

Opening Statement of Ranking Member Bachus, Full Committee Markup, H.R. 5767, the Payment Systems Protection Act

June 24, 2008

Thank you, Chairman Frank, for convening today's mark-up. I will confine my opening remarks to one measure to which I am particularly opposed - legislation to block regulatory implementation of the Unlawful Internet Gambling Enforcement Act (UIGEA).

This legislation is not about anyone's opinion or moral beliefs about gambling. It is about the violation of our laws - crimes.

Some claim that illegal Internet gambling is a victimless crime. But whatever else is said about it, it is a crime and its most vulnerable victims are the young people who by the tens of thousands it exposes to the risk of becoming compulsive, addictive gamblers. Study after study shows that the earlier one begins gambling, the more likely he or she will become a problem gambler. Exposing children to gambling in their bedrooms and dorm rooms at a young age dramatically increases that risk.

The harmful effects of illegal Internet gambling have been confirmed by study after study, done by such institutions as the Harvard Medical School, the University of Connecticut Health Center, the University of Pennsylvania, the University of South Florida and the American Psychiatric Association.

Especially troubling is a study by McGill University found that nearly one-third of teenage compulsive gamblers attempted suicide.

Compulsive problem gambling - particularly among young people - has repeatedly been shown to result in the following:

- Increased withdrawal from normal activities;
- Turning to criminal activities to recoup financial losses;
- Taking drugs to deal with depression, and increased suicides;
- Irresponsible behavior, leading to familial and other relationship problems.

Since the enactment of UIGEA, the large operators in the internet gambling industry have pulled out of the U.S. market. According to the Annenberg Public Policy Center, weekly use of the Internet for gambling among college-age youth declined precipitously in 2007, dropping to only a quarter of what it was in previous years. "The strong drop in use of Internet sites suggests that federal legislation restricting the transfer of funds to Internet gambling sites has had its

intended effect," the director of the Annenberg survey said.

These offshore online casinos openly and flagrantly violate the law by operating in the United States. Every State in this union has a prohibition against this type of gambling. Those who seek to legalize Internet gambling should go to the state legislatures if they want to repeal these laws.

Until the laws are changed, our choice is between a criminal enterprise that knowingly and willfully violates our federal law and the laws of all fifty states, and the youth of our country. An easy choice for me.

For all of these reasons, this Committee should oppose H.R. 5767 and any amendments designed to delay or prevent implementation of meaningful regulations to stop illegal Internet gambling.

I look forward to the debate and yield back the balance of my time.

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