

115TH CONGRESS
2D SESSION

S. _____

To acknowledge the rights of States with respect to sports wagering and to maintain a distinct Federal interest in the integrity and character of professional and amateur sporting contests, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. HATCH (for himself and Mr. SCHUMER) introduced the following bill; which was read twice and referred to the Committee on

A BILL

To acknowledge the rights of States with respect to sports wagering and to maintain a distinct Federal interest in the integrity and character of professional and amateur sporting contests, 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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Sports Wagering Market Integrity Act of 2018”.

6 (b) TABLE OF CONTENTS.—The table of contents for
7 this Act is as follows:

Sec. 1. Short title; table of contents.

- Sec. 2. Findings.
- Sec. 3. Definitions.

TITLE I—SPORTS WAGERING

- Sec. 101. General prohibition on sports wagering.
- Sec. 102. State sports wagering program.
- Sec. 103. State sports wagering program standards.
- Sec. 104. Anti-money laundering provisions.
- Sec. 105. Interstate sports wagering compacts.
- Sec. 106. National Sports Wagering Clearinghouse.
- Sec. 107. Law enforcement coordination.

TITLE II—WAGERING TRUST FUND

- Sec. 201. Findings.
- Sec. 202. Wagering Trust Fund.

TITLE III—WIRE ACT AND SPORTS BRIBERY ACT AMENDMENTS

- Sec. 301. Wire Act clarification and authorization of civil enforcement.
- Sec. 302. Sports Bribery Act improvements.

TITLE IV—GAMBLING ADDICTION PREVENTION AND TREATMENT

- Sec. 401. Authority to address gambling in department of health and human services authorities.
- Sec. 402. Advisory committee.
- Sec. 403. Surveillance of gambling addiction.

TITLE V—GENERAL PROVISIONS

- Sec. 501. State and Tribal authority.
- Sec. 502. Severability.

1 **SEC. 2. FINDINGS.**

2 Congress makes the following findings:

- 3 (1) In 1992, Congress enacted the Professional
 4 and Amateur Sports Protection Act (Public Law
 5 102–559; 106 Stat. 4227) to ban sports wagering in
 6 most States, finding that “sports gambling con-
 7 ducted pursuant to State law threatens the integrity
 8 and character of, and public confidence in, profes-
 9 sional and amateur sports, instills inappropriate val-
 10 ues in the Nation’s youth, misappropriates the good-
 11 will and popularity of professional and amateur

1 sports organizations, and dilutes and tarnishes the
2 service marks of such organizations.”.

3 (2) On May 14, 2018, the Supreme Court of
4 the United States held in *Murphy v. NCAA*, 138 S.
5 Ct. 1461 (2018), that the prohibition of State au-
6 thorization and licensing of sports wagering schemes
7 under the Professional and Amateur Sports Protec-
8 tion Act (Public Law 102–559; 106 Stat. 4227) vio-
9 lates the 10th Amendment to the Constitution of the
10 United States.

11 (3) After the decision in *Murphy v. NCAA*, 138
12 S. Ct. 1461 (2018), any State may legalize and reg-
13 ulate sports wagering, as determined by the State,
14 consistent with section 1084 of title 18, United
15 States Code (commonly known as the “Wire Act”),
16 section 1955 of that title (commonly known as the
17 “Illegal Gambling Business Act”), subchapter IV of
18 title 31, United States Code (commonly known as
19 the “Unlawful Internet Gambling Enforcement Act
20 of 2006”), and other Federal law.

21 (4) Since the decision in *Murphy v. NCAA*, 138
22 S. Ct. 1461 (2018), the States of Delaware, Mis-
23 sissippi, New Jersey, New Mexico, Pennsylvania,
24 Rhode Island, and West Virginia have joined the
25 State of Nevada in accepting sports wagers, and

1 more than 2 dozen other States are considering leg-
2 islation to legalize sports wagering.

3 (5) Even before the decision in *Murphy v.*
4 *NCAA*, 138 S. Ct. 1461 (2018), there was a signifi-
5 cant legal sports wagering market in the United
6 States, with \$4,870,000,000 wagered on sports in
7 the State of Nevada in 2017. The legal sports wa-
8 gering market will continue to grow as legal sports
9 wagering becomes more widely available.

10 (6) Overshadowing the legal sports wagering
11 market is a much larger illegal sports wagering mar-
12 ket that circumvents the taxation, anti-money laun-
13 dering controls, and other regulations of the legal
14 sports wagering market. The American Gaming As-
15 sociation estimates that people of the United States
16 illegally bet over \$150,000,000,000 annually on
17 United States sporting events.

18 (7) The estimated size of the illegal sports wa-
19 gering market suggests that the laws and enforce-
20 ment efforts that for decades have sought to curtail
21 illegal sports wagering have come up short.

22 (8) The expansion of legal sports wagering after
23 the decision in *Murphy v. NCAA*, 138 S. Ct. 1461
24 (2018), presents an opportunity to significantly re-
25 duce the illegal sports wagering market by pairing

1 enhanced authority for law enforcement to shut
2 down the illegal sports wagering market with policies
3 that incentivize participants in the illegal sports wa-
4 gering market to shift their activity into the legal
5 sports wagering market, as available, so that such
6 activity can be appropriately regulated and taxed.

7 (9) All forms of gaming have historically been
8 regulated predominantly at the State level, but
9 sports wagering, which often involves individuals
10 across numerous States placing sports wagers on a
11 sporting event that takes place in yet another State,
12 affects interstate commerce more than other forms
13 of gaming that are generally contained within the
14 walls of a gaming establishment.

15 (10) While each State may decide whether to
16 permit sports wagering and how to regulate sports
17 wagering, there is an important role for Congress to
18 set standards for sports wagering and provide law
19 enforcement with additional authority to target the
20 illegal sports wagering market and bad actors in the
21 growing legal sports wagering market.

22 **SEC. 3. DEFINITIONS.**

23 In this Act:

24 (1) **AMATEUR ATHLETIC COMPETITION.**—The
25 term “amateur athletic competition” has the mean-

1 ing given the term in section 220501 of title 36,
2 United States Code.

3 (2) ANONYMIZED SPORTS WAGERING DATA.—

4 With respect to a sports wager accepted by a sports
5 wagering operator, the term “anonymized sports wa-
6 gering data” means—

7 (A) a unique identifier for the transaction
8 and, if available, the individual who placed the
9 sports wager, except that such identifier shall
10 not include any personally identifiable informa-
11 tion of such individual;

12 (B) the amount and type of sports wager;

13 (C) the date and time at which the sports
14 wager was accepted;

15 (D) the location at which the sports wager
16 was placed, including the internet protocol ad-
17 dress, if applicable; and

18 (E) the outcome of the sports wager.

19 (3) GAMBLING DISORDER.—The term “gam-
20 bling disorder” means—

21 (A) gambling disorder, as the term is used
22 by the American Psychiatric Association in the
23 publication entitled “Diagnostic and Statistical
24 Manual of Mental Disorders, 5th Edition” (or
25 a successor edition);

1 (B) pathological gambling;

2 (C) gambling addiction; and

3 (D) compulsive gambling.

4 (4) GOVERNMENTAL ENTITY.—The term “gov-
5 ernmental entity” means—

6 (A) a State;

7 (B) a political subdivision of a State; and

8 (C) an entity or organization, including an
9 Indian Tribe, that has governmental authority
10 within the territorial boundaries of the United
11 States, including Indian lands (as defined in
12 section 4 of the Indian Gaming Regulatory Act
13 (25 U.S.C. 2703)).

14 (5) INDIAN TRIBE.—The term “Indian Tribe”
15 has the meaning given the term “Indian tribe” in
16 section 4 of the Indian Gaming Regulatory Act (25
17 U.S.C. 2703).

18 (6) INTERACTIVE SPORTS WAGERING PLAT-
19 FORM.—The term “interactive sports wagering plat-
20 form” means a person or entity that offers licensed
21 sports wagering over the internet, including through
22 an internet website and mobile devices, on behalf of
23 a licensed gaming facility.

24 (7) INTERNATIONAL REGULATORY ENTITY.—
25 The term “international regulatory entity” means

1 any entity responsible for the regulation of sports
2 wagering outside the United States.

3 (8) INTERNATIONAL SPORTS WAGERING OPER-
4 ATOR.—

5 (A) IN GENERAL.—Except as provided in
6 subparagraph (B), the term “international
7 sports wagering operator” means any person
8 that—

9 (i) accepts sports wagers; and

10 (ii) is located outside the United
11 States.

12 (B) EXCEPTION.—The term “international
13 sports wagering operator” does not include a
14 sports wagering operator.

15 (9) INTERSTATE SPORTS WAGERING COM-
16 PACT.—The term “interstate sports wagering com-
17 pact” means a compact to offer sports wagering in
18 accordance with this Act between—

19 (A) 2 or more States with a State sports
20 wagering program;

21 (B) 1 or more States with a State sports
22 wagering program and 1 or more Indian Tribes;
23 or

24 (C) 2 or more Indian Tribes.

1 (10) LICENSED GAMING FACILITY.—The term
2 “licensed gaming facility” means a person licensed
3 by a State regulatory entity or an Indian Tribe li-
4 censed by a State regulatory agency.

5 (11) NATIONAL EXCLUSION LIST.—The term
6 “national exclusion list” means the list maintained
7 by the National Sports Wagering Clearinghouse, in
8 cooperation with State regulatory entities and sports
9 organizations, under section 106(c)(13).

10 (12) NATIONAL SELF-EXCLUSION LIST.—The
11 term “national self-exclusion list” means the list
12 maintained and administered by the National Sports
13 Wagering Clearinghouse, in cooperation with State
14 regulatory entities, under sections 103(b)(6)(A)(ii)
15 and 106(c)(12).

16 (13) NATIONAL SPORTS WAGERING CLEARING-
17 HOUSE.—The term “National Sports Wagering
18 Clearinghouse” means the entity designated by the
19 Attorney General under section 106(b).

20 (14) OFFICIAL.—The term “official” means a
21 referee, umpire, judge, reviewer, or any other indi-
22 vidual authorized to administer the rules of a sport-
23 ing event.

24 (15) SPORTING EVENT.—The term “sporting
25 event” means any athletic competition.

1 (16) SPORTS ORGANIZATION.—The term
2 “sports organization” means—

3 (A) a person or governmental entity that—

4 (i) sponsors, organizes, schedules, or
5 conducts a sporting event; and

6 (ii) with respect to the sporting event
7 and the participants in the sporting
8 event—

9 (I) prescribes final rules; and

10 (II) enforces a code of conduct;

11 and

12 (B) a league or association of 1 or more
13 persons or governmental entities described in
14 subparagraph (A).

15 (17) SPORTS WAGER.—

16 (A) IN GENERAL.—Except as provided in
17 subparagraph (C), the term “sports wager”
18 means the staking or risking by any person of
19 something of value upon the outcome of a
20 sporting event, including the outcome of any
21 portion or aspect thereof, upon an agreement or
22 understanding that the person or another per-
23 son will receive something of value in the event
24 of a certain outcome.

1 (B) INCLUSION.—With respect to an ama-
2 teur or professional sporting event, the term
3 “sports wager” includes—

- 4 (i) a straight bet;
5 (ii) a teaser;
6 (iii) a variation of a teaser;
7 (iv) a parlay;
8 (v) a total or over-under;
9 (vi) a moneyline;
10 (vii) a betting pool;
11 (viii) exchange wagering;
12 (ix) in-game wagering, including in-
13 game wagering on—
14 (I) a final or interim game score;
15 (II) statistics; or
16 (III) a discrete in-game event;
17 (x) a sports lottery; and
18 (xi) a proposition bet.

19 (C) EXCEPTIONS.—The term “sports
20 wager” does not include—

- 21 (i) any activity excluded from the defi-
22 nition of the term bet or wager under sec-
23 tion 5362 of title 31, United States Code;
24 or

1 (ii) any activity that does not violate
2 a provision of the Interstate Horseracing
3 Act of 1978 (15 U.S.C. 3001 et seq.).

4 (18) SPORTS WAGERING.—The term “sports
5 wagering” means the acceptance of a sports wager
6 by a sports wagering operator.

7 (19) SPORTS WAGERING OPERATOR.—The term
8 “sports wagering operator” means—

9 (A) a licensed gaming facility that offers
10 sports wagering; and

11 (B) an interactive sports wagering plat-
12 form.

