

THE FLORIDA SENATE
2021-A SUMMARY OF LEGISLATION PASSED
Committee on Appropriations

CS/SB 2-A — Implementation of the 2021 Gaming Compact Between the Seminole Tribe of Florida and the State of Florida

by Appropriations Committee; and Senator Hutson

This bill ratifies the 2021 Gaming Compact executed by the Seminole Tribe of Florida (Seminole Tribe) and by Governor DeSantis on behalf of the State of Florida (state) on April 23, 2021, as amended on May 17, 2021 (the 2021 Gaming Compact).

The bill takes effect only if the Gaming Compact between the Seminole Tribe of Florida and the State of Florida executed by the Governor and the Seminole Tribe of Florida on April 23, 2021, as amended on May 17, 2021, under the Indian Gaming Regulatory Act of 1988, is approved or deemed approved and not voided by the United States Department of the Interior, and shall take effect on the date that notice of the effective date of the compact is published in the Federal Register.

The 2021 Gaming Compact:

- Provides the Seminole Tribe with partial, but significant additional substantial exclusivity for specified gaming activities in Florida, as detailed below.
- Requires the payment of revenue share payments by the Seminole Tribe based on varying percentage rates under specified conditions.
- Includes a guaranteed minimum compact term payment of \$2.5 billion for the first five years (not less than \$400 million annually, which is assumed to be August 1 to July 31, dependent upon approval date by the Secretary).
- Has a term ending July 31, 2051.
- Continues to authorize the Seminole Tribe to conduct banking card games, including baccarat, chemin de fer, and blackjack (21), at its gaming facilities; the play of poker games in a designated player manner, is not a violation of the exclusivity granted to the Seminole Tribe, if such play is compliant with the following restrictions:
 - Poker games played in a designated player manner must have been identified in cardroom license applications approved by the division on or before March 15, 2018, or, if a substantially similar poker game, identified in cardroom license applications approved by the division on or before April 1, 2021;
 - If the cardroom is located in Broward County, Collier County, Glades County, Hendry County, Hillsborough County, or Miami-Dade County (i.e., where slot machine gaming is authorized in state and tribal facilities), the cardroom operator is limited to offering no more than 10 tables for the play of poker games in a designated player manner;
 - If the cardroom is located outside Broward County, Collier County, Glades County, Hendry County, Hillsborough County, or Miami-Dade County (i.e., where slot machine gaming is not authorized), the cardroom operator is limited to offering no more than 30 tables for the play of poker games in a designated player manner;
 - There may not be more than nine players and a nonplayer dealer at each table;

- A cardroom operator may not have any direct economic interest in a poker game played in a designated player manner, except for the rake; and
- A cardroom operator may not receive any portion of the winnings of a poker game played in a designated player manner. Any abnormal betting activity or patterns that may indicate a concern about the integrity of a sports event or events.
- Permits the Seminole Tribe to offer table games, such as craps and roulette, at its gaming facilities.
- Authorizes sports betting on professional and collegiate sport events by players physically located in the State who may use a mobile or other electronic device, exclusively by and through sports books conducted and operated by the Seminole Tribe, which must contract with any willing, qualified pari-mutuel permitholder to perform marketing and similar services in support of the sports books, for compensation of not less than 60 percent of the profit associated with wagering by the permitholder's registered patrons through the permitholder's branded website or mobile application. Such wagering is to be deemed to be exclusively conducted by the Seminole Tribe where the servers or other devices used to conduct such wagering activity on the Seminole Tribe's Indian lands are located. However, the Seminole Tribe will not commence sports betting before October 15, 2021.
- Authorizes Fantasy Sports Contests; acceptance of entry fees for fantasy sports contests, including the receipt of entry fees paid by players physically located within the State using a mobile or other electronic device, which is deemed to be exclusively conducted by the Seminole Tribe where the servers or other devices used to conduct such wagering activity on the Seminole Tribe's Indian lands are located.
- Continues to authorize the Seminole Tribe to conduct slot machine gaming at its gaming facilities.
- Allows the Seminole Tribe to add up to three additional facilities within its Hollywood Reservation.
- Specifies that the Seminole Tribe may employ a management contractor or licensee, as permitted by the Indian Gaming Regulatory Act (IGRA) and Code of Federal Regulations (C.F.R.), but the Seminole Tribe remains solely responsible for the operation of slot machine gaming, craps, roulette, banking card games, fantasy sports contests, and sports betting (Covered Games or Covered Gaming Activity).

