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**LEGISLATORS REACT TO INTERNET WAGERING BAN AT NCLGS JANUARY MEETING**

**Hallandale, Florida, December 20, 2006**—Legislators from across the country will gather in Hawks Cay in Duck Key, Florida, on January 12 through 14 at the Winter Meeting of the National Council of Legislators from Gaming States (NCLGS) to discuss and debate the impact of a recently enacted federal law that effectively bans internet gaming in the US.

In announcing the meeting, Florida Sen. Steven Geller (D-Hallandale), NCLGS President said:

State legislators involved in gaming public policy need to know how the legislation potentially could affect their states' consumers, gaming industries, and economies. NCLGS has long held that internet gaming is a states' rights issue and that states should decide what type of gaming should exist within their jurisdictions. At the January meeting, NCLGS will look at what states should know and what they can do in the wake of this highly critical and controversial legislation.

How will the bill affect pari-mutuels? Will it allow internet gambling on tribal lands? Will its prohibition adversely affect accounts at legal state card rooms operating in the states? What will regulations required by the bill look like? What safe harbors will the regulations subsequently allow? How will the internet wagering landscape change as a result of the bill?

Legislators and leading gaming experts at NCLGS Committees and general sessions will address these and other challenges that states will face resulting from *the Unlawful Internet Gambling Enforcement Act of 2006*, enacted earlier this year.

Experts at a panel discussion on January 13 entitled "Internet & Off-Shore Wagering Ban: A Good Bet for Horsemen?" will focus on how the pari-mutuel industry will react in light of its carve-out from the law. The general session will feature perspectives from pari-mutuel and internet gaming authorities and experts, including:

- Ed Martin, President, Association of Racing Commissioners
- Dan Wray, Executive Director of Legislative Affairs, New York City Off-Track Betting
- Greg Scoggins, National Director of Regulatory Affairs, Magna Entertainment Corp.
- Lonny Powell, Vice President of Public Affairs, Youbet.com
- Dr. Guy Clark, Chairman, National Coalition Against Legalized Gambling

The federal legislation, passed by Congress on September 30, effectively chokes the flow of funds between US bettors and off-shore Internet gaming sites by making it illegal for banks, credit card companies or other financial institutions to facilitate offshore internet wagering accounts. At the same time, the legislation does not address certain forms of gambling and has carved out horse racing from its prohibition.

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The legislation requires that the Treasury, the Federal Reserve, and the US Attorney General work together to issue regulations that further the legislation's goals. Congress has ordered this rulemaking to be completed no more than nine months after the bill was signed into law. The rulemaking allows for affected parties to petition for "safe harbors" or exemptions from the law's coverage.

Passage of the law predicts increased federal prosecution of those involved in off-shore internet gaming activities, such as that of David Carruthers, CEO of UK-based BETonSports this summer.

NCLGS is neither pro- nor anti-gaming. NCLGS is a proactive participant in the development of public policy related to state authorized gaming. NCLGS exists to educate state legislators and other policymakers on issues dealing with gaming; seeks appropriate regulation of gaming; and works to preserve the traditional rights of the states to regulate and tax gaming within their borders.

For more information, please call the NCLGS National Office at (518) 687-0615 or access the NCLGS website at [www.nclgs.org](http://www.nclgs.org).

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