13 (20) SPORTS WAGERING OPT-IN STATE.—The
14 term “sports wagering opt-in State” means a State
15 that administers a State sports wagering program.

16 (21) STATE.—The term “State” means—

17 (A) a State;

18 (B) the District of Columbia; and

19 (C) any commonwealth, territory, or pos-
20 session of the United States.

21 (22) STATE REGULATORY ENTITY.—The term
22 “State regulatory entity” means the governmental
23 entity—

1 (A) established or designated by a sports
2 wagering opt-in State under section
3 102(a)(2)(A)(ii); and

4 (B) responsible, solely or in coordination
5 with 1 or more other governmental entities, for
6 the regulation of sports wagering in the applica-
7 ble sports wagering opt-in State.

8 (23) STATE SOCIAL GAMBLING LAW.—The term
9 “State social gambling law” means a State law that
10 allows sports wagering that—

11 (A) is not conducted as a business;

12 (B) involves 2 or more players who com-
13 pete on equal terms; and

14 (C) does not provide a benefit to—

15 (i) a player, other than the winnings
16 of the player; or

17 (ii) a person who is not involved in a
18 sports wager.

19 (24) STATE SPORTS WAGERING PROGRAM.—
20 The term “State sports wagering program” means a
21 program administered and overseen by a State pur-
22 suant to an application approved by the Attorney
23 General under subsection (b) or (e) of section 102.

24 (25) SUSPICIOUS TRANSACTION.—The term
25 “suspicious transaction” means a transaction or an

1 arrangement that a sports wagering operator or the
2 National Sports Wagering Clearinghouse, as applica-
3 ble, knows or has reason to know, as determined by
4 a director, officer, employee, or agent of the sports
5 wagering operator or National Sports Wagering
6 Clearinghouse, is or would be if completed—

7 (A) a violation of, or part of a plan to vio-
8 late or evade, any Federal, State, or local law
9 (including regulations); or

10 (B) sports wagering by or on behalf of an
11 individual described in clause (iii), (iv), or (v) of
12 section 103(b)(4)(A).

13 (26) SUSPICIOUS TRANSACTION REPORT.—The
14 term “suspicious transaction report” means a report
15 submitted to a State regulatory entity, the National
16 Sports Wagering Clearinghouse, or a sports organi-
17 zation under section 103(b)(13).

18 (27) TRIBAL-STATE COMPACT.—The term
19 “Tribal-State compact” has the meaning given the
20 term in section 11(d) of the Indian Gaming Regu-
21 latory Act (25 U.S.C. 2710(d)).

1 **TITLE I—SPORTS WAGERING**

2 **SEC. 101. GENERAL PROHIBITION ON SPORTS WAGERING.**

3 (a) IN GENERAL.—Except as provided in subsection
4 (b), it shall be unlawful for any person to knowingly accept
5 a sports wager.

6 (b) EXCEPTIONS.—It shall not be a violation of sub-
7 section (a) for—

8 (1) a sports wagering operator located in a
9 sports wagering opt-in State to accept a sports
10 wager in accordance with State law; or

11 (2) a person to accept a sports wager in accord-
12 ance with an applicable State social gambling law.

13 (c) INJUNCTIONS.—

14 (1) IN GENERAL.—If the Attorney General be-
15 lieves a person has violated, is violating, or will vio-
16 late subsection (a), the Attorney General may bring
17 a civil action in the appropriate district court of the
18 United States or the appropriate United States
19 court of a territory or possession of the United
20 States, which shall have jurisdiction in proceedings
21 in accordance with the Federal Rules of Civil Proce-
22 dure to enjoin a violation of subsection (a).

23 (2) JURY TRIAL.—In the case of an alleged vio-
24 lation of an injunction or restraining order issued
25 under paragraph (1), trial shall be, on demand of

1 the accused, by a jury in accordance with the Fed-
2 eral Rules of Civil Procedure.

3 (d) CIVIL PENALTIES.—

4 (1) IN GENERAL.—Any person who violates this
5 subsection (a) shall be, with respect to any such vio-
6 lation, subject to a civil penalty of not more than the
7 greater of \$10,000 or 3 times the amount of the ap-
8 plicable sports wager.

9 (2) SEPARATE VIOLATIONS.—A separate viola-
10 tion occurs for each sports wager accepted in viola-
11 tion of subsection (a).

12 (3) JURISDICTION.—The district courts of the
13 United States and appropriate United States courts
14 of the territories and possessions of the United
15 States shall have jurisdiction to enforce this sub-
16 section in accordance with section 1355 of title 28,
17 United States Code.

18 (4) EFFECT OF LAW.—A violation of subsection
19 (a) shall not constitute a crime, and a judgment for
20 the United States and imposition of a civil penalty
21 pursuant to paragraph (1) shall not give rise to any
22 disability or legal disadvantage based on conviction
23 for a criminal offense.

24 (e) CIVIL PENALTY NOT EXCLUSIVE OF CRIMINAL
25 PENALTY.—A civil penalty, injunction, or temporary re-

1 straining order imposed under this section shall be inde-
2 pendent of, and not in lieu of, criminal prosecutions or
3 any other proceedings under any other law of the United
4 States, including sections 1084 and 1955 of title 18,
5 United States Code.

6 (f) EFFECTIVE DATE.—Subsection (a) shall take ef-
7 fect on the date that is 18 months after the date of enact-
8 ment of this Act.

9 **SEC. 102. STATE SPORTS WAGERING PROGRAM.**

10 (a) INITIAL APPLICATION.—

11 (1) IN GENERAL.—To request approval to ad-
12 minister a State sports wagering program, a State
13 shall submit an application to the Attorney General
14 at such time, in such manner, and accompanied by
15 such information as the Attorney General may re-
16 quire.

17 (2) CONTENTS.—An application under para-
18 graph (1) shall include—

19 (A) a full and complete description of the
20 State sports wagering program the State pro-
21 poses to administer under State law, includ-
22 ing—

23 (i) each applicable State law relating
24 to sports wagering; and

1 (ii) an identification of the State regu-
2 latory entity; and

3 (B) an assurance from the attorney gen-
4 eral or chief legal officer of the State that the
5 laws of the State provide adequate authority to
6 carry out the proposed State sports wagering
7 program.

8 (b) APPROVAL BY ATTORNEY GENERAL.—

9 (1) IN GENERAL.—Not later than 180 days
10 after the date on which the Attorney General re-
11 ceives a complete application under this section, the
12 Attorney General shall approve the application un-
13 less the Attorney General determines that the pro-
14 posed State sports wagering program does not meet
15 the standards set forth in section 103.

16 (2) DENIAL OF APPLICATION.—A decision of
17 the Attorney General to deny an application sub-
18 mitted under this section shall—

19 (A) be made in writing; and

20 (B) specify the 1 or more standards under
21 section 103 that are not satisfied by the pro-
22 posed State sports wagering program.

23 (c) NOTICE OF MATERIAL CHANGES.—In the case of
24 a material change to a State law relating to sports wager-
25 ing, the State regulatory entity, or other information in-

1 cluded in an application submitted pursuant to subsection
2 (a) or (e), not later than 30 days after the date on which
3 the change is made, the State shall submit to the Attorney
4 General a notice of such change.

5 (d) DURATION.—A State sports wagering program
6 shall be valid for a fixed 3-year period beginning on the
7 date on which the Attorney General approves the applica-
8 tion of the applicable State under subsection (a) or (e).

9 (e) RENEWAL APPLICATION AND APPROVAL.—Not
10 later than the date on which the 3-year period referred
11 to in subsection (d) ends, a State seeking to renew the
12 approval of the State sports wagering program may sub-
13 mit to the Attorney General a renewal application that—

14 (1) includes the information described in sub-
15 section (a); and

16 (2) shall be subject to the approval process
17 under subsection (b).

18 (f) REVOCATION AND REVIEW.—

19 (1) EMERGENCY REVOCATION OF APPROVAL.—
20 The Attorney General shall promulgate regulations
21 that provide procedures by which the Attorney Gen-
22 eral may revoke the approval of a State to admin-
23 ister a State sports wagering program before the
24 date on which the 3-year term described in sub-
25 section (d) expires if the Attorney General finds that

1 the sports wagering program does not meet 1 or
2 more standards set forth in section 103.

3 (2) ADMINISTRATIVE REVIEW.—The Attorney
4 General shall promulgate regulations that provide
5 procedures by which a State may seek administra-
6 tive review of any decision by the Attorney Gen-
7 eral—

8 (A) to deny an application under sub-
9 section (b);

10 (B) to deny a renewal application under
11 subsection (e); or

12 (C) to revoke an approval under paragraph
13 (1).

14 **SEC. 103. STATE SPORTS WAGERING PROGRAM STAND-**
15 **ARDS.**

16 (a) IN GENERAL.—The Attorney General shall ap-
17 prove an application under section 102 unless the Attor-
18 ney General determines that the proposed State sports wa-
19 gering program does not meet the standards set forth in
20 subsection (b).

21 (b) STANDARDS FOR STATE SPORTS WAGERING PRO-
22 GRAMS.—A State sports wagering program shall meet
23 each of the following standards:

24 (1) STATE REGULATORY ENTITY.—Establish or
25 designate a public entity in the applicable State as

1 the State regulatory entity for the purposes of regu-
2 lating sports wagering operators and enforcing
3 sports wagering laws in the State.

4 (2) PERMISSIBLE SPORTS WAGERING.—

5 (A) IN-PERSON SPORTS WAGERING.—Pro-
6 vide that in-person sports wagering may be of-
7 fered only by a sports wagering operator.

8 (B) INTERNET SPORTS WAGERING.—

9 (i) IN GENERAL.—With respect to any
10 authorization of sports wagering on an
11 interactive sports wagering platform, pro-
12 vide that such sports wagering, as avail-
13 able, is available only to—

14 (I) individuals located in the
15 State; or

16 (II) in the case of an interstate
17 sports wagering compact approved by
18 the Attorney General pursuant to sec-
19 tion 105, individuals located in States
20 and on Indian lands (as defined in
21 section 4 of the Indian Gaming Regu-
22 latory Act (25 U.S.C. 2703)) of In-
23 dian Tribes that are party to the com-
24 pact.

1 (ii) LOCATION VERIFICATION.—In-
2 clude location verification requirements
3 reasonably designed to prevent an indi-
4 vidual from placing a sports wager on an
5 interactive sports wagering platform from
6 a location other than a location described
7 in clause (i).

8 (C) SPORTS WAGER APPROVAL.—

9 (i) IN GENERAL.—Provide that a
10 sports wagering operator shall not accept a
11 sports wager unless such sports wager or
12 class of sports wagers is expressly ap-
13 proved by the State regulatory entity.

14 (ii) APPROVAL CRITERIA.—Direct the
15 State regulatory entity to establish criteria
16 for decisions with respect to the approval
17 of a sports wager or a class of sports wa-
18 gers, such as whether the outcome of the
19 event or contingency on which the sports
20 wager is placed is—

- 21 (I) verifiable;
22 (II) generated by a reliable and
23 independent process; and
24 (III) unlikely to be affected by
25 any sports wager placed.

1 (D) PROHIBITION OF SPORTS WAGERING
2 ON CERTAIN AMATEUR SPORTS.—

3 (i) IN GENERAL.—Except as provided
4 in clause (ii), prohibit the State regulatory
5 entity from approving or a sports wagering
6 operator from accepting a sports wager on
7 any amateur athletic competition.

8 (ii) EXCEPTIONS.—A State regulatory
9 entity may approve, and a sports wagering
10 operator may accept, a sports wager, as
11 approved by the applicable State regu-
12 latory entity, on—

- 13 (I) the Olympic Games;
14 (II) the Paralympic Games;
15 (III) the Pan-American Games;
16 or
17 (IV) any intercollegiate sport (as
18 defined in the Sports Agent Responsi-
19 bility and Trust Act (15 U.S.C.
20 7801).

21 (3) RESTRICTIONS ON SPORTS WAGERING TO
22 PROTECT CONTEST INTEGRITY.—

23 (A) DEFINITION OF NECESSARY TO MAIN-
24 TAIN CONTEST INTEGRITY.—In this paragraph,
25 the term “necessary to maintain contest integ-

1 rity” means that, in the absence of a restric-
2 tion, there is a reasonably foreseeable risk that
3 the outcome of the sporting event or contin-
4 gency on which the wager is placed would be af-
5 fected by the wager.

