

108TH CONGRESS
1ST SESSION

S. _____

IN THE SENATE OF THE UNITED STATES

_____ introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To prevent the use of certain payment instruments, credit cards, and fund transfers for unlawful Internet gambling, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Unlawful Internet
5 Gambling Funding Prohibition Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds that—

8 (1) Internet gambling is primarily funded
9 through personal use of payment system instru-
10 ments, credit cards, and wire transfers;

1 (2) the National Gambling Impact Study Com-
2 mission in 1999 recommended the passage of legisla-
3 tion to prohibit wire transfers to Internet gambling
4 sites or the banks which represent them;

5 (3) Internet gambling is a growing cause of
6 debt collection problems for insured depository insti-
7 tutions and the consumer credit industry;

8 (4) Internet gambling conducted through off-
9 shore jurisdictions has been identified by United
10 States law enforcement officials as a significant
11 money laundering vulnerability;

12 (5) gambling through the Internet, which has
13 grown rapidly in the half-decade preceding the en-
14 actment of this Act, opens up the possibility of im-
15 mediate, individual, 24-hour access in every home to
16 the full range of wagering opportunities on sporting
17 events or casino-like contests, such as roulette, slot
18 machines, poker, or black-jack; and

19 (6) the extent to which gambling is permitted
20 and regulated in the United States has been pri-
21 marily a matter for determination by individual
22 States and, if applicable, Indian tribes, with Federal
23 law serving to prevent interstate or other attempts
24 to evade or avoid such determinations.

1 **SEC. 3. PROHIBITION ON ACCEPTANCE OF ANY PAYMENT**
2 **SYSTEM INSTRUMENT, CREDIT CARD, OR**
3 **FUND TRANSFER FOR UNLAWFUL INTERNET**
4 **GAMBLING.**

5 Chapter 53 of title 31, United States Code, is amend-
6 ed by adding at the end the following:

7 “SUBCHAPTER IV—FUNDING OF ILLEGAL
8 INTERNET GAMBLING

9 “§ 5361. **Definitions**

10 “For purposes of this subchapter, the following defi-
11 nitions shall apply:

12 “(1) **BET OR WAGER.**—The term ‘bet or
13 wager’—

14 “(A) means the staking or risking by any
15 person of something of value upon the outcome
16 of a contest of others, a sporting event, or a
17 game subject to chance, upon an agreement or
18 understanding that the person or another per-
19 son will receive something of value in the event
20 of a certain outcome;

21 “(B) includes the purchase of a chance or
22 opportunity to win a lottery or other prize
23 (which opportunity to win is predominantly sub-
24 ject to chance);

1 “(C) includes any scheme of a type de-
2 scribed in section 3702 of title 28, United
3 States Code;

4 “(D) includes any instructions or informa-
5 tion pertaining to the establishment or move-
6 ment of funds in, to, or from an account by the
7 bettor or customer with regard to the business
8 of betting or wagering; and

9 “(E) does not include—

10 “(i) any activity governed by the secu-
11 rities laws (as that term is defined in sec-
12 tion 3(a)(47) of the Securities Exchange
13 Act of 1934) for the purchase or sale of se-
14 curities (as that term is defined in section
15 3(a)(10) of such Act);

16 “(ii) any transaction conducted on or
17 subject to the rules of a registered entity
18 or exempt board of trade pursuant to the
19 Commodity Exchange Act;

20 “(iii) any over-the-counter derivative
21 instrument;

22 “(iv) any other transaction that—

23 “(I) is excluded or exempt from
24 regulation under the Commodity Ex-
25 change Act; or

1 “(II) is exempt from State gam-
2 ing or bucket shop laws under section
3 12(e) of the Commodity Exchange Act
4 or section 28(a) of the Securities Ex-
5 change Act of 1934;

6 “(v) any contract of indemnity or
7 guarantee;

8 “(vi) any contract for insurance;

9 “(vii) any deposit or other transaction
10 with an insured institution;

11 “(viii) any participation in a simula-
12 tion sports game, or an educational game
13 or contest, that—

14 “(I) is not dependent solely on
15 the outcome of any single sporting
16 event or nonparticipant’s singular in-
17 dividual performance in any single
18 sporting event;

19 “(II) has an outcome that re-
20 flects the relative knowledge and skill
21 of the participants, with such outcome
22 determined predominantly by accumu-
23 lated statistical results of sporting
24 events; and

1 “(III) offers a prize or award to
2 a participant that is established in ad-
3 vance of the game or contest and is
4 not determined by the number of par-
5 ticipants or the amount of any fees
6 paid by those participants; or

7 “(ix) any lawful transaction with a
8 business licensed or authorized by a State.

