

Congress of the United States
Washington, DC 20515

September 25, 2009

The Honorable Timothy Geithner
Secretary of the Treasury
U.S. Department of the Treasury
1500 Pennsylvania Ave. NW
Washington, D.C. 20220

Dear Secretary Geithner:

As you are aware, on its penultimate day, the Bush Administration put into effect regulations pursuant to the Unlawful Internet Gambling Enforcement Act (UIGEA). Financial institutions and payment systems will be required to comply with those regulations by December 1st of this year.

UIGEA and its implementing regulations require financial institutions and payment processors to take certain steps to block “unlawful Internet gambling” without providing any clarity as to what that term means. This was done despite the fact that the underlying laws regarding Internet gambling (other than sports betting) are unclear.

Last year, the House Financial Services Committee reported legislation (H.R. 6870) that would have required that the Treasury Department, along with the Board of Governors of the Federal Reserve, define “unlawful Internet gambling” prior to finalizing a regulation. However, Congress adjourned before further legislative action could be taken, and, under pressure from the Bush White House, the Treasury Department and the Federal Reserve pushed through a regulation in that Administration’s closing days.

As the December 1st compliance date approaches, we are writing to express to you our concern about the uncertainty and disruption that this date is likely to cause within lawful segments of the gaming industry, as well as within the financial services sector, and to urge you to take appropriate steps to prevent this.

Though UIGEA was only intended to block payments for an ill-defined class of transactions deemed to be “unlawful Internet gambling,” it shields financial institutions from civil liability should they choose to “over-block” Internet gaming transactions – that is to block any transaction, legal or otherwise, which may be an Internet gambling transaction. Because of the lack of clarity surrounding the definition of “unlawful Internet gambling” we are concerned that the regulated community will simply choose to block all transactions that in any way resemble Internet gambling to avoid the risk of violating UIGEA.

We are aware that a petition has been filed with the Department of the Treasury and the Board of Governors of the Federal Reserve requesting a one-year delay in the compliance date of the UIGEA regulations. We believe that additional time is required to allow the regulated

community to differentiate between legal and illegal transactions and avoid the disruption that would be caused by widespread over-blocking.

We would further point out that there is considerable interest in Congress in clarifying the underlying laws governing Internet gambling, and that the House will likely consider legislation in the fall to accomplish this. We believe that it is prudent to defer the application of an unclear standard until Congress has had time to clarify it.

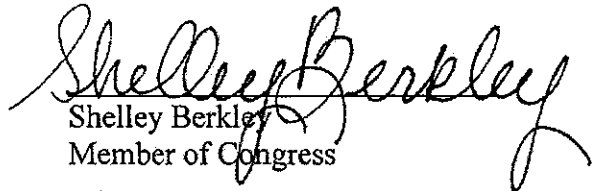
Accordingly, we are writing to urge your Department to act favorably on this petition and extend the compliance date for the UIGEA regulation. Given the vast challenges that the financial sector faces, and the far more important regulations with which they are asked to comply at this time, we believe that this delay would give the regulated community time to implement the regulation in less disruptive fashion.

We thank you for your consideration, and we look forward to your prompt response.

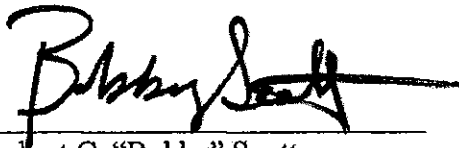
Sincerely,



Steve Cohen
Member of Congress



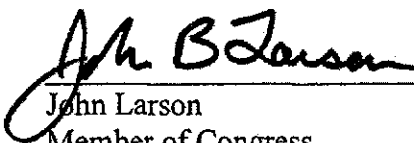
Shelley Berkley
Member of Congress



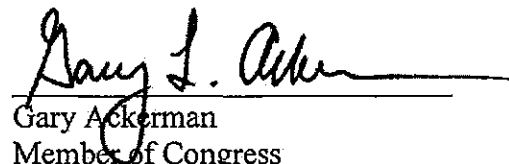
Robert C. "Bobby" Scott
Member of Congress



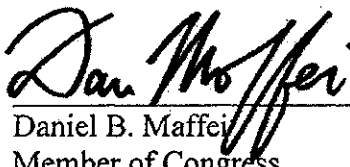
Robert Wexler
Member of Congress



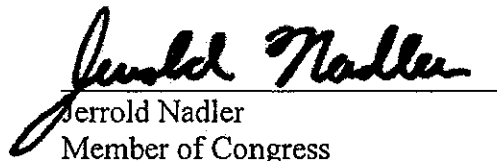
John Larson
Member of Congress



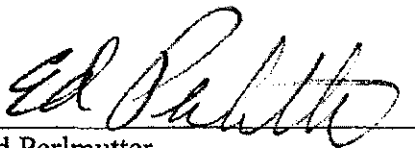
Gary Ackerman
Member of Congress



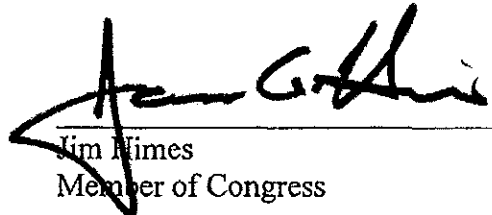
Daniel B. Maffei
Member of Congress



Jerrold Nadler
Member of Congress



Ed Perlmutter
Member of Congress




Jim Himes
Member of Congress



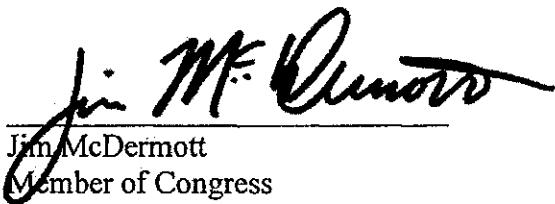
Paul Hodes
Member of Congress



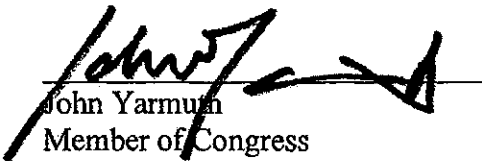
William Delahunt
Member of Congress



Joe Courtney
Member of Congress



Jim McDermott
Member of Congress



John Yarmuth
Member of Congress



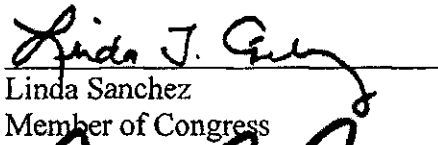
Dina Titus
Member of Congress



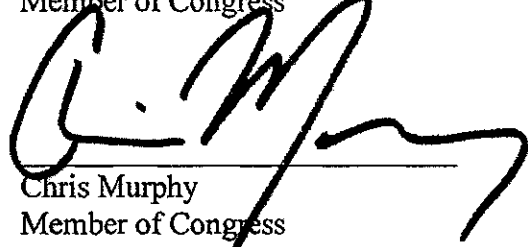
Russ Carnahan
Member of Congress



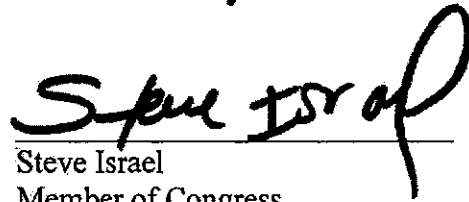
Michael McMahon
Member of Congress



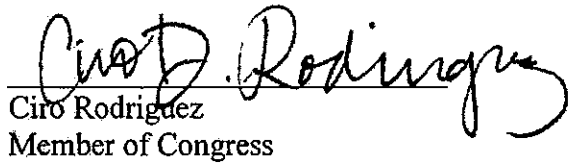
Linda Sanchez
Member of Congress



Chris Murphy
Member of Congress



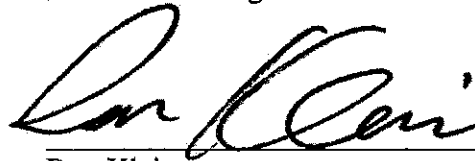
Steve Israel
Member of Congress



Ciro Rodriguez
Member of Congress



Tom Perriello
Member of Congress



Ron Klein
Member of Congress



James Moran
Member of Congress

U. S. House of Representatives
Committee on Financial Services
2129 Rayburn House Office Building
Washington, DC 20515

October 1, 2009

The Honorable Timothy Geithner
Secretary of the Treasury
U.S. Department of Treasury
1500 Pennsylvania Avenue, NW
Washington, DC 20220