6 (B) CONTEST INTEGRITY.—Prohibit a
7 sports wagering operator from accepting a
8 sports wager in violation of a notice of restric-
9 tion received by the sports wagering operator
10 under subparagraph (E)(i).

11 (C) REQUEST TO RESTRICT SPORTS WA-
12 GERING.—

13 (i) IN GENERAL.—With respect to a
14 sporting events sponsored, organized, or
15 conducted by a sports organization, permit
16 the sports organization to submit to the
17 State regulatory entity a request to re-
18 strict, limit, or exclude wagers on 1 or
19 more sporting events, including by restrict-
20 ing, limiting, and excluding sports wagers
21 on 1 or more performances of an athlete in
22 1 or more sporting events in which such
23 athlete participates, if the applicable sports
24 organization determines that such restric-

1 tion is necessary to maintain contest integ-
2 rity.

3 (ii) DEADLINES FOR SUBMISSION.—

4 Provide that the State regulatory entity
5 shall establish reasonable deadlines for the
6 submission of a request under clause (i) in
7 advance of the applicable sporting event.

8 (D) DETERMINATION BY THE STATE REG-
9 ULATORY ENTITY.—Provide that the State reg-
10 ulatory entity shall promptly—

11 (i) approve a request described in sub-
12 paragraph (C)(i) unless the State regu-
13 latory entity determines, considering any
14 information provided by the sports organi-
15 zation and any other relevant information,
16 that a restriction is not necessary to main-
17 tain contest integrity;

18 (ii) provide a written explanation of a
19 determination under clause (i) to approve
20 or deny a request;

21 (iii) make such written explanation
22 available to the public; and

23 (iv) provide a process by which the
24 sports organization that submitted the re-

1 quest may seek review of such determina-
2 tion.

3 (E) NOTICE OF RESTRICTION.—Provide
4 that the State regulatory entity shall establish
5 a process—

6 (i) to provide to sports wagering oper-
7 ators prompt notice of any restriction ap-
8 proved by the State regulatory entity; and

9 (ii) to make such notice publicly avail-
10 able.

11 (4) PREVENTION OF SPORTS WAGERING BY
12 PROHIBITED INDIVIDUALS.—

13 (A) PROHIBITED INDIVIDUALS.—Prohibit
14 a sports wagering operator from accepting
15 sports wagers from any—

16 (i) individual younger than 21 years
17 of age;

18 (ii) individual on the national self-ex-
19 clusion list;

20 (iii) athlete, coach, official, or em-
21 ployee of a sports organization or any club
22 or team of a sports organization, with re-
23 spect to a sporting event sponsored, orga-
24 nized, or conducted by the sports organiza-
25 tion;

1 (iv) employee of a player or an official
2 union of a sports organization, with re-
3 spect to a sporting event sponsored, orga-
4 nized, or conducted by the sports organiza-
5 tion;

6 (v) individual who, with respect to a
7 sporting event sponsored, organized, or
8 conducted by a sports organization, is—

9 (I) credentialed or accredited by
10 the sports organization; and

11 (II) prohibited from placing a
12 sports wager by the terms of such cre-
13 dential or accreditation; or

14 (vi) individual convicted of an offense
15 under subsection (a) or (b) of section 224
16 of title 18, United States Code.

17 (B) NATIONAL EXCLUSION LIST.—

18 (i) IN GENERAL.—Provide that sports
19 wagering operators shall have access to the
20 national exclusion list maintained by the
21 National Sports Wagering Clearinghouse.

22 (ii) REVIEW.—Establish procedures
23 by which a resident of the State may seek
24 review by the State regulatory entity of a

1 decision to include the individual on the
2 national exclusion list.

3 (iii) REASONABLE STEPS RE-
4 QUIRED.—Provide that a sports wagering
5 operator shall take reasonable steps to pre-
6 vent the sports wagering operator from ac-
7 cepting a sports wager from an individual
8 on the national exclusion list.

9 (5) AUTHORIZED DATA.—

10 (A) RESULT OF A SPORTS WAGER.—

11 (i) MARKET TRANSITION PERIOD.—
12 With respect to any sports wager accepted
13 on or before December 31, 2024, provide
14 that a sports wagering operator shall de-
15 termine the result of a sports wager only
16 with data that is licensed and provided
17 by—

18 (I) the applicable sports organi-
19 zation; or

20 (II) an entity expressly author-
21 ized by the applicable sports organiza-
22 tion to provide such information.

23 (ii) POST-TRANSITION PERIOD.—With
24 respect to any sports wager accepted after
25 December 31, 2024, provide that a sports

1 waging operator shall determine the re-
2 sult of a sports wager only with data that
3 is obtained from a source that the State
4 regulatory entity has—

5 (I) found to provide—

6 (aa) data of substantially
7 similar speed, accuracy, and con-
8 sistency to the data available
9 under clause (i); and

10 (bb) only data that is—

11 (AA) legally obtained;

12 and

13 (BB) in full compliance

14 with the terms of any appli-

15 cable contract or license;

16 (II) expressly authorized to pro-
17 vide such data to sports wagering op-
18 erators; and

19 (III) identified in the application
20 of the State regulatory entity under
21 section 102.

22 (B) OTHER PURPOSES.—Provide that the
23 statistics, result, outcome, or other data used
24 by a sports wagering operator for a purpose
25 other than to determine the result of a sports

1 wager shall be in the public domain or other-
2 wise legally obtained.

3 (6) CONSUMER PROTECTIONS.—

4 (A) SELF-EXCLUSION.—

5 (i) STATE SELF-EXCLUSION LIST.—

6 Provide a process by which an individual
7 may restrict himself or herself from plac-
8 ing a sports wager with a sports wagering
9 operator located in the State, including by
10 imposing sports wager limits.

11 (ii) NATIONAL SELF-EXCLUSION

12 LIST.—Provide, through the State regu-
13 latory entity acting in cooperation with the
14 National Sports Wagering Clearinghouse, a
15 process by which an individual may restrict
16 himself or herself from placing a sports
17 wager with a sports wagering operator lo-
18 cated in any sports wagering opt-in State,
19 including by imposing sports wager limits,
20 and placing himself or herself on the na-
21 tional self-exclusion list.

22 (iii) REASONABLE STEPS RE-

23 QUIRED.—Provide that a sports wagering
24 operator shall take reasonable steps to pre-

1 vent from placing a sports wager an indi-
2 vidual who is—

3 (I) described in clause (i); or

4 (II) included on the national self-
5 exclusion list.

6 (B) WITHDRAWAL RESTRICTIONS.—Pro-
7 hibit a sports wagering operator from—

8 (i) requiring an individual engaged in
9 sports wagering to participate in a pub-
10 licity or an advertising activity of the
11 sports wagering operator as a condition of
12 withdrawal of the winnings of the indi-
13 vidual; and

14 (ii) imposing on any individual en-
15 gaged in sports wagering—

16 (I) a minimum or maximum
17 withdrawal limit for the account of
18 the individual;

19 (II) any restriction on the right
20 of the individual to make a with-
21 drawal from the account of the indi-
22 vidual based on the extent of the
23 sports wagering by the individual;

24 (III) an unreasonable deadline
25 for the provision of information relat-

1 ing to the identity of the individual as
2 a condition of withdrawal from the ac-
3 count of the individual; or

4 (IV) a dormancy charge for an
5 account of the individual that is not
6 used to place a sports wager.

7 (C) DISCLOSURE.—

8 (i) RESTRICTIONS OR CONDITIONS.—

9 Provide that a sports wagering operator
10 shall provide an individual with adequate
11 and clear information relating to any appli-
12 cable restriction or condition before the in-
13 dividual opens an account with the sports
14 wagering operator.

15 (ii) BONUSES OFFERED.—Provide
16 that a sports wagering operator shall pro-
17 vide to an individual engaged in sports wa-
18 gering clear information relating to any
19 bonus offered, including the terms of with-
20 drawal of the bonus.

21 (iii) PUBLIC AVAILABILITY.—Provide
22 that the information described in clauses
23 (i) and (ii) be available to the public.

24 (D) TREATMENT AND EDUCATION FUND-
25 ING.—Provide that a sports wagering operator

1 shall allocate an appropriate percentage of the
2 revenue from sports wagering to—

3 (i) treatment for gambling disorder;

4 and

5 (ii) education on responsible gaming.

6 (E) RESERVE REQUIREMENT.—Provide
7 that a sports wagering operator shall maintain
8 a reserve in an amount not less than the sum
9 of—

10 (i) the amounts held by the sports wa-
11 gering operator for the account of patrons;

12 (ii) the amounts accepted by the
13 sports wagering operator as sports wagers
14 on contingencies the outcomes of which
15 have not been determined; and

16 (iii) the amounts owed but unpaid by
17 the sports wagering operator on winning
18 wagers during the period for honoring win-
19 ning wagers established by State law or
20 the sports wagering operator.

21 (7) ADVERTISING.—Provide that advertise-
22 ments for a sports wagering operator—

23 (A) shall—

24 (i) disclose the identity of the sports
25 wagering operator; and

1 (ii) provide information about how to
2 access resources relating to gambling ad-
3 diction; and

4 (B) shall not recklessly or purposefully tar-
5 get—

6 (i) problem gamblers;

7 (ii) individuals suffering from gam-
8 bling disorder; or

9 (iii) individuals who are ineligible to
10 place a sports wager, including individuals
11 younger than 21 years of age.

12 (8) LICENSING REQUIREMENT.—

13 (A) IN GENERAL.—Provide that a sports
14 wagering operator located in the State shall be
15 licensed by the State regulatory entity.

16 (B) SUITABILITY FOR LICENSING.—

17 (i) IN GENERAL.—Provide that before
18 granting a license to a prospective sports
19 wagering operator, the State regulatory en-
20 tity shall, make a determination, based on
21 a completed background check and inves-
22 tigation, with respect to whether the pro-
23 spective sports wagering operator and any
24 person considered to be in control of the
25 prospective sports wagering operator is

1 suitable for license in accordance with suit-
2 ability standards established by the State
3 regulatory entity.

4 (ii) ASSOCIATES OF APPLICANTS.—
5 Provide that if a prospective sports wager-
6 ing operator is a corporation, partnership,
7 or other business entity, a background
8 check and investigation shall occur with re-
9 spect to—

10 (I) the president or other chief
11 executive of the corporation, partner-
12 ship, or other business entity; and

13 (II) any other partner or senior
14 executive and director of the corpora-
15 tion, partnership, or other business
16 entity, as determined by the State
17 regulatory entity.

18 (iii) BACKGROUND CHECK AND INVES-
19 TIGATION.—Establish standards and pro-
20 cedures for conducting the background
21 checks and investigations described in this
22 subparagraph.

23 (C) UNSUITABILITY FOR LICENSING.—
24 With respect to the suitability standards under
25 in subparagraph (B)(1), provide that a prospec-

1 pating in, an illegal internet gambling
2 activity, including—
3 (aa) taking an illegal inter-
4 net wager;
5 (bb) payment of winnings on
6 an illegal internet wager;
7 (cc) promotion through ad-
8 vertising of an illegal internet
9 gambling website or service; or
10 (dd) collection of any pay-
11 ment on behalf of an entity oper-
12 ating an illegal internet gambling
13 website; or
14 (II) has knowingly been owned,
15 operated, managed, or employed by,
16 or should have known the prospective
17 sports wagering operator was owned,
18 operated, managed, or employed by,
19 any person who was knowingly par-
20 ticipating in, or should have known
21 the person was participating in, an il-
22 legal internet gambling activity, in-
23 cluding an activity described in items
24 (aa) through (dd) of subclause (I);
25 (vi) has—

1 (I) received any assistance, finan-
2 cial or otherwise, from a person who
3 has, before the date of enactment of
4 this Act, knowingly accepted bets or
5 wagers from any other person who is
6 physically present in the United
7 States in violation of Federal or State
8 law; or

9 (II) provided any assistance, fi-
10 nancial or otherwise, to a person who
11 has, before the date of enactment of
12 this Act, knowingly accepted bets or
13 wagers from any other person who is
14 physically present in the United
15 States in violation of Federal or State
16 law;

17 (vii) with respect to any other entity
18 that has accepted a bet or wager from any
19 individual in violation of United States
20 law, has purchased or otherwise obtained—

21 (I) such entity;

22 (II) a list of the customers of
23 such entity; or

24 (III) any other part of the equip-
25 ment or operations of such entity; or

1 (viii) fails to certify in writing, under
2 penalty of perjury, that the applicant or
3 other such person, and all affiliated busi-
4 ness entities (including all entities under
5 common control), during the entire history
6 of such applicant or other such person and
7 all affiliated business entities—

8 (I) have not committed an inten-
9 tional felony violation of Federal or
10 State sports wagering law; and

11 (II) have used diligence to pre-
12 vent any United States person from
13 placing a sports wager on an internet
14 site in violation of Federal or State
15 sports wagering laws.

