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Kyl To Testify on Internet Gambling Ban

Senate Banking Committee Will Hold Hearing on Kyl Bill

WASHINGTON, D.C. - U.S. Senator Jon Kyl (R-AZ) will testify Tuesday before the Senate Banking Committee on behalf of legislation he authored to ban the practice of Internet gambling.

“Internet gambling is not a fun diversion, but feeds a dangerous and growing addiction,” said Kyl. “It is linked to organized crime, rife with fraud, ruins credit ratings, and allows many young people to build up thousands of dollars in debt on their parents’ credit cards.

“When I first proposed a ban in late 1995, there were roughly two dozen gaming sites. Today there are nearly 2000. Without Congressional action, nearly \$5 billion will be wagered on Internet gaming sites this year alone.”

Kyl’s bill, S. 627, applies criminal penalties of up to five years in prison to operators of Internet gambling sites. Legislative action was requested by a Congressional commission in 1999 and by the National Association of Attorneys General.

Internet Gambling Lures Addicts: More than 15 million Americans today suffer from a serious gambling addiction and the easy access to the web is often an irresistible draw -- what one expert from Harvard Medical School equated to a new delivery system for crack cocaine. The National Coalition Against Gambling Expansion reports as many as 90 percent of “pathological gamblers” commit crimes to pay off their debts.

Internet Gambling Linked to Crime: The FBI reports that organized crime groups are heavily involved in Internet gambling, often using it to facilitate money laundering.

Potential for Fraud: As opposed to licensed casinos, the Internet allows unlicensed, hard-to-track operators to defraud bettors and then disappear.

Targeting Young People: The National Collegiate Athletic Association reports that many college students lose thousands of dollars on gaming sites - often using their parents’ credit cards. Young people use the Internet more than any other age group.

Debts Can Be Staggering: Washington Capitals hockey star Jaromir Jagr lost \$500,000 from betting on sports events via an Internet site.

Kyl's bill is co-sponsored by Senator Dianne Feinstein (D-CA) and Senate Banking Committee Chairman Richard Shelby (R-AL). A similar House bill was introduced by U.S. Rep. Jim Leach (R-IA). A ban was approved by the House and Senate before, but not in time to become law.

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