9 “(2) BUSINESS OF BETTING OR WAGERING.—

10 The term ‘business of betting or wagering’ does not
11 include, other than for purposes of section 5366, any
12 creditor, credit card issuer, insured institution, or
13 other financial institution, operator of a terminal at
14 which an electronic fund transfer may be initiated,
15 money transmitting business, or international, na-
16 tional, regional, or local network utilized to effect a
17 credit transaction, electronic fund transfer, stored
18 value product transaction, or money transmitting
19 service, or any participant in such network, or any
20 interactive computer service or telecommunications
21 service.

22 “(3) DESIGNATED PAYMENT SYSTEM.—The
23 term ‘designated payment system’ means any system
24 utilized by any creditor, credit card issuer, financial
25 institution, operator of a terminal at which an elec-

1 tronic fund transfer may be initiated, money trans-
2 mitting business, or international, national, regional,
3 or local network utilized to effect a credit trans-
4 action, electronic fund transfer, stored value product
5 transaction, or money transmitting service, or any
6 participant in such network, that the Secretary, in
7 consultation with the Board of Governors of the
8 Federal Reserve System and the Attorney General of
9 the United States, determines, by regulation or
10 order, could be utilized in connection with, or to fa-
11 cilitate, any restricted transaction.

12 “(4) INTERNET.—The term ‘Internet’ means
13 the international computer network of interoperable
14 packet switched data networks.

15 “(5) INTERACTIVE COMPUTER SERVICE.—The
16 term ‘interactive computer service’ has the same
17 meaning as in section 230(f) of the Communications
18 Act of 1934.

19 “(6) OFFICE.—The term ‘Office’ means the Of-
20 fice of Electronic Funding Oversight, established
21 under section 5362.

22 “(7) RESTRICTED TRANSACTION.—The term
23 ‘restricted transaction’ means any transaction or
24 transmittal involving any credit, funds, instrument,
25 or proceeds described in any paragraph of section

1 5363 which the recipient is prohibited from accept-
2 ing under section 5363.

3 “(8) SECRETARY.—The term ‘Secretary’ means
4 the Secretary of the Treasury.

5 “(9) UNLAWFUL INTERNET GAMBLING.—The
6 term ‘unlawful Internet gambling’ means the plac-
7 ing, receipt, or other transmission of a bet or wager
8 by any means which involves the use, at least in
9 part, of the Internet, where such bet or wager is un-
10 lawful under any applicable Federal or State law in
11 the State in which the bet or wager is initiated, re-
12 ceived, or otherwise made.

13 “(10) OTHER TERMS.—

14 “(A) CREDIT; CREDITOR; CREDIT CARD;
15 AND CARD ISSUER.—The terms ‘credit’, ‘cred-
16 itor’, ‘credit card’, and ‘card issuer’ have the
17 same meanings as in section 103 of the Truth
18 in Lending Act.

19 “(B) ELECTRONIC FUND TRANSFER.—The
20 term ‘electronic fund transfer’—

21 “(i) has the same meaning as in sec-
22 tion 903 of the Electronic Fund Transfer
23 Act, except that such term includes trans-
24 fers that would otherwise be excluded
25 under section 903(6)(E) of that Act; and

1 “(ii) includes any fund transfer cov-
2 ered by Article 4A of the Uniform Com-
3 mercial Code, as in effect in any State.

4 “(C) FINANCIAL INSTITUTION.—The term
5 ‘financial institution’ has the same meaning as
6 in section 903 of the Electronic Fund Transfer
7 Act, except that such term does not include a
8 casino, sports book, or other business at or
9 through which bets or wagers may be placed or
10 received.

11 “(D) INSURED INSTITUTION.—The term
12 ‘insured institution’ means—

13 “(i) an insured depository institution,
14 as defined in section 3 of the Federal De-
15 posit Insurance Act; and

16 “(ii) an insured credit union, as de-
17 fined in section 101 of the Federal Credit
18 Union Act.

