
Federal Wire Act

The **Interstate Wire Act** of 1961, often called the **Federal Wire Act**, is a United States federal law prohibiting the operation of certain types of betting businesses in the United States. It begins with the text:

Whoever being engaged in the business of betting or wagering knowingly uses a wire communication facility for the transmission in interstate or foreign commerce of bets or wagers or information assisting in the placing of bets or wagers on any sporting event or contest, or for the transmission of a wire communication which entitles the recipient to receive money or credit as a result of bets or wagers, or for information assisting in the placing of bets or wagers, shall be fined under this title or imprisoned not more than two years, or both.^[1]

The law has been interpreted by some, including the Department of Justice, to mean that all online gambling is illegal. However, U.S. Courts have ruled to the contrary. Also, many believe the phrase "in the business of" means only businesses are affected. Some argue that the law only covers sports betting, and not other forms of gambling such as poker.

The U.S. Fifth Circuit Court of Appeals has ruled that the Wire Act applies only to sports betting and not other types of online gambling.^[2] The Supreme Court has not ruled on the meaning of the Federal Wire Act as it pertains to online gambling.

CHAPTER 50 - GAMBLING

-MISC1-

Sec.

1081. Definitions.

1082. Gambling ships.

1083. Transportation between shore and ship; penalties.

1084. Transmission of wagering information; penalties.

HISTORICAL AND REVISION NOTES

This section [section 23 of act May 24, 1949] inserts a new chapter 50 (secs. 1081-1083) in title 18, U.S.C., incorporating, with slight changes in phraseology, most of the provisions of act of April 27, 1948 (ch. 235, 62 Stat. 200), which was not incorporated in title 18 when the revision was enacted. Subsection (e) of section 1 of such act, defining "United States", when used in a geographical sense, was omitted as covered by section 5 of such title 18. Section 4 of such act, which provided that nothing in such act "shall be held to take away or impair the jurisdiction of the courts of the several States under the laws thereof, or to preclude action, otherwise valid, by any State or Territory with respect to the navigable waters within the boundaries of such State

or Territory", was omitted as surplusage and unnecessary.

AMENDMENTS

1961 - Pub. L. 87-216, Sec. 3, Sept. 13, 1961, 75 Stat. 491, added item 1084.

1949 - Act May 24, 1949, ch. 139, Sec. 23, 63 Stat. 92, added chapter 50 and items 1081 to 1083.

-End-

-CITE-

18 USC Sec. 1081
01/02/2006

-EXPCITE-

TITLE 18 - CRIMES AND CRIMINAL PROCEDURE
PART I - CRIMES
CHAPTER 50 - GAMBLING

-HEAD-

Sec. 1081. Definitions

-STATUTE-

As used in this chapter:

The term "gambling ship" means a vessel used principally for the operation of one or more gambling establishments. Such term does not include a vessel with respect to gambling aboard such vessel beyond the territorial waters of the United States during a covered voyage (as defined in section 4472 of the Internal Revenue Code of 1986 as in effect on January 1, 1994).

The term "gambling establishment" means any common gaming or gambling establishment operated for the purpose of gaming or gambling, including accepting, recording, or registering bets, or carrying on a policy game or any other lottery, or playing any game of chance, for money or other thing of value.

The term "vessel" includes every kind of water and air craft or other contrivance used or capable of being used as a means of transportation on water, or on water and in the air, as well as any ship, boat, barge, or other water craft or any structure capable of floating on the water.

The term "American vessel" means any vessel documented or numbered under the laws of the United States; and includes any vessel which is neither documented or numbered under the laws of the United States nor documented under the laws of any foreign country, if such vessel is owned by, chartered to, or otherwise controlled by one or more citizens or residents of the United States or corporations organized under the laws of the United States or of any State.

The term "wire communication facility" means any and all instrumentalities, personnel, and services (among other things, the receipt, forwarding, or delivery of communications) used or useful in the transmission of writings, signs, pictures, and sounds of all kinds by aid of wire, cable, or other like connection between the points of origin and reception of such transmission.

-SOURCE-

(Added May 24, 1949, ch. 139, Sec. 23, 63 Stat. 92; amended Pub. L. 87-216, Sec. 1, Sept. 13, 1961, 75 Stat. 491; Pub. L. 103-322, title XXXII, Sec. 320501, Sept. 13, 1994, 108 Stat. 2114.)

-REFTEXT-

REFERENCES IN TEXT

Section 4472 of the Internal Revenue Code of 1986, referred to in text, is classified to section 4472 of Title 26, Internal Revenue Code.

-MISC1-

AMENDMENTS

1994 - Pub. L. 103-322, in definition of "gambling ship", inserted at end "Such term does not include a vessel with respect to gambling aboard such vessel beyond the territorial waters of the United States during a covered voyage (as defined in section 4472 of the Internal Revenue Code of 1986 as in effect on January 1, 1994)."

1961 - Pub. L. 87-216 inserted definition of "wire communication facility".

-End-

-CITE-

18 USC Sec. 1082
01/02/2006

-EXPCITE-

TITLE 18 - CRIMES AND CRIMINAL PROCEDURE
PART I - CRIMES
CHAPTER 50 - GAMBLING

-HEAD-

Sec. 1082. Gambling ships

-STATUTE-

(a) It shall be unlawful for any citizen or resident of the United States, or any other person who is on an American vessel or is otherwise under or within the jurisdiction of the United States, directly or indirectly -

(1) to set up, operate, or own or hold any interest in any gambling ship or any gambling establishment on any gambling ship; or

(2) in pursuance of the operation of any gambling establishment on any gambling ship, to conduct or deal any gambling game, or to conduct or operate any gambling device, or to induce, entice, solicit, or permit any person to bet or play at any such establishment,

if such gambling ship is on the high seas, or is an American vessel or otherwise under or within the jurisdiction of the United States, and is not within the jurisdiction of any State.