The Honorable Ben S. Bernanke
Chairman
Board of Governors of the Federal Reserve System
20th and Constitution, NW
Washington, DC 20551

Dear Secretary Geithner and Chairman Bernanke:

As Members of the Financial Services Committee, we are writing to strongly urge you to use your authority under the Administrative Procedure Act to respond favorably to a petition recently filed by the National Thoroughbred Racing Association (NTRA), American Greyhound Track Operators Association (AGTOA), and Poker Players Alliance (PPA), to extend the date of compliance for the final regulations implementing the Unlawful Internet Gambling Enforcement Act (UIGEA) by one year.

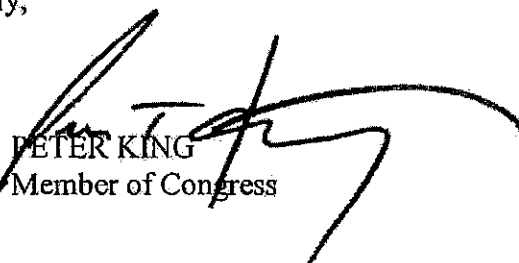
On January 19, the Federal Reserve and Treasury Department issued regulations implementing the UIGEA but this rulemaking has saddled your agencies with the implementation of the flawed statute. We realize this is not a task you requested. We also believe this is an unreasonable burden on regulators and the financial services industry at a time of economic crisis, and it contradicts the stated intent of the Financial Services Committee.

As you know, at our hearing in April 2008, the testimony of regulators and the industry indicated that it would be particularly difficult to craft workable regulations to effectively enforce the statute without having a substantial adverse effect on the payments system. Subsequently, we considered legislation (H.R. 5767, later H.R. 6870) that would prohibit the implementation of these flawed rules and replace them with a formal rulemaking process that would define the term "unlawful internet gambling," something the final rules fail to do. H.R. 6870 was then passed by the Financial Services Committee on September 16, 2008, by a vote of 30-19, but Congress adjourned before it could be considered by the full House. We have legislation currently pending (H. R. 2266) which would move the compliance date back one year to December 1, 2010. We believe this legislation is likely to move.

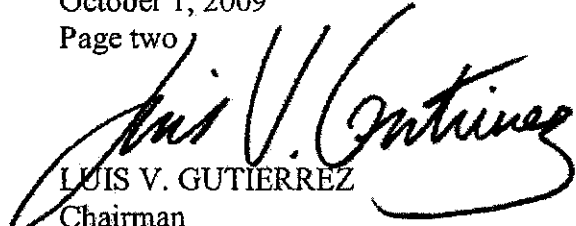
In closing, we once again strongly urge you use your authority to grant the petitioners' request for a delay in the implementation of these major and deeply flawed regulations.


Sincerely,

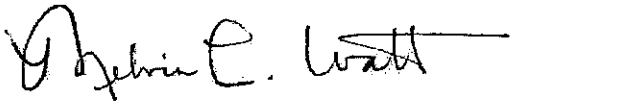

BARNEY FRANK
Chairman

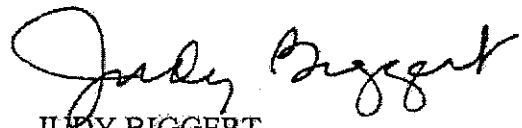

PETER KING
Member of Congress


The Honorable Timothy Geithner
The Honorable Ben S. Bernanke
October 1, 2009
Page two

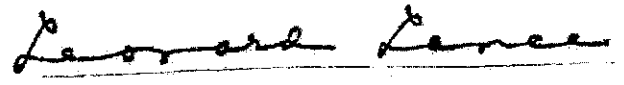

LUIS V. GUTIERREZ
Chairman
Subcommittee on Domestic Monetary
Policy and Technology

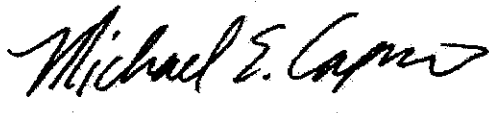

RON PAUL
Ranking Member
Subcommittee on Domestic Monetary
Policy and Technology



MELVIN L. WATT
Member of Congress
Subcommittee on Oversight and Investigations
Investigations

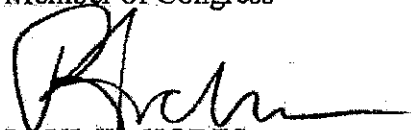

JUDY BIGGERT
Ranking Member
Subcommittee on Oversight and
Investigations


GARY ACKERMAN
Member of Congress



LEONARD LANCE
Member of Congress


MICHAEL CAPUANO
Member of Congress



WILLIAM LACY CLAY
Member of Congress

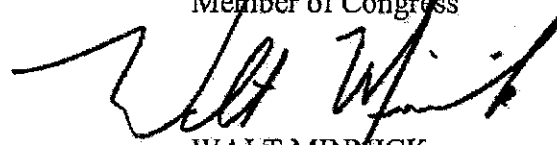

PAUL W. HODES
Member of Congress



RON KLEIN
Member of Congress

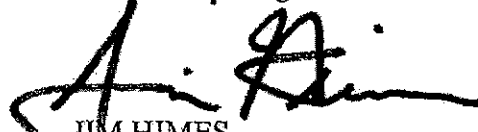

ED PERLMUTTER
Member of Congress


BILL FOSTER
Member of Congress


ANDRE CARSON
Member of Congress


WALT MINNICK
Member of Congress


STEVE DRIEHAUS
Member of Congress


JIM HIMES
Member of Congress


DAN MAFFEI
Member of Congress



Credit Union National Association

cuna.org

DANIEL A. MICA
PRESIDENT & CEO

601 Pennsylvania Ave., NW | South Building, Suite 600 | Washington, DC 20004-2601 | PHONE: 202-638-5777 | FAX: 202-638-7734

October 5, 2009

The Honorable Timothy Geithner
Secretary of the Treasury
U.S. Department of the Treasury

1500 Pennsylvania Avenue, NW
Washington, DC 20220

The Honorable Ben S. Bernanke
Chairman
Board of Governors of the Federal
Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20551

Dear Secretary Geithner and Chairman Bernanke:

On behalf of the Credit Union National Association, I want to applaud the letter sent to you October 1, 2009 from Members of the House Financial Services Committee urging you to delay the implementation of your regulations under the Unlawful Internet Gambling Enforcement Act (UIGEA). CUNA is the largest national credit union advocacy organization, representing approximately 90% of our nation's 8,000 state and federal credit unions, which serve 92 million members. Under UIGEA, covered financial institutions must comply with requirements for the identification and blocking of certain financial transactions in connection with unlawful Internet gambling.