16 (D) REVOCATION AND SUSPENSION.—Es-
17 tablish standards and procedures for sus-
18 pending or revoking the license of a sports wa-
19 gering operator.

20 (9) EMPLOYEE BACKGROUND CHECKS.—Pro-
21 vide that a sports wagering operator—

22 (A) shall ensure that each existing and
23 newly-hired employee or contractor of the sports
24 wagering operator undergo an annual criminal
25 history background check; and

1 (B) shall not employ or enter into a con-
2 tract with any individual who has been con-
3 victed of a Federal or State crime relating to
4 sports wagering.

5 (10) RECORDKEEPING REQUIREMENTS.—

6 (A) IN GENERAL.—Except as provided in
7 subparagraph (B), with respect to each sports
8 wager accepted by a sports wagering operator
9 or attempted to be placed by an individual with
10 a sports wagering operator, provide that the
11 sports wagering operator shall secure and main-
12 tain a record of the following:

13 (i) The name, permanent address,
14 date of birth, and social security number
15 or passport number of the individual who
16 placed, or attempted to place, the sports
17 wager, which the sports wagering operator
18 shall verify in accordance with the require-
19 ments for verification of identity in parts
20 1010.312 and 1021.312 of title 31, Code
21 of Federal Regulations (or successor regu-
22 lations).

23 (ii) The amount and type of the
24 sports wager.

1 (iii) The date and time at which the
2 sports wager was placed or attempted to
3 be placed.

4 (iv) The location at which the sports
5 wager was placed or attempted to be
6 placed, including the internet protocol ad-
7 dress, if applicable.

8 (v) The outcome of the sports wager.

9 (B) EXCEPTION.—Provide that a sports
10 wagering operator shall not be required to
11 maintain a record of the information described
12 in subparagraph (A) if—

13 (i) the sports wager is not placed by
14 an individual through an account with the
15 sports wagering operator;

16 (ii) the amount of the sports wager
17 does not exceed \$10,000;

18 (iii) the sports wagering operator and
19 any officer, employee, or agent of the
20 sports wagering operator does not have
21 knowledge, or would not in the ordinary
22 course of business have reason to have
23 knowledge, that the sports wager is one of
24 multiple sports wagers placed by an indi-
25 vidual or on behalf of an individual during

1 one day that are, in the aggregate, in ex-
2 cess of \$10,000; and

3 (iv) the sports wagering operator is
4 not required, pursuant to section
5 31.3402(q)-1 of title 26, Code of Federal
6 Regulations (or a successor regulation), to
7 furnish a Form W-2G to the individual
8 who placed the sports wager with respect
9 to winnings from the sports wager.

10 (C) RECORDS RELATING TO SUSPICIOUS
11 TRANSACTIONS.—Provide that, in addition to
12 the records required to be maintained pursuant
13 paragraph (A), a sports wagering operator shall
14 be required to maintain any other records relat-
15 ing to a suspicious transaction, including video
16 recordings, in the possession, custody, or con-
17 trol of the sports wagering operator.

18 (D) DURATION OF RECORDKEEPING OBLI-
19 GATION.—Provide that a sports wagering oper-
20 ator shall be required to maintain each record
21 required under this paragraph for not less than
22 5 years after the date on which the record is
23 created.

24 (11) DATA SECURITY.—Provide that a sports
25 wagering operator and the State regulatory entity

1 shall take reasonable steps to prevent unauthorized
2 access to, or dissemination of, sports wagering and
3 customer data.

4 (12) REAL-TIME INFORMATION SHARING.—Pro-
5 vide that a sports wagering operator shall provide to
6 the National Sports Wagering Clearinghouse
7 anonymized sports wagering data in real-time or as
8 soon as practicable, but not later than 24 hours,
9 after the time at which a sports wager is accepted
10 by the sports wagering operator.

11 (13) SUSPICIOUS TRANSACTION REPORTING.—

12 (A) REPORTING TO STATE REGULATORY
13 ENTITY.—Provide that each sports wagering
14 operator located in the State shall promptly re-
15 port the information described in paragraph
16 (10)(A) for any suspicious transaction to the
17 State regulatory entity, in such manner and ac-
18 companied by such additional information as
19 the State regulatory entity may require.

20 (B) REPORTING TO THE NATIONAL SPORTS
21 WAGERING CLEARINGHOUSE AND SPORTS ORGA-
22 NIZATIONS.—

23 (i) IN GENERAL.—Subject to clause
24 (ii), provide that a sports wagering oper-
25 ator shall simultaneously transmit to the

1 National Sports Wagering Clearinghouse,
2 applicable sports organization, and any
3 component of the Department of Justice or
4 other Federal law enforcement entity des-
5 ignated by the Attorney General to receive
6 such reports, any suspicious transaction
7 report submitted to a State regulatory en-
8 tity under subparagraph (A).

9 (ii) PERSONALLY IDENTIFIABLE IN-
10 FORMATION.—

11 (I) IN GENERAL.—Except as pro-
12 vided in subclause (II), a suspicious
13 transaction report submitted to the
14 National Sports Wagering Clearing-
15 house or a sports organization shall
16 not contain any personally identifiable
17 information relating to any individual
18 who placed, or attempted to place, a
19 sports wager.

20 (II) EXCEPTION.—A suspicious
21 transaction report submitted to the
22 National Sports Wagering Clearing-
23 house or a sports organization shall
24 include any available personally identi-
25 fiable information relating to an indi-

1 vidual described in clause (iii), (iv), or
2 (v) of paragraph (4)(A).

3 (14) MONITORING AND ENFORCEMENT.—

4 (A) IN GENERAL.—Provide that the State
5 regulatory entity, in consultation with law en-
6 forcement, shall develop and implement a strat-
7 egy to enforce the sports wagering laws of the
8 State.

9 (B) AUTHORITY TO MONITOR AND EN-
10 FORCEMENT.—Provide adequate authority to
11 the State regulatory entity and law enforce-
12 ment, as appropriate, to monitor compliance
13 with and enforce the sports wagering laws of
14 the State, including—

15 (i) the authority and responsibility to
16 conduct periodic audits and inspect the
17 books and records of each sports wagering
18 operator located or operating in the State;
19 and

20 (ii) a requirement that the State regu-
21 latory entity shall refer evidence of poten-
22 tial criminal violations to the appropriate
23 law enforcement entity.

24 (15) COOPERATION WITH INVESTIGATIONS.—

1 (A) SPORTS WAGERING OPERATORS.—Pro-
2 vide that any sports wagering operator located
3 or operating in the State shall cooperate with
4 any lawful investigation conducted by—

5 (i) the State regulatory entity;

6 (ii) Federal or State law enforcement;

7 or

8 (iii) a sports organization, with re-
9 spect to a sports wager—

10 (I) on a sporting event spon-
11 sored, organized, or conducted by the
12 sports organization;

13 (II) placed by or on behalf of an
14 individual described in clause (iii),
15 (iv), or (v) of paragraph (4)(A); and

16 (III) accepted by the sports wa-
17 gering operator.

18 (B) STATE REGULATORY ENTITY.—Pro-
19 vide that the State regulatory entity shall co-
20 operate with any lawful investigation conducted
21 by—

22 (i) Federal or State law enforcement;

23 or

24 (ii) a sports organization, with respect
25 to a sports wager—

1 (I) on a sporting event spon-
2 sored, organized, or conducted by the
3 sports organization; and

4 (II) accepted by a sports wager-
5 ing operator located or operating in
6 the State.

7 (16) INTERNAL CONTROLS.—

8 (A) IN GENERAL.—Provide that each
9 sports wagering operator shall devise and main-
10 tain a system of internal controls sufficient to
11 provide reasonable assurances that sports wa-
12 gers are accepted in accordance with all appli-
13 cable laws, regulations, and policies.

14 (B) MINIMUM STANDARDS.—Provide that
15 the State regulatory entity shall adopt and pub-
16 lish minimum standards for internal control
17 procedures.

18 (C) REPORT.—Provide that each sports
19 wagering operator shall submit to the State reg-
20 ulatory entity not less frequently than annually
21 the written system of internal controls of the
22 sports wagering operator.

23 (D) AUDIT.—Provide that system of inter-
24 nal controls of a sports wagering operator shall
25 be evaluated on a periodic basis, but not less

1 frequently than every 3 years, by the State reg-
2 ulatory entity or an independent third party
3 auditor.

4 **SEC. 104. ANTI-MONEY LAUNDERING PROVISIONS.**

5 (a) **BANK SECRECY ACT.**—Section 5312(a)(2)(X) of
6 title 31, United States Code, is amended—

7 (1) in the matter preceding clause (i), by insert-
8 ing “sports wagering operator (as defined in section
9 3 of the Sports Wagering Market Integrity Act of
10 2018),” after “gambling casino,”; and

11 (2) in clause (i), by inserting “sports wagering
12 operator,” after “gambling casino,”.

13 (b) **RULES FOR SPORTS WAGERING OPERATORS.**—

14 Not later than 180 days after the date of enactment of
15 this Act, the Secretary of the Treasury shall amend—

16 (1) part 1021 of title 31, Code of Federal Reg-
17 ulations, to provide that sports wagering operators
18 shall be treated the same as casinos with respect to
19 any requirement under that part; and

20 (2) sections 1010.312, 1021.311, and 1021.312
21 of title 31, Code of Federal Regulations, to specifi-
22 cally address the means by which a sports wagering
23 operator shall, under each such section, verify the
24 identity of an individual who conducts a transaction
25 described in that section over the internet.

1 (c) APPLICATION.—

2 (1) DEFINITION.—In this subsection, the term
3 “Bank Secrecy Act” means subchapter II of chapter
4 53 of title 31, United States Code.

5 (2) EFFECT OF COMPLIANCE WITH STATE RE-
6 QUIREMENTS.—The submission of a suspicious
7 transaction report to a State regulatory entity, the
8 National Sports Wagering Clearinghouse, or a sports
9 organization shall not be considered to violate—

10 (A) any provision of the Bank Secrecy Act;

11 or

12 (B) any regulation promulgated under the
13 Bank Secrecy Act that limits the disclosure of
14 information that would reveal the existence of a
15 suspicious activity report filed with the Finan-
16 cial Crimes Enforcement Network under chap-
17 ter X of title 31, Code of Federal Regulations.

18 **SEC. 105. INTERSTATE SPORTS WAGERING COMPACTS.**

19 (a) IN GENERAL.—Each sports wagering opt-in State
20 may enter into such interstate sports wagering compact
21 as may be necessary to provide for sports wagering on an
22 interactive sports wagering platform between and among
23 individuals located in any State that is party to such com-
24 pact.

1 (b) EFFECTIVE DATE.—The effective date of an
2 interstate sports wagering compact entered into under
3 subsection (a), or any amendment of such interstate
4 sports wagering compact, shall be not earlier than 90 days
5 after the date on which such interstate sports wagering
6 compact or amendment is approved by the Attorney Gen-
7 eral under subsection (c).

8 (c) ATTORNEY GENERAL REVIEW.—

9 (1) IN GENERAL.—The parties to an interstate
10 sports wagering compact shall submit to the Attor-
11 ney General a copy of the interstate sports wagering
12 compact at such time, in such manner, and accom-
13 panied by such information as the Attorney General
14 may require.

15 (2) EFFECT ON STATE SPORTS WAGERING PRO-
16 GRAMS.—In addition to any other information re-
17 quired by the Attorney General, each party to an
18 interstate sports wagering compact submitted to the
19 Attorney General under paragraph (1) shall provide
20 to the Attorney General a full and complete descrip-
21 tion of any changes or proposed changes to be made
22 to the sports wagering program of the State to com-
23 ply with the terms of the interstate sports wagering
24 compact.

