



NATIONAL FRATERNAL ORDER OF POLICE®

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2 February 2015

The Honorable Lindsey O. Graham
United States Senate
Washington, D.C. 20510

Dear Senator Graham,

I am writing on behalf of the members of the Fraternal Order of Police to address an issue you raised during the hearing on the nomination of Loretta E. Lynch to be the next Attorney General of the United States.

During the hearing, you addressed the issue of a Federal ban on all Internet gaming. While we respect the wide range of opinions on gambling that exist in Congress and in this country, one thing is clear: a ban on Internet gaming would make our communities less safe, not more so. You alluded to terrorists and other criminals using these sites to generate income for their illicit activity—and that is exactly what will be more likely to happen if Congress bans Internet gaming and drives the market further underground. Consumer and child safety advocates like WiredSafety, as well as the National Conference of State Legislatures and the law enforcement community have all come together to ask that we not relearn the tried and true lesson that prohibition does not work.

The FOP has been involved in this issue for many years and we strongly believe that a blanket prohibition on Internet gaming domestically will increase the size and scope of the already robust offshore gaming system. An estimated 1 million Americans currently use these overseas accounts, spending nearly \$3 billion a year on sites that are operated without licenses or oversight. Our law enforcement agencies' hands are tied in our ability to go after instances of identity theft, fraud, or other criminal acts.

You are absolutely correct when you say that there is evidence that these gaming sites launder money for organized crime and help to finance terrorist networks. But with all due respect, your solution to this problem is wrong: rather than empower these criminal networks by forcing American consumers to use their sites, we should follow the lead of states like Delaware, New Jersey and Nevada, each of which has created well-regulated and monitored systems.

For example, New Jersey's Division of Gaming Enforcement announced the achievements of their program in January—more than half a million accounts have been legally created and protected from fraud. Advanced technologies, including geolocation, are used to ensure that those playing are not only age appropriate, but are online within New Jersey's borders. The

—BUILDING ON A PROUD TRADITION—

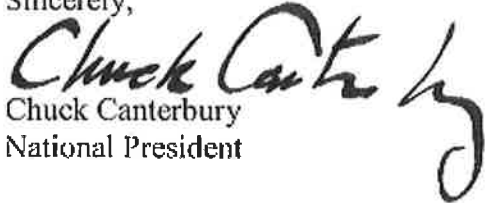
geolocation program has had a 98 percent success rate. The lesson learned here is that when website operators and law enforcement and regulators are allowed to work together, consumers are protected and bad actors are quickly identified and prosecuted.

The site owners are also protected, as detailed in the New Jersey report. One Internet gaming patron tried to claim she was not responsible for almost \$10,000 worth of charges on her credit card. The State Police Casino Gaming Bureau conducted an expeditious investigation that showed she made the charges herself and she was charged with theft deception. Surely, the majority of people going online are well-intentioned, but as a member of the Judiciary Committee and former Judge Advocate in the U.S. Air Force, you know better than most the value of a strong and empowered law enforcement arm in ensuring that those good intentions are not taken advantage of.

Since the enactment of the Unlawful Internet Gambling Enforcement Act, the FOP has diligently worked to ensure that laws intended to combat money laundering and other criminal activity were implemented to their fullest extent. A ban will only hinder our efforts to combat unlawful activity on the Internet. I hope that you will reconsider your position on the Office of Legal Counsel's 2011 opinion regarding the Wire Act, and that together we can work to ensure consumers are protected and bad actors are brought to justice.

On behalf of the more than 330,000 members of the Fraternal Order of Police, I thank you for your time and consideration of our views on this issue. If I can provide any additional information on this or any other issue, please do not hesitate to contact me or Executive Director Jim Pasco in my Washington office.

Sincerely,



Chuck Canterbury
National President