

### H.R.3125 (died on suspension 7/17,00)

(1) **IN GENERAL.**-Subject to paragraph (2), the prohibition in this section **does not apply to:**

(A) any otherwise lawful bet or wager that is placed and received, or otherwise made wholly intrastate for a State lottery, or for a multi-State lottery operated jointly between 2 or more States in conjunction with State lotteries if--

(i) each such lottery is expressly authorized, and licensed or regulated, under applicable State law;

(ii) the bet or wager is placed on an interactive computer service that uses a private network or a closed-loop subscriber based service regulated and operated by the State lottery or its expressly designated agent for such activity;

(iii) each person placing or otherwise making that bet or wager is physically located when such bet or wager is placed at a facility that is open to the general public; and

(iv) each such lottery complies with sections 1301 through 1304, and other applicable provisions of Federal law;

(B) any otherwise lawful State-regulated parimutuel wagering activities on live horse or dog racing, or live jai alai, conducted on a closed-loop subscriber-based system, provided that the type of wagering activity has been authorized by the State.

(C) any otherwise lawful bet or wager (other than a bet or wager described in subparagraph (A)) that is placed, received, or otherwise made wholly intrastate, if such bet or wager, or the transmission of such information, as applicable is--

(i) expressly authorized, and licensed or regulated by the State in which such bet or wager is initiated and received, under applicable Federal and such State's laws; and

(ii) placed on a closed-loop subscriber based service; or

(D) any otherwise lawful bet or wager (other than a bet or wager in any class III game conducted by a tribe that is not explicitly authorized by an applicable tribal-State compact between that tribe and the State where the tribe is located) that is--

(i) placed on a closed-loop subscriber based service or a private network; and

(ii) is lawfully received by a federally recognized Indian tribe, or the sending, receiving, or inviting of information assisting in the placing of any such bet or wager, if the game is permitted under and conducted in accordance with the Indian Gaming Regulatory Act, so long as each person placing, receiving, or otherwise making such a bet or wager, or transmitting such information, is physically located on Indian lands (as that term is defined in section 4 of the Indian Gaming Regulatory Act) when such person places, receives, or otherwise makes the bet or wager.

### H.R. 556 (passed voice vote 10/1/02)

(b) **DEFINITIONS.**- For purposes of this Act, the following definitions shall apply:

(1) **BETS OR WAGERS.**- The term `bets or wagers'--

(E) **does not include--**

(i) any activity governed by the securities laws (as that term is defined in section 3(a)(47) of the Securities Exchange Act of 1934) for the purchase or sale of securities (as that term is defined in section 3(a)(10) of such Act);

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

(iii) any over-the-counter derivative instrument;

(iv) any other transaction that--

(I) is excluded or exempt from regulation under the Commodity Exchange Act; or

(II) is exempt from State gaming or bucket shop laws under section 12(e) of the Commodity Exchange Act or section 28(a) of the Securities Exchange Act of 1934;

(v) any contract of indemnity or guarantee;

(vi) any contract for insurance;

(vii) any deposit or other transaction with a depository institution (as defined in section 3(c) of the Federal Deposit Insurance Act);

(viii) any participation in a simulation sports game or an educational game or contest that--

(I) is not dependent solely on the outcome of any single sporting event or nonparticipant's singular individual performance in any single sporting event;

(II) has an outcome that reflects the relative knowledge and skill of the participants with such outcome determined predominantly by accumulated statistical results of sporting events; and

(III) offers a prize or award to a participant that is established in advance of the game or contest and is not determined by the number of participants or the amount of any fees paid by those participants; and

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

### H.R. 2143 (Financial Services reported '03)

SEC. 4. **DEFINITIONS.**

(2) **BETS OR WAGERS.**- The term `bets or wagers'--

(E) **does not include--**

(i) any activity governed by the securities laws (as that term is defined in section 3(a)(47) of the Securities Exchange Act of 1934) for the purchase or sale of securities (as that term is defined in section 3(a)(10) of such Act);

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

(iii) any over-the-counter derivative instrument;

(iv) any other transaction that--

(I) is excluded or exempt from regulation under the Commodity Exchange Act; or

(II) is exempt from State gaming or bucket shop laws under section 12(e) of the Commodity Exchange Act or section 28(a) of the Securities Exchange Act of 1934;

(v) any contract of indemnity or guarantee;

(vi) any contract for insurance;

(vii) any deposit or other transaction with a depository institution (as defined in section 3(c) of the Federal Deposit Insurance Act);

(viii) any participation in a simulation sports game or an educational game or contest that--

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(III) offers a prize or award to a participant that is established in advance of the game or contest and is not determined by the number of participants or the amount of any fees paid by those participants; and

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

**Comparison of 106<sup>th</sup>,  
107<sup>th</sup>, & 108<sup>th</sup> Congress'  
Internet Gambling Bills**

## **H.R. 21 (Judiciary Amended and Reported 2003)**

(b) DEFINITIONS- For purposes of this Act, the following definitions shall apply:

(1) BETS OR WAGERS- The term `bets or wagers'--

**(E) does not include--**

(i) any activity governed by the securities laws (as that term is defined in section 3(a)(47) of the Securities Exchange Act of 1934) for the purchase or sale of securities (as that term is defined in section 3(a)(10) of such Act);

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

(iii) any over-the-counter derivative instrument;

(iv) any other transaction that--

(I) is excluded or exempt from regulation under the Commodity Exchange Act; or

(II) is exempt from State gaming or bucket shop laws under section 12(e) of the Commodity Exchange Act or section 28(a) of the Securities Exchange Act of 1934;

(v) any contract of indemnity or guarantee;

(vi) any contract for insurance;

(vii) any deposit or other transaction with a depository institution (as defined in section 3(c) of the Federal Deposit Insurance Act); and

(viii) any participation in a simulation sports game or an educational game or contest that--

(I) is not dependent solely on the outcome of any single sporting event or

nonparticipant's singular individual

performance in any single sporting event;

(II) has an outcome that reflects the relative knowledge and skill of the participants with such outcome determined predominantly by accumulated statistical results of sporting events; and

(III) offers a prize or award to a participant that is established in advance of the game or contest and is not determined by the number of participants or the amount of any fees paid by those participants.

## **H.R. 2143 (Financial Services reported to floor 2003)**

SEC. 4. DEFINITIONS.

(2) BETS OR WAGERS- The term `bets or wagers'--

**(E) does not include--**

(i) any activity governed by the securities laws (as that term is defined in section 3(a)(47) of the Securities Exchange Act of 1934) for the purchase or sale of securities (as that term is defined in section 3(a)(10) of such Act);

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

(iii) any over-the-counter derivative instrument;

(iv) any other transaction that--

(I) is excluded or exempt from regulation under the Commodity Exchange Act; or

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(III) offers a prize or award to a participant that is established in advance of the game or contest and is not determined by the number of participants or the amount of any fees paid by those participants; and

**(ix) any lawful transaction with a business licensed or authorized by a State.**

### **Comparison Judiciary & Financial Services bills 2003.**

*Note: only difference is paragraph (ix)*