

SB 8 - GAMING

Except where indicated below, the draft is effective upon the approval or deemed approval of the revised gaming compact executed December 7, 2015.

SALE OF LOTTERY TICKETS AT POINT-OF-SALE TERMINALS

Section 1 amends s. 24.103, F.S., to define “point-of sale terminal” as another type of vending machine for the sale of lottery tickets at retail locations. Payments for lottery tickets at point-of-sale terminals may be made by credit card, debit card, or other similar charge cards.

Section 2 amends s. 24.105, F.S.; authorizes the Department of the Lottery to allow the purchase of lottery tickets at point-of-sale terminals by persons at least 18 years old.

A point-of-sale terminal could have multiple uses (e.g., purchase of lottery tickets incidental to the purchase of other retail goods or services), while current lottery vending machines dispense lottery tickets only. Rules on point-of-sale devices must: a) limit the dollar amount of lottery tickets purchased; b) create a process to enable a customer to restrict or prevent his or her own access to lottery tickets or games; and c) ensure that the program does not breach the exclusivity provisions of any Indian gaming compact.

Section 3 amends s. 24.112, F.S.; provides that point-of-sale terminals to sell lottery tickets or games, consistent with the proposed 2015 Gaming Compact, must:

- Dispense a paper lottery ticket with numbers selected by the player or randomly by the machine;
- Not reveal the winning numbers;
- Not use of mechanical reels or video depictions of slot machine or casino game themes or titles; and
- Not redeem winning tickets.

Point of sale devices must use a valid driver license or other process to verify the purchaser is at least 18 years of age.

**RATIFICATION OF PROPOSED 2015 COMPACT, AS AMENDED
[SB 7074, 2016 Regular Session WITH MODIFICATIONS]**

Section 4: *Effective on becoming law,*

- The gaming compact between the Seminole Tribe of Florida and the State of Florida executed by the Tribe and the Governor on December 7, 2015, must be amended to:
 - a) Become effective as a tribal compact after approval by the U.S. Department of the Interior;
 - b) Require that the current litigation between the State and the Tribe be dismissed with prejudice; and
 - c) Incorporate amendments to the *revised exceptions from exclusivity* on December 7, 2015, related to:
 1. Fantasy games, slot machines, blackjack, designated player games and point-of sale-terminals, and all activities authorized and conducted pursuant to Florida law, *as amended by the bill*; and
 2. Activities claimed to be violations of the 2010 gaming compact in the litigation with the Tribe;
All without any impact or change to the payments required to the State under the compact executed December 7, 2015.
- Ratifies and approves the compact executed December 7, 2015, *amended as required by the bill* (see above).
- Provides that the ratified and approved 2015 Gaming Compact, *as amended as required by the bill* (see above), supersedes the 2010 Gaming Compact.
- Requires the Secretary of the Department of Business and Professional Regulation to notify the Governor, President of the Senate, Speaker of the House of Representatives, and the Division of Law Revision and Information the date of publication in the Federal Register of the approval (or deemed approval) of the 2015 Gaming Compact, as amended.

Section 5 amends s. 285.710(13), F.S., to remove the provision that limits the Tribe to conducting banked or banking card games only at its Broward, Collier, and Hillsborough County facilities and to permit the Tribe to conduct the following games at all of its facilities:

- Dice games, such as craps and sic-bo; and
- Wheel games, such as roulette and big six.

Section 6 corrects an incorrect, federal statutory reference.

FANTASY CONTESTS [CS/SB 832 from the 2016 Regular Session]

Sections 7 through 15 create the “Fantasy Contest Amusement Act” (Act) in ss. 546.11-546.19, and address issues related to consumer protection, public confidence in the integrity of fantasy contests and contest operators, and prizes offered to individuals (participants) who pay a fee to participate in a fantasy contest.

A fantasy contest is a fantasy or simulation sports game or contest in which a participant manages a fantasy sports team composed of athletes from an amateur or professional sports organization.

Section 8 provides legislative intent that fantasy contests operated pursuant to the requirements in the act (qualified fantasy contests) involve skill.

