

State Attorneys General

**A Communication from the Chief Legal Officers
of the Following States and Territories:**

**Arizona * Florida * Guam * Hawaii * Kansas
Michigan * Missouri * Montana * Nebraska * North Dakota
South Carolina * South Dakota * Texas * Utah
Vermont * Wyoming**

February 4, 2014

The Honorable Bob Goodlatte
Chairman, Committee on the Judiciary
United States House of Representatives
2138 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Patrick Leahy
Chairman, Committee on the Judiciary
United States Senate
224 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable John Conyers, Jr.
Ranking Member, Committee on the Judiciary
United States House of Representatives
B-351 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Chuck Grassley
Ranking Member, Committee on the Judiciary
United States Senate
224 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Chairman Goodlatte, Chairman Leahy, Ranking Member Conyers, and Ranking Member Grassley:

We write to request that Congress carefully consider the policy implications of a recent reversal of the U.S. Department of Justice's (DOJ) interpretation of the Wire Act, 19 U.S.C. Section 1084, as it applies to Internet gambling.

For years, the federal government had consistently deemed the Wire Act to prohibit all forms of gambling involving interstate wire transmissions – including transmissions over the Internet. In late 2011, reversing its own longstanding interpretations, the DOJ's Office of Legal Council issued a legal opinion stating that the Wire Act only bans sports betting, and that it does not apply to online lottery sales.

The impact of this opinion – which in effect opens the door to the spread of Internet gambling – will have a potentially significant impact on state and local law enforcement. As such, we urge Congress to fully review, assess, understand and debate the significant policy implications entailed in the spread of Internet gambling, including concerns related to money laundering; access by minors; fraud; exploitation of individuals with a gambling addiction; and terrorist financing.

Since the 2011 opinion, Nevada, New Jersey and Delaware have already passed legislation legalizing various forms of internet gambling. The rules now vary in each of these jurisdictions, and given the inherently *interstate* nature of internet gambling transactions, we anticipate that it will become increasingly difficult to effectively regulate such conduct as additional jurisdictions consider legalizing internet gambling.

Given the expected enforcement challenges to various state laws, we ask that Congress restore the decades-long interpretation of the Wire Act to allow Congress and the states to more fully consider the public policy ramifications of the DOJ's reinterpretation of the Wire Act and to give federal and state law enforcement agencies time to fully assess and report on the implications Internet gambling has on our respective charges to protect the citizens of our states.

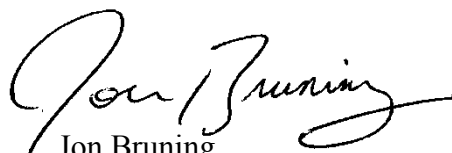
To be sure, we believe Congress may only regulate transactions which are interstate in nature, consistent with fundamental constitutional principles. Our system of government commands that other matters be left to the state authorities. To the extent Internet gambling is interstate in nature, federal oversight, in addition to state regulation, is appropriate.

We appreciate your consideration of this request, and stand ready to assist as you more fully consider the public policy implications raised by this recent decision.

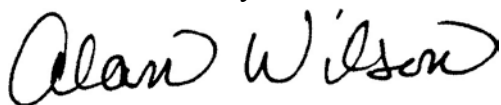
Sincerely,



Chris Koster
Missouri Attorney General



Jon Bruning
Nebraska Attorney General



Alan Wilson
South Carolina Attorney General



Tom Horne
Arizona Attorney General



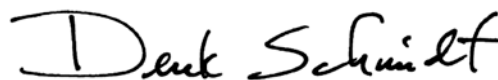
Pamela Jo Bondi
Florida Attorney General



Lenny Rapadas
Guam Attorney General



David Louie
Hawaii Attorney General



Derek Schmidt
Kansas Attorney General



Bill Schuette
Michigan Attorney General



Wayne Stenehjem
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Vermont Attorney General



Tim Fox
Montana Attorney General



Marty J. Jackley
South Dakota Attorney General



Sean D. Reyes
Utah Attorney General



Peter K. Michael
Wyoming Attorney General

Copy: The Honorable John Boehner, Speaker, United States House of Representatives
The Honorable Nancy Pelosi, Minority Leader, United States House of Representatives
The Honorable Harry Reid, Majority Leader, United States Senate
The Honorable Mitch McConnell, Minority Leader, United States Senate