19 “(E) MONEY TRANSMITTING BUSINESS
20 AND MONEY TRANSMITTING SERVICE.—The
21 terms ‘money transmitting business’ and
22 ‘money transmitting service’ have the same
23 meanings as in section 5330(d) (determined
24 without regard to any regulations issued by the
25 Secretary thereunder).

1 **“§ 5362. Office of electronic funding oversight; poli-**
2 **cies and procedures to identify and pre-**
3 **vent restricted transactions**

4 “(a) ESTABLISHMENT OF TREASURY OFFICE.—

5 “(1) IN GENERAL.—There is established within
6 the Department of the Treasury, the Office of Elec-
7 tronic Funding Oversight, the purposes of which
8 are—

9 “(A) to coordinate Federal efforts to pro-
10 hibit restricted transactions; and

11 “(B) otherwise to carry out the duties of
12 the Office, as specified in this subchapter.

13 “(2) DIRECTOR.—The Office shall be headed by
14 a Director, appointed by the Secretary. The director
15 of the Office may serve as the designee of the Sec-
16 retary, at the request of the Secretary, for any pur-
17 pose under this subchapter.

18 “(b) REGULATIONS.—Not later than 6 months after
19 the date of enactment of this subchapter, the Office, in
20 consultation with the Board of Governors of the Federal
21 Reserve System and the Attorney General of the United
22 States, shall prescribe regulations requiring any des-
23 ignated payment system, and all participants therein, to
24 establish policies and procedures reasonably designed to
25 identify and prevent restricted transactions through the
26 establishment of policies and procedures that—

1 “(1) allow the payment system and any person
2 involved in the payment system to identify restricted
3 transactions by means of codes in authorization mes-
4 sages or by other means;

5 “(2) block restricted transactions identified as a
6 result of the policies and procedures developed pur-
7 suant to paragraph (1); and

8 “(3) prevent the acceptance of the products or
9 services of the payment system in connection with a
10 restricted transaction.

11 “(c) REQUIREMENTS FOR POLICIES AND PROCE-
12 DURES.—In prescribing regulations pursuant to sub-
13 section (b), the Office shall—

14 “(1) identify types of policies and procedures,
15 including nonexclusive examples, which would be
16 deemed to be ‘reasonably designed to identify’ and
17 ‘reasonably designed to block’ or to ‘prevent the ac-
18 ceptance of the products or services’ with respect to
19 each type of transaction, such as, should credit card
20 transactions be so designated, identifying trans-
21 actions by a code or codes in the authorization mes-
22 sage and denying authorization of a credit card
23 transaction in response to an authorization message;

24 “(2) to the extent practical, permit any partici-
25 pant in a payment system to choose among alter-

1 native means of identifying and blocking, or other-
2 wise preventing the acceptance of the products or
3 services of the payment system or participant in con-
4 nection with, restricted transactions; and

5 “(3) consider exempting restricted transactions
6 from any requirement imposed under such regula-
7 tions, if the Office finds that it is not reasonably
8 practical to identify and block, or otherwise prevent,
9 such transactions.

10 “(d) COMPLIANCE WITH PAYMENT SYSTEM POLI-
11 CIES AND PROCEDURES.—A creditor, credit card issuer,
12 financial institution, operator of a terminal at which an
13 electronic fund transfer may be initiated, money transmit-
14 ting business, or international, national, regional, or local
15 network utilized to effect a credit transaction, electronic
16 fund transfer, stored value product transaction, or money
17 transmitting service, or a participant in such network,
18 shall be considered to be in compliance with the regula-
19 tions prescribed under subsection (b), if—

20 “(1) such person relies on and complies with
21 the policies and procedures of a designated payment
22 system of which it is a member or participant—

23 “(A) to identify and block restricted trans-
24 actions; or

1 “(B) to otherwise prevent the acceptance
2 of the products or services of the payment sys-
3 tem, member, or participant in connection with
4 restricted transactions; and

5 “(2) such policies and procedures of the des-
6 ignated payment system comply with the require-
7 ments of regulations prescribed under subsection
8 (b).

9 “(e) NO LIABILITY FOR BLOCKING OR REFUSING TO
10 HONOR RESTRICTED TRANSACTIONS.—A person that is
11 subject to a regulation prescribed or order issued under
12 this subchapter and blocks, or otherwise refuses to honor,
13 a restricted transaction, or as a member of a designated
14 payment system relies on the policies and procedures of
15 the payment system, in an effort to comply with regula-
16 tions prescribed under this section, shall not be liable to
17 any party for such action.

