-working families should not have to sacrifice their livelihoods just because the administration refuses or fails to stand up to foreign oil pricing nations.

I yield back the administration's national policy which continues to cost Americans precious money every time they go to the gas pump.

STOP GIVING TECHNOLOGICAL CHARITY TO CHINA

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Something is wrong, Mr. Speaker. China has already stolen our nuclear secrets; and what they have not stolen, the White House has given to them, specifically, supercomputer and satellite technology that enhances China's missile program, and they have missiles pointed at us.

Now, if that is not enough to download your hard drive, news reports now confirm that the White House will allow private sector high-tech companies to hire Chinese scientists involved with their military technologies.

Beam me up. What is next? Will we give China our Star Wars umbrella?

Mr. Speaker, I yield back both the danger and the stupidity of this charity to China.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered or on which the vote is objected to under clause 6 of rule XX.

Any record votes on postponed questions will be taken after debate has concluded on all motions to suspend the rules, but not before 7 p.m. today.

INTERNET GAMBLING PROHIBITION ACT OF 2000

Mr. GOODLATTE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3125) to prohibit Internet gambling, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3125

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Internet Gambling Prohibition Act of 2000''.

SEC. 2. PROHIBITION ON INTERNET GAMBLING.

(a) IN GENERAL.—Chapter 50 of title 18, United States Code, is amended by adding at the end the following:

''§ 1085. Internet gambling

''(a) DEFINITIONS.—In this section the following definitions apply:

''(1) BETS OR WAGERS.—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 greater value than the amount staked or risked 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) a bona fide business transaction governed by the securities laws (as that term is defined in section 3(a)(47) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(47))) for the purchase or sale at a future date of securities (as that term is defined in section 3(a)(10) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(10)));

''(ii) a transaction on or subject to the rules of a contract market designated pursuant to section 5 of the Commodity Exchange Act (7 U.S.C. 7);

''(iii) a contract of indemnity or guarantee;

''(iv) a contract for life, health, or accident insurance; or

''(v) participation in a simulation sports game or an educational game or contest that—

''(I) is not dependent solely on the outcome of any single sporting event or nonparticipant's singular individual performance in any single sporting event;

''(II) has an outcome that reflects the relative knowledge and skill of the participants with such outcome determined predominantly by accumulated statistical results of sporting events and nonparticipants accumulated individual performances therein; and

''(III) offers a prize or award to a participant that is established in advance of the game or contest and is not determined by the number of participants or the amount of any fees paid by those participants.

''(2) CLOSED-LOOP SUBSCRIBER-BASED SERVICE.—The term 'closed-loop subscriber-based service' means any information service or system that uses—

''(A) a device or combination of devices—

''(i) expressly authorized and operated in accordance with the laws of a State, exclusively for placing, receiving, or otherwise making a bet or wager described in subsection (f)(1)(B); and

''(ii) by which an individual located within any State must subscribe and be registered with the provider of the wagering service by name, address, age, and appropriate billing information to be authorized to place, receive, or otherwise make a bet or wager, and must be physically located within that State in order to be authorized to do so;

''(B) a secure and effective customer verification and age verification system, updated to remain current with evolving technology, expressly authorized and operated in accordance with the laws of the State in which it is located, to ensure that all applicable Federal and State legal and regulatory requirements for lawful gambling are met; and

''(C) appropriate data security standards to prevent unauthorized access by any person who has not subscribed or who is a minor.

''(3) FOREIGN JURISDICTION.—The term 'foreign jurisdiction' means a jurisdiction of a foreign country or political subdivision thereof.

''(4) GAMBLING BUSINESS.—The term 'gambling business' means—

''(A) a business that is conducted at a gambling establishment, or that—

''(i) involves—

''(I) the placing, receiving, or otherwise making of bets or wagers; or

''(II) the offering to engage in the placing, receiving, or otherwise making of bets or wagers;

''(ii) involves 1 or more persons who conduct, finance, manage, supervise, direct, or own all or part of such business; and

''(iii) has been or remains in substantially continuous operation for a period in excess of 10 days or has a gross revenue of $2,000 or more from such business during any 24-hour period; and

''(B) any soliciting agent of a business described in subparagraph (A).

''(5) INFORMATION ASSISTING IN THE PLACING OF A BET OR WAGER.—The term 'information assisting in the placing of a bet or wager'—

''(A) means information that is intended by the sender or recipient to be used by a person engaged in the business of betting or wagering to place, receive, or otherwise make a bet or wager; and

''(B) does not include—

''(i) information concerning parimutuel pools that is exchanged exclusively between or among 1 or more racetracks or other parimutuel wagering facilities licensed by the State or approved by the foreign jurisdiction in which the facility is located, and 1 or more parimutuel wagering facilities licensed by the State or approved by the foreign jurisdiction in which the facility is located, if that information is used only to conduct common pool parimutuel pooling under applicable law;

''(ii) information exchanged exclusively between or among 1 or more racetracks or other parimutuel wagering facilities licensed by the State or approved by the foreign jurisdiction in which the facility is located, and a support service located in another State or foreign jurisdiction, if the information is used only for processing bets or wagers made with that facility under applicable law;

''(iii) information exchanged exclusively between or among 1 or more wagering facilities that are licensed and regulated by the State in which each facility is located, and any support service, wherever located, if the information is used only for the pooling or processing of bets or wagers made by or with the facility or facilities under each State's applicable law;

''(iv) any news reporting or analysis of wagering activity, including odds, racing or event results, race and event schedules, or categories of wagering; or

''(v) any posting or reporting of any educational information on how to make a bet or wager or the nature of betting or wagering.

''(6) INTERACTIVE COMPUTER SERVICE.—The term 'interactive computer service' means any information service, system, or access software provider that operates in, or uses a channel or instrumentality of, interstate or foreign commerce to provide or enable access by multiple users to a computer server, which includes the transmission, storage, retrieval, hosting, linking, formatting, or translation of a communication made by another person, and including specifically a service, system, or access software provider that—

''(A) provides access to the Internet; or

''(B) is engaged in the business of providing an information location tool (which means a service that refers or links users to an online location, including a directory, index, reference, pointer, or hypertext link).

''(7) INTERACTIVE COMPUTER SERVICE PROVIDER.—The term 'interactive computer service provider' means any person that provides an interactive computer service, to the extent that such person offers or provides such service.

''(8) INTERNET.—The term 'Internet' means the international computer network of both Federal and non-Federal interoperable packet switched data networks.

''(9) PERSON.—The term 'person' means any individual, association, partnership, joint venture, corporation (or any affiliate of a corporation), State or political subdivision thereof, department, agency, or instrumentality of a State or political subdivision thereof, or any other government, organization, or entity (including any governmental entity (as defined in section 3701(2) of title 28)).

''(10) PRIVATE NETWORK.—The term 'private network' means a communications channel or channels, including voice or computer data transmission facilities, that use either—

''(A) private dedicated lines; or

''(B) the public communications infrastructure, if the infrastructure is secured by means of the appropriate private communications technology to prevent unauthorized access.

''(11) STATE.—The term 'State' means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or a commonwealth, territory, or possession of the United States.

''(12) SUBSCRIBER.—The term 'subscriber'—

''(A) means any person with a business relationship with the interactive computer service provider through which such person receives access to the system, service, or network of that provider, even if no formal subscription agreement exists; and

''(B) includes registrants, students who are granted access to a university system or network, and employees or contractors who are granted access to the system or network of their employer.

''(13) SOLICITING AGENT.—The term 'soliciting agent' means any agent who knowingly solicits for a gambling business described in paragraph (4)(A) of this subsection.

''(b) INTERNET GAMBLING.—

''(1) PROHIBITION.—Subject to subsection (f), it shall be unlawful for a person engaged in a gambling business knowingly to use the Internet or any other interactive computer service—

''(A) to place, receive, or otherwise make a bet or wager; or

''(B) to send, receive, or invite information assisting in the placing of a bet or wager.

''(2) PENALTIES.—A person engaged in a gambling business who violates this section shall be—

''(A) fined in an amount equal to not more than the greater of—

''(i) the total amount that such person bet or wagered, or placed, received, or accepted in bets or wagers, as a result of engaging in that business in violation of this section; or

''(ii) $20,000;

''(B) imprisoned not more than 4 years; or

''(C) both.

''(3) PERMANENT INJUNCTIONS.—Upon conviction of a person under this section, the court may enter a permanent injunction enjoining such person from placing, receiving, or otherwise making bets or wagers or sending, receiving, or inviting information assisting in the placing of bets or wagers.

''(c) CIVIL REMEDIES.—

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

''(2) PROCEEDINGS.—

''(A) INSTITUTION BY FEDERAL GOVERNMENT.—

''(i) IN GENERAL.—The United States may institute proceedings under this subsection to prevent or restrain a violation of this section.

''(ii) RELIEF.—Upon application of the United States under this subparagraph, the district court may enter a temporary restraining order or an injunction against any person to prevent or restrain a violation of this section if the court determines, after notice and an opportunity for a hearing, that there is a substantial probability that such violation has occurred or will occur.

''(B) INSTITUTION BY STATE ATTORNEY GENERAL.—

''(i) IN GENERAL.—The attorney general of a State (or other appropriate State official) in which a violation of this section allegedly has occurred or will occur, after providing written notice to the United States, may institute proceedings under this subsection to prevent or restrain the violation.

''(ii) RELIEF.—Upon application of the attorney general (or other appropriate State official) of an affected State under this subparagraph, the district court may enter a temporary restraining order or an injunction against any person to prevent or restrain a violation of this section if the court determines, after notice and an opportunity for a hearing, that there is a substantial probability that such violation has occurred or will occur.

''(C) INDIAN LANDS.—Notwithstanding subparagraphs (A) and (B), for a violation that is alleged to have occurred, or may occur, on Indian lands (as that term is defined in section 4 of the Indian Gaming Regulatory Act (25 U.S.C. 2703))—

''(i) the United States shall have the enforcement authority provided under subparagraph (A); and

''(ii) 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.

''(D) EXPIRATION.—Any temporary restraining order or preliminary injunction entered pursuant to subparagraph (A) or (B) shall expire if, and as soon as, the United States, or the attorney general (or other appropriate State official) of the State, as applicable, notifies the court that issued the order or injunction that the United States or the State, as applicable, will not seek a permanent injunction.