1 (3) APPROVAL BY ATTORNEY GENERAL.—Not
2 later than 180 days after the Attorney General re-
3 ceives an interstate sports wagering compact and
4 any other information required under this sub-
5 section, the Attorney General shall approve the
6 interstate sports wagering compact unless the Attor-
7 ney General determines that—

8 (A) the terms of such interstate sports wa-
9 gering compact conflict with this Act or any
10 other Federal law;

11 (B) any change to a State sports wagering
12 program submitted to the Attorney General
13 under paragraph (2) does not meet the stand-
14 ards set forth in section 103; or

15 (C) such interstate sports wagering com-
16 pact would permit a sports wagering operator
17 or an individual located in any State party to
18 the compact to accept or place a sports wager
19 from or in another State through an interactive
20 sports wagering platform that the sports wager-
21 ing operator or individual would have been pro-
22 hibited from accepting or placing in the State
23 in which the individual is located, but for the
24 interstate sports wagering compact.

1 (4) DENIAL BY ATTORNEY GENERAL.—A deci-
2 sion of the Attorney General not to approve an
3 interstate sports wagering compact submitted under
4 paragraph (3) shall—

5 (A) be made in writing; and

6 (B) specify the reason that the interstate
7 sports wagering compact was not approved.

8 (5) MODIFICATION.—Any proposed amendment
9 to an interstate sports wagering compact shall be
10 submitted by the parties and reviewed by the Attor-
11 ney General in the same manner as an interstate
12 sports wagering compact under this subsection.

13 (6) ADMINISTRATIVE REVIEW.—The Attorney
14 General shall promulgate regulations that provide
15 procedures by which a party to an interstate sports
16 wagering compact may seek administrative review of
17 any decision by the Attorney General not to approve
18 an interstate sports wagering compact or amend-
19 ment under this subsection.

20 **SEC. 106. NATIONAL SPORTS WAGERING CLEARINGHOUSE.**

21 (a) IN GENERAL.—An entity designated as the Na-
22 tional Sports Wagering Clearinghouse shall—

23 (1) be a nonprofit organization that—

24 (A) is not owned by any other entity; and

1 (B) is established for the purpose of car-
2 rying out the activities described in subsection
3 (c);

4 (2) have articles of incorporation, a constitu-
5 tion, bylaws, or any other governing document that
6 establishes and maintains provisions with respect to
7 the governance and conduct of the affairs of the Na-
8 tional Sports Wagering Clearinghouse for reasonable
9 representation of—

10 (A) sports wagering operators;

11 (B) sports organizations;

12 (C) State regulatory entities;

13 (D) Federal and State law enforcement;

14 and

15 (E) 1 or more individuals not affiliated or
16 associated with an entity described in subpara-
17 graphs (A) through (D) who, in the judgment
18 of the Attorney General, represent the interests
19 of the United States public in the activities of
20 the National Sports Wagering Clearinghouse;

21 (3) demonstrate to the Attorney General that
22 the National Sports Wagering Clearinghouse has or
23 will have the administrative and technological capa-
24 bilities to carry out the activities described in sub-
25 section (c); and

1 (4) be designated by the Attorney General in
2 accordance with subsection (b).

3 (b) DESIGNATION OF NATIONAL SPORTS WAGERING
4 CLEARINGHOUSE.—

5 (1) INITIAL DESIGNATION.—

6 (A) SOLICITATION OF INFORMATION.—Not
7 later than 90 days after the date of enactment
8 of this Act, the Attorney General shall publish
9 in the Federal Register a notice soliciting infor-
10 mation to assist in identifying an appropriate
11 entity to serve as the National Sports Wagering
12 Clearinghouse.

13 (B) DESIGNATION.—Not later than 270
14 days after the date of enactment of this Act
15 and after reviewing the information requested
16 under subparagraph (A), the Attorney General
17 shall make an initial designation of the Na-
18 tional Sports Wagering Clearinghouse.

19 (C) PUBLICATION.—Not later than 300
20 days after the date of enactment of this Act,
21 the Attorney General shall publish in the Fed-
22 eral Register a notice setting forth the identity
23 of, and contact information for, the National
24 Sports Wagering Clearinghouse designated
25 under subparagraph (B).

1 (2) PERIODIC REVIEW OF DESIGNATION.—

2 (A) IN GENERAL.—Not less frequently
3 than every fifth January beginning in the fifth
4 calendar year after the initial designation under
5 paragraph (1)(B), the Attorney General shall
6 publish in the Federal Register a notice solici-
7 ting information relating to whether—

8 (i) the existing designation should be
9 continued; or

10 (ii) a different entity meeting the cri-
11 teria described in paragraphs (1) through
12 (3) of subsection (a) should be designated
13 as the National Sports Wagering Clearing-
14 house.

15 (B) PUBLICATION.—After the publication
16 of the notice under subparagraph (A), a review
17 of the information submitted pursuant to the
18 notice, and any additional proceedings as the
19 Attorney General considers appropriate, the At-
20 torney General shall publish in the Federal
21 Register a notice—

22 (i) continuing the existing designation;
23 or

24 (ii) designating another entity as the
25 National Sports Wagering Clearinghouse.

1 (4) operate a national repository of anonymized
2 sports wagering data and suspicious transaction re-
3 ports;

4 (5) receive from sports wagering operators
5 anonymized sports wagering data and suspicious
6 transaction reports;

7 (6) promptly make available to State regulatory
8 entities anonymized sports wagering data and sus-
9 picious transaction reports received from sports wa-
10 gering operators;

11 (7) with respect to sporting events sponsored,
12 organized, or conducted by a sports organization,
13 promptly make available to the applicable sports or-
14 ganization anonymized sports wagering data and
15 suspicious transaction reports received from sports
16 wagering operators;

17 (8) enter into memoranda of understanding or
18 such other agreements with public or private third
19 parties as may be necessary to provide for the shar-
20 ing of anonymized sports wagering data and sus-
21 picious transaction reports under paragraphs (5)
22 through (7) and other information between the Na-
23 tional Sports Wagering Clearinghouse and—

24 (A) sports wagering operators;

25 (B) sports organizations;

1 (C) State regulatory entities;

2 (D) Federal and State law enforcement;

3 and

4 (E) an international regulatory entity or
5 international law enforcement, with respect to
6 anonymized sports wagering data and sus-
7 picious transaction reports relating to sporting
8 events that occur—

9 (i) outside the United States; and

10 (ii) within the jurisdiction of the inter-
11 national regulatory entity or international
12 law enforcement;

13 (9) receive from international sports wagering
14 operators, international regulatory entities, or inter-
15 national law enforcement any information such enti-
16 ties make available to the National Sports Wagering
17 Clearinghouse;

18 (10) analyze anonymized sports wagering data
19 received under paragraph (5) for the purpose of
20 identifying patterns, trends, and irregularities that
21 may indicate potential violations of Federal or State
22 law, which shall be referred to the appropriate sports
23 organization, State regulatory entity, and Federal or
24 State law enforcement;

1 (11) provide technical assistance and consulta-
2 tion to sports wagering operators, sports organiza-
3 tions, State regulatory entities, and Federal and
4 State law enforcement to assist in—

5 (A) the identification of suspicious sports
6 wagering activity; and

7 (B) the prevention, investigation, and pros-
8 ecution of cases relating to unlawful sports wa-
9 gering or any other activity relating to sports
10 wagering that may threaten the integrity of
11 sporting events;

12 (12) in cooperation with State regulatory enti-
13 ties, maintain and administer—

14 (A) the national self-exclusion list; and

15 (B) the process by which an individual
16 may add or remove himself or herself from the
17 national self-exclusion list;

18 (13) in cooperation with State regulatory enti-
19 ties and sports organizations, maintain and make
20 available to sports wagering operators the national
21 exclusion list, which shall include any individual—

22 (A) identified to the National Sports Wa-
23 gering Clearinghouse by an appropriate sports
24 organization as an individual described in
25 clause (iii), (iv), or (v) of section 103(b)(4)(A);

1 (B) included on the national self-exclusion
2 list; or

3 (C) identified to the National Sports Wa-
4 gering Clearinghouse by the Attorney General
5 as having been convicted of any offense under
6 section 224(a) or (b) of title 18, United States
7 Code;

8 (14) establish procedures by which any indi-
9 vidual may determine—

10 (A) whether the individual is included on
11 the national exclusion list; and

12 (B) the reason the individual is included
13 on the national exclusion, including, as applica-
14 ble, the sports organization or State regulatory
15 entity that provided the name of the individual
16 for inclusion on the national exclusion list;

17 (15) coordinate with the National Council on
18 Problem Gambling and other organizations, as ap-
19 propriate, to develop and disseminate information
20 relating to best practices and model programs and
21 resources for—

22 (A) ensuring appropriate consumer protec-
23 tions; and

1 (B) the prevention of, intervention and
2 treatment for, and recovery from gambling dis-
3 order; and

4 (16) any other activity considered by the Na-
5 tional Sports Wagering Clearinghouse to be nec-
6 essary to carry out an activity described in this sub-
7 section.

8 (d) PERMITTED DISCLOSURES BY THE NATIONAL
9 SPORTS WAGERING CLEARINGHOUSE.—The National
10 Sports Wagering Clearinghouse may only disclose infor-
11 mation received under subsection (c)(5) to—

12 (1) a State regulatory entity;

13 (2) a Federal or State law enforcement agency;

14 (3) with respect to sporting events sponsored,
15 organized, or conducted by a sports organization,
16 the sports organization; and

17 (4) an international regulatory entity or inter-
18 national law enforcement, with respect to
19 anonymized sports wagering data and suspicious
20 transaction reports relating to sporting events that
21 occur—

22 (A) outside the United States; and

23 (B) within the jurisdiction of the inter-
24 national regulatory entity or international law
25 enforcement.

1 (e) ANNUAL REPORT.—

2 (1) IN GENERAL.—Not less frequently than an-
3 nually, the National Sports Wagering Clearinghouse
4 shall submit to the Attorney General, the Committee
5 on the Judiciary and the Committee on Commerce,
6 Science, and Transportation of the Senate, and the
7 Committee on the Judiciary and the Committee on
8 Energy and Commerce of the House of Representa-
9 tives a report on the operations of the National
10 Sports Wagering Clearinghouse that includes a de-
11 scription of the activities of the National Sports Wa-
12 gering Clearinghouse with respect to each function
13 and authority under subsection (c).

14 (2) PUBLIC AVAILABILITY.—The reports re-
15 quired under paragraph (1) shall be made available
16 to the public.

17 (f) ANNUAL GRANT TO NATIONAL SPORTS WAGER-
18 ING CLEARINGHOUSE.—

19 (1) IN GENERAL.—Not less frequently than an-
20 nually, the Attorney General shall make a grant to
21 the National Sports Wagering Clearinghouse for the
22 purposes described in this section.

23 (2) FUNDS.—The grants required under para-
24 graph (1) shall be made with amounts made avail-

1 able under section 9511(c)(3)(A) of the Internal
2 Revenue Code of 1986.

3 (g) AUTHORIZATION OF APPROPRIATIONS.—

4 (1) IN GENERAL.—There are authorized to be
5 appropriated for each of fiscal years 2019 through
6 2021, such sums as may be necessary to carry out
7 this section, but not more than the amount that is
8 the lesser of—

9 (A) \$3,000,000; and

10 (B) the revenue collected during the pre-
11 ceding fiscal year pursuant to the Federal ex-
12 cise tax on sports wagering under sections 4401
13 and 4411 of the Internal Revenue Code of
14 1986.

15 (2) SENSE OF CONGRESS.—It is the sense of
16 Congress that—

17 (A) any funds appropriated to carry out
18 this section shall not be the sole or primary
19 source of funding to operate the National
20 Sports Wagering Clearinghouse; and

21 (B) the National Sports Wagering Clear-
22 inghouse should primarily be funded through
23 voluntary contributions by, or reasonable fees
24 assessed by the National Sports Wagering
25 Clearinghouse to participating entities, such as

1 sports wagering operators, sports organizations,
2 and State regulatory entities.

3 **SEC. 107. LAW ENFORCEMENT COORDINATION.**

4 The Attorney General, in coordination with the Sec-
5 retary of the Treasury and appropriate Federal law en-
6 forcement agencies, shall establish procedures to ensure
7 coordination among Federal law enforcement, State law
8 enforcement, State regulatory entities, and the National
9 Sports Wagering Clearinghouse to identify and respond to
10 illegal or suspicious activity in the sports wagering market
11 nationwide.