While CUNA supports efforts to eliminate payments to unlawful Internet gambling businesses, we have consistently raised concerns about impractical aspects of the Act and its implementation that we believe will result in numerous and costly compliance problems for affected credit unions. In December 2007, we urged the Treasury and the Federal Reserve Board to place a moratorium on the proposed regulations until these concerns could be addressed. We also testified in April 2008 before the House Subcommittee on Domestic and International Monetary Policy, Trade and Technology on credit unions' major frustrations in grappling with how to comply with the law and the proposed regulations.

While some concerns were addressed in the final rule, which will take effect December 1, 2009 for non-exempt financial institutions, we believe important issues remain about the directives of the Act. In view of the pending legislation in the House of Representatives to delay the compliance date of the rules until December 1, 2010, we strongly support a delay in the implementation of the UIGEA rules.

Thank you for your consideration of this important issue.

Sincerely,

Daniel A. Mica
President and CEO

cc: Chairman Frank and other House Members;
NCUA Board Member Debbie Matz



PO Box 431 | Madison, WI 53701-0431 | 5710 Mineral Point Road | Madison, WI 53705-4454 | PHONE: 608-731-4000

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Ted Teruo Kitada
Senior Company Counsel

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San Francisco, CA 94105
415 396-5461
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October 21, 2009

By Facsimile, PDF, and U.S. First Class Mail
202.622.0073 and 202.452.3819

The Honorable Timothy F. Geithner
Secretary of the Treasury
United States Department of Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

The Honorable Ben S. Bernanke
Chairman
Board of Governors of the Federal Reserve System
20th and Constitution Avenue, NW
Washington, D.C. 20551

Re: Delay of Implementation of Regulation GG

Dear Secretary Geithner and Chairman Bernanke:

On behalf of Wells Fargo & Company (NYSE: WFC, "Wells Fargo" herein), the purpose of this letter is to join the voices of the Honorable Barney Frank and other certain esteemed members of the U.S. House of Representatives under a letter to you, dated October 1, 2009, in urging you strongly to exercise your authority under the Administrative Procedure Act to respond affirmatively to a petition recently filed by the National Thoroughbred Racing Association, American Greyhound Track Operators Association, and Poker Players Alliance, to extend the date of compliance for the final rule implementing the Unlawful Internet Gambling Enforcement Act of 2006¹ ("UIGEA") by one year.

I. Background to the final rule. Wells Fargo is a diversified financial services company providing banking, insurance, investments, mortgage, and consumer finance through more than 10,000 Wells Fargo Bank, N.A., and Wachovia Bank, N.A., stores, 12,000 automated teller machines, the Internet, and other distribution channels across North America and the international marketplace. Wells Fargo has \$1.3 trillion in assets and 282,000 team members across our more than 80 lines of business. We ranked fourth in assets and second in market value of our stock among our peers as of June 30, 2009.

On November 18, 2008, the Departmental Offices of the Department of the Treasury and the Board of Governors of the Federal Reserve System issued the final rule under UIGEA, with an effective date of January 19, 2009, and a mandatory compliance date of December 1, 2009.² The core purpose of the final rule is to mandate that certain nonexempt participants in designated payment systems establish and implement written policies and procedures reasonably designed to identify and block, or otherwise prevent or prohibit, restricted transactions.³

¹ Pub.L.No. 109-347, 120 Stat. 1884 (codified at 31 U.S.C. §§ 5361-5367) The Act was signed into law on October 13, 2006.

² 73 Federal Register 69382 (November 18, 2008).

³ Regulation GG § 233.5(a).

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The Honorable Timothy F. Geithner
The Honorable Ben S. Bernanke
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Page 2

As to Wells Fargo Bank, N.A., and Wachovia Bank, N.A., subsequent to the issuance of Regulation GG, these banks have had an opportunity to entertain and consider such written policies and procedures to conform to the requirements under the final rule. To illustrate some of the compliance and other significant burdens fostered by the final rule, I highlight below one of our experiences.

II. The experience of a major financial service company under the final rule. While the example I provide below are policies and procedures under consideration and not adopted as final policies and procedures, even those under consideration illustrate the substantial compliance challenge we are forced to confront.

Let me start with a concept appearing to be innocuous: "actual knowledge."

Under Regulation GG, when a nonexempt participant in a designated payment system acquires "actual knowledge" that an existing commercial customer engages in an Internet gambling business, under the nonexclusive examples of policies and procedures provided, the participant is required to complete a due diligence process as to that commercial customer similar to the due diligence process employed during the opening of a new account for a commercial customer or the establishment of a new relationship with a commercial customer.⁴

Additionally, under the nonexclusive examples of policies and procedures provided, the participant in the designated payment system is required to invoke certain remedial measures when that participant acquires actual knowledge that a commercial customer originated "restricted transactions."⁵

Finally, with regard to instructions received from a foreign sender by a nonexempt participant in the ACH system and with regard to a check received for collection from a foreign banking office by a nonexempt participant in the check collection system, when that participant has actual knowledge, obtained through notification by a government entity, such as law enforcement or a regulatory agency, that such instructions included instructions for a restricted transaction or that such check is a restricted transaction, the procedures of the participant established under Regulation GG may address sending to the foreign sender or to the foreign banking office a notice as prescribed in an appendix to Regulation GG.⁶

The definition of actual knowledge is provided in Regulation GG § 233.2(a) as follows:

(a) Actual knowledge with respect to a transaction or commercial customer means when a particular fact with respect to that transaction or commercial customer is known by or brought to the attention of:

⁴ Regulation GG §§ 233.6(c)(1)(ii) [ACH system], 233.6(d)(1)(i)(B) [card system], 233.6(e)(1)(ii) [check collection system], and 233.6(g)(2) [wire transfer system].

⁵ Regulation GG §§ 233.6(c)(1)(iii) [ACH system], 233.6(d)(2) [card system, as to a card system operator, merchant acquirer, or third party processor], 233.6(e)(1)(iii) [check collection system], and 233.6(g)(3) [wire transfer system].

⁶ Regulation GG §§ 233.6(e)(2) and 233.6(e)(2).

The Honorable Timothy F. Geithner
The Honorable Ben S. Bernanke
October 21, 2009
Page 3

(1) An individual in the organization responsible for the organization's compliance function with respect to that transaction or commercial customer; or

(2) An officer of the organization.

Given this broad definition of actual knowledge, I have had to provide guidance as to the policies and procedures to be adopted under the final rule in light thereof and the scope of training to be given to employees within Wells Fargo Bank, N.A., and Wachovia Bank, N.A., regarding the meaning of actual knowledge under Regulation GG and the steps to be pursued upon acquiring actual knowledge, including notifying the appropriate unit within both banks to facilitate the discharging of due diligence obligations, the implementing of remedial measures, or the sending of the notice to the foreign sender or foreign banking office.