''(3) EXPEDITED PROCEEDINGS.—

''(A) IN GENERAL.—In addition to any proceeding under paragraph (2), a district court may, in exigent circumstances, enter a temporary restraining order against a person alleged to be in violation of this section upon application of the United States under paragraph (2)(A), or the attorney general (or other appropriate State official) of an affected State under paragraph (2)(B), without notice and the opportunity for a hearing as provided in rule 65(b) of the Federal Rules of Civil Procedure (except as provided in subsection (d)(3)), if the United States or the State, as applicable, demonstrates that there is probable cause to believe that the use of the Internet or other interactive computer service at issue violates this section.

''(B) HEARINGS.—A hearing requested concerning an order entered under this paragraph shall be held at the earliest practicable time.

''(d) INTERACTIVE COMPUTER SERVICE PROVIDERS.—

''(1) IMMUNITY FROM LIABILITY FOR USE BY ANOTHER.—

''(A) IN GENERAL.—An interactive computer service provider described in subparagraph (B) shall not be liable, under this section or any other provision of Federal or State law

prohibiting or regulating gambling or gambling-related activities, for the use of its facilities or services by another person to engage in Internet gambling activity or advertising or promotion of Internet gambling activity that violates such law—

''(i) arising out of any transmitting, routing, or providing of connections for gambling-related material or activity (including intermediate and temporary storage in the course of such transmitting, routing, or providing connections) by the provider, if—

''(I) the material or activity was initiated by or at the direction of a person other than the provider;

''(II) the transmitting, routing, or providing of connections is carried out through an automatic process without selection of the material or activity by the provider;

''(III) the provider does not select the recipients of the material or activity, except as an automatic response to the request of another person; and

''(IV) the material or activity is transmitted through the system or network of the provider without modification of its content; or

''(ii) arising out of any gambling-related material or activity at an online site residing on a computer server owned, controlled, or operated by or for the provider, or arising out of referring or linking users to an online location containing such material or activity, if the material or activity was initiated by or at the direction of a person other than the provider, unless the provider fails to take expeditiously, with respect to the particular material or activity at issue, the actions described in paragraph (2)(D) following the receipt by the provider of an order under paragraph (2)(B).

''(B) ELIGIBILITY.—An interactive computer service provider is described in this subparagraph only if the provider—

''(i) maintains and implements a written or electronic policy that requires the provider to terminate the account of a subscriber of its system or network expeditiously following the receipt by the provider of an order under paragraph (2)(B) alleging that such subscriber has violated or is violating this section; and

''(ii) with respect to the particular material or activity at issue, has not knowingly permitted its computer server to be used to engage in activity that the provider knows is prohibited by this section, with the specific intent that such server be used for such purpose.

''(2) COURT ORDER TO INTERACTIVE COMPUTER SERVICE PROVIDERS.—

''(A) APPLICATION.—A Federal or State law enforcement agency, acting within its authority and jurisdiction and having reason to believe that a particular online site residing on a computer server owned, controlled, or operated by or for the provider is being used by another person to violate this section, may apply ex parte to a United States magistrate judge for an order to such provider under this paragraph to take the actions described in subparagraph (D).

''(B) ORDER.—The magistrate judge shall issue the order sought under subparagraph (A) upon a showing of probable cause to believe the particular on line site is being so used.

''(C) NOTICE.—Seventy-two hours after the latter of—

''(i) giving notice to the alleged violator of the order under subparagraph (B); or

''(ii) making reasonable efforts to notify the alleged violator of the order;

the law enforcement agency shall give the provider a copy of the court order. At that time the order shall take immediate effect. An alleged violator may, however, contest the order by requesting an expedited hearing from the court during that 72-hour period. If the alleged violator does so, the court shall as soon as possible hold the hearing, at which the law enforcement agency shall have the burden of establishing by a preponderance of the evidence that the on line site is being used in violation of this section.

''(D) SCOPE OF ORDER.—An order under this paragraph shall require that the provider expeditiously—

''(i) remove or disable access to the material or activity residing at that online site that allegedly violates this section; or

''(ii) in any case in which the provider does not control the site at which the subject material or activity resides, the provider, through any agent of the provider designated in accordance with section 512(c)(2) of title 17, or other responsible identified employee or contractor—

''(I) notify the Federal or State law enforcement agency that the provider is not the proper recipient of such order; and

''(II) upon receipt of a subpoena, cooperate with the Federal or State law enforcement agency in identifying the person or persons who control the site.

''(E) CONTENTS OF ORDER.—An order issued under this paragraph shall—

''(i) identify the material or activity that allegedly violates this section;

''(ii) provide information reasonably sufficient to permit the provider to locate (and, as appropriate, in an order issued under subparagraph (D)(i) to block access to) the material or activity;

''(iii) be supplied to any agent of a provider designated in accordance with section 512(c)(2) of title 17, if information regarding such designation is readily available to the public; and

''(iv) provide information that is reasonably sufficient to permit the provider to contact the law enforcement agency that obtained the order, including the name of the law enforcement agency, and the name and telephone number of an individual to contact at the law enforcement agency (and, if available, the electronic mail address of that individual).

''(F) POSTORDER HEARING.—An alleged violator that has not contested an order under subparagraph (C) may, not later than 60 days after the order takes effect, apply to have the order rescinded. A United States magistrate judge shall hear and determine that application. At that hearing the law enforcement agency that sought the order shall have the burden to show, by a preponderance of the evidence, that the site was being used by that alleged violator to violate this section.

''(3) INJUNCTIVE RELIEF.—

''(A) IN GENERAL.—The United States, or a State law enforcement agency acting within its authority and jurisdiction, may, not less than 24 hours following the issuance to an interactive computer service provider of an order described in paragraph (2)(B), in a civil action, obtain a temporary restraining order, or an injunction to prevent the use of the interactive computer service by another person in violation of this section.

''(B) LIMITATIONS.—Notwithstanding any other provision of this section, in the case of any application for a temporary restraining order or an injunction against an interactive computer service provider described in paragraph (1)(B) to prevent a violation of this section—

''(i) arising out of activity described in paragraph (1)(A)(i), the injunctive relief is limited to—

''(I) an order restraining the provider from providing access to an identified subscriber of the system or network of the interactive computer service provider, if the court determines that there is probable cause to believe that such subscriber is using that access to violate this section, by terminating the specified account of that subscriber; and

''(II) an order restraining the provider from providing access, by taking reasonable steps specified in the order to block access, to a specific, identified, foreign online location;

''(ii) arising out of activity described in paragraph (1)(A)(ii), the injunctive relief is limited to—

''(I) the orders described in clause (i)(I);

''(II) an order restraining the provider from providing access to the material or activity that violates this section at a particular online site residing on a computer server operated or controlled by the provider; and

''(III) such other injunctive remedies as the court considers necessary to prevent or restrain access to specified material or activity that is prohibited by this section at a particular online location residing on a computer server operated or controlled by the provider, that are the least burdensome to the provider among the forms of relief that are comparably effective for that purpose.

''(C) CONSIDERATIONS.—The court, in determining appropriate injunctive relief under this paragraph, shall consider—

''(i) whether such an injunction, either alone or in combination with other such injunctions issued, and currently operative, against the same provider would significantly (and, in the case of relief under subparagraph (B)(ii), taking into account, among other factors, the conduct of the provider, unreasonably) burden either the provider or the operation of the system or network of the provider;

''(ii) whether implementation of such an injunction would be technically feasible and effective, and would not materially interfere with access to lawful material at other online locations;

''(iii) whether other less burdensome and comparably effective means of preventing or restraining access to the illegal material or activity are available; and

''(iv) the magnitude of the harm likely to be suffered by the community if the injunction is not granted.

''(D) NOTICE AND EX PARTE ORDERS.—Injunctive relief under this paragraph shall not be available without notice to the service provider and an opportunity for such provider to appear before the court, except for orders ensuring the preservation of evidence or other orders having no material adverse effect on the operation of the communications network of the service provider.

''(4) ADVERTISING OR PROMOTION OF NON-INTERNET GAMBLING.—

''(A) DEFINITIONS.—In this paragraph:

''(i) CONDUCTED.—With respect to a gambling activity, that activity is 'conducted' in a State if the State is the State in which the gambling establishment (as defined in section 1081) that offers the gambling activity being advertised or promoted is physically located.

''(ii) NON-INTERNET GAMBLING ACTIVITY.—The term 'non-Internet gambling activity' means—

''(I) a gambling activity in which the placing of the bet or wager is not conducted by the Internet; or

''(II) a gambling activity to which the prohibitions of this section do not apply.

''(B) IMMUNITY FROM LIABILITY FOR USE BY ANOTHER.—

''(i) IN GENERAL.—An interactive computer service provider described in clause (ii) shall not be liable, under any provision of Federal or State law prohibiting or regulating gambling or gambling-related activities, or under any State law prohibiting or regulating advertising and promotional activities, for—

''(I) content, provided by another person, that advertises or promotes non-Internet gambling activity that violates such law (unless the provider is engaged in the business of such gambling), arising out of any of the activities described in paragraph (1)(A) (i) or (ii); or

''(II) content, provided by another person, that advertises or promotes non-Internet gambling activity that is lawful under Federal law and the law of the State in which such gambling activity is conducted.

''(ii) ELIGIBILITY.—An interactive computer service is described in this clause only if the provider—

''(I) maintains and implements a written or electronic policy that requires the provider to terminate the account of a subscriber of its system or network expeditiously following the receipt by the provider of a notice described in paragraph (2)(B) alleging that such subscriber maintains a website on a computer server controlled or operated by the provider for the purpose of engaging in advertising or promotion of non-Internet gambling activity prohibited by a Federal law or a law of the State in which such activity is conducted;

''(II) with respect to the particular material or activity at issue, has not knowingly permitted its computer server to be used to engage in the advertising or promotion of non-Internet gambling activity that the provider knows is prohibited by a Federal law or a law of the State in which the activity is conducted, with the specific intent that such server be used for such purpose; and

''(III) at reasonable cost, offers residential customers of the provider's Internet access service, if the provider provides Internet access service to such customers, computer software, or another filtering or blocking system that includes the capability of filtering or blocking access by minors to online Internet gambling sites that violate this section.

''(C) NOTICE TO INTERACTIVE COMPUTER SERVICE PROVIDERS.—

''(i) NOTICE FROM FEDERAL LAW ENFORCEMENT AGENCY.—If an interactive computer service provider receives from a Federal law enforcement agency, acting within its authority and jurisdiction, a written or electronic notice described in paragraph (2)(B), that a particular online site residing on a computer server owned, controlled, or operated by or for the provider is being used by another person to advertise or promote non-Internet gambling activity that violates a Federal law prohibiting or regulating gambling or gambling-related activities, the provider shall expeditiously take the actions described in paragraph (2)(A) (i) or (ii) with respect to the advertising or promotion identified in the notice.