12 **TITLE II—WAGERING TRUST**
13 **FUND**

14 **SEC. 201. FINDINGS.**

15 Congress makes the following findings:

16 (1) A Federal excise tax on sports wagering
17 was established in 1951.

18 (2) Over time, the Federal excise tax has
19 ranged from a high of 10 percent of total handle for
20 State-authorized wagers to a low of 0.25 percent, at
21 which level the Federal excise tax has remained
22 since 1982.

23 (3) Revenue from the Federal excise tax—

1 (A) is estimated to be \$12,000,000 annu-
2 ally and is expected to increase as legal sports
3 wagering becomes more widely available; and

4 (B) on sports wagering should be dedicated
5 to purposes relating to sports wagering, specifi-
6 cally to—

7 (i) the enforcement of Federal law re-
8 lating to sports wagering; and

9 (ii) programs for the prevention and
10 treatment of gambling disorder.

11 **SEC. 202. WAGERING TRUST FUND.**

12 (a) IN GENERAL.—Subchapter A of chapter 98 of the
13 Internal Revenue Code of 1986 is amended by adding at
14 the end the following new section:

15 **“SEC. 9511. WAGERING TRUST FUND.**

16 “(a) CREATION OF TRUST FUND.—There is estab-
17 lished in the Treasury of the United States a trust fund
18 to be known as the ‘Wagering Trust Fund’, consisting of
19 such amounts as may be apportioned or credited to such
20 Trust Fund as provided in this section or section 9602(b).

21 “(b) TRANSFERS TO TRUST FUND.—There are here-
22 by appropriated to the Wagering Trust Fund amounts
23 equivalent to the taxes received in the Treasury under sec-
24 tions 4401 and 4411 for taxable years beginning after De-
25 cember 31, 2017.

1 “(c) EXPENDITURES.—

2 “(1) SURVEILLANCE OF GAMBLING ADDIC-
3 TION.—There shall be available without further ap-
4 propriation an amount not to exceed \$5,000,000 for
5 each of fiscal years 2019 through 2029 to the Sec-
6 retary of Health and Human Services to carry out
7 section 317U of the Public Health Service Act, to
8 remain available until expended.

9 “(2) DEPARTMENT OF JUSTICE.—

10 “(A) NATIONAL SPORTS WAGERING CLEAR-
11 INGHOUSE.—There shall be available without
12 further appropriation an amount not to exceed
13 \$3,000,000 for each of fiscal years 2019
14 through 2021 to the Attorney General for the
15 purpose of making grants to the National
16 Sports Wagering Clearinghouse established
17 under section 106(b) of the Sports Wagering
18 Market Integrity Act of 2018, to remain avail-
19 able until expended.

20 “(B) OTHER PURPOSES.—Amounts in the
21 Wagering Trust Fund not appropriated under
22 paragraph (1) or (2) or subparagraph (A) shall
23 be available, as provided in appropriation Acts,
24 only for use by the Attorney General for the in-
25 vestigation or prosecution of—

1 “(i) violations of the standards for the
2 acceptance of sports wagers under section
3 101 of the Sports Wagering Market Integ-
4 rity Act of 2018,

5 “(ii) bribery to which section 224 of
6 title 18, United States Code, applies,

7 “(iii) illegal transmission of wagering
8 information to which section 1084 of such
9 title applies,

10 “(iv) activities to which section 1955
11 of such title applies,

12 “(v) violation of any provision of sub-
13 chapter IV of chapter 53 of title 31,
14 United States Code,

15 “(vi) violations under the Bank Se-
16 crecy Act (Public Law 91–508; 84 Stat.
17 1114) which involve sports wagering, and

18 “(vii) any other crime which is com-
19 mitted incident to or is part of a scheme
20 involving any crime or violation described
21 in the preceding clauses.”.

22 (b) CLERICAL AMENDMENT.—The table of sections
23 for subchapter A of chapter 98 of the Internal Revenue
24 Code of 1986 is amended by adding at the end the fol-
25 lowing new item:

“Sec. 9511. Wagering Trust Fund.”.

1 **TITLE III—WIRE ACT AND**
2 **SPORTS BRIBERY ACT**
3 **AMENDMENTS**

4 **SEC. 301. WIRE ACT CLARIFICATION AND AUTHORIZATION**
5 **OF CIVIL ENFORCEMENT.**

6 Section 1084 of title 18, United States Code, is
7 amended—

8 (1) in subsection (b)—

9 (A) by striking “for the transmission of in-
10 formation assisting” and inserting “for the
11 transmission of a sports wager accepted pursu-
12 ant to an interstate sports wagering compact
13 (as defined in section 3 of the Sports Wagering
14 Market Integrity Act of 2018), layoff bet or
15 wager, or information assisting”; and

16 (B) by adding at the end the following:
17 “For purposes of this section, the intermediate
18 routing of electronic data shall not determine
19 the location or locations in which a bet or
20 wager, or information assisting in the placing of
21 a bet or wager, is initiated, received, or other-
22 wise made.”;

23 (2) by redesignating subsection (e) as sub-
24 section (g);

1 (3) by inserting after subsection (d) the fol-
2 lowing:

3 “(e) STATE CAUSE OF ACTION.—

4 “(1) IN GENERAL.—In any case in which a
5 State has reason to believe that an interest of the
6 residents of the State has been or is being threat-
7 ened or adversely affected by the conduct of a per-
8 son that violates this section, the State may bring a
9 civil action on behalf of those residents in an appro-
10 priate district court of the United States to enjoin
11 the conduct.

12 “(2) SERVICE, INTERVENTION.—

13 “(A) SERVICE.—

14 “(i) PRIOR SERVICE.—Before filing a
15 complaint under paragraph (1), the State
16 shall serve a copy of the complaint upon
17 the Attorney General and the United
18 States Attorney for the judicial district in
19 which the complaint is to be filed.

20 “(ii) CONCURRENT SERVICE.—If prior
21 service under clause (i) is not feasible, the
22 State shall serve the complaint on the At-
23 torney General and the appropriate United
24 States Attorney on the day on which the

1 State files the complaint in an appropriate
2 district court of the United States.

3 “(iii) RELATION TO CRIMINAL PRO-
4 CEEDINGS.—A proceeding under para-
5 graph (1) shall be independent of, and not
6 in lieu of, a criminal prosecution or any
7 other proceeding under this section or any
8 other law of the United States.

9 “(B) INTERVENTION.—The United States
10 may—

11 “(i) intervene in a civil action brought
12 by a State under paragraph (1); and

13 “(ii) upon intervening—

14 “(I) be heard on all matters aris-
15 ing in the civil action; and

16 “(II) file petitions for appeal of a
17 decision in the civil action.

18 “(C) FEDERAL RULES OF CIVIL PROCE-
19 DURE.—The Federal Rules of Civil Procedure
20 shall apply to service of a complaint on the
21 United States under this paragraph.

22 “(3) POWERS CONFERRED BY STATE LAW.—
23 For purposes of a civil action brought under para-
24 graph (1), nothing in this chapter shall prevent an
25 attorney general of a State from exercising the pow-

1 ers conferred on the attorney general by the laws of
2 the State to—

3 “(A) conduct investigations;

4 “(B) administer oaths or affirmations; or

5 “(C) compel—

6 “(i) the attendance of witnesses; or

7 “(ii) the production of documentary or
8 other evidence.

9 “(4) VENUE; SERVICE OF PROCESS.—

10 “(A) VENUE.—A civil action brought
11 under paragraph (1) may be brought in—

12 “(i) the district court of the United
13 States for the judicial district in which the
14 defendant—

15 “(I) is found;

16 “(II) is an inhabitant; or

17 “(III) transacts business; or

18 “(ii) any judicial district in which
19 venue is proper under section 1391 of title
20 28.

21 “(B) SERVICE OF PROCESS.—In an action
22 brought under paragraph (1), process may be
23 served in any judicial district in which the de-
24 fendant—

25 “(i) is an inhabitant; or

1 “(ii) may be found.

2 “(5) NO PRIVATE RIGHT OF ACTION.—Nothing
3 in this subsection shall be construed to create any
4 private right of action.

5 “(6) LIMITATION.—A civil action may not be
6 brought under paragraph (1) against—

7 “(A) the United States; or

8 “(B) any employee or agent of the United
9 States if the employee or agent is acting—

10 “(i) in the usual course of business or
11 employment; and

12 “(ii) within the scope of the official
13 duties of the employee or agent.

14 “(f) ENHANCING ENFORCEMENT AGAINST UNLI-
15 CENSED, OFFSHORE SPORTS WAGERING WEBSITES.—

16 “(1) COMMENCEMENT OF AN ACTION.—

17 “(A) IN PERSONAM.—The Attorney Gen-
18 eral may bring an action against—

19 “(i) a registrant of a nondomestic do-
20 main name used by an internet site dedi-
21 cated to unlicensed sports wagering; or

22 “(ii) an owner or operator of an inter-
23 net site dedicated to unlicensed sports wa-
24 gering accessed through a nondomestic do-
25 main name.

1 “(B) IN REM.—If through due diligence
2 the Attorney General is unable to find a person
3 described in clause (i) or (ii) of subparagraph
4 (A), or no such person found has an address
5 within a judicial district of the United States,
6 the Attorney General may bring an in rem ac-
7 tion against a nondomestic domain name used
8 by an internet site dedicated to unlicensed
9 sports wagering.

10 “(C) IDENTIFICATION OF ENTITIES.—In
11 an action brought under this paragraph, the At-
12 torney General shall, in the complaint or an
13 amendment thereto, identify the entities that
14 may be required to take actions under para-
15 graph (4) if an order issues under paragraph
16 (2).

17 “(2) ORDERS OF THE COURT.—

18 “(A) IN GENERAL.—On application of the
19 Attorney General following the commencement
20 of an action under paragraph (1), the court
21 may issue a temporary restraining order, a pre-
22 liminary injunction, or an injunction, in accord-
23 ance with rule 65 of the Federal Rules of Civil
24 Procedure, against the nondomestic domain
25 name used by an internet site dedicated to unli-

1 censed sports wagering, or against a registrant
2 of that domain name, or the owner or operator
3 of the internet site dedicated to unlicensed
4 sports wagering, to cease and desist from un-
5 dertaking any further activity as an internet
6 site dedicated to unlicensed sports wagering,
7 if—

8 “(i) the domain name is used within
9 the United States to access the internet
10 site; and

11 “(ii) the internet site—

12 “(I) conducts business directed to
13 residents of the United States; and

14 “(II) violates this section.

15 “(B) DETERMINATION BY THE COURT.—

16 For purposes of determining whether an inter-
17 net site conducts business directed to residents
18 of the United States under subparagraph
19 (A)(ii)(I), a court may consider, among other
20 indicia, whether—

21 “(i) there is evidence that the internet
22 site is not intended to provide unlicensed
23 sports wagering to users located in the
24 United States;

1 “(ii) the internet site has reasonable
2 measures in place to prevent unlicensed
3 sports wagering from being accessed from
4 the United States; and

5 “(iii) the internet site offers unli-
6 censed sports wagering on sporting events
7 that take place in the United States.

8 “(3) NOTICE AND SERVICE OF PROCESS.—

9 “(A) IN GENERAL.—Upon commencing an
10 action under paragraph (1), the Attorney Gen-
11 eral shall send a notice of the alleged violation
12 and intent to proceed under this subsection to
13 the registrant of the domain name of the inter-
14 net site—

15 “(i) at the postal and e-mail address
16 appearing in the applicable publicly acces-
17 sible database of registrations, if any and
18 to the extent those addresses are reason-
19 ably available;

20 “(ii) via the postal and e-mail address
21 of the registrar, registry, or other domain
22 name registration authority that registered
23 or assigned the domain name, to the extent
24 those addresses are reasonably available;
25 and

1 “(iii) in any other such form as the
2 court finds necessary, including as may be
3 required by rule 4(f) of the Federal Rules
4 of Civil Procedure.

5 “(B) RULE OF CONSTRUCTION.—For pur-
6 poses of this subsection, the actions described
7 in subparagraph (A) shall constitute service of
8 process.

9 “(C) OTHER NOTICE.—Upon commencing
10 an action under paragraph (1), the Attorney
11 General shall also provide notice to entities
12 identified in the complaint, or any amendments
13 thereto, that may be required to take action
14 under paragraph (4).