Section 9 provides definitions.

Qualified “fantasy contests” are those in which:

- The value of all prizes and awards must be established and disclosed in advance of the fantasy game;
- The value of all prizes and awards is not determined by the number of participants or the amount of entry fees;
- All winning outcomes reflect the relative knowledge and skill of game participants and are determined predominantly by accumulated statistical results of the performance of the athletes who perform in multiple sporting or other events; and
- A winning outcome is not based on the score, point spread, or performance of a single team or any combination of teams, on any single performance of an athlete or player in a single sporting or other event, or on a live pari-mutuel event.

Two types of contest operators are defined. A distinction is made between fantasy contests in which the operator returns only a portion of the funds collected from participants (entry fees) as cash prizes, and contests in which the (noncommercial) operator returns all entry fees as prizes to the participants

Section 10 creates the Office of Amusements in the Department of Business and Professional Regulation.

Section 11 requires licensure of all operators of qualified fantasy or simulation sports games or contests which offer fantasy contests for play by participants in the state to apply for licensure with the Office of Amusements.

Initial license application fee is \$500,000; the annual license renewal fee is \$100,000. Lower fees apply to smaller fantasy contest operators, whose fees may not exceed 10 percent of the total entry fees collected (related to the operation of fantasy contests in Florida), less those amounts paid to participants. The bill provides methods to establish appropriate fees payable by a contest operator, for both initial licensure and renewal of a license.

The Office's duties include administering and enforcing the act and any rules adopted to enforce the Act. A completed licensee application must be granted or denied within 120 days after receipt or is otherwise deemed approved. Requirements for license applications are specified.

A person or entity is not eligible for licensure as a contest operator or licensure renewal if he or she or an officer or director of the entity is determined by the Office of Amusements, after investigation, not to be of good moral character, or if found to have been convicted of a felony.

A contest operator must provide evidence of a surety bond in the amount of \$1 million, payable to the state

Sections 12 and 13 require game operators to implement procedures intended to protect consumers; prohibit game operators from specified activities; require contest operators offering fantasy contests to annually contract with a third party to perform an independent audit and submit the audit results to the Office; maintain specified books and records; and file quarterly reports with the Office containing specified materials and information.

Section 14 authorizes penalties for violation of the act, effective upon becoming a law. A contest operator, or an employee or agent thereof, who violates the act is subject to a civil penalty not to exceed \$5,000 for each violation, not to exceed \$100,000 in the aggregate, which shall accrue to the state. The penalty provisions established do not apply to contest operators who apply for a license within 90 days after the effective date and receive a license within 240 days after the effective date. Fantasy contests conducted by a contest operator or noncommercial contest operator in accordance with the act are not subject to s. 849.01, s. 849.08, s. 849.09, s. 849.11, s. 849.14, or s. 849.25, regarding gambling, lotteries, games of chance, contests of skill, or bookmaking.

Section 15 directs the Division of Law Revision and Information to replace references to the effective date of **Section 14** in that section with the actual date the section becomes law.

PARI-MUTUEL ISSUES

Ending Live Racing or Games (Decoupling)

Section 16 amends s. 550.002, F.S., relating to requirements for live racing.

- Allows a greyhound racing permitholder, harness racing permitholder, jai alai permitholder, quarter horse permitholder and certain thoroughbred horse racing permitholders (with an irrevocable election) to determine whether they will offer live racing or games while they may continue to operate its slots machines or cardroom.
- Deletes outdated references to converted greyhound permits and partial-year racing dates.
- Reduces the minimum number of required live performances from 100 to 58 for summer jai alai permitholders who do not operate slot machines or meet other financial requirements and retains the current law requirement that a jai alai permitholder that operates slot machines in its pari-mutuel facility must conduct at least 150 performances.

Section 17 amends s. 550.01215, F.S., regarding operating license applications filed annually with the Division of Pari-mutuel Wagering (division) by pari-mutuel permitholders for pari-mutuel wagering licenses for the next fiscal year (July 1 through June 30).

