



## **Online Poker's Bad Beat**

*by Caitlan Carroll*

LOS ANGELES—Poker's newfound popularity may take a nosedive if a recently passed law is left unchanged. President George Bush signed the Unlawful Internet Gambling Act on October 13, a true Friday the 13<sup>th</sup> for poker lovers. The act prohibits U.S. banks and financial institutions from processing the payments of online gambling sites.

"Without a doubt it's going to shrink the number of people who currently play online poker," says former professional player and poker author Jonathan Grotenstein. "There are a lot of people who maybe were thinking about it or were peripheral players who will now be frightened off by the specter of thinking what they're doing is potentially illegal, although it hasn't criminalized the actual behavior itself."

Implementing this law will be difficult. Many gambling sites operate outside of U.S. jurisdiction. The World Trade Organization says that relegating gambling to bricks and mortar casinos or to the horse track unfairly affects economies of countries like Antigua, whose primary trade is in offshore online gambling.

Proponents of the law hope to curb a sport worth an estimated \$15.5 billion. The bill's sponsor, Rep. Robert W. Goodlatte (R-Va.), says gambling has a detrimental effect on society. He also highlighted the difficulty of restricting it from minors. Most children have access to the web, and it's nearly impossible to prove someone's true age on the internet.

"That may have been the straw that broke the camel's back. Everyone has kids," Dr. Donald Siegel says. Siegel is Associate Dean at the University of California Riverside's business school. He has followed the path of gambling for years and isn't surprised by the most recent ruling.

"Politics make strange bedfellows," Siegel says. "This is something that the Christian Right and the casinos can agree on. Usually they're battling each other."

The Christian Right is on solid moral footing with its constituency, and casinos are reaping benefits too, although they've kept mum on the ruling.

Local casinos have recently seen a growth in poker playing, especially among 20- to 40-year-old males, a coveted target group with disposable incomes. Hustler Casino in Los Angeles just completed a 5,000 square foot expansion.

"So to answer all questions, how's business? Knock on wood, very strong," says Al Underwood, Marketing Director of Hustler Casino.

Underwood has little doubt that the casinos will capture former online players. Hustler is bringing in new tables that mimic the online experience. Computer screens are built in so poker players can compete against neighbors using touch screens.

“We’ve got hundreds of thousands, millions of people who are now acculturated, if you will, are familiar with the games, and we have beautiful facility that they can enjoy because they can’t enjoy it online anymore,” Underwood says. “All we ask is you get out of your pajamas, put on a pair of pants, put on your shirt, and come on down.”

Banks have until next year to determine how they will comply with the law, but most domestic online gambling sites are shutting down this week. Their lobbyists are already pushing to reform the ban. With elections around the corner, it’s unlikely that they’ll get much traction.

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