As noted above, both banks have a total of approximately 282,000 employees. Given this substantial number of employees, one proposal could have been to provide training regarding Regulation GG and the steps to be followed upon acquiring actual knowledge solely to those employees having regularly recurring contact with commercial customers. If and when an employee during the course of such contact acquires actual knowledge that a commercial customer is engaged in the Internet gambling business or in a restricted transaction, then due diligence or remedial measures may be exercised under policies and procedures. In addition, if and when such employee receives notification from a government entity or a regulatory agency that a foreign sender has sent instructions with regard to a restricted transaction or a foreign banking office has sent checks that are restricted transactions, the employee may transmit prescribed notices to the foreign sender or foreign banking office under policies and procedures.

However, given the overly inclusive definition of actual knowledge above and the risk of overlooking commercial customers engaged in the Internet gambling business or in a restricted transaction due to the small population receiving training on this subject, I have with reluctance recommended that we provide training to the following of both banks:

- Individuals given compliance responsibility;
- Those individuals using the term "officer" in their title; and
- Individuals given management responsibility.

In adopting and implementing this advice, you can well appreciate the significant number of Wells Fargo team members having to undertake training on this subject. Further, this training must be made available to existing team members and new team members, not merely once, but regularly to maintain a high degree of competence in the subject matter. Thus, even with regard to this singular component of the policies and procedures to be adopted by a payment system participant, to identify and block, or otherwise prevent or prohibit, restricted transactions, much of our precious resources must be dedicated.

Furthermore, given the vagueness of certain key terms under the final rule, such as "restricted transaction"⁷ and "Internet gambling business"⁸ and the multitude of channels we may receive a

⁷ Regulation GG § 233.2(y).

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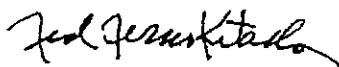
The Honorable Timothy F. Geithner
The Honorable Ben S. Bernanke
October 21, 2009
Page 4

"notification by a government entity, such as law enforcement or a regulatory agency,"⁹ we are less than sanguine that this training given to team members detailed above will bear any productive results.

III. Conclusion. The example above illuminates the compliance and other burdens the payment system participants confront in implementing the final rule under Regulation GG. Those burdens become dramatically amplified when a multijurisdictional and multinational participant, such as Wells Fargo, face even the most elementary requirements under the final rule. In closing, we again join the Honorable Barney Frank and his colleagues in urging an extension of the compliance date under the final rule. By affording us this extension, perhaps legislative or regulatory relief may be adopted or issued so that our limited resources may be directed to more meaningful pursuits.

Thank you for your kind consideration of this matter.

Sincerely,



Ted Teruo Kitada
Senior Company Counsel

cc: Chairman Barney Frank
Julie A. Slocum
Linda A. Leo
Larry Campbell
Craig D. Litsey
Ken Bonneville

⁸ Regulation GG § 233.2(f).

⁹ Regulation GG §§ 233.6(c)(2) and 233.6(e)(2).

THE FINANCIAL SERVICES ROUNDTABLE

Impacting Policy. Impacting People.



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November 2, 2009

The Honorable Timothy F. Geithner
Secretary of the Treasury
United States Department of Treasury
Washington, D.C. 20220

The Honorable Ben S. Bernanke
Chairman
Board of Governors of the Federal Reserve System
20th and Constitution Avenue, NW
Washington, D.C. 20551

Dear Secretary Geithner and Chairman Bernanke:

We are writing to join House Financial Services Committee Chairman Barney Frank and the other Members of the House of Representative and United States Senate who have communicated with you, to urge that you act under powers granted by the Administrative Procedures Act to delay by one year the compliance deadline for the final rule implementing the Unlawful Internet Gambling Enforcement Act of 2006 (UIGEA). As you are aware, a petition has been filed with your offices to extend the compliance deadline beyond December 1, 2009, and we urge you to act expeditiously to accept the petition.

UIGEA has been the subject of much controversy. The law was passed by non-traditional procedural means, and the final rule to implement the law was issued on the last night of the previous Administration. Meanwhile, Chairman Frank and the regulated community have heard from regulators repeatedly that the underlying law is imprecise, impractical and burdensome. While the final rule reflects the best work of regulators who have been given a virtually impossible task, Roundtable member companies remain concerned that that law is significantly burdensome given its purported benefit.

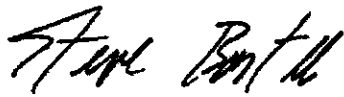
Our members remain concerned that the regulation contains no bright-line definition of an unlawful Internet gambling transaction, and still there exists a nebulous standard by which to judge an employee's "actual knowledge" that a commercial customer engaged in such a transaction.

Roundtable members intend to be compliant with the law December 1, 2009; many, if not all, are in the final stages of building out compliance regimes. Repeatedly, however, we are hearing that given the rule, and the problem that it seeks to address, it is unlikely that the law will have any certain effect but to burden banks and frustrate legitimate commerce.

For this reason, we urge you to act expeditiously to delay implementation of this regulation to allow policy makers time to examine alternative means to police unlawful Internet gambling.

Thank you for your consideration of this matter.

Best regards,

A handwritten signature in black ink that reads "Steve Bartlett". The signature is written in a cursive, slightly slanted style.

Steve Bartlett
President and CEO

A handwritten signature in black ink that reads "Leigh Williams". The signature is written in a cursive, slightly slanted style.

Leigh Williams
President, BITS

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11/13/2009

Congress of the United States
Washington, DC 20515

November 3, 2009

The Honorable Timothy Geithner
Secretary of the Treasury
1500 Pennsylvania Avenue, Northwest
Washington, D.C. 20220

The Honorable Ben S. Bernanke
Chairman, The Federal Reserve Board
20th Street and Constitution Avenue, Northwest
Washington, D.C. 20551

Dear Secretary Geithner and Chairman Bernanke:

It has come to our attention that three associations representing the gambling industry recently submitted a request that the Treasury Department and Federal Reserve delay the compliance date of the Final Rule implementing the Unlawful Internet Gambling Enforcement Act of 2006 (UIGEA) by an additional 12 months. We are also aware that 19 out of 71 Members of the House Financial Services Committee sent a letter to you in support of this request. We strongly oppose this request and believe there is no justification for delaying the compliance deadline of the UIGEA regulations.

After a decade of deliberation, UIGEA was enacted on October 13, 2006, with a mandate that the Treasury Department and Federal Reserve prescribe implementing regulations by July 10, 2007. Proposed regulations were not published until October 2007. The public was afforded 60 days to submit comments, and numerous financial institutions, gambling associations, and other affected parties submitted comments at that time. The Final Rule was not published until November 18, 2008 (see 73 Fed. Reg. 69382)—16 months after the statutory deadline—and it contained a number of key changes that were responsive to concerns raised by the financial services community during the notice-and-comment process. The Final Rule set December 1, 2009 as the compliance deadline, giving the financial services industry over one year to prepare to comply.

If the Final Rule represented an "unreasonable burden on regulators and the financial services industry," as certain other Members have claimed, then the Treasury Department and the Federal Reserve could have reconsidered the regulations early in the new Administration and before the regulated industry began taking steps to comply. This did not happen, and members of the financial services industry did not petition to have the Final Rule amended. To the contrary, when the Federal Reserve issued proposed regulations this August regarding the Truth in Lending Act, the Board specifically crafted its proposal to accommodate the UIGEA regulations (see 74 Fed. Reg. 43494-5).