- All permitholders, including those that do not conduct live performances, are required to file an application for a license to conduct pari-mutuel wagering (and intertrack wagering and simulcast wagering for greyhound racing permitholders). Includes all greyhound racing permitholders, jai alai permitholders, harness racing permitholders, quarter horse racing permitholders, and thoroughbred horse racing permitholders. Permitholders who are authorized to conduct slot machine gaming will not be required to conduct live performances to retain their slot machine licenses.
- Requires permitholders accepting wagers on broadcast events to disclose the dates of all those events in their application.
- Provides that certain greyhound racing permitholders¹ may specify that they do not intend to conduct live racing, or that they intend to conduct less than a full schedule of live racing, in the next state fiscal year.
- Provides for partial thoroughbred horse racing decoupling by means of a 30 day window to make an election to decouple.

¹ Only those greyhound racing permitholders that conducted a full schedule of live racing for a period of at least 10 consecutive state fiscal years after the state Fiscal Year 1996-1997, or that converted a permit to a permit to conduct greyhound racing after that state fiscal year, are authorized to file an application in this manner.

- Authorizes a greyhound racing permitholder to receive an operating license to conduct pari-mutuel wagering activities at another permitholder's greyhound racing facility pursuant to s. 550.475, F.S.; however, the permitholders must be located within 35 miles of each other.
- Allows the division to approve changes in racing dates for Fiscal Year 2017-2018, if the requests are received before August 31, 2017.
- Provides the requirements for a summer jai alai permitholder to operate a jai alai fronton only for the summer season each year, for dates selected by the permitholder (between May 1 and November 30); all taxes, rules, and provisions of ch. 550, F.S., applicable to winter jai alai permitholders apply to summer jai alai permitholders.
- Prohibits winter and summer jai alai permitholders from operating on the same days or in competition with each other, but allows leasing of a winter jai alai facility for the operation of a summer meet.
- Deletes a provision allowing a permit converted from a jai alai permit to a greyhound racing permit, to convert back to a jai alai permit only if greyhound racing was never conducted, or the permitholder has not conducted greyhound racing for 12 consecutive months.

Section 18 amends s. 550.0251, F.S., concerning the required content of the annual report from the division to the Governor, Senate, and House of Representatives.

Pari-Mutuel Permits, Relocation & Taxes

Section 19 amends s. 550.054, F.S., relating to applications for pari-mutuel wagering permits.

- Provides for revocation of permits, unless a failure to obtain an operating license was the direct result of fire, strike, war, or other disaster or event beyond the permitholder's control; requires the division to revoke a permit if the permitholder:
 - Has not obtained an operating license for a period of more than 24 consecutive months after June 30, 2012; or
 - Fails to make payments for taxes due on handle for more than 24 months.
- Provides that a new pari-mutuel permit may not be approved or issued *30 days after the effective date of the act* (i.e., the publication of the amended Compact in the Federal Register), and a revoked permit is void and may not be reissued.
- Allows a permit to be placed in inactive status for 12 months for good cause and allows renewal of inactive status for up to 12 months; however, a permit may not be inactive for more than 24 consecutive months. Entities with inactive permits are not eligible for licensure for pari-mutuel wagering, slot machines, or cardrooms.

- Provides that a pari-mutuel license may not be transferred or reissued so as to change the location of a pari-mutuel facility, cardroom, or slot machine facility and deletes authority for the transfer of a thoroughbred permit to another racetrack and for conversion of a jai alai permit to a greyhound racing permit.
- Repeals provisions authorizing conversion and relocation of pari-mutuel permits under specified conditions (see **Section 20**).

Section 20 amends s. 550.0555, F.S., relating to the procedures for relocation by certain permit holders to another location within 30 miles under certain conditions for zoning approval. Those permit holders eligible to seek approval to move their pari-mutuel operations are any holder of a valid and outstanding:

- Greyhound racing permit that was previously converted from a jai alai permit;
- Greyhound racing permit in a county with only one issued greyhound permit; or
- Jai alai permit in a county with only one issued jai alai permit.