18 “(f) REGULATORY ENFORCEMENT.—Regulations
19 issued by the Office under this subchapter shall be en-
20 forced by the Federal functional regulators and the Fed-
21 eral Trade Commission, in the manner provided in section
22 505(a) of the Gramm-Leach-Bliley Act.

1 **“§ 5363. Prohibition on acceptance of any bank in-**
2 **strument for unlawful internet gambling**

3 “No person engaged in the business of betting or wa-
4 gering may knowingly accept, in connection with the par-
5 ticipation of another person in unlawful Internet
6 gambling—

7 “(1) credit, or the proceeds of credit, extended
8 to or on behalf of such other person (including credit
9 extended through the use of a credit card);

10 “(2) an electronic fund transfer or funds trans-
11 mitted by or through a money transmitting business,
12 or the proceeds of an electronic fund transfer or
13 money transmitting service, from or on behalf of
14 such other person;

15 “(3) any check, draft, or similar instrument
16 which is drawn by or on behalf of such other person
17 and is drawn on or payable at or through any finan-
18 cial institution; or

19 “(4) the proceeds of any other form of financial
20 transaction, as the Secretary may prescribe by regu-
21 lation, which involves a financial institution as a
22 payor or financial intermediary on behalf of or for
23 the benefit of such other person.

24 **“§ 5364. Civil remedies**

25 “(a) JURISDICTION.—The district courts of the
26 United States shall have original and exclusive jurisdiction

1 to prevent and restrain violations of this subchapter or
2 the rules or regulations issued under this subchapter by
3 issuing appropriate orders in accordance with this section,
4 regardless of whether a prosecution has been initiated
5 under this subchapter.

6 “(b) PROCEEDINGS.—

7 “(1) INSTITUTION BY FEDERAL GOVERN-
8 MENT.—

9 “(A) IN GENERAL.—The United States,
10 acting through the Attorney General, or, in the
11 case of rules or regulations issued under this
12 subchapter, through an agency authorized to
13 enforce such regulations in accordance with this
14 subchapter, may institute proceedings under
15 this section to prevent or restrain a violation or
16 a threatened violation of this subchapter or
17 such rules or regulations.

18 “(B) RELIEF.—Upon application of the
19 United States under this paragraph, the district
20 court may enter a preliminary injunction or an
21 injunction against any person to prevent or re-
22 strain a violation or threatened violation of this
23 subchapter or the rules or regulations issued
24 under this subchapter, in accordance with rule
25 65 of the Federal Rules of Civil Procedure.

1 “(2) INSTITUTION BY STATE ATTORNEY GEN-
2 ERAL.—

3 “(A) IN GENERAL.—The attorney general
4 of a State (or other appropriate State official)
5 in which a violation of this subchapter allegedly
6 has occurred or will occur may institute pro-
7 ceedings under this section to prevent or re-
8 strain the violation or threatened violation.

9 “(B) RELIEF.—Upon application of the at-
10 torney general (or other appropriate State offi-
11 cial) of an affected State under this paragraph,
12 the district court may enter a preliminary in-
13 junction or an injunction against any person to
14 prevent or restrain a violation or threatened
15 violation of this subchapter, in accordance with
16 rule 65 of the Federal Rules of Civil Procedure.

17 “(3) INDIAN LANDS.—

18 “(A) IN GENERAL.—Notwithstanding
19 paragraphs (1) and (2), for a violation of this
20 subchapter or the rules or regulations issued
21 under this subchapter that is alleged to have oc-
22 curred, or may occur, on Indian lands (as that
23 term is defined in section 4 of the Indian Gam-
24 ing Regulatory Act)—

1 “(i) the United States shall have the
2 enforcement authority provided under
3 paragraph (1); and

4 “(ii) the enforcement authorities spec-
5 ified in an applicable Tribal-State compact
6 negotiated under section 11 of the Indian
7 Gaming Regulatory Act shall be carried
8 out in accordance with that compact.

9 “(B) RULE OF CONSTRUCTION.—No provi-
10 sion of this subchapter shall be construed as al-
11 tering, superseding, or otherwise affecting the
12 application of the Indian Gaming Regulatory
13 Act.