''(ii) NOTICE FROM STATE LAW ENFORCEMENT AGENCY.—If an interactive computer service provider receives from a State law enforcement agency, acting within its authority and jurisdiction, a written or electronic notice described in paragraph (2)(B), that a particular online site residing on a computer server owned, controlled, or operated by or for the provider is being used by another person to advertise or promote non-Internet gambling activity that is conducted in that State and that violates a law of that State prohibiting or regulating gambling or gambling-related activities, the provider shall expeditiously take the actions described in paragraph (2)(A) (i) or (ii) with respect to the advertising or promotion identified in the notice.

''(D) INJUNCTIVE RELIEF.—The United States, or a State law enforcement agency, acting within its authority and jurisdiction, may, not less than 24 hours following the issuance to an interactive computer service provider of a notice described in paragraph (2)(B), in a civil action, obtain a temporary restraining order, or an injunction, to prevent the use of the interactive computer service by another person to advertise or promote non-Internet gambling activity that violates a Federal law, or a law of the State in which such activity is conducted that prohibits or regulates gambling or gambling-related activities, as applicable. The procedures described in paragraph (3)(D) shall apply to actions brought under this subparagraph, and the relief in such actions shall be limited to—

''(i) an order requiring the provider to remove or disable access to the advertising or promotion of non-Internet gambling activity that violates Federal law, or the law of the State in which such activity is conducted, as applicable, at a particular online site residing on a computer server controlled or operated by the provider;

''(ii) an order restraining the provider from providing access to an identified subscriber of the system or network of the provider, if the court determines that such subscriber maintains a website on a computer server controlled or operated by the provider that the subscriber is knowingly using or knowingly permitting to be used to advertise or promote non-Internet gambling activity that violates Federal law or the law of the State in which such activity is conducted; and

''(iii) an order restraining the provider of the content of the advertising or promotion of such illegal gambling activity from disseminating such advertising or promotion on the computer server controlled or operated by the provider of such interactive computer service.

''(E) APPLICABILITY.—The provisions of subparagraphs (C) and (D) do not apply to the content described in subparagraph (B)(i)(II).

''(5) EFFECT ON OTHER LAW.—

''(A) IMMUNITY FROM LIABILITY FOR COMPLIANCE.—An interactive computer service provider shall not be liable for any damages, penalty, or forfeiture, civil or criminal, under Federal or State law for taking in good faith any action described in paragraphs (2)(A), (4)(B)(ii)(I), or (4)(C) to comply with a notice described in paragraph (2)(B), or complying with any court order issued under paragraph (3) or (4)(D).

''(B) DISCLAIMER OF OBLIGATIONS.—Nothing in this section may be construed to impose or authorize an obligation on an interactive computer service provider described in paragraph (1)(B)—

''(i) to monitor material or use of its service; or

''(ii) except as required by a notice or an order of a court under this subsection, to gain access to, to remove, or to disable access to material.

''(C) RIGHTS OF SUBSCRIBERS.—Nothing in this section may be construed to prejudice the right of a subscriber to secure an appropriate determination, as otherwise provided by law, in a Federal court or in a State or local tribunal or agency, that the account of such subscriber should not be terminated pursuant to this subsection, or should be restored.

''(e) AVAILABILITY OF RELIEF.—The availability of relief under subsections (c) and (d) shall not depend on, or be affected by, the initiation or resolution of any action under subsection (b), or under any other provision of Federal or State law.

''(f) APPLICABILITY.—

''(1) IN GENERAL.—Subject to paragraph (2), the prohibition in this section does not apply to—

''(A) any otherwise lawful bet or wager that is placed and received, or otherwise made wholly intrastate for a State lottery, or for a multi-State lottery operated jointly between 2 or more States in conjunction with State lotteries if—

''(i) each such lottery is expressly authorized, and licensed or regulated, under applicable State law;

''(ii) the bet or wager is placed on an interactive computer service that uses a private network or a closed-loop subscriber based service regulated and operated by the State lottery or its expressly designated agent for such activity;

''(iii) each person placing or otherwise making that bet or wager is physically located when such bet or wager is placed at a facility that is open to the general public; and

''(iv) each such lottery complies with sections 1301 through 1304, and other applicable provisions of Federal law;

''(B) any otherwise lawful State-regulated parimutuel wagering activities on live horse or dog racing, or live jai alai, conducted on a closed-loop subscriber-based system, provided that the type of wagering activity has been authorized by the State.

''(C) any otherwise lawful bet or wager (other than a bet or wager described in subparagraph (A)) that is placed, received, or otherwise made wholly intrastate, if such bet or wager, or the transmission of such information, as applicable is—

''(i) expressly authorized, and licensed or regulated by the State in which such bet or wager is initiated and received, under applicable Federal and such State's laws; and

''(ii) placed on a closed-loop subscriber based service; or

''(D) any otherwise lawful bet or wager (other than a bet or wager in any class III game conducted by a tribe that is not explicitly authorized by an applicable tribal-State compact between that tribe and the State where the tribe is located) that is—

''(i) placed on a closed-loop subscriber based service or a private network; and

''(ii) is lawfully received by a federally recognized Indian tribe, or the sending, receiving, or inviting of information assisting in the placing of any such bet or wager, if the game is permitted under and conducted in accordance with the Indian Gaming Regulatory Act, so long as each person placing, receiving, or otherwise making such a bet or wager, or transmitting such information, is physically located on Indian lands (as that term is defined in section 4 of the Indian Gaming Regulatory Act) when such person places, receives, or otherwise makes the bet or wager.

''(2) BETS OR WAGERS MADE BY AGENTS OR PROXIES.—

''(A) IN GENERAL.—Paragraph (1) does not apply in any case in which a bet or wager is placed, received, or otherwise made by the use of an agent or proxy using the Internet or an interactive computer service.

''(B) QUALIFICATION.—Nothing in this paragraph may be construed to prohibit the owner operator of a parimutuel wagering facility that is licensed by a State from employing an agent in the operation of the account wagering system owned or operated by the parimutuel facility.

''(3) ADVERTISING AND PROMOTION.—The prohibition of subsection (b)(1)(B) does not apply to advertising, promotion, or other communication by, or authorized by, anyone licensed to operate a gambling business in a State.

''(g) RULE OF CONSTRUCTION.—Nothing in this section may be construed to affect any prohibition or remedy applicable to a person engaged in a gambling business under any other provision of Federal or State law.''.

(b) TECHNICAL AMENDMENT.—The analysis for chapter 50 of title 18, United States Code,

is amended by adding at the end the following:

''1085. Internet gambling.''.

SEC. 3. REPORT ON ENFORCEMENT.

Not later than 3 years after the date of enactment of this Act, the Attorney General shall submit to Congress a report, which shall include—

(1) an analysis of the problems, if any, associated with enforcing section 1085 of title 18, United States Code, as added by section 2 of this Act;

(2) recommendations for the best use of the resources of the Department of Justice to enforce that section; and

(3) an estimate of the amount of activity and money being used to gamble on the Internet.

SEC. 4. SEVERABILITY.

If any provision of this Act, an amendment made by this Act, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this Act, the amendments made by this Act, and the application of this Act and the provisions of such amendments to any other person or circumstance shall not be affected thereby.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Virginia (Mr. GOODLATTE) and the gentleman from Michigan (Mr. CONYERS) each will control 20 minutes.

The Chair recognizes the gentleman from Virginia (Mr. GOODLATTE).

Mr. GOODLATTE. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, the Internet Gambling Prohibition Act is designed to respond to a major scourge on the Internet. There are now, more than 700 unregulated out-of-control Internet casino-style gambling sites on the Internet. Sports betting may be even larger than the casino gambling. The proposals now, not by any of the States, but by some who would ask that the States begin to provide the sale of lottery tickets online in people's homes, something that a great many people are very concerned about.

The bill allows the use of the Internet by the States for the sale of lottery tickets in public places where children can be screened out. But there are those who stand to make tens of millions of dollars selling lottery services to the States to sell those tickets online. No State does that today. This bill prevents that from occurring.

The bill is supported by a wide array of organizations, including the National Collegiate Athletic Association, the National Football League, the National Basketball Association, Major League Baseball, the National Hockey League, all concerned about sports betting online, particularly by children.

The bill is supported by a wide array of religious organizations, the National Council of Churches, the Presbyterian Church of the United States, the Family Research Council, Focus on the Family, the Christian Coalition, Jerry Falwell Ministries, the American Family Association, the United Methodist Church, the Southern Baptist Convention, the Home School Legal Defense Association.

But the bill's original purpose is served by the request of the National Association of Attorneys General, NAAG, who came to Senator KYL in the Senate and to myself in the House and said that the 1961 Wire Act prohibiting gambling interstate on electronic means of communications is out of date and needs to be updated. That is what this bill responds to. They strongly support the legislation, as does the National Coalition Against Gambling Expansion.

I would like to thank a number of Members for their help with this legislation: the gentleman from Virginia (Mr. WOLF); the gentleman from Louisiana (Mr. TAUZIN), chairman of the Subcommittee on Telecommunications, Trade and Consumer Protection from the Committee on Commerce, which helped to work out additional language to make it absolutely clear that this legislation does not expand gambling in any way, shape, or form; the gentleman from New York (Mr. NADLER) who helped to work out new language in the legislation related to due process rights for those who may have their sites taken down or blocked.

I would like to thank the gentleman from Florida (Mr. WEXLER) and the gentleman from Florida (Mr. HASTINGS) for their leadership on this issue as well as the gentleman from Virginia (Mr. BOUCHER) who has been very supportive.

I would like to thank the gentleman from Texas (Mr. ARMEY), the majority leader, and the gentleman from Illinois (Mr. HYDE), chairman of the Committee on the Judiciary, for their support of this legislation, which I believe will pass with overwhelmingly strong bipartisan support.

Mr. CONYERS. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, let me say from the outset that I believe that it is highly inappropriate to consider a controversial deeply flawed bill on the Suspension Calendar. This is the wrong process because I and other Members have amendments we want to offer that we are foreclosed from offering in this process.

So on that basis alone, I believe this suspension ought to be rejected. The most controversial aspect of it are the carve-outs for the powerful special interests.

Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Rhode Island (Mr. KENNEDY).