Other conditions for a new location include:

- No crossing of county boundaries;
- The new location must be at least 10 miles from any existing pari-mutuel facility, as determined by the division;
- Any new location must be at least 10 miles from the Atlantic Ocean, for relocation in a county in which three or more pari-mutuel permits are issued.
- Approval under the zoning regulations of the affected county or municipality.

Section 21 repeals s. 550.0745, F.S., relating to the procedure to convert a pari-mutuel permit to a summer jai alai permit.

Section 22 amends s. 550.0951, F.S., respecting the payment of daily license fee and taxes.

- Deletes the tax exemption specified in s. 550.09514(1), F.S., of \$360,000 or \$500,000 for each greyhound racing permit holder, and deletes other tax credits.
- Deletes current law allowing transfer of the tax exemption or other credits among greyhound permit holders.
- Reduces the tax on handle for greyhound racing to 1.28 percent from 5.5 percent. (A scrivener's error at line 1373 is corrected to the 1.28 percent rate.) A tax of 0.5 percent is imposed if the host and guest tracks are thoroughbred racing permit holders, or if the guest track is located outside the market area of a host track that is not a greyhound racing track and within the market of a thoroughbred racing permit holder currently conducting a live meet.

Section 23 amends s. 550.09512, F.S., relating to harness horse racing.

- Requires the division to revoke a harness horse racing permit that has not paid the tax due on the handle for a full live schedule of harness racing for more than 24

consecutive months, unless the failure to operate and pay tax was the direct result of fire, strike, war, or other disaster or event beyond the permit holder's control. A revoked permit is void and may not be reissued.

- Repeals a provision allowing reissuance of a revoked harness horse permit that has been revoked for nonpayment of taxes.

Section 24 amends s. 550.09514, F.S., relating to greyhound racing taxes and purse requirements.

- Removes available tax credits of \$360,000 and \$500,000.
- Requires greyhound racing permit holders that conduct live racing during a fiscal year to pay an additional purse amount annually of \$60 for each live race conducted in the preceding fiscal year.
- Deletes requirements for purses equal to 75 percent of the daily license fees.
- Requires purses be disbursed weekly during the permit holder's race meet.
- Clarifies that the tax rate on handle for intertrack wagering is provided in ch. 2000-354, s. 6, L.O.F.

Section 25 amends s. 550.09515, F.S., relating to thoroughbred racing taxes.

- Requires the division to revoke a thoroughbred racing permit that has not paid the tax due on handle for a full live schedule of thoroughbred horse performances for more than 24 consecutive months, unless the failure to operate and pay tax was the direct result of fire, strike, war, or other disaster or event beyond the permit holder's control. A revoked permit is void and may not be reissued.
- Repeals a provision allowing reissuance of a thoroughbred horse permit that has been revoked for nonpayment of taxes.

Section 26 amends s. 550.1625, F.S., relating to greyhound racing taxes to repeal a reference to a greyhound racing permit holder paying the breaks tax.

Section 27 repeals s. 550.1647, F.S., relating to unclaimed, uncashed, or abandoned pari-mutuel tickets which have remained in the custody of a greyhound racing permit holder.

Section 28 amends s. 550.1648, F.S., to require, as a condition of greyhound adoption, that a bona fide organization must provide sterilization of greyhounds by a licensed veterinarian before relinquishing custody of the greyhound to the adopter; the sterilization fee may be included in adoption cost adoption.

Section 29 creates s. 550.1752, F.S., and establishes a pari-mutuel permit reduction program and authorizes the division to purchase and cancel active pari-mutuel permits.

- Funding for the program would be generated by revenue share payments made by the Seminole Tribe under the Gaming Compact received by the State after October 31, 2015 (i.e., funds held in reserve related to banked card games). Funding the program is calculated monthly, until the division determines sufficient funds are available; the funding limit is \$20 million.
- A pari-mutuel permit holder may not submit an offer to sell unless it is actively conducting racing or jai-alai required and satisfies all applicable permit requirements.

