

November 17, 2015

VIA ELECTRONIC MAIL

The Honorable Rick Scott Governor The State of Florida The Capitol Tallahassee, FL 32399

Dear Governor Scott,

Thank you for the opportunity to meet with you a couple of months ago regarding our opposition to the expansion of gambling in Florida. We appreciate the fact that over the past several years, even with intense lobbying by casino gambling interests from Las Vegas and Malaysia, gambling has not been expanded in our state, but in fact, has decreased through legislation to shut down internet cafés.

We also recently had the opportunity to meet with members of your staff and with legislative leaders regarding compact negotiations with the Seminole Tribe of Florida. It is our understanding from media accounts and from a number of discussions that there is serious consideration being given to gambling expansion scenarios as a part of the compact renewal. We believe that having compact negotiations serve as a vehicle for any expansion of gambling, either on tribal property or off of tribal property, is completely contrary to the entire basis by which the compact was sold to the public back in 2010. Instead, we believe the best course of action for the state of Florida is to ensure that any compact renewal be predicated on a zero expansion policy.

The banked card games portion of the compact was sold to the public as a "firewall against the further expansion of gambling in Florida." The logic was that the revenue enhancements provided to the state for the Seminole Tribe's privilege of operating banked card games would be sufficient to keep the state from violating strict exclusivity enjoyed by the Tribe for operations of banked card games, and for exclusivity of slots operations outside of Miami-Dade and Broward Counties. It would therefore be antithetical to the entire basis of the banked card games portion of the compact for its renewal to result in the expansion and spread of gambling.

With regard to the compact, we urge you that provisions of the compact include:

- 1. No gambling expansion. This means no new games and no new facilities.
- 2. No weakening of exclusivity provisions and severe penalties for violating exclusivity provisions.
- 3. No exceptions that would allow slot machines or similar devices at pari-mutuel facilities outside of Miami-Dade and Broward Counties, the only counties in Florida where they are constitutionally authorized.
- 4. Using a portion of compact revenues to fund a voluntary buy back program for pari-mutuel licenses. For the past several years, pari-mutuels have argued that their business model is no longer economically viable. Their solution is to be gifted other forms of gambling in order to become economically viable, and/or be able to quit operating live events, which are the very basis of their licenses to operate. Rather than expanding gambling and having government give (without any form of competitive bid process) valuable licenses to operate new forms of gambling, we believe if the free market does not support pari-mutuel wagering, then government should not prop it up with more and more gambling.

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Rather, we should use revenues from gambling, to reduce gambling by buying back licenses, providing job retraining to those in the industry, redevelopment opportunities for permit sellers, and humane retirement of greyhounds. We have drafted legislation that would provide for a voluntary buyback program funded entirely with a modest amount of compact revenues.

This reduction in non-tribal gambling should be of sufficient value to the Seminole Tribe to meet federal requirements for requiring a larger revenue figure from the tribe WITHOUT EXPANDING GAMBLING, but rather by reducing it in a way that may drive additional consumer demand for tribal sponsored wagering. The priority of any compact renewal should not be an aspirational revenue figure above the 2010 compact, but rather using the compact as it was originally intended and sold to the people of Florida – as a way to stop the spread of gambling in our state. Concessions that allow more gambling – either by the tribe, Palm Beach Kennel Club or other pari-mutuels, would make the compact nothing more than another failure to contain the spread of gambling when doing so is within our reach, in the public interest, and what the public wants.

Your focused leadership has resulted in the growth of Florida's economy and tax base — by exercising prudent fiscal management, pro-growth policies and economic diversification. That strategy has brought us from budget deficits to budget surpluses, which this year are projected to total \$1.6 billion. Gambling has contributed virtually nothing to this remarkable turnaround, nor will it in the future. This has been borne out in state after state that has foolishly chosen to chase casino dollars. We need to stay the course, and that course includes a family-friendly tourism brand that is the envy of every other state in the nation, and has given us the most resilient tourism economy in the world.

We urge you and your staff to stand with the people of Florida and oppose any effort to use the negotiation process with the Seminole Tribe of Florida to expand gambling in our state.

Thank you for your consideration and for your leadership.

Sincerely,

John Sowinski President No Casinos, Inc.

cc: The Honorable Andy Gardiner, President, Florida Senate
The Honorable Steve Crisafulli, Speaker, Florida House of Representatives
The Honorable Rob Bradley, Chairman, Senate Regulated Industries Committee
The Honorable Jose Diaz, Chairman, House Regulatory Affairs Committee