Mr. KENNEDY of Rhode Island. Mr. Speaker, the gentleman from Michigan just pointed out that there are carve-outs for horse racing and Jai-Alai and dog racing. How are we going to have a realistic bill if Jai-Alai and dog racing and all these others have exemptions carved out?

The real rub in this bill is that, while those have exceptions, State lotteries do not. I think we would also agree that our State lotteries are perhaps the best form of gaming we have out there and that they are giving legitimate dollars to our States, for the education of our kids, for education, for housing.

Now, no one disputes that we ought to regulate these offshore gambling casino interests in the Antilles and Antigua. No one disputes that we ought to have that on the books.

Let me say at the beginning that I applaud the gentleman from Virginia (Mr. GOODLATTE) and applaud the gentleman from Louisiana (Mr. TAUZIN) for their efforts to put those provisions in this bill.

But do my colleagues know what? In creating those provisions, they have created numerous other problems by carving out all these exemptions for these special interests gaming operations. Really, this language has come from the Christian Coalition. I thought that the Congress ought to be the one that writes legislation, not the Christian Coalition. It is ironic that the Christian coalition wants to have an exception for dog racing. The Christian Coalition does not seem to have a problem with that, but they have a problem with State lotteries providing necessary educational funds for their kids in the different States.

In addition to that, this legislation also does not do enough to protect the important sovereignty that exists between Native American tribes and our Federal Government, something that the majority continues to trample on at every single turn.

As vice chair of the Native American Caucus, I just am so upset that this bill would ignore the important sovereignty provisions that the States have worked out with these tribes, the Federal tribe relationship. It is a sovereign relationship.

Finally, the gentleman from Virginia (Mr. GOODLATTE) understands that these Internet service providers, the very people that are charged with policing this bill, are unequipped to deal with this. The fact is that we have an Internet that is in its infancy. We all know the Internet is in its infancy. My colleagues are going to put the regulatory burden, the enforcement burden for these regulations on these Internet service providers, many of whom are woefully inadequate to do so. So it is going to create a real hell of a time for these Internet service providers.

So let me just say that, while my colleagues have the Attorneys General on their side, we have the governors. Every governor, the Governors' Association, has written strongly opposing this legislation because it would absolutely gut the funding for the necessary programs that many of these governors rely on in order to provide our very constituencies with the educational funding that we need.

Finally, let me just say we need more money in education. The thought that my colleagues are going to take money away from education in our States at a time when we need more of it is just absolutely incredible to me. The fact that they carve out exceptions for these other gambling operations, while not carving out an exemption, for example, for State lotteries, to me, it

just does not make any sense. State lotteries ought to be the ones that we at least carve out an exemption for, not these others.

So I just cannot say that this is a good bill. I agree with the gentleman from Michigan (Mr. CONYERS), we ought to consider this bill on regular calendar and regular order so that we can have a deeper dialog and discussion about the very controversial nature of this legislation.

□ 1415

Mr. GOODLATTE. Mr. Speaker, I yield myself 1 minute to say to the gentleman that not every governor agrees. In fact, we have a real problem here with forged letters from governors, as indicated on the front page of Roll Call and in The New York Times, with a letter being circulated by opponents of this legislation claiming that Governor Jeb Bush of Florida wrote a letter in opposition to the bill when in point of fact no such thing occurred. The Florida Department of Law Enforcement is now investigating the matter.

I would also say to the gentleman that there are no exemptions in this legislation for horse racing. That is why all of these groups are supporting this legislation. And who would know better than the reporters for the racing industry. Here is the headline in the Daily Racing Form: ''Internet bill said to lose exemption for racing.'' Blood Horse Magazine: ''Racing to lose Internet bill exemptions.''

The fact of the matter is this bill has been carefully crafted with the assistance of the gentleman from Louisiana (Mr. TAUZIN) to make it absolutely clear that while parimutuel betting is treated fairly, they are not in any way exempt or carved out under this legislation.

Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. WEXLER).

Mr. WEXLER. Mr. Speaker, I rise today in support of H.R. 3125.

I strongly support this bill for three primary reasons: first, it gives law enforcement the ability to block offshore casino Web sites; second, the bill protects children from gambling; and, third, it protects the rights of States to continue governing a legal, regulated, taxpaying industry, the parimutuel industry.

Parimutuel gaming is and always has been a State issue. States control parimutuel gaming, and they control it effectively. It is an industry that is highly regulated, pays taxes and has a respectable place in the States many of us represent. States do not, however, control casinos on Indian reservations. They certainly do not control offshore casino Web sites, of which there are at least 700, many of them in the Caribbean, which are not regulated and not taxed.

I have heard concerns about cheating on the Internet. Parimutuel bets, however, are safe bets, equally safe made in person or at a simulcast.

Finally, we do not have to worry about children logging on to the parimutuels and placing bets. Individuals would have to participate in a closed-loop subscriber-based service to wager on horses, greyhounds, or Jai-Alai. It does not get brought into the home unless a person wants it.

The bill strikes a perfect balance for what is needed, a prohibition on Internet casino gambling and a preservation of the rights of States to regulate the parimutuel industry.

References were made by my respected colleague and friend with respect to the effect of education dollars of this bill. Speaking as a representative of the State of Florida, let there be no mistake, the State lottery of Florida has not added, relatively, a single penny to the schools and to the education coffers of the State of Florida. Just the opposite.

Mr. Speaker, I urge support of the bill.

Mr. CONYERS. Mr. Speaker, I yield myself 15 seconds.

It may be that my friend from Virginia is not aware of the latest version of his bill that eliminates the requirements that wagers on horse racing, dog racing, and Jai-Alai be initiated from a State in which such betting or wagering is lawful and received in a State in which such betting is lawful.

Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK of Massachusetts. Mr. Speaker, I hope people approaching the Capitol will be careful because they might stumble on the increasingly growing pile of discarded Republican ideas.

In Sunday's Washington Post, there was an excellent article by Stephen Moore of the Cato Institute documenting the extent to which the Republican Party in the House has abandoned its notion of controlling spending. I recommend people read Mr. Moore's article. He used to be a consultant to the Republicans on the Committee on the Budget. He said the Republicans have given up really on controlling spending. They spend it wrong, in some ways; but they spend a lot of it.

In this morning's Washington Post, we have another Republican idea of yore biting the dust: term limits. Some people with very long memories, inconvenient ones, will remember term limits. It used to be part of the Contract With America. Some people do not remember the Contract With America, or the contract of Mr. Gingrich; but term limits has also been discarded. It cited cases of the Republican leadership urging Members to break their pledge with regard to term limits.

Well, today two more old Republican principles bite the dust. One was not that old, because the Internet is not that old. But we used to hear about freedom of the Internet. We used to hear how important it was that people be allowed to do what they want on the Internet. Now we understand the true principle. It is important that people be able to do what the Republican Party wants them to do on the Internet. If the Republican Party has no objection, then they can do it. But if the Republican Party thinks there are pictures they should not look at, or perhaps booze they should not buy, or bets they should not make, then freedom for the Internet goes away.

This is a very intrusive regulation of the Internet. This notion that citizens ought to be able to make their own decisions about what to do over the Web now stands revealed as a very insufficient idea. In fact, we were told we must protect children against this because children live in houses with parents with computers, and we must not allow the parents to be the ones who decide what their children do. We, the Federal Government, will step in and we will protect children from that Internet, which will reach out and grab them when their parents are not looking.

Another principle that appears to be on its last legs that the Republican Party sometimes professes support for is that of States' rights. I understand the governor of Florida has said that was not an accurate letter from him. I also understand that we would need subpoena power to get the governor of Florida to tell us what he really thinks about this. And since I, at least, do not have that vote, I cannot tell. The governor of Florida has said he will not tell us his position, but most of the governors are against it.

And I was particularly struck when my friend from Florida said, well, parimutuel betting should be an exemption, although it is an exemption that the author of the bill says does not exist. But the gentleman from Florida, defending that nonexistent exemption, says, well, parimutuel betting is controlled by the States and Jai-Alai is controlled by the States. Well, are lotteries run by the States not controlled by the States? This bill makes it illegal for States to decide that they wish to use the Internet for their lotteries.

Now, remember, the State would have a decision to stay off the Internet if it want wanted to. So here we have a bill that says to the States that we will tell them, the States, that they may not use the Internet for their lottery distribution. What a two-fer: two great principles with one stone. First of all, freedom of the Internet; secondly, States' rights. Bang, they both go with this bill.

Here we say to the States we will let parimutuel gambling go on, because that is a closed loop, and that is okay because States have regulated that. And my friend from Florida said the State lottery in Florida has not given Florida enough money for education, has not given them any money for education. I am sorry about that, but I will tell my colleague that in the State of Massachusetts the lottery has, I think, been very helpful for education.

I do not understand why this Congress ought to interfere with the decision by the people of Massachusetts and the governor and the legislature of Massachusetts to use the Internet.

Now, understand what we have been told. If the States want to act to make sure that retailers in a downtown are not disadvantaged in the collection of sales taxes, we will get in their way. But if the States want to put their lottery on the Internet, we, the Federal Government, will interfere, if this bill passes; and we will tell them to forget all that stuff they read about Internet freedom because if the Federal Government does not like what the States are doing on the Internet, to use a technical parliamentary term ''freedom schmeedom.'' We will interpose our superior morality and tell the States that gambling is not right; and, therefore, while the State may choose to have a lottery, and individuals may choose to use the Internet for that lottery, we, the Federal Government, know better than the States and we know better than the individuals.

I do not think that I have seen in one piece of legislation a more stunning repudiation of principles.

Mr. GOODLATTE. Mr. Speaker, I yield 1½ minutes to the gentleman from Nevada (Mr. GIBBONS).

Mr. GIBBONS. Mr. Speaker, I thank the gentleman for yielding me this time, and I rise in strong support of the Internet Gambling Prohibition Act. As an original cosponsor, I urge all my colleagues to support this very important bill.

After listening to my colleague from Massachusetts, I hope we can all come back to reality for just a minute. Everyone, including Republicans and Democrats, would agree the Internet is a great educational tool and a valuable source of information and communication. However, American families must be protected from the dangers associated with unrestricted and unregulated gaming.

In States like Nevada, the gaming industry is well regulated and its activities are tightly monitored. However, allowing gambling to be conducted on the Internet would open the floodgates for corruption, abuse, and fraud. Not only could unscrupulous operators bilk millions of unsuspecting customers, but our children could easily obtain their parents' credit cards, turn their bedrooms into casinos, and with these sites unknowingly squander their families' hard-earned money.