- The value of the permit must be based upon the valuation of fair market value by one or more independent appraisers selected by the division and may not include the value of real estate or personal property. The division may establish a lower value for a permit than the amount determined by the independent appraiser, but not a higher value.
- The division must accept the offer or offers that best use the available funding, but, may also accept offers that it determines are the most likely to reduce gaming in Florida. A permit purchased through the program must be cancelled. This section expires July 1, 2019, unless reenacted.

Section 30 creates s. 550.1753 and establishes a *long-term* thoroughbred purse supplement program, *effective July 1, 2019*, to maintain an active and viable live thoroughbred racing, owning, and breeding industry in Florida.

- Funding for the program is generated by revenue share payments made by the Seminole Tribe under the Gaming Compact and received by the State after July 1, 2019. Funding the program is calculated monthly, until the division determines sufficient funds are available; the funding limit is \$20 million.
- Funds are distributed by the division on a pro rata basis based upon the number of live race days to be conducted by each thoroughbred permitholder per its annual racing license. If a permitholder fails to conduct a race day, then the allocated funds associated with that day must be returned to the division, so that it may reapportion the allocation of funds.
- *The purse supplement program expires June 30, 2036, the day the 2015 Gaming Compact, as amended, will expire.*

Section 31 creates s. 550.2416, F.S., and requires specified, detailed reporting of racing greyhound injuries. The bill requires greyhound track veterinarians to prepare and sign detailed reports under oath, on a form adopted by the division, of all injuries to racing greyhounds that occur while the greyhounds are on a racetrack. Penalties for false reporting are provided.

Section 32 amends s. 550.26165, F.S., relating to breeders' awards to conform cross-references.

Section 33 amends s. 550.3345, F.S., regarding the issuance of limited thoroughbred racing permits (through conversion from a quarter horse permit as allowed by ch. 2010-29, L.O.F.) and:

- Removes obsolete language.
- Retains existing law allowing for relocation of the permit, and allows relocation to another county without a referendum, if the permit "is situated in such a manner that it is located in more than one county."

Such relocation remains subject to the requirement in s. 550.3345(2)(d), F.S., that the relocation be approved under zoning and land use regulations in the new county or municipality.

- Prohibits the transfer of a limited thoroughbred racing permit to another person or entity.

Section 34 amends s. 550.3551, F.S., relating to transmission of racing and jai alai information, to remove an outdated reference and to remove a reference to live racing requirements for intertrack wagering by harness horse permitholders.

Section 35 amends s. 550.475, F.S., to prohibit permitholders from leasing facilities from a permitholder that is not conducting a full schedule of live racing. When a permitholder chooses to end live racing at a pari-mutuel facility, any permitholder leasing that facility may no longer lease it, and must move its racing or games to another facility that is conducting a full schedule of live racing.²

Section 36 deletes s. 550.5251(1), F.S., which requires thoroughbred permitholders to annually file applications to conduct race meetings that specify the number and dates of all performances that the permitholder intends to conduct.

Section 37 amends s. 550.615, F.S., relating to intertrack wagering, as to which tracks or frontons may receive broadcasts of any type of race or game, and accept wagering on them.

- Provides that only tracks that have conducted a full schedule of live racing for at least five consecutive years since 2010 may receive such broadcasts.
- Deletes ss. 550.615(6) and (7), F.S., which limits intertrack wagering where there are three or more horserace permitholders within 25 miles of each other, and requiring the consent of a permitholder where there are only two permits (greyhound racing and jai alai) in the county.
- Provides that a greyhound racing permitholder that accepts intertrack wagers on live greyhound signals is not required to obtain written consent from any operating greyhound racing permitholder within its market area.