There is no justification for delaying the compliance date for the long-overdue regulations implementing UIGEA. The letter from certain Members of the Financial Services Committee cites outdated testimony that was mooted when the Treasury Department and the Federal Reserve issued a Final Rule, and purports to allow the gambling industry to speak for the

financial services industry. Moreover, the letter suggests that the Treasury Department and the Federal Reserve should take action because Congress is "likely to move" legislation to the same effect. This is a blatant attempt to circumvent the democratic process by influencing the Treasury Department and the Federal Reserve to take action that cannot possibly be enacted by Congress.

The Final Rule was adopted after a lengthy and open rulemaking process. The "problems" raised by certain interest groups are speculative. We do believe that the Treasury Department and the Federal Reserve should carefully monitor the effectiveness of the UIGEA regulations after they go into effect, and consider modifications should they prove necessary. But simply delaying the compliance date serves no interest except that of the Internet gambling enterprises that have long evaded American gambling laws and will continue to do so until effective enforcement is in place.

Sincerely,



JON KYL
United States Senator



SPENCER BACHUS
Member of Congress

President & Chief Executive Officer

THE FIRST NATIONAL BANK OF

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November 3, 2009

COPY

The Honorable Timothy Geithner
Secretary of the Treasury
U.S. Department of Treasury
1500 Pennsylvania Avenue, NW
Washington, DC 20220

The Honorable Ben S. Bernanke
Chairman
Board of Governors of the Federal Reserve System
20th and Constitution, NW
Washington, DC 20551

Dear Secretary Geithner and Chairman Bernanke:

Re: Unlawful Internet Gambling Enforcement Act (UIGEA)

I am writing to urge you to quickly use your authority under the Administrative Procedure Act to respond favorably to a petition recently filed by the National Thoroughbred Racing Association (NTRA), American Greyhound Track Operations Association (AGTOA), and Poker Players Alliance (PPA), to extend the date of compliance for the final regulations implementing the Unlawful Internet Gambling Enforcement Act.

The Petition was previously made available to you by the U.S. House of Representatives Committee on Financial Services. The original date of compliance for this act is December 1, 2009. It is now November. As President of the First National Bank of Groton, NY, I represent one of the smaller banks in the nation. We are finding it very difficult and unconcerting to try to comply with this act in a timely manner. First of all, both the UIGEA and implementing regulation GG are vague, and do not provide complete and clear enough guidance. Second, we already are tremendously overburdened by a myriad of other consumer laws and regulations also becoming effective right now. We have a very limited staff to perform all of the tasks effectively.

By extending the effective date of UIGEA, you provide time for implementation guidelines to be further developed or for Congress to have time to act upon HR6870 and/or HR2267.

A copy of the October 1st, 2009 letter from the House Committee on Financial Services is enclosed for reference.

I appreciate any expeditious help you may give this matter.

Sincerely,

Stephen Gobel, President and CEO

SG/klg
enc.

cc: House Committee on Financial Services
Congressman Michael Arcuri
Congressman Dan Maffei



1120 Connecticut Avenue, NW
Washington, DC 20036

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Wayne A. Abernathy
Executive Vice President
Financial Institutions Policy
and Regulatory Affairs
Phone: 202-663-5222
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wabernat@aba.com

November 4, 2009

The Honorable Timothy F. Geithner
Secretary of the Treasury
United States Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, DC 20220

The Honorable Ben S. Bernanke
Chairman
Federal Reserve Board
Eccles Board Building
20th and C Streets, NW
Washington, DC 20551

Re: Delay of Implementation of Regulation GG

Dear Secretary Geithner and Chairman Bernanke:

The American Bankers Association (ABA)¹ respectfully requests you to exercise your authority under the Administrative Procedure Act (APA) to delay mandatory implementation of Regulation GG implementing the Unlawful Internet Gambling Enforcement Act (UIGEA).

The Chairman of the House Financial Services Committee, the Honorable Barney Frank, the Honorable Peter King, and several other members of the House of Representatives, submitted a letter dated October 1, 2009, asking for a delay in implementing the UIGEA regulations. In this letter, Chairman Frank recognized that your agencies were charged with the implementation of a flawed statute, and as a result the implementing regulations represented an unreasonable burden on regulators and the financial services industry at a time of economic crisis. ABA strongly supports postponement of the mandatory compliance date.

ABA recognizes and appreciates the efforts of the Department of the Treasury and the Board of Governors of the Federal Reserve System (the Agencies) to implement UIGEA in a workable manner that limits the regulatory burdens associated with pursuing the statutory mandate. However, ABA believes that the final rule, in large part due to the nature of the statute itself, imposes burdensome processes for

¹ The ABA brings together banks of all sizes and charters into one association. The ABA works to enhance the competitiveness of the nation's banking industry and strengthen America's economy and communities. Its members – the majority of which are banks with less than \$125 million in assets – represent over 95 percent of the industry's \$13.3 trillion in assets and employ over 2 million men and women.

intercepting transaction activity that impairs the efficient functioning of the payments system and exposes banks to unwarranted liabilities. We believe that UIGEA will result in a compliance trap that will damage the competitiveness of the American payments system.

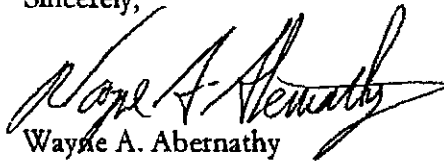
The mandatory compliance date of December 1, 2009, is fast approaching and all banks are working as best they can to meet this deadline. Delaying mandatory compliance of the final rule by one year, would give Congress additional time to revisit this legislation.

Since the final rule has been in effect since last January, any delay in the compliance date should be fashioned to allow banks the latitude to implement procedures they have been preparing to comply with the final rule's requirements and to rely on the safe harbors provided. It should also permit banks to choose to delay putting the final rule's requirements into effect pending further refinement in the legislation during the one year pause in the regulatory mandate.

Finally, as ABA testified at the April 2008 hearing mentioned in Chairman Frank's letter, banks and other payments system participants must retain the operational flexibility to refuse any gambling or otherwise uncertain transactions for compliance or business reasons without incurring legal liability for doing so.

We appreciate the opportunity to submit this request. If the Agencies have any questions regarding this submission, please contact the undersigned or ABA Vice-President Steve Kenneally at 202-663-5147 or via email at skenneally@aba.com.

Sincerely,



Wayne A. Abernathy
Executive Vice President
Financial Institutions Policy
and Regulatory Affairs



**INDEPENDENT COMMUNITY
BANKERS of AMERICA**

R. MICHAEL MENZIES SR.
Chairman

JAMES D. MACPHEE
Chairman-Elect

SALVATORE MARRANCA
Vice Chairman

LARRY W. WINUM
Treasurer

WAYNE A. COTTLE
Secretary

CYNTHIA L. BLANKENSHIP
Immediate Past Chairman

CAMDEN R. FINE
President and CEO

November 5, 2009

The Honorable Timothy F. Geithner
Secretary of the Treasury
United States Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, DC 20220

The Honorable Ben S. Bernanke
Chairman
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20551

Re: Delay of Regulation GG, Prohibition on Funding of Unlawful Internet Gambling, Compliance Date

Dear Secretary Geithner and Chairman Bernanke:

On behalf of the Independent Community Bankers of America (ICBA)¹, I want to echo the sentiments of the Honorable Barney Frank and other members of the House Financial Services Committee and urge you to exercise your authority under the Administrative Procedure Act to delay the compliance date of your regulations under the Unlawful Internet Gambling Act of 2006(UIGEA) for one year to December 1, 2010.