(b) Whoever violates the provisions of subsection (a) of this

section shall be fined under this title or imprisoned not more than two years, or both.

(c) Whoever, being (1) the owner of an American vessel, or (2) the owner of any vessel under or within the jurisdiction of the United States, or (3) the owner of any vessel and being an American citizen, shall use, or knowingly permit the use of, such vessel in violation of any provision of this section shall, in addition to any other penalties provided by this chapter, forfeit such vessel, together with her tackle, apparel, and furniture, to the United States.

-SOURCE-

(Added May 24, 1949, ch. 139, Sec. 23, 63 Stat. 92; amended Pub. L. 103-322, title XXXIII, Sec. 330016(1)(L), Sept. 13, 1994, 108 Stat. 2147.)

-MISC1-

AMENDMENTS

1994 - Subsec. (b). Pub. L. 103-322 substituted "fined under this title" for "fined not more than \$10,000".

-End-

-CITE-

18 USC Sec. 1083
01/02/2006

-EXPCITE-

TITLE 18 - CRIMES AND CRIMINAL PROCEDURE
PART I - CRIMES
CHAPTER 50 - GAMBLING

-HEAD-

Sec. 1083. Transportation between shore and ship; penalties

-STATUTE-

(a) It shall be unlawful to operate or use, or to permit the operation or use of, a vessel for the carriage or transportation, or for any part of the carriage or transportation, either directly or indirectly, of any passengers, for hire or otherwise, between a point or place within the United States and a gambling ship which is not within the jurisdiction of any State. This section does not apply to any carriage or transportation to or from a vessel in case of emergency involving the safety or protection of life or property.

(b) The Secretary of the Treasury shall prescribe necessary and reasonable rules and regulations to enforce this section and to prevent violations of its provisions.

For the operation or use of any vessel in violation of this section or of any rule or regulation issued hereunder, the owner or charterer of such vessel shall be subject to a civil penalty of \$200 for each passenger carried or transported in violation of such provisions, and the master or other person in charge of such vessel shall be subject to a civil penalty of \$300. Such penalty shall

constitute a lien on such vessel, and proceedings to enforce such lien may be brought summarily by way of libel in any court of the United States having jurisdiction thereof. The Secretary of the Treasury may mitigate or remit any of the penalties provided by this section on such terms as he deems proper.

-SOURCE-

(Added May 24, 1949, ch. 139, Sec. 23, 63 Stat. 92.)

-End-

-CITE-

18 USC Sec. 1084
01/02/2006

-EXPCITE-

TITLE 18 - CRIMES AND CRIMINAL PROCEDURE
PART I - CRIMES
CHAPTER 50 - GAMBLING

-HEAD-

Sec. 1084. Transmission of wagering information; penalties

-STATUTE-

(a) Whoever being engaged in the business of betting or wagering knowingly uses a wire communication facility for the transmission in interstate or foreign commerce of bets or wagers or information assisting in the placing of bets or wagers on any sporting event or contest, or for the transmission of a wire communication which entitles the recipient to receive money or credit as a result of bets or wagers, or for information assisting in the placing of bets or wagers, shall be fined under this title or imprisoned not more than two years, or both.

(b) Nothing in this section shall be construed to prevent the transmission in interstate or foreign commerce of information for use in news reporting of sporting events or contests, or for the transmission of information assisting in the placing of bets or wagers on a sporting event or contest from a State or foreign country where betting on that sporting event or contest is legal into a State or foreign country in which such betting is legal.

(c) Nothing contained in this section shall create immunity from criminal prosecution under any laws of any State.

(d) When any common carrier, subject to the jurisdiction of the Federal Communications Commission, is notified in writing by a Federal, State, or local law enforcement agency, acting within its jurisdiction, that any facility furnished by it is being used or will be used for the purpose of transmitting or receiving gambling information in interstate or foreign commerce in violation of Federal, State or local law, it shall discontinue or refuse, the leasing, furnishing, or maintaining of such facility, after reasonable notice to the subscriber, but no damages, penalty or forfeiture, civil or criminal, shall be found against any common carrier for any act done in compliance with any notice received from a law enforcement agency. Nothing in this section shall be deemed to prejudice the right of any person affected thereby to

secure an appropriate determination, as otherwise provided by law, in a Federal court or in a State or local tribunal or agency, that such facility should not be discontinued or removed, or should be restored.

(e) As used in this section, the term "State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or a commonwealth, territory or possession of the United States.

-SOURCE-

(Added Pub. L. 87-216, Sec. 2, Sept. 13, 1961, 75 Stat. 491; amended Pub. L. 100-690, title VII, Sec. 7024, Nov. 18, 1988, 102 Stat. 4397; Pub. L. 101-647, title XII, Sec. 1205(g), Nov. 29, 1990, 104 Stat. 4831; Pub. L. 103-322, title XXXIII, Sec. 330016(1)(L), Sept. 13, 1994, 108 Stat. 2147.)

-MISC1-

AMENDMENTS

1994 - Subsec. (a). Pub. L. 103-322 substituted "fined under this title" for "fined not more than \$10,000".

1990 - Subsec. (e). Pub. L. 101-647 inserted "commonwealth," before "territory or possession of the United States".

1988 - Subsec. (b). Pub. L. 100-690, Sec. 7024(a), inserted "or foreign country" after "State" in two places.

Subsec. (c). Pub. L. 100-690, Sec. 7024(b)(2), struck out ", Commonwealth of Puerto Rico, territory, possession, or the District of Columbia" after "State".

Subsec. (e). Pub. L. 100-690, Sec. 7024(b)(1), added subsec. (e).

-End-