Section 38 amends s. 550.6308, F.S., relating to the limited intertrack wagering license, and:

- Reduces the required number of days of sales to eight days from fifteen days.
- Removes the requirement to conduct at least one day of nonwagering thoroughbred racing with a \$250,000 purse per year for two consecutive years.
- The bill removes certain restrictions and requirements for intertrack wagering, including the requirements that intertrack wagering must be conducted:
 - For up to 21 days in connection with sales;
 - Between November 1 and May 8;

² According to information in the latest available Fiscal Year 2013-2014 Annual Report from the Division of Pari-Mutuel Wagering, both Jacksonville Kennel Club and Bayard Raceways (St. Johns Greyhound Park) conduct races at Orange Park Kennel Club; H&T Gaming conducts racing at Mardi Gras; Palm Beach Greyhound Racing conducts racing at Palm Beach Kennel Club; Tampa Greyhound conducts races at St. Petersburg Kennel Club (Derby Lane); West Volusia Racing conducts races at Daytona Beach Kennel Club; Dania Summer Jai Alai conducts games at Dania Jai Alai; Tropical Park conducts races at Calder Race Course. *Available at* <http://www.myfloridalicense.com/dbpr/pmw/documents/AnnualReports/AnnualReport-2013-2014--83rd--20150114.pdf>, at pp. 24-35 (last visited Feb. 19, 2016).

- Only with the consent of other permitholders that run live racing in the county, between May 9 and October 31; and
- During the weekend of the Kentucky Derby, the Preakness, the Belmont, and a Breeders' Cup Meet conducted after May 8 and before November 1.
- Removes the restriction that intertrack wagering must be conducted by the limited intertrack license permitholder only on thoroughbred racing, unless the consent of all thoroughbred, jai alai, and greyhound racing permitholders in the same county is obtained.
- Removes the purse pool requirement imposed on the limited intertrack license permitholder of 2.5 percent for its intertrack wagering on greyhound or jai alai.

SLOT MACHINES (and Thoroughbred Purse Pools)

Section 39 amends s. 551.101, F.S., to allow eligible slot machine facilities to conduct slot machine gaming pursuant to a permit or license issued pursuant to s. 551.1043 (see **Section 43**) and deletes provisions referring to the eligibility requirements for a slot machine license under the state constitution.

Section 40 amends the definition of “eligible facility” in s. 551.102, F.S., for the conduct slot machine gaming to include (1) any licensed pari-mutuel facility; or (2) any facility authorized to conduct slot machine gaming pursuant to s. 551.1043 (see **Section 43**), if such facility meets the requirements of s. 551.104(2) (see **Section 41**).

Section 41 amends s. 551.104, F.S., to:

- Limit approval by the division of applications for a license to conduct slot machine gaming. The facility at which the slot machine gaming will be operated must be:
 - The seven pari-mutuel facilities in Miami-Dade and Broward Counties that existed when the State Constitution was amended and slot machines in the county were approved by referendum, and
 - A licensed pari-mutuel facility, if slot machines in the county are approved by voters in a countywide referendum (new 8 counties plus Hialeah), and if the permitholder conducted a full schedule of live racing for two consecutive years immediately preceding its application.
 - The new Miami-Dade County and Broward County slot machine gaming facilities (see **Section 43**).
 - Pari-mutuel facilities in other counties (except the seven pari-mutuel facilities in Miami-Dade and Broward Counties described above) by referendum if associated with a public-private partnership (with associated slot machine gaming tax (see **Section 45**).
- Disqualify permitholders from receiving a slot machine license, if a permitholder includes, or previously included, an ultimate equitable owner whose permit was voluntarily or involuntarily surrendered, suspended, or revoked by the division within 10 years before the date of the permitholder’s application for a slot machine license.
- Revise criteria for all slot machine licenses, by deleting the requirement that live racing be conducted by a pari-mutuel permitholder in order to maintain eligibility for the slot machine license.
- Allow live racing or games to be conducted at a leased facility of a permitholder pursuant to s. 550.475, F.S, if the leasing permitholder has operated its live races or games by lease for at least 10 consecutive years prior to its slot machine license application.

If the slot machine licensee is not running a full schedule of live racing under its pari-mutuel permit, then it must contribute to a purse pool. This purse pool is repealed July 1, 2036 (the day after the proposed 2015 Gaming Compact ends).

The purse pool (the lesser of \$2 million or 3 percent of the permitholder's prior fiscal year slots revenue) is for the benefit of slot machine licensees that conduct at least 160 days of live thoroughbred racing. There is a dollar-for-dollar credit for payments made to a horsemen's association under a binding written agreement entered into by the permitholder pursuant to s. 551.104(10), F.S. The requirement in existing law for a thoroughbred racing permitholder to have a horsemen's agreement governing the payment of purses on live thoroughbred racing does not apply to a summer thoroughbred racing permitholder.