Regulation GG, as currently written, has numerous compliance challenges for community banks. Many of Regulation GG's definitions are vague; particularly the term "unlawful internet gambling," which is central to compliance. Community banks, which operate with limited compliance staffs, are in the midst of implementing a number of consumer-based laws and regulations and the current Regulation GG compliance date of December 1, 2009 will not be achievable for many community banks.

Lastly, Congress is at work to modify UIGEA. A one year extension would give Congress time to act upon legislation that would roll back the implementation date (H.R. 2266) and replace the UIGEA with a set of rules with more precise definitions(H.R. 6870).

We urge you to move back the compliance date of Regulation GG to December 1, 2010, thus giving Congress additional time to take appropriate action and community banks sufficient time to comply with any regulations.

Thank you for considering this important issue.

Sincerely,

Camden R. Fine
President and CEO

cc: Chairman Barney Frank

¹ The Independent Community Bankers of America represents nearly 5,000 community financial institutions of all sizes and charter types throughout the United States and is dedicated exclusively to representing the interests of the community banking industry and the communities and customers we serve. ICBA aggregates the power of its members to provide a voice for community banking interests in Washington, resources to enhance community bank education and marketability, and profitability options to help community financial institutions compete in an ever-changing marketplace.

With nearly 5,000 members, representing more than 20,000 locations nationwide and employing over 300,000 Americans, ICBA members hold \$1 trillion in assets, \$800 billion in deposits, and \$700 billion in loans to consumers, small businesses and the agricultural community. For more information, visit ICBA's website at www.icba.org.

Nov. 7. 2009 6:52PM

No. 1974 P. 2

MICHAEL A. ARCURI
24TH DISTRICT, NEW YORK
COMMITTEE ON RULES
COMMITTEE ON TRANSPORTATION
AND INFRASTRUCTURE
COMMITTEE ON SCIENCE
AND TECHNOLOGY
(ON LEAVE)

Congress of the United States
House of Representatives
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315-788-4039 FAX

November 7, 2009

The Honorable Timothy Geithner, Secretary
U.S. Department of Treasury
1500 Pennsylvania Avenue, NW
Washington, DC 20220

The Honorable Ben S. Bernanke, Chairman
Board of Governors of the Federal Reserve System
20th and Constitution, NW
Washington, DC 20551

Dear Secretary Geithner and Chairman Bernanke:

I am writing to urge you to use your authority under the Administrative Procedure Act to respond favorably to a petition recently filed by the National Thoroughbred Racing Association, and others, to extend the date of compliance for the final regulations implementing the Unlawful Internet Gambling Enforcement Act (UIGEA) by one year.

UIGEA's drafting necessitated a complex and some might say burdensome regulatory framework to implement. On November 18, 2008, Treasury and the Board of Governors issued the final rule under UIGEA, known as Regulation GG, which mandated that covered entities be in compliance with its requirements by December 1, 2009. That date is now a mere three weeks away and much uncertainty still exists as to how full compliance can be achieved.

The area that I represent in Upstate New York is home to a number of small financial institutions that are covered under Regulation GG. These financial institutions pride themselves on offering personalized customer service and a commitment to the local community. They understand that they must meet the requirements of Regulation GG and are making good-faith efforts to achieve full compliance. Despite these efforts, some personnel fear that they will be unable to attain compliance with Regulation GG by December 1st of this year. On behalf of the local financial institutions located in Upstate New York, I respectfully request that you consider an extension of the compliance date.

I appreciate your prompt attention to and consideration of this important matter. Please direct the appropriate members of your staff to contact Chris Wilcox in my office at 202-225-3665 or via email at chris.wilcox@mail.house.gov with any additional questions or concerns.

Sincerely,



MICHAEL A. ARCURI
Member of Congress

HARRY REID
NEVADA

2009-SE-005778

MAJORITY LEADER

United States Senate

WASHINGTON, DC 20510-7012

November 9, 2009

The Honorable Timothy F. Geithner
Secretary of the Treasury
United States Department of Treasury
Washington, D.C. 20220

The Honorable Ben S. Bernanke
Chairman
Board of Governors of the Federal Reserve System
20th and Constitution Avenue, NW
Washington, D.C. 20551

Dear Secretary Geithner and Chairman Bernanke:

I join others Members of Congress and industry leaders in writing to urge you to delay the effective date for the final rule implementing the Unlawful Internet Gambling Enforcement Act of 2006 (UIGEA).

I have long had very serious concerns about Internet gaming. As a former Gaming Commissioner, I believe that gaming must be tightly regulated and controlled by a clearly defined and aggressive regulator in order to avoid significant problems that have been associated with the industry in the past. The very nature of the Internet challenges the possibility of effectively regulating online gaming. Certainly, there is no regulator in existence now with the authority and resources to adequately regulate online gaming.

The current UIGEA regulations, however, are seriously flawed. As you know, both the UIGEA itself and the regulations to implement the law were pushed forward under unusual processes. The regulations were issued in the final hours of the Bush Administration -- one of many "midnight regulations" rushed into effect in its waning lame duck days. Given that the Treasury Department and the Fed were facing extreme workloads responding to the financial meltdown and implementing the extraordinary responses to it at that time, it seems likely that political pressure helps explain the rush to publish these regulations. Many of the other Bush Administration "midnight regulations" were highly controversial or ill conceived and the Obama Administration has rightly suspended or delayed many of them.

The UIGEA regulations are flawed in several respects. As you have heard from many others, the lack of a clear and comprehensive definition of "unlawful Internet gambling transaction" causes implementation problems, because this phrase is central to the entire UIGEA regime. While there are some types of transactions that clearly are unlawful Internet gambling

The Honorable Tim Geither
The Honorable Ben Bernanke
November 9, 2009
Page 2

transactions, the exact scope of that term is not clear. Indeed, the Director of the Division of Reserve Bank Operations and Payment Systems at the Fed stated in her April 8, 2008 testimony to Congress that, “[t]he activities that are permissible under the various federal and state gambling laws are unclear and subject to varying interpretation.” The House Financial Services Committee encouraged Treasury and the Fed to more precisely define this central phrase prior to finalizing regulations, but no such definition was provided.

Additionally, many financial institutions are concerned about the “actual knowledge” standard in the regulations. My staff has brought to my attention a letter sent by Wells Fargo to you which suggests that the broad language in the regulations would impose a significant compliance burden and cost on financial institutions. There is nothing inherently wrong with compliance costs imposed by well-reasoned regulations that help to achieve important policy goals. It is not clear that such balance is achieved here, however – with America’s financial institutions facing historic strains while the policy benefits from the UIGEA regulations are doubtful. Indeed, the Fed official noted above testified back in 2008 that “the ability of the final rule to achieve a substantial further reduction in the use of the U.S. payment system for unlawful Internet gambling is uncertain.”

Finally, as a consequence of the significant problems in drafting with the UIGEA regulations, and coupled with the protection from civil liability in UIGEA, financial services companies are likely to “over-block” – implementing the regulations in a way that interferes with legitimate commerce. In the long run, flawed regulations which lead to the opposition of the financial services companies, of non-gaming Internet businesses, and of consumers, will undermine the purposes of UIGEA.

Accordingly, I encourage you to delay the UIGEA regulations.

