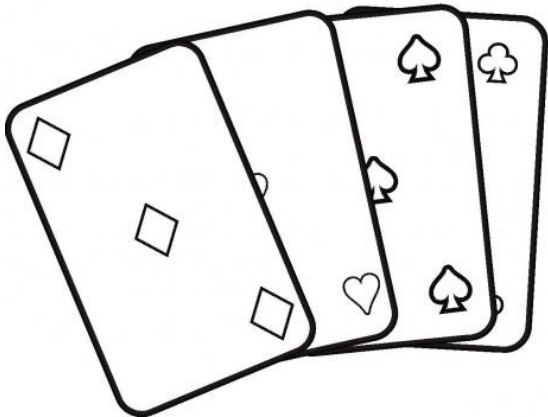


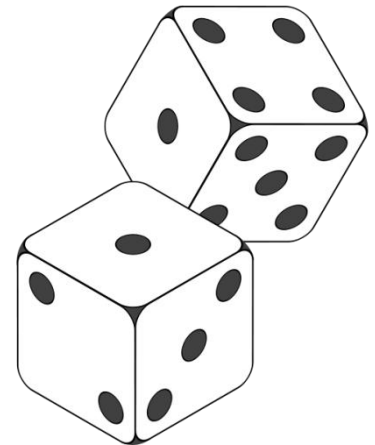
Internet Gambling: A Legislative Update

Prepared for the National Council of Legislative Gaming States Winter Meeting

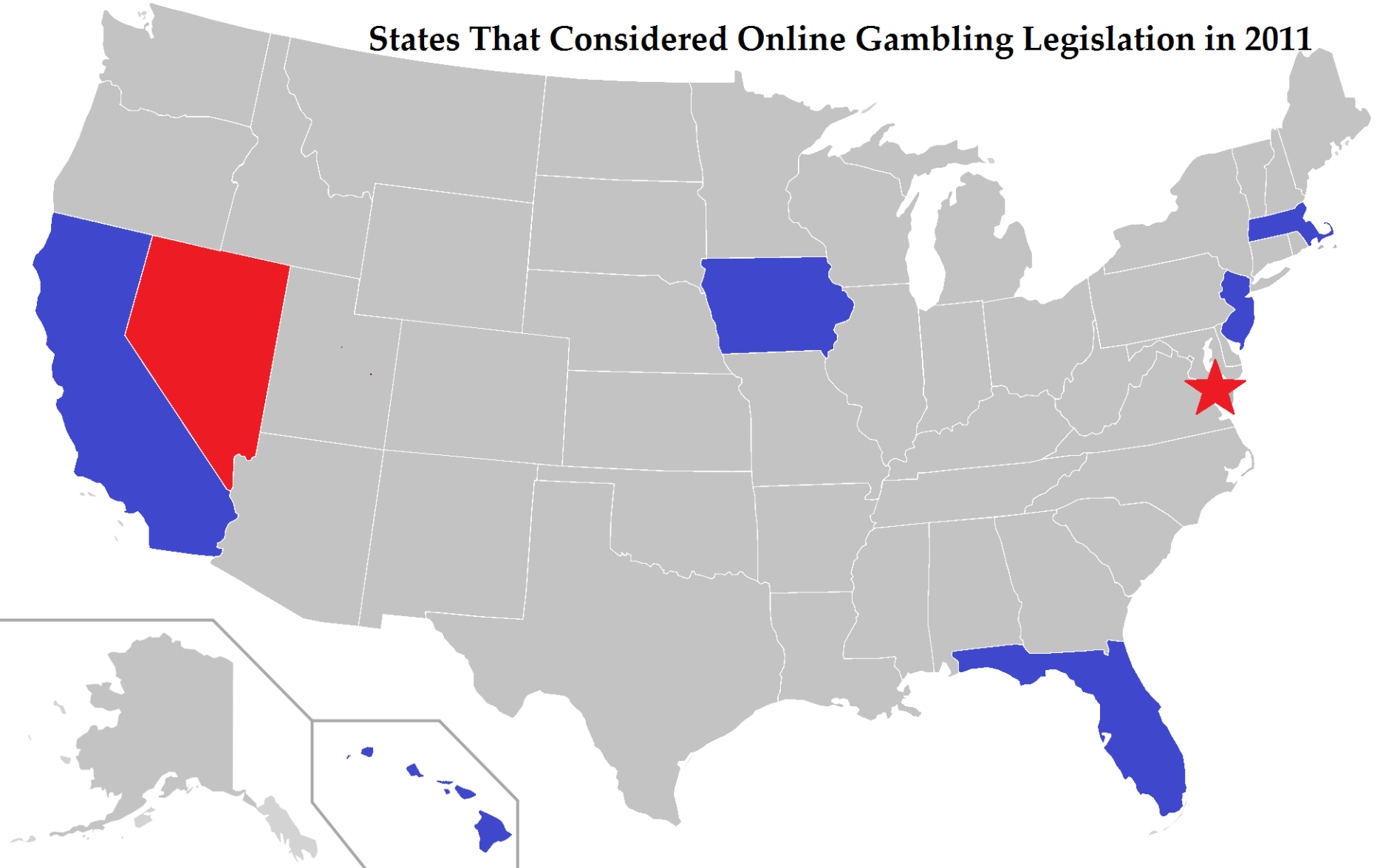
January 6, 2012



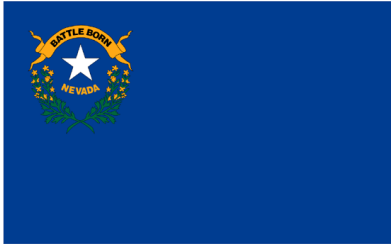
GamblingCompliance



States That Considered Online Gambling Legislation in 2011



The Nevada and District of Columbia Models



- ❖ Licensing of Commercial Operators
- ❖ Not Limited to Intrastate Licensing
- ❖ Poker Only (for now)



- ❖ Regulated and Operated by the Lottery
- ❖ Intrastate Only
- ❖ Games of Skill and Chance: Poker, Bingo, Blackjack, online instant tickets

Trends in State Consideration of Internet Gaming

- Poker v. Other Types of Gaming
- Player Protection Measures
- Taxation
- Licensing and Operation Requirements
- Government v. Commercial Operations
- Interstate Contemplation

Progression of Federal Internet Gaming Legislation

- ✓ Three Bills Introduced to date in the 112th Session of Congress
 - ✓ H.R. 1174
 - ✓ H.R. 2330
 - ✓ H.R. 2366

- ✓ Two Informational Hearings in the Subcommittee on Commerce, Manufacturing and Trade
 - ✓ October 25, 2011
 - ✓ November 18, 2011
 - ✓ Additional hearing(s) in 2012

The Effect of the DoJ Wire Act Opinion

Federal law does not prohibit state-run lotteries in Illinois and New York from using the Internet to sell tickets to in-state adults where the Internet transmission may cross state lines or where the lottery transmits data to an out-of-state transaction provider because the Wire Act only applies to interstate transmissions of wire communications relating to a 'sporting event or contest.'

- Green Light for intrastate gaming measures
- Intrastate sports betting still prohibited
- Online lottery ticket sales
- Interstate possibilities
- Potential federal legislation

Thank You!

For a copy of this presentation or an explanation of the underlying material please feel free to contact me on the details below.

Jennifer M. Webb, Esq.
jennifer@gamblingcompliance.com

www.gamblingcompliance.com
www.gamblingdata.com

United States

1250 Connecticut Ave, NW, Suite 200
Washington, DC 20036
(202) 261-3542



United Kingdom

91 Waterloo Road
SE1 8RT London
+44(0)207 921 9980



Argentina

Pedro Conde 1940
1428 DAD Capital Federal
Buenos Aires
+54 11 4552 2179



Australia

33/110 Kingsway
Woolooware
Australia 2230
+61(0)450 182 983