15 “(4) REQUIRED ACTIONS BASED ON COURT OR-
16 DERS.—

17 “(A) SERVICE.—

18 “(i) IN GENERAL.—A Federal law en-
19 forcement officer, with the prior approval
20 of the court, may serve a copy of a court
21 order issued under paragraph (2) on simi-
22 larly situated entities within each class de-
23 scribed in that paragraph, that have been
24 identified in the complaint, or any amend-
25 ments thereto, filed under paragraph (1).

1 formed by its own domain
2 name server or domain
3 name system servers located
4 outside the United States; or

5 “(CC) to continue to
6 prevent access to a domain
7 name to which access has
8 been effectively disabled by
9 other means; and

10 “(bb) nothing in this sub-
11 clause shall affect the limitation
12 on the liability of such an oper-
13 ator under section 512 of title
14 17.

15 “(II) TEXT OF NOTICE.—

16 “(aa) IN GENERAL.—The
17 Attorney General shall prescribe
18 the text of the notice displayed to
19 users or customers of an operator
20 taking an action under this para-
21 graph.

22 “(bb) REQUIREMENT.—The
23 text prescribed under item (aa)
24 shall specify that the action is
25 being taken pursuant to a court

1 order obtained by the Attorney
2 General.

3 “(ii) FINANCIAL TRANSACTION PRO-
4 VIDERS.—After being served with a copy of
5 an order under this paragraph, a financial
6 transaction provider shall take reasonable
7 measures, as expeditiously as possible, de-
8 signed to prevent, prohibit, or suspend its
9 service from completing payment trans-
10 actions involving customers located within
11 the United States and the internet site as-
12 sociated with the domain name set forth in
13 the order.

14 “(iii) INTERNET ADVERTISING SERV-
15 ICES.—After being served with a copy of
16 an order under this paragraph, an internet
17 advertising service that contracts with the
18 internet site associated with the domain
19 name set forth in the order to provide ad-
20 vertising to or for that site, or that know-
21 ingly serves advertising to or for that site,
22 shall take technically feasible and reason-
23 able measures, as expeditiously as possible,
24 designed to—

1 “(I) prevent its service from pro-
2 viding advertisements to the internet
3 site associated with the domain name;
4 or

5 “(II) cease making available ad-
6 vertisements for that site, or paid or
7 sponsored search results, links or
8 other placements that provide access
9 to the domain name.

10 “(iv) INFORMATION LOCATION
11 TOOLS.—After being served with a copy of
12 an order under this paragraph, a service
13 provider of an information location tool
14 shall take technically feasible and reason-
15 able measures, as expeditiously as possible,
16 to—

17 “(I) remove or disable access to
18 the internet site associated with the
19 domain name set forth in the order;
20 or

21 “(II) not serve a hypertext link
22 to the internet site described in sub-
23 clause (I).

24 “(C) COMMUNICATION WITH USERS.—Ex-
25 cept as provided under subparagraph (B)(i)(II),

1 an entity taking an action described in this
2 paragraph shall determine whether and how to
3 communicate the action to the entity’s users or
4 customers.

5 “(D) RULE OF CONSTRUCTION.—For pur-
6 poses of an action brought under paragraph
7 (1)—

8 “(i) the obligations of an entity de-
9 scribed in this paragraph shall be limited
10 to the actions set out in each clause of
11 subparagraph (B) of this paragraph that
12 applies to the entity; and

13 “(ii) an order issued under paragraph
14 (2) may not impose any additional obliga-
15 tion on, or require any additional action
16 by, the entity.

17 “(E) ACTIONS PURSUANT TO COURT
18 ORDER.—

19 “(i) IMMUNITY FROM SUIT.—No cause
20 of action shall lie in any Federal or State
21 court or administrative agency against any
22 entity served with a copy of an order under
23 this paragraph, or against any director, of-
24 ficer, employee, or agent thereof, for any
25 act reasonably designed to comply with

1 this subsection or reasonably arising from
2 the order, other than in an action under
3 paragraph (5).

4 “(ii) IMMUNITY FROM LIABILITY.—
5 Any entity served with a copy of an order
6 under this paragraph, and any director, of-
7 ficer, employee, or agent thereof, shall not
8 be liable to any party for any acts reason-
9 ably designed to comply with this sub-
10 section or reasonably arising from the
11 order, other than in an action under para-
12 graph (5), and any actions taken by cus-
13 tomers of the entity to circumvent any re-
14 striction on access to the internet domain
15 instituted pursuant to this subsection or
16 any act, failure, or inability to restrict ac-
17 cess to an internet domain that is the sub-
18 ject of a court order issued under para-
19 graph (2) despite good faith efforts to do
20 so by the entity shall not be used by any
21 person in any claim or cause of action
22 against the entity, other than in an action
23 under paragraph (5).

24 “(5) ENFORCEMENT OF ORDERS.—

1 “(A) IN GENERAL.—In order to compel
2 compliance with this subsection, the Attorney
3 General may bring an action for injunctive re-
4 lief against any party served with a copy of a
5 court order under paragraph (4) that knowingly
6 fails to comply with the order.

7 “(B) RULE OF CONSTRUCTION.—The au-
8 thority granted the Attorney General under
9 subparagraph (A) shall be the sole legal remedy
10 for enforcing the obligations under this sub-
11 section of any entity described in paragraph
12 (4).

13 “(C) DEFENSE.—

14 “(i) IN GENERAL.—It shall be an af-
15 firmative defense in an action under sub-
16 paragraph (A) that—

17 “(I) the defendant does not have
18 the technical means to comply with
19 the order without incurring an unrea-
20 sonable economic burden; or

21 “(II) the order is inconsistent
22 with this section.

23 “(ii) SCOPE.—A showing under sub-
24 clause (I) or (II) of clause (i) shall serve
25 as a defense only to the extent of such in-

1 ability to comply or inconsistency, respec-
2 tively.

3 “(6) MODIFICATION OR VACATION OF OR-
4 DERS.—

5 “(A) IN GENERAL.—At any time after the
6 issuance of an order under paragraph (2), a
7 motion to modify, suspend, or vacate the order
8 may be filed by—

9 “(i) any person, or owner or operator
10 of property, bound by the order;

11 “(ii) any registrant of the domain
12 name, or the owner or operator of the
13 internet site subject to the order;

14 “(iii) any domain name registrar or
15 registry that has registered or assigned the
16 domain name of the internet site subject to
17 the order; or

18 “(iv) any entity that has received a
19 copy of an order under paragraph (4) re-
20 quiring the entity to take action prescribed
21 under that paragraph.

22 “(B) RELIEF.—Relief under this para-
23 graph shall be proper if the court finds that—

24 “(i) the internet site associated with
25 the domain name subject to the order is no

1 longer, or never was, an internet site dedi-
2 cated to unlicensed sports wagering; or

3 “(ii) the interests of justice require
4 that the order be modified, suspended, or
5 vacated.

6 “(C) CONSIDERATION.—In making a relief
7 determination under subparagraph (B), a court
8 may consider whether the domain name has ex-
9 pired or has been reregistered by a different
10 party.

11 “(D) INTERVENTION.—

12 “(i) IN GENERAL.—An entity identi-
13 fied under paragraph (1) as an entity that
14 may be required to take action under para-
15 graph (4) if an order issues under para-
16 graph (2) may intervene at any time in
17 any action brought under paragraph (1),
18 or in any action to modify, suspend, or va-
19 cate an order under this paragraph.

20 “(ii) PRESERVATION OF RIGHTS.—
21 Failure to intervene in an action shall not
22 prohibit an entity notified of the action
23 from subsequently seeking an order to
24 modify, suspend, or terminate an order
25 issued by the court under paragraph (2).

1 “(7) RELATED ACTIONS.—The Attorney Gen-
2 eral, if alleging that an internet site previously adju-
3 dicated to be an internet site dedicated to unlicensed
4 sports wagering is accessible or has been reconsti-
5 tuted at a different domain name, may bring a re-
6 lated action under paragraph (1) against the addi-
7 tional domain name in the same judicial district as
8 the previous action.”; and

9 (4) in subsection (g), as so redesignated—

10 (A) by striking “as used in this section,
11 the term ‘State’ means” and inserting the fol-
12 lowing: “DEFINITIONS.—As used in this sec-
13 tion—

14 “(11) the term ‘State’ means”; and

15 (B) by inserting before paragraph (11), as
16 so designated, the following:

17 “(1) the term ‘domain name’ has the meaning
18 given the term in section 45 of the Trademark Act
19 of 1946 (15 U.S.C. 1127);

20 “(2) the term ‘domain name system server’
21 means a server or other mechanism used to provide
22 the internet protocol address associated with a do-
23 main name;

1 “(3) the term ‘financial transaction provider’
2 has the meaning given the term in section 5362 of
3 title 31, United States Code;

4 “(4) the term ‘internet information location
5 tool’ has the meaning given the term in section
6 231(e) of the Communications Act of 1934 (47
7 U.S.C. 231(e));

8 “(5) the term ‘internet advertising service’
9 means a service that for compensation sells, pur-
10 chases, brokers, serves, inserts, verifies, or clears the
11 placement of an advertisement, including a paid or
12 sponsored search result, link, or placement that is
13 rendered in viewable form for any period of time on
14 an internet site;

15 “(6) the term ‘internet site’ means the collec-
16 tion of digital assets, including links, indexes, or
17 pointers to digital assets, accessible through the
18 internet that are addressed relative to a common do-
19 main name;

20 “(7) the term ‘internet site dedicated to unli-
21 censed sports wagering’ means an internet site that,
22 with respect to its business directed toward residents
23 of the United States—

1 “(A) has no significant use other than en-
2 gaging in, enabling, or facilitating sports wager-
3 ing in violation of this section; or

4 “(B) is designed, operated, or marketed by
5 its operator or persons operating in concert
6 with the operator, and facts or circumstances
7 suggest is used, primarily as a means for en-
8 gaging in, enabling, or facilitating sports wager-
9 ing in violation of this section;

10 “(8) the term ‘layoff bet or wager’ means a
11 sports wager (as defined in section 3 of the Sports
12 Wagering Market Integrity Act of 2018) placed by
13 a sports wagering operator (as defined in such sec-
14 tion) with another sports wagering operator.

15 “(9) the term ‘nondomestic domain name’
16 means a domain name for which the domain name
17 registry that issued the domain name and operates
18 the relevant top level domain, and the domain name
19 registrar for the domain name, are not located in the
20 United States;

21 “(10) the term ‘owner’ or ‘operator’, when used
22 in connection with an internet site, include, respec-
23 tively, any owner of a majority interest in, or any
24 person with authority to operate, the internet site;
25 and”.

1 **SEC. 302. SPORTS BRIBERY ACT IMPROVEMENTS.**

2 (a) IN GENERAL.—Section 224 of title 18, United
3 States Code, is amended—

4 (1) in the section heading, by striking “**Brib-**
5 **ery in sporting contests**” and inserting
6 “**Bribery, extortion, and blackmail in**
7 **sporting contests; sports wagers based on**
8 **nonpublic information**”;

9 (2) in subsection (a)—

10 (A) by striking “Whoever” and inserting
11 “BRIBERY, EXTORTION, AND BLACKMAIL IN
12 SPORTING CONTESTS.—Whoever”; and

13 (B) by inserting “, extortion, or blackmail”
14 after “bribery” each places it appears;

15 (3) by redesignating subsections (b) and (c) as
16 subsections (e) and (g), respectively;

17 (4) by inserting after subsection (a) the fol-
18 lowing:

19 “(b) SPORTS WAGERS BASED ON NONPUBLIC INFOR-
20 MATION.—

21 “(1) IN GENERAL.—It shall be unlawful for any
22 person, directly or indirectly, to place or accept, at-
23 tempt to place or accept, or conspire with any other
24 person to place or accept through any scheme in
25 commerce a sports wager if the person—

1 “(A) is in possession of material nonpublic
2 information relating to the sports wager or the
3 market for the sports wager; and

4 “(B) knows, or recklessly disregards,
5 that—

6 “(i) the material nonpublic informa-
7 tion has been obtained wrongfully; or

8 “(ii) the placement or acceptance
9 would constitute a wrongful use of the ma-
10 terial nonpublic information.

11 “(2) PENALTY.—Any person who violates para-
12 graph (1) shall be fined under this title, imprisoned
13 for not more than 5 years, or both.