Sincerely,



HARRY REID
Senate Majority Leader



National Association of Federal Credit Unions
3138 10th Street North • Arlington, Virginia • 22201-2149
(703) 522-4770 • (800) 336-4644 • Fax (703) 522-2734

Fred R. Becker, Jr.
President and CEO

November 9, 2009

The Honorable Timothy Geithner
Secretary of the Treasury
U.S. Department of Treasury
1500 Pennsylvania Avenue, NW
Washington, DC 20220

The Honorable Ben S. Bernanke
Chairman
Board of Governors of the Federal Reserve
20th and Constitution, NW
Washington, DC 20551

Dear Secretary Geithner and Chairman Bernanke: *M. Secretary*

On behalf of the National Association of Federal Credit Unions (NAFCU), the only trade association that exclusively represents the interests of our nation's federal credit unions (FCUs), I write you today to request that you consider delaying the implementation of the Unlawful Internet Gambling Enforcement Act (UIGEA) regulations for one year.

NAFCU provided comments on the proposed rule in 2007 to the Department of the Treasury and the Board of Governors of the Federal Reserve (collectively the Agencies). NAFCU commends the Agencies for their thoughtful consideration of the rule. Nonetheless, NAFCU is concerned the rule may cause potentially serious problems with the existing electronic payments system. Additionally, NAFCU still has concerns with the way in which the bill effectively deputizes credit unions and other financial institutions to guard against financial crimes.

Our concerns regarding the UIGEA regulations are exacerbated by the current economic situation and the amount of time that both regulators and financial institutions must devote towards a number of other pressing matters. It is NAFCU's understanding that Congress is considering legislation that would move back the compliance date to December 1, 2010, and which would address some of the underlying issues with the UIGEA. With this in mind, I respectfully request that you consider delaying implementation of the rules for on year.

NAFCU appreciates this opportunity to share its concerns. Should you have any questions or require additional information please feel free to call me or Dillon Shea, NAFCU's Associate Director of Regulatory Affairs, at (703) 842-2212.

Sincerely,

Fred R. Becker, Jr.



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Phone: 703-561-1100 • Fax: 703-787-0996
eMail: info@nacha.org
www.nacha.org

November 11, 2009

The Honorable Timothy F. Geithner
Secretary of the Treasury
United States Department of the Treasury
System 1500 Pennsylvania Avenue, NW
Washington, DC 20220

The Honorable Ben S. Bernanke
Chairman
Board of Governors of the Federal Reserve
20th Street and Constitution Avenue, NW
Washington, DC 20551

**Re: Delay of Regulation GG, Prohibition on Funding of Unlawful Internet Gambling,
Compliance Date**

Dear Secretary Geithner and Chairman Bernanke:

On behalf of the National Automated Clearing House Association (“NACHA”)¹, I want to echo the sentiments of the Honorable Barney Frank and other members of the House Financial Services Committee and urge you to exercise your authority under the Administrative Procedure Act to delay the compliance date of regulations under the Unlawful Internet Gambling Act of 2006 (UIGEA) for one year to December 1, 2010. NACHA understands that other industry representatives have expressed a similar request.

Based on the number of calls NACHA continues to receive, there remains much uncertainty among financial institutions around compliance with UIGEA and Regulation GG. Legislation currently pending in Congress would alleviate much of the confusion associated with implementing UIGEA. A one year extension of the compliance date would give Congress time to act upon this legislation, and would eliminate the need for financial institutions to establish compliance protocols under the current regulation, only to have to alter them if this legislation passes.

We urge you to move back the compliance date of Regulation GG to December 1, 2010, thus giving Congress additional time to take appropriate action and financial institutions additional time to comply with any regulations.

Thank you for considering this important issue.

Sincerely,

/s/ Ian Macoy, AAP
Managing Director

¹ NACHA is a not-for-profit association that represents more than 11,000 financial institutions through direct memberships and a network of regional payments associations, and 650 organizations through its industry councils. NACHA develops and administers operating rules and business practices for the Automated Clearing House (ACH) Network and for electronic payments in the areas of Internet commerce, electronic bill and invoice presentment and payment (EBPP, EIPP), e-checks, financial electronic data interchange (EDI), international payments, and electronic benefits services (EBS). The NACHA Operating Rules also govern ACH transactions involving Federal agencies, having been adopted through 31 CFR part 210.

MITCH McCONNELL
KENTUCKY

361-A RUSSELL SENATE OFFICE BUILDING
WASHINGTON, DC 20510-1702
(202) 224-2541

United States Senate

REPUBLICAN LEADER
COMMITTEE
AGRICULTURE
APPROPRIATIONS
RULES AND ADMINISTRATION

November 16, 2009

The Honorable Timothy F. Geithner
Secretary
U.S. Department of the Treasury
1500 Pennsylvania Avenue, N.W.
Washington, D.C. 20220-0002

Dear Secretary Geithner:

I write regarding the regulations issued by the Department of the Treasury and the Federal Reserve Board of Governors pursuant to the Unlawful Internet Gambling Enforcement Act (UIGEA). As you know, the Act directed the Secretary of the Treasury and the Board of Governors of the Federal Reserve to prescribe regulations to identify and prohibit restricted transactions while ensuring that permitted transactions are not blocked. The regulations will take effect on December 1, 2009.

I believe strongly that illegal gambling should not be tolerated, and I support regulations to prohibit restricted transactions. At the same time, I want to ensure that the regulations do not prohibit lawful activities. When Congress passed the Interstate Horseracing Act of 1978, it expressed its intent to regulate interstate commerce regarding horseracing. Legal horseracing is part of Kentucky's most important tourist attraction - the Kentucky Derby. It helps support Kentucky's horse farms and horse workers, and it contributes billions of dollars to our state's economy.

As the language of UIGEA shows, Congress intended that its implementing regulations not prevent internet pari-mutuel wagering as permitted by the Interstate Horseracing Act. Nevertheless, the regulations appear sufficiently broad that at least one significant participant in the payment processing system, MasterCard, has announced its intention not to accept any gaming transactions - including those relating to horseracing - despite the Interstate Horseracing Act and UIGEA.

Some of my constituents have contacted me with concerns over this overblocking of lawful internet transactions. Because of the implications of the overblocking for Kentucky, I share those concerns. I have enclosed one such letter, which refers to a petition before the Department of the Treasury to extend the regulations' effective date by twelve months to enable processing institutions to develop policies to avoid such overblocking.

I ask that the Department of the Treasury give full and fair consideration to my constituents' concerns, and that it give every proper consideration to the implications of the regulations for those workers and communities engaged in lawful activities, whether in Kentucky or nationwide.

Sincerely,



MITCH McCONNELL
UNITED STATES SENATOR

MM/klc

Enclosure

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701 EAST MAIN STREET
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(270) 781-1623

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308 SOUTH MAIN
SUITE 310
LEWISBURG, KY 40341
(606) 864-2025

901 WEST BROADWAY
SUITE E30
ORNSWELL, KY 40702
(607) 587-6364

PROFESSIONAL ARTS BUILDING
2320 BRANNAN
SUITE 100
PARIS, KY 40361
(270) 442-4554



November 10, 2009

The Honorable Mitch McConnell
United States Senate
Washington, DC 20510

Dear Senator McConnell:

In 2007 I wrote to you to outline the horse racing industry's concerns regarding regulations to be issued by the Secretary of the Treasury and the Federal Reserve Board of Governors pursuant to the Unlawful Internet Gambling Enforcement Act of 2006 (UIGEA).

The Treasury and the Federal Reserve have since promulgated rules as required under UIGEA. The rules, due to be implemented on December 1, 2009, have created vast confusion for our country's financial institutions.

