

# IAGR NEWSLETTER

International Association of Gaming Regulators  
[www.iagr.org](http://www.iagr.org)

June 2008

## IAGR OFFICERS

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Dennis Neilander  
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Carson City, NV 89702

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## Message from Chair Neilander

The IAGR steering committee held its mid-year meeting in Johannesburg, South Africa on April 15th, 2008. The meeting was not only very productive but also held in conjunction with the National Gambling Board's biennial gambling conference which was attended by most of the steering committee members. I would like to thank the South African regulators and, especially, Serobi Maja, for hosting our meeting and coordinating our attendance at the conference.

As you will find when reviewing the minutes from the steering committee meeting, which have been posted on the IAGR website - [www.iagr.org](http://www.iagr.org), a subcommittee was formed to update our bylaws and, in particular, to consider revising the method for selecting steering committee members. If you would like to provide any input regarding changes to the IAGR bylaws, please forward them to Vice Chair Andre Wilsenach - [andre@gamblingcontrol.org](mailto:andre@gamblingcontrol.org).

Additionally, since we will be setting aside additional time at the IAGR business meeting in Rome to consider any proposed revisions to our bylaws, we will hold four, instead of the usual five, IAGR regulatory sessions at this year's conference. The tentative topics chosen for those sessions include problem gambling, new technologies, Internet gambling, and financial crimes/money laundering. Further, the IAGA/IAGR general sessions also tentatively include a number of other relevant topics including compliance, the globalization of gaming, a labor/employment discussion, an EU update, credit market volatility in the United States and Europe, and a regulator's roundtable. Please visit our website or the IAGA website - [www.theiaga.org/conference.shtml](http://www.theiaga.org/conference.shtml) to view the tentative agenda, register for the conference, and book your hotel room. If you have any questions regarding registration or accommodations, please contact the Executive Director of IAGA, Kerry Koenig - [iaga@cox.net](mailto:iaga@cox.net).

As you can see, this year's conference agenda is shaping up nicely and I hope to see each of you in Rome in late September to enjoy the company of your fellow regulators and experience what will surely be a very educational conference.



## 2009 Conference

Since our annual conference has never been held in South America, I am especially pleased to announce that the 2009 IAGA/IAGR conference will be held in Buenos Aires, Argentina. The incoming President of IAGA, Governor Bob Miller, and the incoming Chair of IAGR, Andre Wilsenach, with the assistance of Kerry Koenig and an independent destination management consultant, considered a number of cities before choosing Buenos Aires. Not only does it offer non-stop flights to/from many major Australasian, African, European and U.S. cities, but it is also in close proximity to a number of fantastic tourist destinations for attendees who wish to combine their trip with a holiday and further enjoy the October spring weather. Additionally, the hotel selected for the conference is located in a very safe part of Buenos Aires and offers high quality rooms at a reasonable price with excellent convention facilities, public restaurants and lounges which will be ideal for our conference and evening gatherings. You will also be interested to know that Buenos Aires was recently recognized as the best value vacation destination by the U.S. Today Show.

On behalf of the general membership, I would like to thank Governor Miller, Vice Chair Wilsenach and Kerry for their time and effort in choosing an outstanding venue for the 2009 conference.



## U.S. Update – Unlawful Internet Gambling Enforcement Act

The Unlawful Internet Gambling Enforcement Act (“Act”) was enacted in October 2006 to choke off the flow of funds from U.S. gamblers to online gambling websites. However, to date, the regulations implementing the Act, which would require U.S. financial institutions to establish policies and procedures reasonably designed to identify and block illegal Internet gambling transactions, have not been adopted. Moreover, representatives of the U.S. Secretary of the Treasury and Federal Reserve Board, which are responsible for adopting the regulations, testified before a U.S. Congressional subcommittee on April 2, 2008 that they are having difficulty crafting the regulations because the Act does not clearly define what constitutes illegal Internet gambling. Additionally, representatives of U.S. banks and other financial agencies also testified that enforcing the Act would require them to review substantially more transactions which could interfere with the processing of legal transactions. After the hearing, the chair of the Congressional subcommittee introduced federal legislation on April 10, 2008 that would prohibit adoption of the regulations (H.R. 5767). Both that bill and a bill introduced by the same Congressman which would license and regulate online gaming at the federal level (H.R. 2046) currently are not scheduled to be heard and would have to be reintroduced if not enacted before the U.S. Congress adjourns in late September.

You can review those two bills as well as H.R. 2140 (study of Internet gaming), H.R. 2607 (tax counterpart to H.R. 2046), and H.R. 2610 (exempt skill-based gaming from both the Act and Wire Act) at [thomas.loc.gov](http://thomas.loc.gov).

*2008 Conference  
Rome Cavalieri Hilton  
September 22<sup>nd</sup> – 26<sup>th</sup>  
Rome, Italy*

### Important Dates

**7th European Conference on  
Gambling Studies and Policy  
Issues**

**July 1-4, 2008**

**Nova Gorica, Slovenia**

**[www.easg.org](http://www.easg.org)**

**Global Gaming Expo (G2E)**

**November 18-20, 2008**

**Las Vegas Convention Center  
Las Vegas, Nevada, USA**

**[www.globalgamingexpo.com](http://www.globalgamingexpo.com)**

## EU Update – Free Movement of Gambling Services

In 2008, the European Commission (“Commission”) has formally contacted several EU Member States regarding the compatibility of their national laws with Article 49 of the EC Treaty which guarantees the free movement of services.

Specifically, on January 31, 2008, the Commission sent “letters of formal notice” (the first stage of infringement proceedings under Article 226 of the EC Treaty) to both Sweden and Germany requesting information regarding their respective national laws. With regards to Germany, the Commission is seeking to determine whether the restrictions imposed by its national legislation that (i) ban games of chance on the Internet, (ii) restrict advertising on television, the Internet, jerseys or billboards, and (iii) prohibit financial institutions from processing payments related to unauthorized games of chance are compatible with the EC Treaty’s Internal market provisions.



With respect to Sweden, the Commission’s inquiry pertains to poker games and tournaments which are currently being offered in Swedish casinos and online by the Swedish State-owned company, but, pursuant to national legislation, may not be offered online by operators licensed and regulated in other EU Member States. If either country fails to provide the Commission with a satisfactory response, the Commission could issue a “reasoned opinion” (the second stage of infringement proceedings) similar to those recently issued to Greece and the Netherlands.

Regarding Greece and the Netherlands, after considering their responses to letters of formal notice, the Commission issued reasoned opinions to both countries on February 28, 2008, formally requesting them to amend their respective national laws because the restrictions imposed by those laws with respect to the free movement of gambling services were deemed by the Commission to be incompatible with EU law and neither country has been able to demonstrate that the restrictions are necessary, proportionate and non-discriminatory. Basically, in both matters, the Commission has objected to legislative restrictions that prohibit gambling service providers licensed in another Member State from offering or advertising their gambling services (sports betting services and/or games of chance) in those countries. Both Greece and the Netherlands had asserted that the competition restrictions are needed to, among other things, curb addiction to gambling. However, the Commission rejected this argument, noting that both countries have introduced new games of chance and advertised them, thus, demonstrating the absence of a national policy to curb gambling. If Greece or the Netherlands fails to comply with the Commission’s request, the matters could be referred to the European Court of Justice.

### Questions or Comments?

Fellow regulators,

If you have any questions or comments regarding this year’s conference or any other matter pertaining to IAGR, please e-mail them to [inquiries@iagr.org](mailto:inquiries@iagr.org).

*We hope to see you in Rome!*

*Dennis Neilander  
IAGR Chair*