14 “(c) EXPEDITED PROCEEDINGS.—In addition to any
15 proceeding under subsection (b), a district court may, in
16 exigent circumstances, enter a temporary restraining
17 order against a person alleged to be in violation of this
18 subchapter or the rules or regulations issued under this
19 subchapter, upon application of the United States under
20 subsection (b)(1), or the attorney general (or other appro-
21 priate State official) of an affected State under subsection
22 (b)(2), in accordance with rule 65(b) of the Federal Rules
23 of Civil Procedure.

24 “(d) LIMITATION RELATING TO INTERACTIVE COM-
25 PUTER SERVICES.—

1 “(1) IN GENERAL.—Relief granted under this
2 section against an interactive computer service
3 shall—

4 “(A) be limited to the removal of, or dis-
5 abling of access to, an online site violating this
6 subchapter, or a hypertext link to an online site
7 violating this subchapter, that resides on a com-
8 puter server that such service controls or oper-
9 ates, except that the limitation in this subpara-
10 graph shall not apply if the service is subject to
11 liability under this section pursuant to section
12 5366;

13 “(B) be available only after notice to the
14 interactive computer service and an opportunity
15 for the service to appear are provided;

16 “(C) not impose any obligation on an
17 interactive computer service to monitor its serv-
18 ice or to affirmatively seek facts indicating ac-
19 tivity violating this subchapter;

20 “(D) specify the interactive computer serv-
21 ice to which it applies; and

22 “(E) specifically identify the location of the
23 online site or hypertext link to be removed or
24 access to which is to be disabled.

1 “(2) COORDINATION WITH OTHER LAW.—An
2 interactive computer service that does not violate
3 this subchapter shall not be liable under section
4 1084 of title 18, United States Code, except that the
5 limitation in this paragraph shall not apply if an
6 interactive computer service has actual knowledge
7 and control of bets and wagers and—

8 “(A) operates, manages, supervises, or di-
9 rects an Internet website at which unlawful bets
10 or wagers may be placed, received, or otherwise
11 made or at which unlawful bets or wagers are
12 offered to be placed, received, or otherwise
13 made; or

14 “(B) owns or controls, or is owned or con-
15 trolled by, any person who operates, manages,
16 supervises, or directs an Internet website at
17 which unlawful bets or wagers may be placed,
18 received, or otherwise made, or at which unlaw-
19 ful bets or wagers are offered to be placed, re-
20 ceived, or otherwise made.

21 “(3) RULE OF CONSTRUCTION.—The provisions
22 of paragraph (2) do not affect any potential liability
23 of an interactive computer service or other person
24 under any provision of title 18, United States Code,
25 other than as specifically provided in paragraph (2).

1 “(e) FACTORS TO BE CONSIDERED IN CERTAIN
2 CASES.—In considering granting relief under this section
3 against any payment system, or any participant in a pay-
4 ment system that is a creditor, credit card issuer, financial
5 institution, operator of a terminal at which an electronic
6 fund transfer may be initiated, money transmitting busi-
7 ness, or international, national, regional, or local network
8 utilized to effect a credit transaction, electronic fund
9 transfer, stored value product transaction, or money
10 transmitting service, or a participant in such network, the
11 court shall consider—

12 “(1) the extent to which the person extending
13 credit or transmitting funds knew or should have
14 known that the transaction was in connection with
15 unlawful Internet gambling;

16 “(2) the history of such person in extending
17 credit or transmitting funds when such person knew
18 or should have known that the transaction is in con-
19 nection with unlawful Internet gambling;

20 “(3) the extent to which such person has estab-
21 lished and is maintaining policies and procedures in
22 compliance with rules and regulations issued under
23 this subchapter;

24 “(4) the extent to which it is feasible for any
25 specific remedy prescribed as part of such relief to

1 be implemented by such person without substantial
2 deviation from normal business practice; and

3 “(5) the costs and burdens that the specific
4 remedy will have on such person.

