



FAMILY COUNCIL

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September 12, 2016

The Honorable Tom Cotton
124 Russell Senate Office Building
Washington DC 20510

Dear Senator Cotton:

On behalf of the Family Council and families across Arkansas, thank you for co-sponsoring S.1668, the federal Restoration of America's Wire Act. This bipartisan legislation restores the longstanding federal ban on Internet gambling. It protects children and families from predatory Internet gambling.

On December 23, 2011, the Obama Administration's Justice Department unilaterally reinterpreted the federal Wire Act, a 50 year old law against the electronic transmission of information related to bets and wagers. The Justice Department's reinterpretation of federal gambling laws effectively opened the door to Internet gambling in America. The DOJ did all of this without input from Congress, law enforcement, or the American public. Since then states have seen an expansion in online gambling without a full evaluation of the risks and consequences—including the possibility that minors could access gambling websites and that law enforcement officials in states like Arkansas have little recourse against online casinos taking bets or wagers from Arkansans.

Internet gambling is an Arkansas issue. The Arkansas Casinos Amendment that will appear on the November ballot arguably authorizes online casinos in Arkansas. It permits any gambling that is permitted in a number of other states, including Nevada, which has had Internet gambling since 2013.

Internet gambling also is a family issue. In 1999, the National Gambling Impact Study Commission (NGISC) released its landmark report against gambling expansion and Internet gambling. The NGISC report found “abundant testimony and evidence that compulsive gambling introduces a greatly heightened level of stress and tension into marriages and families, often culminating in divorce and other manifestations of familial disharmony,” and that “respondents representing 2 million adults identified a spouse’s gambling as significant factor in a prior divorce.”

Family Council always has opposed gambling—especially Internet gambling and any other type of gambling that may harm children. Evidence overwhelmingly shows compulsive gambling is three or four times higher among Internet gamblers than non-Internet gamblers, and minors who gamble are at greater risk of developing a gambling disorder. The ability to gamble easily, quickly, and anonymously at home via multiple games or websites makes Internet gambling more dangerous than other forms of gambling.

Gambling websites claim they can screen out minors, verify player’s identities, and so on. However, the FBI has told Congress that while “the [online gambling] vendors may claim that they can validate age and location, they are more than likely relying on credit card information and geolocation to gather this information. Both can be spoofed.” Late last year the FBI testified that it had at least one investigation ongoing involving the use of Internet gambling to fund terrorist organizations.

Congress has never passed legislation permitting online casinos. In fact, it has done the opposite—nearly a decade ago it enacted the Unlawful Internet Gambling Enforcement Act to bar financial institutions from handling Internet gambling transactions. This law remains in effect, despite the DOJ’s opinion. We urge you to utilize your position as a leader in the U.S. Senate and as a member of the Banking Committee to ensure this law is enforced against all online gambling in our country and that predatory Internet gambling is stopped.

Thank you for your support of Arkansas families.

Sincerely,

Jerry Cox
President