



April 28, 2023

The Honorable Merrick Garland
Attorney General
U.S. Department of Justice
950 Pennsylvania Avenue NW
Washington, DC 20530

Dear Attorney General Garland:

As the primary regulators of the legal gaming industry in our seven states, we write today to urge the Department of Justice to prioritize combatting illegal, offshore sportsbooks and online casinos. The dangers posed by these unlawful operations are well known, including a lack of investment in Responsible Gaming programs, loss of state tax revenue that funds important initiatives, no age verification requirements to protect minors, no controls to prevent money-laundering, an absence of guarantees that customers will receive fair payouts, and much more.

States with legalized gaming have gone to great lengths, through robust gaming laws and regulations, to ensure that each state can protect its citizens and regulate gaming in an efficient, effective manner. As regulators charged with enforcing those laws and regulations, we require all gaming companies to undergo and comply with robust licensing, strict suitability standards and operational certifications to promote confidence among consumers and prevent potential criminal activity within the industry. Licensing and suitability determinations are made after thoroughly vetting a company's owners, officers, directors, and key employees, and requires the submission of detailed and notarized paperwork, the completion of a comprehensive background check, financial inquiries, as well as interviews with regulators and law enforcement officials, prior to approval. Gaming licenses are a privilege, and the role regulators play in this area is foundational to gaming integrity and consumer confidence. Offshore operators who offer their products into these highly-regulated state jurisdictions are doing so in contravention of not only state laws, but federal law.

Gaming regulators are also responsible for ensuring that U.S. licensed mobile sportsbooks and online casinos, in states where allowed, follow strict rules, including adherence with product technical standards, which includes utilizing appropriate hardware and software, independent product testing and certification, and complying with reporting requirements. Our oversight safeguards consumers so that they receive fair odds and guaranteed payouts.

The supervision we provide in these areas as well as others is critical to the operation of a legal, regulated gaming market that protects consumers. Illegal offshore casinos and sportsbooks undergo none of these procedures—they often will simply disappear with their customers' funds and provide no resources to assist those who may need help. As gaming regulators, we are proud of the work that we do and are deeply concerned that offshore gambling sites operate unimpeded, outside the regulatory structure that states and the federal government have instituted to protect the public.

We understand and appreciate the fact that the Department of Justice's jurisdictional responsibilities are broad and, consequently, priorities vary over time. However, the many significant threats posed by offshore illegal gambling cannot be addressed by states alone and, therefore, require heightened federal attention and engagement. We strongly encourage the Department of Justice to prioritize investigation and prosecution of these offshore sites, and stand ready to provide any assistance that we can as state gaming regulators.

Thank you for your attention to this critical issue. The Justice Department's leadership is essential to help protect Americans from these illegal operations and ensure the immense amount of money generated by these bad actors is not used to bankroll other illegal activities such as human trafficking and the drug trade.

Sincerely,



Kirk D. Hendrick
Chairman
Nevada Gaming Control Board



David L. Rebeck
Director
New Jersey Division of Gaming Enforcement



Henry Williams
Executive Director
Michigan Gaming Control Board



Marcus D. Fruchter
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Illinois Gaming Board



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Ronnie S. Johns
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Jay McDaniel
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Mississippi Gaming Commission