- Delete the requirement that a quarter horse racing permitholder have a horsemen's agreement governing the payment of purses on live quarter horse races.

Section 42 creates s. 551.1042, F.S., to prohibit the transfer or relocation of slot machine licenses.

Section 43 creates s. 551.1043, F.S., to provide two additional slot machine licenses in Broward County or a county as defined in s. 125.011,³ for the purpose of enhancing live pari-mutuel activity. Only one of these licenses may be issued in each county.

Any person that is not a slot machine licensee may apply for one of the two additional licenses, upon payment of a \$2 million nonrefundable application fee. The fee must be used by the division and the Department of Law Enforcement for investigations, the regulation of slot machine gaming, and the enforcement of slot machine gaming under ch. 551, F.S. In the event of a successful award of the license to a licensee, the license application fee will be credited against the license application fee required by s. 551.106, F.S.

If there is more than one applicant for the additional slot machine gaming license in a county, the license will be awarded by the division to the applicant that receives the highest score based on legislatively specified criteria; however, the relative value or points the division must assign to the selection criteria are not specified.

The division must complete its evaluations at least 120 days after the submission of applications and notice its intent to award the license within that time. Any protest of the intent to award the license will be heard by the Division of Administrative Hearings under an expedited schedule. Any appeal of a license denial must be made to the First District Court of Appeal and must be accompanied by the posting of a supersedeas bond in an amount determined by the division to be equal to the projected annual slot machine revenue to be generated by the successful licensee.

The division is authorized to adopt emergency rules to implement this section.

The additional slot machine gaming licensee is authorized to operate a cardroom notwithstanding that the licensee does not have a pari-mutuel permit or operating license and is exempt from ch. 550 (Pari-Mutuel Wagering). The operation of up to 25 house

³ Currently, the only county that meets the definition in s. 125.011, F.S., is Miami-Dade County.

banked blackjack table games at its facility is authorized, under the same wagering requirements and tax rate as set forth in **Section 45**, notwithstanding that the licensee does not have a pari-mutuel permit or operating license. The licensee is also exempt from certain requirements relating to pari-mutuel permitholders in s. 551.104(3), (4)(b) and (c)(1), (5) and (10), and s. 551.114(4).

An applicant shall submit an application to the division, with the same disclosures as required of persons seeking to conduct pari-mutuel wagering in the state. Any person prohibited from holding any horseracing or dogracing permit or jai alai fronton permit pursuant to s. 550.1815 is ineligible to apply for the additional slot machine license.

BLACKJACK

Section 44 creates s. 551.1044, F.S., to authorize house banked blackjack table games, with a maximum of 25 such tables at each facility, at:

- The facilities in Miami-Dade and Broward counties that are eligible under the slot machines constitutional amendment where live racing or games were conducted during calendar years 2002 and 2003; and
- The facilities located in a county defined under s. 125.011, F.S., where a full schedule of live horse racing has been conducted for two consecutive years.

Wagers may not exceed \$100 for each initial two card wager. Subsequent wagers on splits or double downs are allowed, but may not exceed the initial two card wager. Single side bets of not more than \$5 are also allowed.

Each pari-mutuel permitholder offering banked blackjack must pay a tax to the state of 25 percent of the blackjack operator's monthly gross receipts.

SLOT MACHINE TAX RATE

Section 45 amends s. 551.106, F.S., to remove obsolete language relative to the slot machine license fee for Fiscal Year 2010-2011 and to reduce the tax on slot machine revenues from 35 percent to 25 percent. The tax on slot machine revenue of public-private partnerships is deposited in the Pari-Mutuel Wagering Trust Fund.

Section 46 amends s. 551.108, F.S., regarding prohibited relationships, to address contracts between slot machine licensees and a manufacturer or distributor and to exempt contracts related to a progressive system used in conjunction with slot machines to include a revenue sharing provision. Currently that section prohibits contracts that provide for revenue sharing calculated on a percentage of slot machine revenues.