The Internet Gambling Prohibition Act provides the necessary tools for law enforcement officials to crack down on these fly-by-night Internet gambling sites. I urge my colleagues to support this bipartisan bill which will protect our children, our homes, and our technology from fraudulent, unscrupulous, and unregulated Internet gaming and gambling site operators.

Mr. CONYERS. Mr. Speaker, I yield 3 minutes to the gentleman from Virginia (Mr. SCOTT), the ranking member of the subcommittee.

Mr. SCOTT. Mr. Speaker, I thank the gentleman for yielding me this time, and I rise in opposition to the bill.

Unfortunately, H.R. 3125 will actually do nothing to stem the tide of Internet gambling. In fact, the bill constitutes a significant step backwards for several reasons.

First, it provides for extended Internet gambling in the areas of horse racing, dog racing, and Jai-Alai. And there seems to be some question about that, so I will just read from the bill, starting on page 34: ''The prohibition in this section does not apply to,'' and when we turn to page 35 it says, ''any otherwise lawful State regulated parimutuel waging activities on live horse or dog racing or live Jai-Alai conducted on a closed-loop subscriber-based system.'' That closed-loop subscriber-based system is about as hard to get on as opening up an Internet brokerage account to trade stocks. About anybody can do it. As a result of these exemptions, the bill will proliferate rather than prohibit gambling over the Internet, and that is because people would rather gamble at home rather than having to go all the way to the track.

In addition, the bill will not effectively prohibit those gambling interests it actually seeks to stop because offshore the Federal Government has no authority to close those particular Web sites. We can tell AOL or another company to shut down a domestic site, but we have no authority to shut down something offshore in a rogue nation for which we have no diplomatic relations. That will give them essentially a complete exclusive franchise to run these operations.

Lastly, the bill is not effective because it provides no individual liability. While it makes activities by certain gambling entities running the operation illegal, it does not make it illegal for the individual to gamble.

For that reason, Mr. Speaker, the title of the bill, the Internet Gambling Prohibition Act, is one that I am sure a lot of Americans will support. But this bill will actually expand gambling for horse racing, dog racing, and Jai-Alai. It will be ineffective in stopping casino gambling and sports betting run by offshore businesses and, as a result, the Internet Gambling Prohibition Act is more sound bite than reality; and, therefore, I must oppose the legislation.

Mr. GOODLATTE. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. HASTINGS).

(Mr. HASTINGS of Florida asked and was given permission to revise and extend his remarks.)

Mr. HASTINGS of Florida. Mr. Speaker, I thank the gentleman for yielding me this time, and I thank him for his leadership on this particular measure.

Mr. Speaker, today I have come to the floor to speak on behalf of H.R. 3125, the Internet Gambling Prohibition Act. As my colleagues may know, unregulated Internet gambling through virtual casino games has become a very lucrative business.

□ 1430

These Web sites are not regulated, taxed or licensed by the States and are available to the public, including those who are underage and would not be allowed in an actual gambling facility, on the open Internet.

New sites offering games such as blackjack and roulette crop up each day, and the industry has plans for major expansion next year if the issue is not addressed legislatively by Congress in this session.

H.R. 3125 effectively addresses the problems created by these sites, clarifies Federal law, and gives the authorities the tools necessary to regulate Internet gambling activities. At the same time, the bill establishes a regulatory framework for Internet gaming activities that recognizes the leadership role that should be played by the individual States in regulating legal gaming activities they have already authorized.

Mr. Speaker, the Senate companion bill passed the Senate late last year by unanimous consent and we are ripe to enact legislation clarifying the complex issue of Internet gambling. If H.R. 3125 is not passed this year, it will likely be too late to stop the problems caused by these unregulated gambling businesses. H.R. 3125 is a good bill that works, as is evidenced by the broad level of support that it has garnered from various groups and on both sides of the aisle.

I would like to urge my colleagues to join me in voting for this practical and necessary legislation and working to enact the Internet Gambling Prohibition Act into law.

I also would like to clarify the fact that lotteries are not affected. Lotteries are regressive. And we all know that.

Mr. GOODLATTE. Mr. Speaker, it is my pleasure to yield 3 minutes to the gentleman from Virginia (Mr. WOLF) a real champion in the fight against gambling.

(Mr. WOLF asked and was given permission to revise and extend his remarks.)

Mr. WOLF. Mr. Speaker, this will not expand gambling. I rise in strong support. I can stand here all day to categorize the number of hurt and pain and suffering and agony and even death of many young people who get involved in gambling. Gambling hits the poor, the elderly and, sadly, the young.

I want to share that every Member of this body who was here when the National Gambling Commission was established, voted for the National Gambling Commission, which issued a report, and it said as follows: Simply put, ''Adolescent gamblers are more likely to become problem or pathological gamblers. Several studies have shown the link between youth gambling and its association with alcohol and drug use, truancy, low grades, illegal activities to finance gambling.''

The Commission goes on to strongly support the bill of the gentleman from Virginia (Mr. GOODLATTE). The Commission reported in 28 percent of the cases where children carried a gun to school, gambling was a factor.

This legislation would address an industry that has grown overnight on the Web virtually without anyone focusing on it until the gentleman from Virginia (Mr. GOODLATTE) did.

As the gambling commission noted, youth gambling like youth smoking is often an issue of accessibility and marketing. Nothing is more accessible to young people that we now have than the Internet.

I urge my colleagues, if we miss this opportunity, more children will be hurt and go through pain and suffering and agony and even death. This is an opportunity to do what the National Commission says we should do. This is an opportunity to do what most people know is absolutely right.

I urge my Members, particularly those who say they are for strong family values and they care about the future of young people and they care about all these issues, to come to the House tonight when we vote and vote aye on the Goodlatte bill.

I would like to also put a list of the stories we have taken off the wire service in the last few months of the hurt and the pain and the suffering and the agony of the people who have gotten involved in gambling.

SAMPLE NEWS CLIPS ON GAMBLING

''As many as 500,000 Michigan adults could be 'lifetime compulsive gamblers,' and the number could swell with two new Detroit casinos in operation and a third to open soon, says a new state report. The survey, released Wednesday, also found that well over half of those with gambling problems began young. 'When we asked compulsive gamblers ''When did you start having a problem?'' we were startled to learn that 77% of them said they were already compulsive by the time they were 18,' said Jim McBryde, special assistant for drug policy in the Michigan Department of Community Health.'' (Detroit News, 1/13/00)

''As allies of the National Collegiate Athletic Association push legislation that would ban wagering on college sports, a new study found that one out of every four male student-athletes may be engaging in illegal sports betting—and that one in 20 places bets directly through illegal bookies. And though prevalent among student-athletes, the study found that sports wagering activity is higher among ordinary students—39% among male nonstudent athletes.

''The study surveyed 648 student-athletes and 1,035 students, both male and female, at three midwestern universities. The study also found that 12% of male student-athletes—roughly the same portion as nonathletes—showed signs of problem gambling. About 5% of the overall athlete sample demonstrated signs of pathological gambling disorders.'' (Las Vegas Sun, 7/6/00).

''More than 850 Internet gambling sites worldwide had revenues in 1999 of $1.67 billion, up more than 80% from 1998, according to Christiansen Capital Advisors, who track the industry. Revenues are expected to top $3 billion by 2002.'' (Reuters, 5/31/00).

''Will Torres Jr. spends part of his day listening to sad stories. As the director of the Terrebonne Parish (La.) District Attorney's Office's Bad Check Enforcement Program, Torres has heard some doozies. ''I've seen people lose their homes, their retirements wiped out, their marriage. People losing everything they have,' Torres said. Gambling, specifically video poker, is starting to catch up with drugs and alcohol as a precursor to local crime . . . ''Torres and the District Attorney's Office recently noticed an interesting trend while profiling bad-check writers: a large number of their suspects are video poker addicts. 'We're not talking about people who mistakenly write a check for groceries at Winn-Dixie for $25.33,' Torres said. 'We're talking about people who are writing checks for $25 or $30 eight times a day at locations with video machines or places in close proximity of video poker machines.' ''So far this year, Torres' office has collected $320,000 for Terrebonne Parish merchants who were given 3,600 worthless checks. Torres said about 30% of those bad checks are connected to gambling. '''It's eating people up,' he said. 'It's real sad when people don't have a dollar. No money for food because of gambling addictions. I've seen it up close, and video poker plays a large role in the problem.'''' (The Courier [Houma, La.], 8/28/99)

''Rodney Stout, 25, of Pine Bluff (Ark.) was sentenced Friday to 30 years in prison for abducting Stacey Polston of Jacksonville and her 18-month-old daughter at gunpoint and stealing Polston's van. . . . Stout was under financial pressure, he said. He had a 'gambling problem' that came to a head when he gambled away $5,000 he had set aside for moving expenses.'' (Arkansas Democrat-Gazette, 5/9/00).

''Former University of Southern California baseball player Shon Malani was sentenced Wednesday to two years in federal prison for stealing nearly $500,000 from the federal credit union where he worked. U.S. District Judge Helen Gillmor rejected a request for leniency made by Malani's attorney, who said he stole the money to pay off gambling debts totaling hundreds of thousands of dollars.'' (Associated Press, 3/1/00).

''One third of 120 compulsive gamblers participating in a pioneering treatment study have either filed for bankruptcy or are in the process of filing, a University of Connecticut researcher said Tuesday. . . . . (Nancy) Petry said she recently gave a talk to a group of bankruptcy lawyers who estimated that as many as 20% of their clients had mentioned gambling as a reason for their problems.'' (Hartford Courant, 6/14/00).

''Of all the heroes who emerged from the 1984 Los Angeles Olympics, perhaps none was more inspirational than Henry Tillman. A big, tough hometown kid, he had plunged into serious trouble when he was rescued in a California Youth Authority lockup by a boxing coach who saw a young man of uncommon heart and untapped talent. In a little more than two years, he would stand proudly atop the Olympic platform at the Sports Arena, just blocks from his boyhood home, the gold medal for heavyweight boxing dangling from his neck.

''But two years after his mediocre pro career ended, he was back behind bars. And now he stands accused of murder in a case that could put him away for life.

''[G]ambling got Tillman into trouble. He was arrested in January 1994 for passing a bad credit card at the Normandie. He pleaded no contest and got probation. In 1995, he pleaded guilty to using a fake credit card in an attempt to get $800 at the Hollywood Park Casino in Inglewood.

