

Crime In The Suites

An Analysis of Current Issues in White Collar Defense



Barney Frank's Advice to Poker Players After 'Black Friday'

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In the wake of the catastrophic consequences of last month's "Black Friday" for online poker players in the United States, many players are wondering about their next step. Pocketfives.com recently interviewed Congressman Barney Frank and although he agreed that is "difficult to figure out what to do," he still had some concrete advice for the online poker player universe.

Frank felt that the events of Black Friday would actually benefit the efforts to legalize online poker because they show that the Unlawful Internet Gambling Enforcement Act (UIGEA) is "actively enforced," thus debunking the contention of some opponents of legal gambling that the UIGEA is a toothless law. Further, the extensive investigation before Black Friday shows that the enforcement of UIGEA regulations is "tying up law enforcement resources," particularly in the Southern District of New York, where one would hope there would be more focus on traditional white-collar crime.

Frank also lamented the substantial burdens placed on banks to regulate their customers under UIGEA and the high cost of that regulation. He also expressed surprise that many of his congressional colleagues who so enthusiastically wish to limit government involvement in the economy are so willing to limit people's online freedom by effectively prohibiting them from playing online poker. Frank was also concerned that the United States was committing a WTO violation by prohibiting online gaming, particularly because the United States "allows gambling in some ways but not others" since you can "bet on horse races . . . go to Nevada, go to New Jersey" but cannot gamble in your own home through foreign companies.

Frank therefore advised that online poker players who are rightfully outraged about their inability to play the game should "write to your Senators and Representatives" to express their views on legalizing online gaming by repealing UIGEA and should also mention that it is a strong factor in deciding their votes in the next election. He stressed that people underestimate the power of voters writing to their congressional representatives and how much the letters can influence the representatives' voting decisions. He said that the battle to legalize online gaming can still be won, but it requires everyone to take the time to write to their congressional representatives and if they do, then "we'll win it."

Crime in the Suites is authored by the <u>Ifrah Law Firm</u>, a Washington DC-based law firm specializing in the defense of government investigations and litigation. Our client base spans many regulated industries, particularly e-business, e-commerce, government contracts, gaming and healthcare.

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