
Massachusetts Congressman Grapples With UIGEA Fallout

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A congressman who voted against the Unlawful Internet Gambling Enforcement Act is now grappling with the political fallout from his wife's guilty plea to helping her brother run an online gambling business in violation of the 2006 law.

Rep. John Tierney, D- Mass., claims he had nothing to do with his brother-in-law's business, and says his family's legal problems would not prevent him from voting on legislation by fellow Massachusetts Democrat Barney Frank to [regulate online gaming in the United States](#).

Tierney's wife, Patrice, pleaded guilty on October 6 to four counts of aiding and abetting the filing of false tax returns related to her brother, Robert Eremian, who is a fugitive.

The congressman's wife is scheduled to be sentenced January 13. She faces two years of probation, 90 days of which would be spent in her Salem, Massachusetts home, and \$2,900 in fines and fees, according to her plea bargain with prosecutors.

But the plea bargain could be rejected by Judge William Young who could yet sentence her to six months in prison.

Prosecutors said Patrice deposited tens of thousands of dollars sent to her by her brother, Robert Eremian, from Antigua, a Caribbean island nation that hosts many online gaming companies.

Eremian moved to Antigua after being investigated in 1996 for running a "large-scale illegal gambling business" that included Patrice Tierney's older brother Daniel, her father, and her son from her first marriage, prosecutors said.

Eremian and his brother, Daniel, are among the first people charged with violating UIGEA, which prohibits the use of U.S. banks or credit cards to pay or receive gambling debts from Internet sites regardless of where the sites are located.

Other federal statutes, including the Illegal Gambling Business Act and Wire Wager Act, have [more typically been cited in cases](#) against offshore gambling companies.

The Eremian brothers are charged with 75 counts of violating UIGEA and also have been indicted on 442 counts of racketeering, money laundering and filing false tax returns.

Calls to Congressman Tierney's office in Washington, D.C. were not returned.

But the congressman told Massachusetts' Eagle-Tribune there was no connection between his vote against UIGEA in 2006 and his brother-in-law's gambling operation.

"If I had the vote to take over again, there's no conflict on that," Tierney said.

Tierney was one of eight Massachusetts congressmen, including Frank, who voted against UIGEA on July 11, 2006 in the U.S. House of Representatives. The act passed overwhelmingly by a vote of 317-93.

The Senate did not vote on the bill. But, in a controversial move, UIGEA was attached to an unrelated port security measure and approved on the last day of Congress in 2006 and later signed into law by President Bush.

Congressman Frank has since launched a high-profile effort to roll back UIGEA, culminating in a [41-22 vote this year](#) by the House Financial Services Committee on a bill to legalize and regulate Internet gambling.

Frank's bill is unlikely to move to the House floor for a vote this year, and Tierney is not among the bill's 70 co-sponsors.

Tierney said he would need to look at Frank's bill before deciding how to vote on it. But he said it would not be a conflict of interest for him to vote on the measure, despite his brother-in-law facing prosecution under UIGEA.

“The issue as I understand it on voting on a bill is whether or not you have any monetary interest in it,” Tierney told the Eagle- Tribune.

“I had nothing to do with his business. If he made a zillion dollars out robbing banks, should I never vote on a bank bill?”

But Joseph Kelly, a business law professor at Buffalo State College who has helped draft Internet gambling regulations for Antigua, said Tierney should reconsider voting on the Frank bill.

“I have no reason to think he was involved in his brother- in- law’s gambling business and I don’t think it would be unethical for him to vote on the Frank bill, but to avoid the appearance of impropriety, I think he should not vote on it,” Kelly said.

Bill Hudak, the Republican opposing Tierney in his bid for an eighth term, said the congressman is evading questions about his family’s gambling operation.

“Information continues to evolve, and the congressman refuses to tell us what he knew and when he knew it,” Hudak said.

Hudak said he would have voted for UIGEA in 2006, but he stopped short of saying he would vote against the Frank bill.

“I’d have to take a look at that although anything supported by Barney Frank – given his record on financial legislation – would be suspect and would require increased scrutiny,” Hudak said.

Hudak said he was running a competitive race against Tierney even before his wife’s guilty plea last week. The election takes place on November 2.

But James Glaser, a political science professor at Tufts University near Boston, said it would still be surprising if Hudak defeats Tierney.

“Had this happened six or nine months ago, it could have been much more of a problem for Tierney,” Glaser told GamblingCompliance. “But this came late in the game, and his opponent is a novice candidate.”

The guilty plea of Tierney’s wife follows [federal indictments last week in Alabama](#) related to gambling and an [eight- count felony indictment](#) for voter fraud last month against California State Senator Roderick Wright, who sponsored an Internet poker bill.

Sanford Millar, a Los Angeles attorney who specializes in gaming law, said he does not think the recent incidents in Alabama, California and Massachusetts are in any way indicative of a link between gambling and political corruption.

“But I do think the Department of Justice is ramping up the enforcement of UIGEA, especially against offshore gambling operations,” Millar said.