''I have suffered from a long history of gambling addiction, which I am very ashamed had taken over my life,' Tillman wrote in a letter to the court.'' (Los Angeles Time, 1/26/00)

''More than half the state's adult population has visited a casino, either in Michigan or elsewhere, a statewide poll shows. . . . People at the top and bottom of the income scale are the biggest spenders at the casinos Those making less than $15,000 a year spend $172 per visit, and those earning more than $100,000 per year spend $161 per visit. People in the $30,000–$45,000 income bracket spend the least, reporting an average of $87.40 per visit. ''Pollster Ed Sarpolus noted that the age groups most likely to visit casinos are between 18 and 24, and between 50 and 54.'' (Detroit Free Press, 11/17/99)

''Tethered to his post by a curly plastic cord that stretched from his belt loop to a frequent-player card inserted in a Black, Widow slot machine, James Lint pondered. What happens to the little guy when casinos come to town?

'''I see a lot of people leave with tears in their eyes,' said the Georgia businessman, taking a short break from the machine in Biloxi's Beau Rivage casino. 'They come here too much, and they spend too much money.'

''Lint, who flies his private plan to Biloxi three times a year to kick back at the casinos, doesn't count himself among the ranks of those who gamble away what they cannot afford. But some people do lose their grocery money to slot machines, and no one—not casino operators, not gung-ho promoters of the industry—denies it.

''It would be hard to: The Mississippi Coast has been at the center of several high-profile compulsive gambling incidents, including one involving two famous writers, brothers who squandered an inheritance worth more than $250,000 at blackjack and slots.

''It is a hard-edged reality that happens—at casinos, at racetracks, at church bingos, at state lottery outlets. The Mississippi Coast has seen a 26-fold increase in the number of Gamblers Anonymous meeting—to 13 a week—since the first casino opened in 1992.'' (Lexington [Ky.] Herald-Leader, 9/12/99)

''There is an ugly undercurrent that's sweeping away thousands of Missourians-people whose addiction to gambling has led to debt, divorce and crime. This is a world of people like Vicky, 36, a St. Charles woman who regularly left her newborn son with baby sitters to go to the casinos and who considered suicide, after losing $100,000. ''And Kathy, a homemaker and mother of two from Brentwood, who would drop her kids at school and spend the entire day at a casino playing blackjack. She used a secret credit card that her husband didn't know about to rack up more than $30,000 in debt. . . .

''In a three-month look at compulsive gambling, the Post-Dispatch found that . . . Fast-cash machines on casino floors can hasten a problem gambler's descent into debt, prompting the nation's largest machine supplier last month to let people deactivate their cards in casinos. Hard Numbers on gambling-related crimes are elusive, but fraud detectives in St. Louis say they're seeing an increase in workers with access to money taking it to support gambling habits.'' (St. Louis Post-Dispatch, 2/6/99)

''The battle against domestic violence is gaining ground, and work by University of Nebraska Medical Center researcher Dr. Robert Muelleman is helping. . . . Muelleman worked on a . . . study at the UNMC hospital this summer. The study has not been published yet, so the results are not entirely concluded, he said, but some preliminary inferences can be drawn. 'It looks as if problem gambling in the partner is going to be as much a risk factor as problem alcohol and that's really new information.' he said.'' (Daily Nebraskan, 1/13/00)

''A Charlotte, N.C., postal worker is suing First Citizens Bank and Visa for his Internet gambling debts—because he says it's illegal

for the bank and Visa to let their credit cards be used for gambling online. . . . Lawers for (Mark) Eisele filed the suit, which seeks class action status, in the U.S. District Court in San Francisco, where Visa International is based. . . . The suit claims Visa and First Citizens, which issued Eisele's credit card, violated the federal Wire Act, which prohibits use of wire communications services for some gambling.'' (Las Vegas Review-Journal, 8/18/99)

''A California bank robber returned to his old habits after being released from a New Jersey prison to travel to a halfway house in his home state, according to bank robbery charges in at least two states. . . .

''[Noel] Miller, who had been staying at a New Orleans motel, told investigators he was robbing banks to finance his gambling habit and to support himself.'' (Associated Press, 6/1/00)

''A casino executive who fudged his tax returns should have his license renewed anyway, New Jersey's top casino regulator said Monday. James Hurley, chairman of the state Casino Control Commission, said Mirage Resorts Inc.-Atlantic City president Mark Juliano demonstrated 'extremely poor judgment and an acute lack of sensitivity regarding his financial reporting responsibilities.' But Hurley said it wasn't serious enough to deny Juliano a license to work in New Jersey casinos. Juliano, 44, of Haddonfield, a former president of Caesars Atlantic City Hotel Casino, wrote off $8,965 for a 'phantom' personal computer, reported gambling losses as a business expense and told the IRS he drove 180,000 miles on a car found to have traveled only 69,000 total miles, according to an investigation by the state Division of Gaming Enforcement.'' (Associated Press, 6/19/00)

''Brian Dean Gray, a former Richmond (Va.) stockbroker, pleaded guilty yesterday in U.S. District Court to all three federal fraud charges against him for stealing more than $850,000 from clients and gambling much of it away. . . . He used more than $350,000 to gamble on horse racing, at New Jersey casinos and in card games.'' (Richmond Times-Dispatch, 6/3/00)

''Before casino gambling, (Atlantic City) was home to numerous thriving churches of various denominations. But in recent years, churches and synagogues have begun to close. . . . The Rev. Patrick J. Hunt, pastor at (the Church of the Ascension), said the casino industry is helping society gradually erode. 'We want anybody to come to church,' Hunt said. 'But gambling is a vice and the casinos do their darndest to make sure we don't exist and that every other church doesn't exist.'" (Atlantic City Press, 10/11/99)

''A Florida man who lost about $50,000 while gambling [in Atlantic City] during the past two days died Tuesday after he jumped seven floors from a Trump Plaza Hotel and Casino roof onto Columbia Place, officials said.'' (Atlantic City Press, 8/18/99)

''A German tourist jumped to his death off a 10-story casino parking garage Wednesday in the third such suicide in Atlantic City in eight days.'' On Aug. 17, a gambler who had lost $87,000 jumped to his death off a Trump Plaza roof. On Monday, a dealer at Caesar's Atlantic City Hotel Casino committed suicide by leaping off the casino's parking garage.

''It wasn't clear if the most recent victim had been gambling. He left no suicide note.'' (Associated Press, 8/25/99)

''A Kanawha County (W.V.) woman admitted she skimmed $40,000 from her group's bingo and raffle games Thursday, unveiling an ongoing state and federal investigation of groups that operate such games. Donna J. Hopkins, 50, was secretary of the Marmet Soccer Association when she embezzled the money.'' ([Charleston, W.V.] Gazette, 3/3/00)

Mr. CONYERS. Mr. Speaker, I yield myself 15 seconds, mainly to remind my friend from Virginia that the gambling commission advocated a ban on Internet gambling without exception. And that is not this bill.

Mr. Speaker, I yield 3 minutes to the gentleman from Utah (Mr. CANNON).

Mr. CANNON. Mr. Speaker, I would like to begin by saying that I agree with the comments of my friend the gentleman from Virginia (Mr. WOLF). Gambling is a pernicious vice.

H.R. 3125, the Internet Gambling Prohibition Act of 2000, is well-intentioned but I do not think it succeeds in what it is attempting to do. Instead, this legislation creates legislation that is unenforceable and places great regulatory burdens on Internet service providers and represents the first full-blown regulation of the Internet passed by this body.

This bill will expand gambling online and undermine the State's authority to regulate gambling. The carve out for parimutuel betting will allow for parimutuel betting nationwide even in those States where gambling is currently illegal.

A business licensed and regulated in one State will be allowed to take bets from someone located in other States regardless of whether the State where the bettor is located has authorized such activity. All the bettor would need to do is dial into the licensed business taking the bets. This would constitute a closed loop. Anyone who so desires would be able to load the software to be able to perform this function on his computer and the States would not be able to enforce their laws.

Internet service providers are burdened by being required by the Government to act as enforcers of this law. By passing this bill, we will be deputizing ISPs with the task of denying their customers access to any site that allows wagering. The courts will need to issue a court order to each and every ISP in the country telling them to shut off access to any offending site, and the ISP will be required to put in place filters to ensure that none of their subscribers can gain access.

What is the cost? Let me assure my colleagues that it is not just monetary. ISPs, in order to be in full compliance with this law, will need to monitor what sites its customers are visiting. Keeping up with the sites that allow gaming will be impossible for most ISPs. AOL may have the resources to monitor the activity on every site accessed by its servers, but Rocky Mount Internet based in Utah does not.

ISPs now have or will soon have the technology to shield the identity of its customers. People will be able to access gambling sites anonymously, rendering it impossible for this law to be enforced. With this technology, both the gambling site as well as the subscriber will be able to mask the address from Federal agents. Any filters required by the law will, therefore, be rendered useless.

This legislation is harmful and ultimately unenforceable. We should reject this legislation.

Mr. GOODLATTE. Mr. Speaker, I yield myself 30 seconds to say to the gentleman from Michigan (Mr. CONYERS) that the National Gambling Impact Study Commission said the Federal Government shall prohibit without new or expanded exemptions Internet gambling not already authorized.

This legislation, thanks to the good work of the gentleman from Louisiana (Mr. TAUZIN), makes it perfectly clear that there are no exemptions for anyone under this legislation.

I would say to the gentleman from Utah (Mr. CANNON) that we have worked very closely with Internet service providers and we will continue to do that to make sure that the burdens are manageable, and they have seen and worked with us on the language contained in this bill.

Mr. Speaker, I yield 1 minute to the gentleman from Florida (Mr. STEARNS).

(Mr. STEARNS asked and was given permission to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, let me say in the beginning, let us not let the perfect become the enemy of the good here.

I commend the gentleman from Virginia (Mr. GOODLATTE) for his bill and the gentleman from Louisiana (Mr. TAUZIN) for crafting a compromise that we can support. So I hope all the folks will come on board here. We can mend this bill later on if they are not happy with it.

Opponents of this legislation cry out there is special legislation here creating carve-outs for specific industries. And I say, Mr. Speaker, the carve-outs that they cite are not carve-outs. Rather, they allow for activity that is already lawful under existing law to continue.

This legislation permits parimutuel wagering to operate as it has for many, many years under Federal and State laws. This legislation is mindful of States' rights and sovereignty and allows States their rights to regulate activity within their border, and that is currently legal. So there are no carve-outs here.

As such, the bill does not expand or promote gambling on the Internet. Instead it allows for those activities as currently permitted by States to exist. This legislation has the support of a lot of groups. I urge my colleagues to support it.