5 “(f) NOTICE TO REGULATORS AND FINANCIAL INSTI-
6 TUTIONS.—Before initiating any proceeding under sub-
7 section (b) with respect to a violation or potential violation
8 of this subchapter or the rules or regulations issued under
9 this subchapter by any creditor, credit card issuer, finan-
10 cial institution, operator of a terminal at which an elec-
11 tronic fund transfer may be initiated, money transmitting
12 business, or international, national, regional, or local net-
13 work utilized to effect a credit transaction, electronic fund
14 transfer, stored value product transaction, or money
15 transmitting service, or any participant in such network,
16 the Attorney General of the United States, an attorney
17 general of a State (or other appropriate State official), or
18 an agency authorized to initiate such proceeding under
19 this subchapter, shall—

20 “(1) notify such person, and the appropriate
21 regulatory agency (as determined in accordance with
22 section 5362(f) for such person) of such violation or
23 potential violation and the remedy to be sought in
24 such proceeding; and

1 “(2) allow such person 30 days to implement a
2 reasonable remedy for the violation or potential vio-
3 lation, consistent with the factors described in sub-
4 section (e), and in conjunction with such action as
5 the appropriate regulatory agency may take.

6 **“§ 5365. Criminal penalties**

7 “(a) IN GENERAL.—Whoever violates this subchapter
8 or the rules or regulations issued under this subchapter
9 shall be fined under title 18, United States Code, or im-
10 prisoned for not more than 5 years, or both.

11 “(b) PERMANENT INJUNCTION.—Upon conviction of
12 a person under this section, the court may enter a perma-
13 nent injunction enjoining such person from placing, receiv-
14 ing, or otherwise making bets or wagers or sending, receiv-
15 ing, or inviting information assisting in the placing of bets
16 or wagers.

17 **“§ 5366. Circumventions prohibited**

18 “Notwithstanding section 5361(2), a creditor, credit
19 card issuer, financial institution, operator of a terminal
20 at which an electronic fund transfer may be initiated,
21 money transmitting business, or international, national,
22 regional, or local network utilized to effect a credit trans-
23 action, electronic fund transfer, stored value product
24 transaction, or money transmitting service, or any partici-
25 pant in such network, or any interactive computer service

1 or telecommunications service, may be liable under this
2 subchapter if such creditor, issuer, institution, operator,
3 business, network, or participant has actual knowledge
4 and control of bets and wagers, and—

5 “(1) operates, manages, supervises, or directs
6 an Internet website at which unlawful bets or wagers
7 may be placed, received, or otherwise made, or at
8 which unlawful bets or wagers are offered to be
9 placed, received, or otherwise made; or

10 “(2) owns or controls, or is owned or controlled
11 by, any person who operates, manages, supervises,
12 or directs an Internet website at which unlawful bets
13 or wagers may be placed, received, or otherwise
14 made, or at which unlawful bets or wagers are of-
15 fered to be placed, received, or otherwise made.”.

16 **SEC. 4. INTERNET GAMBLING IN OR THROUGH FOREIGN**
17 **JURISDICTIONS.**

18 (a) IN GENERAL.—In deliberations between the
19 United States Government and any other country on
20 money laundering, corruption, and crime issues, the
21 United States Government should—

22 (1) encourage cooperation by foreign govern-
23 ments and relevant international fora in identifying
24 whether Internet gambling operations are being used
25 for money laundering, corruption, or other crimes;

1 (2) advance policies that promote the coopera-
2 tion of foreign governments, through information
3 sharing or other measures, in the enforcement of
4 this Act and the amendments made by this Act; and

5 (3) encourage the Financial Action Task Force
6 on Money Laundering, in its annual report on
7 money laundering typologies, to study the extent to
8 which Internet gambling operations are being used
9 for money laundering purposes.

10 (b) REPORT REQUIRED.—The Secretary of the
11 Treasury shall submit an annual report to Congress on
12 any deliberations between the United States and other
13 countries on issues relating to Internet gambling.

14 **SEC. 5. AMENDMENTS TO CRIMINAL GAMBLING PROVI-**
15 **SIONS.**

16 (a) AMENDMENT TO DEFINITION.—Section 1081 of
17 title 18, United States Code, is amended—

18 (1) by designating the five undesignated para-
19 graphs that begin with “The term” as paragraphs
20 (1) through (5), respectively; and

21 (2) in paragraph (5), as so designated—

22 (A) by striking “wire communication” and
23 inserting “communication”;

24 (B) by inserting “satellite, microwave,”
25 after “cable,”; and

1 (C) by inserting “(whether fixed or mo-
2 bile)” after “connection”.

3 (b) INCREASE IN PENALTY FOR UNLAWFUL WIRE
4 TRANSFERS OF WAGERING INFORMATION.—Section
5 1084(a) of title 18, United States Code, is amended by
6 striking “two years” and inserting “5 years”.