Section 47 amends s. 551.114, F.S., to revise:

- The requirement for slot machine licensees to display pari-mutuel races or games and offer the ability to engage in wagering on live, intertrack, and simulcast races

- conducted or offered to patrons. The requirement is conditioned upon whether the races or games “are available” to the licensee; the term “are available” is not defined.
- Revises a limitation on the location of slot machine gaming areas, and allows a gaming area to be located anywhere within the property described in the licensee’s pari-mutuel permit. Existing law requires that a gaming area be located within the live gaming facility or in an existing building that is contiguous and connected to the facility.

Section 48 amends s. 551.116, F.S., to extend the number of hours that a slot machine gaming area may be open on weekdays, from 18 hours to 24 hours, the same allowed for weekend operating hours.

Section 49 amends s. 551.121, F.S., to allow complimentary or reduced-costs alcoholic beverages to be served to a person playing a slot machine and allow slot machine licensees to authorize automatic teller machines (ATMs) or similar devices designed to provide credit or dispense cash, to be located in the gaming area.

CARDROOMS & DESIGNATED PLAYER GAMES

Section 50 amends s. 849.086, F.S., regarding the cardroom operations, to:

- Allow operation 24 hours daily, (currently 8 hours Monday through Friday and 24 hours on Saturday and Sunday), to conform to the hours that a slot machine gaming area may be open pursuant to the amendments in **Section 48**.
- Remove the ability of a permitholder to amend a renewal application for a cardroom.
- Delete the 90 percent rule in existing law mandating the minimum number of races that must be conducted by a permitholder. (Apparently, to decouple thoroughbred racing permitholders, as well as greyhound racing permitholders, jai alai permitholders, harness racing permitholders, and quarter horse racing permitholders.
- Provide that a designated player game is not a banking game, and that a designated player is the player in the dealer position seated at a traditional player position who pays winning players and collects from losing players.
 - A designated player game is defined as “a game in which the players compare their cards only to the cards of the designated player or to a combination of cards held by the designated player and cards common and available for play by all players.”
 - All cardroom operators may offer designated player games.
 - The cardroom operator may not serve as a designated player, but may collect a rake as posted at the table.
 - If there are multiple designated players at a table, the dealer button must be rotated clockwise after each hand.
 - A cardroom operator may not allow a designated player to pay an opposing player who holds a lower ranked hand.
- Modify provisions on prohibited activities to address banking game issues and provide that a designated player game be deemed a banking game if any of the following elements apply:

- Any designated player is required by the rules of a game or by the rules of a cardroom to cover all wagers posted by opposing players.
- The dealer button remains in a fixed position without being offered for rotation.
- The cardroom, or any cardroom licensee, contracts with or receives compensation other than a posted table rake from any player to participate in any game to serve as a designated player.
- In any designated player game in which the designated player possesses a higher ranked hand, the designated player is required to pay on an opposing player's wager who holds a lower ranked hand.
- Prohibit transfer or relocation of a cardroom.

REVOCATION OF PERMITS / NO LIVE RACING WITHIN 24 MONTHS PRIOR TO EFFECTIVE DATE

Section 51 provides that the division must revoke any permit to conduct pari-mutuel wagering if a permitholder has not conducted live events within the 24 months preceding the effective date of the bill, unless the permit is a limited thoroughbred racing permit that was issued under s. 550.3345, F.S. A permit revoked for failure to conduct live events within the 24 months preceding the effective date of the bill may not be reissued.

DIRECTIVE TO DIVISION OF LAW REVIEW AND INFORMATION

Section 52 directs the Division of Law Revision and Information to replace references to the "effective date of this act" throughout the bill with the actual date the act is effective.

EFFECTIVE DATE

Section 53 provides that, **except where provided otherwise in the bill**, the bill is effective only if the 2015 Gaming Compact, **as amended as required in Section 4**, is approved, or deemed approved, by the United States Department of Interior pursuant to the IGRA, and takes effect upon the date that the approved compact is published in the Federal Register.