Despite language in UIGEA designed to ensure that the regulations neither block nor otherwise prevent Internet-based wagers placed on pari-mutuel wagering as allowed under the Interstate Horseracing Act (IHA), MasterCard and others have communicated with merchants that they will not accept any transactions involving any form of gaming. While horseracing remains unique with its governance by a federal statute expressly allowing Internet transactions, this overblocking by MasterCard and others will prove ruinous for our industry.

Attached is a petition for rulemaking that we recently sent to Treasury and the Federal Reserve. The petition was cosigned by the Poker Players Alliance and the American Greyhound Track Operators Association. The petition asks the Treasury and the Federal Reserve to extend the UIGEA compliance date by twelve months until December 1, 2010. This delay is important as it will allow us additional time to continue to work with regulated financial institutions to remedy overblocking.

According to a recent study by Deloitte Consulting LLP, the domestic horse industry contributed \$39 billion annually in direct economic impact to the U.S. economy and sustains nearly 1.5 million full-time jobs. Horse racing and breeding is Kentucky's signature industry, generating nearly 100,000 jobs and carrying an economic impact of some \$3 billion. That industry is imperiled, as you well know, and the havoc wrought by enforcement of the UIGEA regulations will further weaken Kentucky's equine economy.

That is especially true because in 2010, Churchill Downs will host not only the Kentucky Derby -- the "greatest two minutes in sports" -- but also the Breeders' Cup World Championships, horse racing's Championship event and a large economic driver for racing in the Commonwealth.

Internet based transactions remain the fastest-growing segment of pari-mutuel wagering activity and account for more than 10 percent of all wagering. Like many other industries, horseracing and its fans have come to rely on the Internet as a critical means of reaching consumers. To lose this avenue of fan participation, especially given the current difficult economic circumstances we are experiencing, would deal a crippling blow to our industry.

Senator McConnell, you have long been a staunch advocate for Kentucky interests, including the equine industry, and I respectfully ask that you consider contacting the Department of Treasury and the Federal Reserve in support of our petition for a one year delay of the regulations.

Sincerely,

Alexander M. Waldrop
President and CEO

NATIONAL THOROUGHBRED RACING ASSOCIATION

2525 Harrodsburg Road, Lexington, Kentucky 40504

Phone: (859) 225-5044 Fax: (859) 225-5045 E-mail: info@ntra.com Internet: www.ntra.com

ROBERT MENENDEZ
SENATOR

COMMITTEES:
BANKING, HOUSING, AND URBAN
AFFAIRS
BUDGET
ENERGY AND NATURAL RESOURCES
FINANCE
FOREIGN RELATIONS

United States Senate

WASHINGTON, DC 20510-3005

November 17, 2009

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THE SENATOR'S OFFICE
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SUITE 16-12
BIRMINGHAM, NJ 08007
(862) 257-5353

The Honorable Timothy Geithner
Secretary of the Treasury
U.S. Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

The Honorable Ben S. Bernanke
Chairman
Board of Governors of the Federal Reserve System
20th and Constitution, NW
Washington, D.C. 20551

Dear Secretary Geithner and Chairman Bernanke:

As you are aware, on December 1, 2009, financial institutions and payment systems will be required to be in compliance with the regulations issued pursuant to the Unlawful Internet Gambling Enforcement Act (UIGEA). These regulations were finalized on January 19, 2009, the last day of the previous administration. I am concerned that this requirement will cause considerable disruption for lawful businesses, as well as for a financial sector that already faces difficult challenges.

Of greatest concern to me is the fact that neither UIGEA nor the regulation issued pursuant to it adequately defines "unlawful Internet gambling," yet they direct financial institutions and payment systems to block transactions that are determined to be related to such gambling. I believe that, in the rush to comply with the impending deadline, most financial institutions will choose to block any transaction that in any way resembles Internet gambling, whether legal or not. In order to be in compliance with this vague definition of unlawful activity, financial institutions would have to block a number of legal transactions, complicating their ability to manage operations and impeding the critical flow of commerce in our recovering economy.

I am aware that a number of concerned organizations have filed a petition under Section 553(e) of the Administrative Procedure Act seeking a one-year delay in the compliance date for the UIGEA regulations. I am writing to urge you to approve that petition as soon as possible in order to avoid the disruption that impending compliance date will cause. I believe that the delay will allow time for the administration to permit the regulated financial institutions and payment systems time to comply with the regulation in a more orderly fashion.

Thank you for your consideration. I look forward to your prompt response.

Sincerely,


ROBERT MENENDEZ
United States Senator

Congress of the United States
Washington, DC 20515

November 19, 2009

The Honorable Timothy F. Geithner
Secretary of the Treasury
U.S. Department of the Treasury
1500 Pennsylvania Avenue, N.W.
Washington, D.C. 20220-0002

The Honorable Ben S. Bernanke
Chairman-Board of Governors
Federal Reserve System
20th Street & Constitution Avenue, N.W.
Washington, D.C. 20551-0001

VIA FACSIMILE

Dear Secretary Geithner and Chairman Bernanke:

We urge you to approve the Petition for Rulemaking dated September 16, 2009, requesting an Interim Final Rule extending for one year the compliance date for the Final Joint Rule implementing the Unlawful Internet Gambling Enforcement Act of 2006 (UIGEA).

As you know, the Final Joint Rule issued pursuant to UIGEA is due to take effect on December 1, 2009. A one year extension of the compliance date would allow time for the regulated community to properly prepare for the implementation of these new UIGEA regulations.

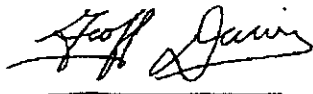
In particular, we are concerned with the practice of "overblocking" of legal internet-based wagers placed on pari-mutuel horseracing, as authorized under the Interstate Horseracing Act of 1978 (the "IHA" is codified at 15 USC section 3001, et seq.). These wagers are processed by Advance Deposit Wagering operators and represent approximately 14 percent of all pari-mutuel wagers on horse races.

More importantly, this is a vibrant and growing segment of the business in which hundreds of millions of dollars have been invested to facilitate existing off-track wagers and attract new customers. To ensure continued growth of this important market segment, it is essential that financial institutions not "overblock" or otherwise prevent legal wagers made pursuant to the IHA. At least one major credit card company and one major credit card issuer have indicated in writing their intention to block all internet gaming transactions, including legal wagers made pursuant to the IHA.

The United States horseracing industry is a State licensed and regulated enterprise that supports a \$39 billion agribusiness. The industry sustains nearly a half-million full-time equivalent jobs, including hundreds of horse farms, training centers and auxiliary businesses. We urge you to approve the Petition for Rulemaking to ensure that this critical segment of the economy is not inadvertently damaged by the unintended consequences of the UIGEA Final Joint Rule.

Thank you for your attention to and consideration of our request.

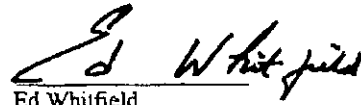
Sincerely,



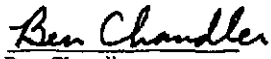
Geoff Davis
Member of Congress



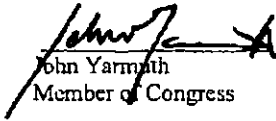
Harold Rogers
Member of Congress



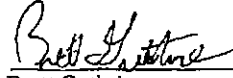
Ed Whitfield
Member of Congress



Ben Chandler
Member of Congress



John Yarmuth
Member of Congress



Brett Guthrie
Member of Congress