

S 627

Internet Gambling Funding Prohibition Act

Congress: 108 (2003–2005, Ended)

Chamber: Senate

Policy Area: Finance and Financial Sector

Introduced: Mar 13, 2003

Current Status: Placed on Senate Legislative Calendar under General Orders. Calendar No. 346.

Latest Action: Placed on Senate Legislative Calendar under General Orders. Calendar No. 346. (Oct 27, 2003)

Official Text: <https://www.congress.gov/bill/108th-congress/senate-bill/627>

Sponsor

Name: Sen. Kyl, Jon [R-AZ]

Party: Republican • State: AZ • Chamber: Senate

Cosponsors (2 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Feinstein, Dianne [D-CA]	D · CA		Mar 13, 2003
Sen. Shelby, Richard C. [R-AL]	R · AL		Mar 13, 2003

Committee Activity

Committee	Chamber	Activity	Date
Banking, Housing, and Urban Affairs Committee	Senate	Reported By	Oct 28, 2003

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

Bill	Relationship	Last Action
108 HR 2143	Related bill	Jun 11, 2003: Received in the Senate and Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.
108 HR 21	Related bill	May 22, 2003: Placed on the Union Calendar, Calendar No. 65.

Internet Gambling Funding Prohibition Act - (Sec. 3) Establishes within the Department of the Treasury the Office of Electronic Funding Oversight to coordinate Federal efforts to prohibit restricted transactions.

Prohibits any person engaged in the business of betting or wagering from knowingly accepting in connection with another person's participation in Internet gambling: (1) credit; (2) electronic fund transfers or funds transmitted through money transmitting businesses; (3) any instrument drawn by or on behalf of another and payable through any financial institution; or (4) the proceeds of any other form of financial transaction involving a financial institution as payer or financial intermediary on behalf of another person.

Makes this prohibition inapplicable to any otherwise lawful bet or wager that is made on an interstate or intrastate basis on a live horse or a live dog race, or to the sending, receiving, or inviting of information assisting in the placing of such a bet or wager, if such activity is: (1) expressly authorized under applicable Federal law and the laws of that State and licensed or regulated by the State in which such bet or wager is received; (2) placed on a closed-loop subscriber-based service; (3) initiated from a State and received in a State in which betting or wagering on that same type of live horse or live dog racing is lawful; (4) subject to the regulatory oversight and minimum control standards for accounting, regulatory inspection, and auditing by the State in which the bet or wager is received; and (5) made in accordance with the Interstate Horse Racing Act of 1978 or, in the case of live dog racing, is subject to specified consent agreements comparable to those required by that Act.

Provides that the exception does not apply to: (1) a bet or wager made by the use of an agent or proxy using the Internet or an interactive computer service, (but does not prohibit the owner-operator of a pari-mutuel 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 pari-mutuel facility); and (2) an otherwise lawful bet or wager on any game that constitutes class II or class II gaming (as defined in the Indian Gaming Regulatory Act) or the sending, receiving, or inviting of information assisting in the placing of any such bet or wager, if specified conditions are met; and (3) specified gaming activity conducted on Indian lands on July 31, 2003, using the Internet or other interactive computer service, with the approval of the State regulatory authority , without Tribal-State compact approval.

Grants Federal district courts exclusive jurisdiction to prevent or restrain violations. Sets forth civil and criminal penalties, including authority for State attorneys general to bring actions to prevent or restrain violations or threatened violations.

Limits relief granted against an interactive computer service. Specifies circumstances for the liability of any creditor, issuer, institution, operator, business, network, stored value product transaction, participant, or any interactive computer or telecommunications service. Authorizes appropriations.

(Sec. 4) Calls for the United States, in deliberations with a foreign governments, to: (1) encourage cooperation in identifying whether Internet gambling operations are being used for money laundering or other crimes; (2) advance policies that promote international cooperation in enforcement; and (3) encourage the Financial Action Task Force on Money Laundering to study the extent to which Internet gambling operations are being used for money laundering purposes.

(Sec. 5) Modifies Federal criminal code provisions on gambling to: (1) delete a limitation to solely wire communications; (2) specifically include satellite and microwave communications and communications from fixed or mobile sources; and (3) increase the penalty for unlawful transmission of wagering information.

Actions Timeline

- **Oct 27, 2003:** Committee on Banking, Housing, and Urban Affairs. Reported by Senator Shelby with an amendment in the nature of a substitute. With written report No. 108-173.
- **Oct 27, 2003:** Committee on Banking, Housing, and Urban Affairs. Reported by Senator Shelby with an amendment in the nature of a substitute. With written report No. 108-173.
- **Oct 27, 2003:** Placed on Senate Legislative Calendar under General Orders. Calendar No. 346.
- **Jul 31, 2003:** Committee on Banking, Housing, and Urban Affairs. Ordered to be reported with an amendment in the nature of a substitute favorably.
- **Mar 18, 2003:** Committee on Banking, Housing, and Urban Affairs. Hearings held. Hearings printed: S.Hrg. 108-317.
- **Mar 13, 2003:** Introduced in Senate
- **Mar 13, 2003:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (text of measure as introduced: CR S3745-3747)