14 “(3) OBTAINED WRONGFULLY OR WRONGFUL
15 USE.—For purposes of this subsection, material non-
16 public information is obtained wrongfully or wrong-
17 fully used only if the information has been obtained
18 by, or its use would constitute, directly or indi-
19 rectly—

20 “(A) theft, bribery, misrepresentation, or
21 espionage;

22 “(B) a violation of any Federal law pro-
23 tecting computer data or the intellectual prop-
24 erty or privacy of computer users;

1 “(C) conversion, misappropriation, or other
2 unauthorized or deceptive taking or use of such
3 information; or

4 “(D) a breach of any fiduciary duty or any
5 other personal or other relationship of trust and
6 confidence.”;

7 (5) in subsection (c), as so redesignated, by
8 striking “This section” and inserting “RULE OF
9 CONSTRUCTION.—This section”;

10 (6) by inserting after subsection (c), as so re-
11 designated, the following:

12 “(d) EXTRATERRITORIAL JURISDICTION.—There is
13 extraterritorial Federal jurisdiction over an offense under
14 this section.

15 “(e) VENUE.—A prosecution under this section may
16 be brought in the judicial district in which the sporting
17 contest (including the sporting contest to which a sports
18 wager relates) occurred or was scheduled to occur, or in
19 which the conduct constituting the alleged offense oc-
20 curred.

21 “(f) CIVIL ACTION TO PROTECT AGAINST RETALIA-
22 TION.—

23 “(1) WHISTLEBLOWER PROTECTION.—A sports
24 wagering operator or sports organization may not
25 discharge, demote, suspend, threaten, harass, or in

1 any other manner discriminate against an employee
2 because of any lawful act done by the employee to
3 provide information, cause information to be pro-
4 vided, or otherwise assist in an investigation regard-
5 ing any conduct which the individual reasonably be-
6 lieves constitutes a violation of this section, if the in-
7 formation or assistance is provided to or the inves-
8 tigation is conducted by—

9 “(A) a Federal law enforcement agency;

10 “(B) any Member of Congress or any com-
11 mittee of Congress; or

12 “(C) a person with supervisory authority
13 over the employee, or such other person work-
14 ing for the sports wagering operator or sports
15 organization, as applicable, who has the author-
16 ity to investigate, discover, or terminate mis-
17 conduct.

18 “(2) ENFORCEMENT ACTION.—

19 “(A) IN GENERAL.—A person who alleges
20 action or conduct by any person in violation of
21 paragraph (1) may seek relief under paragraph
22 (3), by bringing an action at law or equity in
23 the appropriate district court of the United
24 States, which shall have jurisdiction over such

1 an action without regard to the amount in con-
2 troversy.

3 “(B) PROCEDURE.—

4 “(i) BURDENS OF PROOF.—In an ac-
5 tion under subparagraph (A), a district
6 court may find that a violation of para-
7 graph (1) occurred and award judgment
8 for the plaintiff only if—

9 “(I) the employee demonstrates
10 by a preponderance of the evidence
11 that the actions of the employee to
12 provide information or assist in an in-
13 vestigation were a contributing factor
14 to the discharge or other discrimina-
15 tion; and

16 “(II) the employer does not dem-
17 onstrate, by clear and convincing evi-
18 dence, that the employer would have
19 taken the same unfavorable personnel
20 action in the absence of behavior.

21 “(ii) STATUTE OF LIMITATIONS.—An
22 action under subparagraph (A) shall be
23 commenced not later than 180 days after
24 the later of—

1 “(I) the date on which the viola-
2 tion occurs; or

3 “(II) the date on which the em-
4 ployee became aware of the violation.

5 “(iii) JURY TRIAL.—A party to an ac-
6 tion brought under subparagraph (A) shall
7 be entitled to trial by jury.

8 “(3) REMEDIES.—

9 “(A) IN GENERAL.—An employee pre-
10 vailing in an action under paragraph (2) shall
11 be entitled to all relief necessary to make the
12 employee whole.

13 “(B) COMPENSATORY DAMAGES.—Relief
14 for any action under paragraph (2) shall in-
15 clude—

16 “(i) reinstatement with the same se-
17 niority status that the employee would
18 have had, but for the discrimination;

19 “(ii) the amount of back pay, with in-
20 terest; and

21 “(iii) compensation for any special
22 damages sustained as a result of the dis-
23 crimination, including litigation costs, ex-
24 pert witness fees, and reasonable attorney
25 fees.

1 “(4) RIGHTS RETAINED BY EMPLOYEE.—Noth-
2 ing in this subsection shall be deemed to diminish
3 the rights, privileges, or remedies of any employee
4 under any Federal or State law, or under any collec-
5 tive bargaining agreement.

6 “(5) NONENFORCEABILITY OF CERTAIN PROVI-
7 SIONS WAIVING RIGHTS AND REMEDIES OR REQUIR-
8 ING ARBITRATION OF DISPUTES.—

9 “(A) WAIVER OF RIGHTS AND REM-
10 EDIES.—The rights and remedies provided for
11 in this subsection may not be waived by any
12 agreement, policy form, or condition of employ-
13 ment, including by a predispute arbitration
14 agreement.

15 “(B) PREDISPUTE ARBITRATION AGREE-
16 MENTS.—No predispute arbitration agreement
17 shall be valid or enforceable, if the agreement
18 requires arbitration of a dispute arising under
19 this subsection.”; and

20 (7) in subsection (g), as so redesignated—

21 (A) in the matter preceding paragraph (1),
22 by striking “As used in this section—” and in-
23 serting “DEFINITIONS.—As used in this sec-
24 tion:”;

1 (B) by redesignating paragraphs (1), (2),
2 and (3) as paragraphs (3), (4), and (2), respec-
3 tively;

4 (C) by transferring paragraph (2), as so
5 redesignated, to appear before paragraph (3),
6 as so redesignated;

7 (D) by inserting before paragraph (2), as
8 redesignated and transferred, the following:

9 “(1) The term ‘employee’ includes—

10 “(A) an employee of a sports wagering op-
11 erator or sports organization; and

12 “(B) an athlete, coach, or official of a
13 sports organization.”; and

14 (E) by adding at the end the following:

15 “(5) The terms ‘sports organization’, ‘sports
16 wager’, and ‘sports wagering operator’ have the
17 meaning given those terms in section 3 of the Sports
18 Wagering Market Integrity Act of 2018.”.

19 (b) TECHNICAL AND CONFORMING AMENDMENTS.—

20 (1) Section 1961(1) of title 18, United States
21 Code, is amended by striking “sports bribery” and
22 inserting “bribery, extortion, and blackmail in sport-
23 ing contests and sports wagers based on nonpublic
24 information”.

1 (2) Section 2516(1)(c) of title 18, United
2 States Code, is amended by striking “bribery in
3 sporting contests” and inserting “bribery, extortion,
4 and blackmail in sporting contests and sports wagers
5 based on nonpublic information”.

6 (3) The table of sections for chapter 11 of title
7 18, United States Code, is amended by striking the
8 item relating to section 224 and inserting the fol-
9 lowing:

“224. Bribery, extortion, and blackmail in sporting contests; sports wagers
based on nonpublic information.”.

10 **TITLE IV—GAMBLING ADDIC-**
11 **TION PREVENTION AND**
12 **TREATMENT**

13 **SEC. 401. AUTHORITY TO ADDRESS GAMBLING IN DEPART-**
14 **MENT OF HEALTH AND HUMAN SERVICES AU-**
15 **THORITIES.**

16 Section 501(d) of the Public Health Services Act (42
17 U.S.C. 290aa(d)) is amended—

18 (a) by striking “and” at the end of paragraph (24);

19 (b) by striking the period at the end of paragraph
20 (25) and inserting “; and”; and

21 (c) by adding at the end the following:

22 “(26) establish and implement programs for
23 prevention and treatment of gambling addiction.”.

1 **SEC. 402. ADVISORY COMMITTEE.**

2 (a) ESTABLISHMENT.—The Secretary of Health and
3 Human Services may establish a Gambling Research Advi-
4 sory Committee (in this section referred to as the “Com-
5 mittee”) within the National Institutes of Health to co-
6 ordinate research conducted or supported by the Depart-
7 ment of Health and Human Services on gambling addic-
8 tion.

9 (b) MEMBERSHIP.—The Committee shall include rep-
10 resentatives of the National Institute on Drug Abuse, the
11 National Institute of Mental Health, the National Insti-
12 tute on Alcohol Abuse and Alcoholism, the Indian Health
13 Service, the Substance Abuse and Mental Health Services
14 Administration, and the Centers for Disease Control and
15 Prevention.

16 (c) ANNUAL REPORT.—The Committee shall prepare,
17 make available to the public, and submit to the Secretary
18 of Health and Human Services an annual report on the
19 research described in subsection (a).

20 **SEC. 403. SURVEILLANCE OF GAMBLING ADDICTION.**

21 Title III of the Public Health Service Act is amended
22 by inserting after section 317T (42 U.S.C. 247b-22) the
23 following:

24 **“SEC. 317U. SURVEILLANCE OF GAMBLING ADDICTION.**

25 “(a) IN GENERAL.—The Secretary, acting through
26 the Director of the Centers for Disease Control and Pre-

1 vention and in coordination with other appropriate agen-
2 cies, shall, as appropriate—

3 “(1) enhance and expand infrastructure and ac-
4 tivities to track the epidemiology of gambling addic-
5 tion; and

6 “(2) incorporate information obtained through
7 such infrastructure and activities into an integrated
8 surveillance system, which may consist of or include
9 a registry, to be known as the National Gambling
10 Addiction Surveillance System.

11 “(b) RESEARCH.—The Secretary shall ensure that
12 the National Gambling Addiction Surveillance System, if
13 established, is designed in a manner that facilitates fur-
14 ther research on gambling addiction.

15 “(c) PUBLIC ACCESS.—Subject to subsection (d), the
16 Secretary shall ensure that information and analysis in the
17 National Gambling Addiction Surveillance System, if es-
18 tablished, are available, as appropriate, to the public, in-
19 cluding researchers.

20 “(d) PRIVACY.—The Secretary shall ensure that in-
21 formation and analysis in the National Gambling Addic-
22 tion Surveillance System, if established, are made avail-
23 able only to the extent permitted by applicable Federal
24 and State law, and in a manner that protects personal

1 privacy, to the extent required by applicable Federal and
2 State privacy law, at a minimum.”.

3 **TITLE V—GENERAL PROVISIONS**

4 **SEC. 501. STATE AND TRIBAL AUTHORITY.**

5 (a) RELATION TO INDIAN GAMING REGULATORY
6 ACT.—

7 (1) IN GENERAL.—For purposes of the Indian
8 Gaming Regulatory Act (25 U.S.C. 2701 et seq.)
9 only, a sports wager made through an interactive
10 sports wagering platform shall be deemed to be
11 made at the physical location of the server or other
12 equipment used to accept the sports wager.

13 (2) SERVER ON INDIAN LANDS.—With respect
14 to a sports wager described in paragraph (1) accept-
15 ed through a server or other equipment located on
16 Indian lands (as defined in section 4 of the Indian
17 Gaming Regulatory Act (25 U.S.C. 2703)), the
18 sports wager shall be considered to be exclusively oc-
19 ccurring on Indian lands if—

20 (A) the sports wager and the server are in
21 the same State; and

22 (B) the applicable State and Indian Tribe
23 have entered into a Tribal-State compact au-
24 thORIZING the placing of sports wagers through
25 interactive sports wagering platforms.

1 (b) NO PREEMPTION.—Nothing in this Act preempts
2 or limits the authority of a State or an Indian Tribe to
3 enact, adopt, promulgate, or enforce any law, rule, regula-
4 tion, or other measure with respect to sports wagering
5 that is in addition to, or more stringent than, the require-
6 ments of this Act.

7 (c) TAXATION OF SPORTS WAGERING.—Nothing in
8 this Act limits or otherwise affects the taxation of sports
9 wagering by a State, an Indian Tribe, or a locality.

10 **SEC. 502. SEVERABILITY.**

11 If a provision of this Act, an amendment made by
12 this Act, a regulation promulgated under this Act or under
13 an amendment made by this Act, or the application of any
14 such provision, amendment, or regulation to any person
15 or circumstance, is held to be invalid, the remaining provi-
16 sions of this Act, amendments made by this Act, regula-
17 tions promulgated under this Act or under an amendment
18 made by this Act, or the application of such provisions,
19 amendments, and regulations to any person or cir-
20 cumstance—

21 (1) shall not be affected by the invalidity; and

22 (2) shall continue to be enforced to the max-
23 imum extent practicable.