Mr. Speaker, let me start off by stating let's not let the perfect become the enemy of the good. The Internet Gambling Prohibition Act before us today is not a perfect bill. But it is a step in the right direction and I commend my friend from Virginia, Mr. GOODLATTE, and my good friend from Louisiana, Mr. TAUZIN, for crafting a compromise we can support.

Some of the opponents of this legislation will say that this bill promotes or expands gambling on the Internet. Nothing can be further from the truth. The legislation before us

today in no way expands gambling on the Interent. First and foremost, the legislation offered by my friend from Virginia prohibits gambling businesses from using the Internet to place, receive, or otherwise make a bet or wager. It does not create new government laws, or additional regulations on the Internet, it merely brings the interstate gambling ban up to date. H.R. 3125 in no way expands gambling on the Interent and permits only activities that are otherwise lawful and regulated by the states.

Opponents of this legislation cry that H.R. 3125 is special favor legislation creating carve outs for specific industries. Mr. Speaker, the carve outs they cite are not carve outs, rather, it allows for activity that is already lawful under existing law to continue. This legislation permits parimutuel wagering to operate as it has for many years under federal and state laws. This legislation is mindful of states' rights and sovereignty, and allows states their right to regulate activity within their borders that is currently legal. As such, the bill does not expand or promote gambling on the Internet, instead, it allows for those activities as currently permitted by states.

This legislation has the support of the National Football League, Major League Baseball, National Association of Attorneys General, the Christian Coalition, the Family Research Council, as well as numerous other organizations.

Mr. Speaker, I urge my colleagues to vote in favor of this legislation. Though not perfect, ti certainly is a step in the right direction, and it is the first step in battling the proliferation of illegal gambling on the Internet—with future Congresses free to revisit this matter and amend this legislation as necessary.

Mr. CONYERS. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I would hope that this vote would turn only on the question of whether or not there are exemptions created in the bill.

This is the administration's beginning statement. ''The administration strongly opposes H.R. 3125, which appears to be designed to protect certain forms of Internet gambling that are currently illegal while potentially opening the floodgates for other forms of illegal gambling. The administration is especially troubled by the exemptions included in the bill for parimutuel wagering on activities such as horse races, dog races and Jai-Alai. These exemptions could have the effect of allowing individuals to bet on dog and horse racing from their homes, giving children and other vulnerable populations unsupervised, unlimited access to such gambling activities.''

That is an exemption. There is no policy justification for such exemptions.

Mr. GOODLATTE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think the best response to the comments of the gentleman from Michigan (Mr. CONYERS) would come from the gentleman from Louisiana (Mr. TAUZIN) who has played a critical role in making it absolutely clear that the language in this bill does not provide any exemptions.

Mr. Speaker, it is my pleasure to yield 3 minutes to the gentleman from Louisiana (Mr. TAUZIN) the chairman of the Subcommittee on Telecommunications, Trade and Consumer Protection, a subcommittee of the Committee on Commerce.

Mr. TAUZIN. Mr. Speaker, I thank my friend for yielding me the time.

Mr. Speaker, I rise in support of H.R. 3125, the Internet Gambling Prohibition Act. It is a good bill. I urge my colleagues to vote for it this afternoon.

Back in June the subcommittee I am honored to chair, the Subcommittee on Telecommunications, Trade and Consumer Protection, was afforded the opportunity to hold a hearing on this bill. At the hearing, we learned many things regarding current State and Federal law as it applied to both interstate and intrastate gambling activities.

While the existing framework governing such activity is not always a model of clarity, our hearing revealed that this bill as it came to us to the committee explicitly legalized certain interstate parimutuel gaming activities that the Justice Department believes are prima facie illegal under current Federal law, namely the Wire Act.

As a result, the administration did, in fact, oppose H.R. 3125 when we held our hearings and they opposed it on the grounds that first it did then expand gambling beyond and above what is allowed by existing law according to Justice's interpretation of the Wire Act and, secondly, that it was not technologically neutral and that it made legal on the Internet activities that might be illegal when conducted on phone wire.

In response to these criticisms, my good friend the gentleman from Virginia (Mr. GOODLATTE) and I, along with the gentleman from Virginia (Chairman BLILEY), the gentleman from Illinois (Mr. HYDE) and the gentleman from Florida (Mr. MCCOLLUM) and their staffs, recrafted the parimutuel gaming provisions of the bill as we see them today.

Working with the sports leagues, many religious interests and the parimutuel gaming interests themselves, we are happy to report that we were successful in coming up with the compromise language that makes it clear that the bill no longer draws any legal distinction between the Internet and wire line gaming activities and, as a result, in no way expands gambling beyond the present limits whatever those limits are according to the Justice Department or the courts of the land.

This language now added to H.R. 3125 in the form of a managers amendment clarifies the bill prohibits all online gambling and only permits otherwise lawful, State regulated, live parimutuel wagering activities that are conducted on a closed subscriber-based loop.

By the way, I should also point out it does allow the Internet intrastate for the use of the lottery activities provided that they are conducted in a public place. With this language, H.R. 3125 now addresses the administration's concerns and places an appropriate ban on gambling activities that is badly needed for the country and needs to be adopted.

In the past couple years, online gambling has flourished into a $1 billion industry with more than 700 sites in existence. The sports-related casino style gambling taking place over the Internet today has, as the gentleman from Virginia (Mr. WOLF) pointed out, ruined the lives of many Americans young and old.

If we fail to present the President with this legislation this year, the proliferation will be enormous. Make no mistake. This bill needs to be passed. It is neutral. It does not expand gambling. It needs to be addressed.

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Mr. CONYERS. Mr. Speaker, I yield myself 30 seconds, merely to advise my friend from Louisiana as well as the gentleman from Virginia that the changes that they made made the expansion of gambling worse. That came from the Department of Justice, whom you thought you were trying to satisfy. The Department has received a copy of the language, they say, which we believe constitutes the amendment intended to resolve concerns over the exemption of horse racing, dog racing, and Jai-Alai. It is our position that this amendment may be even more problematic than the current version of the bill.

Mr. GOODLATTE. Mr. Speaker, I yield myself 30 seconds to respond to the gentleman and say that the Justice Department says that the Wire Act covers these situations but does not prosecute anyone. Under this legislation, they would have new tools requested by the National Association of Attorneys General to combat this very serious problem on the Internet, and that is exactly what we intend to give them with this legislation. There are no exemptions. We certainly do not expand gambling. We attack the multibillion dollar industry that is growing on the Internet, the 700 cybercasinos, the sports betting, the threat of sales of lottery tickets in people's homes.

Mr. CONYERS. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from California (Mr. Cox).

Mr. COX. Mr. Speaker, I thank the gentleman from Michigan for yielding me this time, and I thank my colleagues on both sides of the aisle for trying to do the right thing here today, because I share the concerns of my colleagues about the spread of illegal Internet gambling. But I rise in reluctant opposition to this legislation because while it is well intentioned, it is bad telecommunications policy.

This legislation would create enormous, if unintentional, regulatory problems. First, it proposes to treat online and offline gambling under different rules. That is a violation of the

fundamental tenet of the Internet Nondiscrimination Act that this House passed very recently by the overwhelming vote of 352–75. Regulating commerce on the Internet under different rules from commerce in the offline world is a dangerous precedent that invites significant new regulation of the Internet such as we have not yet seen.

Second, the bill expands gambling opportunities to make legal certain types of bets over the Internet that would be illegal if they were made over the telephone. Third, the bill would unfairly make Internet service providers and search engines and other interactive service providers, ISPs, who have nothing to do with gambling, people who have nothing to do with gambling, it would make them responsible for policing the behavior of their subscribers. This is the principle that we rejected when then Representative WYDEN and I brought the Internet Freedom and Family Empowerment Act to the floor so that we could stop the approach that the Senate had adopted with the Communications Decency Act, later rejected by the Supreme Court.

In this bill in order to avoid criminal prosecution, ISPs and other interactive services would have to make sure that they are not hosting or linking to Web sites containing gambling advertising or information. To avoid criminal prosecution, they would have to block users from accessing foreign Web sites over which they have no control, an especially dangerous precedent while the United States at this very moment is seeking to oppose efforts by foreign governments to do that to our Web sites.

Fourth, this bill would have the Federal Government dictate, indeed amend, the terms and conditions on which ISPs today offer service. It would require that every ISP terminate the account of any subscriber who is suspected of using the service to gamble. Fifth, the bill contains price controls. It requires every ISP to offer gambling filtering software at, quote, ''reasonable cost,'' putting the Federal Government in an unspecified way in charge of determining what is a reasonable price for filtering software.

For the mom-and-pop Internet service providers who constitute the vast majority of America's thousands of ISPs, the legal and regulatory costs of complying with this new Federal regulatory scheme are significant. That is why this imperfect bill remains opposed by so many groups, the Computer and Communications Industry Association, AT&T, the Center for Democracy and Technology, the Electronic Privacy Information Center, the Traditional Values Coalition, the Free Congress Foundation, the Seniors Coalition, and Americans for Tax Reform.

Oppose this legislation.

Mr. GOODLATTE. Mr. Speaker, I yield myself the balance of my time.

First, let me respond to the gentleman from California for whom I have great respect but with whom I must disagree on every single point raised. This legislation does not treat online gambling unfairly compared to offline gambling. In fact, the activities complained of have been going on on the telephone lines for decades and this legislation is simply designed to bring the Wire Act, written in 1961 when the Wire Act was a good description of telecommunications in this country, into the modern age when telecommunications takes on a whole host of different ramifications, including the Internet. It does not in any way expand gambling on the Internet. We have made that perfectly clear time and time again. Why else would the National Coalition Against Gambling Expansion support this legislation?

The bill retrenches gambling on the Internet by fighting 700 online cybercasinos, by giving law enforcement new tools to deal with sports betting online, by stopping the efforts of some who stand to make tens of millions of dollars selling services to State lotteries to sell tickets online in people's homes.

I want to make the point perfectly clear that we do not tell the States that they cannot use the Internet. We simply say that when they use the Internet, they have to use it in public places, like convenience stores or other places where children can be screened out and they cannot buy tickets online as they could at home. That is why the Home School Legal Defense Association supports the legislation, the Southern Baptist Convention supports it, and many, many other religious and family organizations.

Furthermore, we do not require Internet service providers to police the Internet. We simply require them to cooperate with law enforcement. And we do not require them to shut down suspected sites, because the bill provides due process requirements of notice and hearing before a judge, and a judge finding that an action should be taken before an Internet service provider can be required to take down or block a site.

