



**SENATOR ROB BRADLEY**  
7th District

## THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

**COMMITTEES:**  
Regulated Industries, *Chair*  
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Criminal Justice  
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**JOINT COMMITTEE:**  
Joint Legislative Auditing Committee

February 17, 2016

Members of the Regulated Industries Committee:

The State is involved in ongoing litigation with Gretna Racing, LLC and the Seminole Tribe of Florida. This Session, the Legislature has the ability to craft public policy dealing with gaming and we can end the litigation, or we can punt the issue to the courts. If the Legislature punts, we could end up with the most significant expansion of gaming in Florida history while the taxpayers only get a fraction of what they receive from gaming operations in the present arrangement. Such an outcome is not acceptable to any of us. We have an obligation to consider reasonable alternatives.

Presently, Gretna Racing, LLC is suing to obtain slots based upon a referendum approved by voters in Gadsden County. The matter is before the Florida Supreme Court. If the Legislature takes no action and the Florida Supreme Court sides with the racing facility, the State will lose all revenue sharing under the current Compact and under the proposed Compact. Every county with a facility that passes a referendum would get slot machines. Presently, there are only 6 counties that have held those referendums, but that number will surely grow.

The State and the Tribe are also presently engaged in litigation. The Tribe has asserted that it is not only entitled to banked card games, but also that it is no longer obligated to pay the State revenue sharing. Regardless of how one feels about the merits of such claims, the fact remains that in litigation nothing is certain.

If the Tribe is successful in litigation, they will be entitled to banked card games and will not have to pay any revenue sharing to the State. The net result would be the Tribe getting all the games it wants, and getting them without having to pay the State a dime in revenue sharing. That impact may be softened by several pari-mutuel facilities across the State that have held referendums operating slot machines, but it's my understanding that the revenues from those activities would only make up a fraction of the revenue lost from the Tribe.

You hear a lot about parity. The fact is, the State can never grant parity to the pari-mutuel facilities. The Tribe will always have a competitive advantage over its non-tribal competitors. Under federal law, they are a sovereign nation. They don't pay tax on their gaming. They don't pay tax on their property. We can give the pari-mutuels the same games as the Tribe and we can eliminate their tax rates, but unless we ask the taxpayers to subsidize their activities- something I am staunchly unwilling to do- the Seminole Tribe and other Indian tribes that are similarly situated will always

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**ANDY GARDINER**  
President of the Senate

**GARRETT RICHTER**  
President Pro Tempore

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have a leg up on their competitors by virtue of their sovereign status. It's the hand the federal government dealt the states when it passed the Indian Gaming Regulatory Act.

On the table is a proposed Compact negotiated by the Governor with the Tribe. The proposed Compact would provide a guaranteed revenue stream to the state of at least \$3 billion over 7 years in exchange for granting the right of exclusivity of slots and table games at their existing facilities. That type of revenue to the state is only achievable through a Compact. As part of the proposed Compact, there is leeway for pari-mutuel facilities and others to conduct new gaming activities at their existing facilities.

The Governor has put on the table a fair offer that seeks to maximize the benefit to taxpayers without dramatically altering the gaming landscape in Florida. I recommend its favorable consideration.

Sincerely,



Rob Bradley

cc: Governor Rick Scott  
President Andy Gardiner  
Majority Leader Bill Galvano  
Minority Leader Arthenia Joyner