The legislation has been carefully crafted to be sensitive to the Internet industry, which I am very supportive of. After all, I am the chairman of the Congressional Internet Caucus and have worked on many issues with the gentleman and others to promote the Internet. But one way to promote the Internet is to make sure that the seamy side of life is dealt with on the Internet. Just like child pornography has to be dealt with on the Internet, so does unregulated, out-of-control, illegal gambling. That is why the National Collegiate Athletic Association, the National Football League, Major League Baseball, the National Hockey League, and the National Basketball Association support this legislation because of the renewed threat to amateur and professional sports in America brought on by an incredible explosion in gambling and sports betting because of the Internet. These new tools are needed by law enforcement. That is why the National Association of Attorneys General have asked us for this legislation. That is why I ask my colleagues to support it.

It is also important to note that this legislation treats Indian gaming fairly. Every word in this legislation has been signed off on by the gentleman from Alaska (Mr. YOUNG), the chairman of the Committee on Resources.

I urge my colleagues to support this effective legislation to fight gambling on the Internet.

Mr. SHAW. Mr. Speaker, I rise today in support of H.R. 3125, the Internet Gambling Prohibition Act of 2000. This legislation is necessary to stem the rising tide of Internet gambling, which is largely unregulated and unreachable by American authorities.

Mr. Speaker, Internet gambling has the potential to make thousands of Americans who enjoy video games into gambling addicts. All that an Internet gambler needs to play casino-style games on the Internet is a computer, a modem, and a credit card—and therein lies the dangerous allure of this type of wagering. Unlike a glitzy casino where playing games of chance is a social experience, Internet gambling is usually done alone, with the only limit being the limit on one's credit card. I believe that gambling over the Internet has the potential to turn a generation of children who are addicted to video games into a generation of adults addicted to playing casino-style games over the Internet.

Furthermore, most of the cyber-casinos are located in the Caribbean, so that the few gamblers who do win have no recourse if there is a dispute. Mr. Speaker, banning Internet gambling now will prevent much more serious social problems later. For that reason, I urge all of my colleagues to vote for passage of H.R. 3125.

Ms. ESHOO. Mr. Speaker, I rise in opposition to H.R. 3125, The Internet Gambling Prohibition Act, a bill that threatens the continued growth of e-commerce as well as the privacy rights of individuals.

The Department of Justice, high-tech companies and socially conservative organizations agree—H.R. 3125 is fatally flawed. By prohibiting some types of gambling and expanding others, H.R. 3125 puts an inappropriate burden on high tech companies and interferes with the civil liberties of Americans.

The legislation is rife with loopholes. Betting on horses and dogs is allowed; sports and casino-style games are not. Jai-alai is in, while state lotteries are out. This arbitrary patchwork of exemptions and prohibitions seems to be rooted in the degree of power of a particular interest group rather than sound public policy.

H.R. 3125 imposes new and unprecedented regulatory burdens on the Internet that are shortsighted and threaten our civil liberties. The notice and take-down provisions are overbroad, too burdensome for ISPs, and give the government too much power.

Finally, the blocking provisions in H.R. 3125 threaten to intrude on individual privacy. This Congress is still in the process of drafting legislation aimed at assuring the privacy of individuals using the Internet. H.R. 3125 would leap over that thoughtful process and attempt to regulate what many Members have vowed to allow—freedom on the Internet. H.R. 3125

puts artificial boundaries on the Internet when the Internet is designed specifically to transcend boundaries.

I share my colleagues's desire to protect society from the dangers of abusive gambling which can be a corrosive agent, both culturally and personally. However, H.R. 3125 does not do what it purports to do. If Congress wants to ban gambling on the Internet then it should ban all gambling on the Internet. The piecemeal approach embodied in H.R. 3125 is an exercise in hypocrisy. I urge my colleagues to vote against H.R. 3125.

Mr. SENSENBRENNER. Mr. Speaker, I rise today in support of H.R. 3125, the Internet Gambling Prohibition Act. During Judiciary Committee mark-up, I brought up my concerns relating to the tribal gaming exemption. I am pleased that the Gentleman from Virginia, Mr. GOODLATTE, and the Gentleman from Alaska, Mr. YOUNG, were willing to work with me to include language which addresses my concerns about what I believe was an ambiguous section of the bill.

I would like to take a moment to explain my concerns and how, through the manager's amendment, these concerns were addressed. The provision exempting gambling on a closed loop system requires both the sender and the receiver to be on Indian lands. This is not limited to the Indian lands on which the game is conducted, therefore, it would allow linking of all Indian lands nationwide. My concern with this language was how multi-Tribal linking could impact individual Tribal/State gaming Compacts.

Let me provide an example: If State A's Compact allows for slots, and State B's Compact allows for blackjack and slots, absent clarification, the tribe in State A could argue it can now participate in blackjack. Included in the manager's amendment is additional language on this section to ensure that no Class III gaming activity can occur without the explicit authorization of a Tribal/State Compact. This language does not require Tribes to renegotiate their Compacts with states; rather it reinforces the Tribal/State Compact.

In conclusion, the Indian gaming language has been clarified so that the carefully negotiated Tribal/State compacts are not at risk. I urge my colleagues to support the bill.

Mr. BACA. Mr. Speaker, I oppose H.R. 3125, the Internet Gambling Prohibition Act.

I am concerned that the bill creates unfair carve outs. In-home gambling on horse and dog races is allowed, but tribal Internet gaming is prohibited. I fail to see how dog races are acceptable but tribal gaming is not. This bill does not deserve our support.

The bill is so riddled with exemptions it is opposed by the Traditional Values Coalition, which says that the bill does little to address the problems it purports to solve.

Tribal gaming has been essential in furthering economic development on our reservations. It has allowed for medical clinics and upgrading of substandard housing. It has lifted Native Americans from poverty. It has given them self-determination over their destiny. It has furthered Native American sovereignty.

It is important we recognize all Native Americans have given to this country. For that reason, earlier in the year I introduced H. Res. 487 to honor Native Americans.

Native Americans have shown their willingness to fight and die for this nation in foreign lands. They honor the American flag at every powwow.

Native Americans should be treated fairly. We should not burden them with restrictions we are unwilling to place on others.

The bill is opposed by the Department of Justice, AT&T, the San Manuel Band of Mission Indians, Computer and Communications Industry Association, Covad Communications, Center for Democracy and Technology, National Congress of American Indians, Electronic Privacy Information Center, ACLU, Traditional Values Coalition, Seniors Coalition, Free Congress Foundation, Americans for Tax Reform, CATO Institute, American Association of Concerned Tax Payers, and Coalition for Constitutional Liberties.

For all of the above reasons, I am opposing H.R. 3125.

Mr. UDALL of New Mexico. Mr. Speaker, today I rise in opposition to H.R. 3125, which could more appropriately be re-titled the Internet Gambling Proliferation Act.

What this proposed legislation does is impose a new set of laws that selectively privilege some forms of gambling by exempting them from these laws. At the same time, other forms of gambling are condemned. What Congress should do is work with the states to enact legislation, which deals rationally with prohibiting or regulating Internet gambling.

Furthermore, in my home State of New Mexico—as in many other states—this legislation would unnecessarily complicate the ability of states and tribal governments to work out a rational regulatory scheme.

The SPEAKER pro tempore (Mr. MILLER of Florida). The question is on the motion offered by the gentleman from Virginia (Mr. GOODLATTE) that the House suspend the rules and pass the bill, H.R. 3125, as amended.

The question was taken.

Mr. CONYERS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8, rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

GENERAL LEAVE

Mr. GOODLATTE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 3125.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

SEMIPOSTAL AUTHORIZATION ACT

Mr. MCHUGH. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4437) to grant to the United States Postal Service the authority to issue semipostals, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4437

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Semipostal Authorization Act''.

SEC. 2. AUTHORITY TO ISSUE SEMIPOSTALS.

(a) IN GENERAL.—Chapter 4 of title 39, United States Code, is amended by adding at the end the following:

''§ 416. Authority to issue semipostals

''(a) DEFINITIONS.—For purposes of this section—

''(1) the term 'semipostal' means a postage stamp which is issued and sold by the Postal Service, at a premium, in order to help provide funding for a cause described in subsection (b); and

''(2) the term 'agency' means an Executive agency within the meaning of section 105 of title 5.

''(b) DISCRETIONARY AUTHORITY.—The Postal Service is hereby authorized to issue and sell semipostals under this section in order to advance such causes as the Postal Service considers to be in the national public interest and appropriate.

''(c) RATE OF POSTAGE.—The rate of postage on a semipostal issued under this section shall be established by the Governors, in accordance with such procedures as they shall by regulation prescribe (in lieu of the procedures under chapter 36), except that—

''(1) the rate established for a semipostal under this section shall be equal to the rate of postage that would otherwise regularly apply, plus a differential of not to exceed 25 percent; and

''(2) no regular rates of postage or fees for postal services under chapter 36 shall be any different from what they otherwise would have been if this section had not been enacted.

The use of any semipostal issued under this section shall be voluntary on the part of postal patrons.

''(d) AMOUNTS BECOMING AVAILABLE.—

''(1) IN GENERAL.—The amounts becoming available from the sale of a semipostal under this section shall be transferred to the appropriate agency or agencies under such arrangements as the Postal Service shall by mutual agreement with each such agency establish.

''(2) IDENTIFICATION OF APPROPRIATE CAUSES AND AGENCIES.—Decisions concerning the identification of appropriate causes and agencies to receive amounts becoming available from the sale of a semipostal under this section shall be made in accordance with applicable regulations under subsection (e).

''(3) DETERMINATION OF AMOUNTS.—

''(A) IN GENERAL.—The amounts becoming available from the sale of a semipostal under this section shall be determined in a manner similar to that provided for under section 414(c)(2) (as in effect on July 1, 2000).

''(B) ADMINISTRATIVE COSTS.—Regulations under subsection (e) shall specifically address how the costs incurred by the Postal Service in carrying out this section shall be computed, recovered, and kept to a minimum.

''(4) OTHER FUNDING NOT TO BE AFFECTED.—Amounts which have or may become available from the sale of a semipostal under this section shall not be taken into account in any decision relating to the level of appropriations or other Federal funding to be furnished to an agency in any year.

''(5) RECOVERY OF COSTS.—Before transferring to an agency in accordance with paragraph (1) any amounts becoming available from the sale of a semipostal over any period, the Postal Service shall ensure that it has recovered the full costs incurred by the Postal Service in connection with such semipostal through the end of such period.

''(e) REGULATIONS.—