Gaming Compliance Standards and Requirements

The 2021 Gaming Compact:

- Specifies the operation of Covered Gaming Activity on tribal facilities must comply with the:
 - Federal Wire Act (18 United States Code § 1084);
 - Seminole Tribal Gaming Code approved by the National Indian Gaming Commission (NIGC);
 - Rules and Regulations promulgated by the Seminole Tribal Gaming Commission, the tribal governmental agency with authority to carry out the Seminole Tribe's regulatory and oversight responsibilities under the gaming compact; and

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- National Indian Gaming Commission's Guidance for Class III Minimum Internal Control Standards.
- Requires the Seminole Tribe to:
 - Pay an annual oversight assessment of up to \$600,000 to be used for the operation of the State Compliance Agency; if any additional tribal gaming facilities are added as authorized under the 2021 Compact, the assessment increases by \$150,000 annually, per additional facility;
 - Make an annual donation to the Florida Council on Compulsive Gaming as an assignee of the state of \$250,000 per operational gaming facility;
 - Have compliance audits prepared for slot machine operations and sports betting operations;
 - Limit the play of Covered Games to persons who must be 21 years of age or older, unless otherwise permitted by state law;
 - Prevent illegal activity at its gaming facilities;
 - Prevent illegal activity associated with its web applications and websites employed for sports betting;
 - Ensure prompt notice is given to law enforcement authorities about persons who may be involved in illegal acts; and
 - Ensure that its gaming facilities comply with Florida Building Code standards.

Exceptions to Exclusive Rights Granted to the Seminole Tribe

The 2021 Gaming Compact provides exceptions to the Seminole Tribe's exclusive rights, including:

- Continued slot machine gaming at the eight pari-mutuel permitholder locations in Broward and Miami-Dade counties, with certain actions requiring written consent of the Seminole Tribe relating to proximity to tribal gaming facilities; slot machines may not offer games using tangible playing cards, but may offer games using electronic or virtual cards.
- Continued operation of electronic bingo card minders and historic racing machines at pari-mutuel facilities located outside of counties with slots facilities (not more than 350 total per facility).
- Continued operation of pari-mutuel wagering activities at licensed facilities.
- Continued poker at licensed cardrooms, including poker games played in a designated player manner, in which one player is permitted, but not required, to cover other players' wagers, for games that were approved by the Department of Business and Professional Regulation before April 1, 2021, and a limitation on the number of tables depending on whether slot machine gaming is authorized in the county where the cardroom is located.
- No cardroom operator may have any direct economic interest in a designated player game except for the rake; and
- No card room operator may receive any portion of the designated player's winnings.
- Continued operation of lottery games and the use of lottery vending machines by the Florida Lottery, including certain technologic enhancements for lottery games, and the

use of a device or the Internet to scan play slips and communicate winning numbers for draw lottery games.

- Operation of amusement games authorized by chapter 546, F.S.
- Operation of fantasy sports contests.
- Provision of marketing services by a qualified pari-mutuel permitholder pursuant to a written agreement with the Seminole Tribe associated with the Seminole Tribe's operation of sports betting.

The bill revises the distribution of the local government share amounts for governmental services where tribal gaming facilities are located. The share derived from the Seminole Indian Casino-Hollywood, and the Seminole Hard Rock Hotel and Casino-Hollywood is revised to be distributed to the City of Hollywood (42.5 percent) and the Town of Davie (22.5 percent). The share derived from the Seminole Indian Gaming Casino-Immokalee is revised to be distributed to Collier County (75 percent) and the Immokalee Fire Control District (25 percent).

The bill also provides the local government share derived from the three additional gaming facilities that the Seminole Tribe is authorized to add to its Hollywood Reservation pursuant to the 2021 Gaming Compact will be distributed to Broward County (25 percent), the City of Hollywood (35 percent), the Town of Davie (30 percent), and the City of Dania Beach (10 percent).

If approved by the Governor, these provisions take effect only if the Gaming Compact between the Seminole Tribe of Florida and the State of Florida executed by the Governor and the Seminole Tribe of Florida on April 23, 2021, as amended on May 17, 2021, under the Indian Gaming Regulatory Act of 1988, is approved or deemed approved and not voided by the United States Department of the Interior, and shall take effect on the date that notice of the effective date of the compact is published in the Federal Register.

Vote: Senate 38-1; House 97-17

THE FLORIDA SENATE
2021-A SUMMARY OF LEGISLATION PASSED
Committee on Appropriations

CS/SB 4-A — Gaming Enforcement

by Appropriations Committee and Senator Hutson

This bill establishes additional enforcement measures to address violations of gambling laws and the conduct of unauthorized gaming in the state, including the creation of the Florida Gaming Control Commission (commission).

The bill:

- Grants additional investigatory and prosecutorial authority to the Office of Statewide Prosecution within the Department of Legal Affairs;
- Provides requirements and prohibitions for appointment, suspension, removal, and compensation of commissioners;
- Includes restrictions on commissioners and commission employees for appointment or employment, continued service or employment, and prohibits certain activities during and for 2 years after service or employment with the commission;
- Includes standards of conduct that must be met by commissioners and commission employees, and provides for background screening on certain employees and applicants for employment with the commission;
- Requires the commission to exercise all of the regulatory and executive powers of the state with respect to gambling, including pari-mutuel wagering, cardrooms, slot machine facilities, oversight of gaming compacts executed by the state pursuant to the Federal Indian Gaming Regulatory Act, and any other forms of gambling authorized by the State Constitution or law, excluding state lottery games as authorized by the State Constitution;
- Requires the commission to review the rules and regulations promulgated by the Seminole Tribal Gaming Commission for the operation of sports betting and propose to the Seminole Tribal Gaming Commission any additional consumer protection measures it deems appropriate including, but not limited to:
 - The types of advertising and marketing conducted for sports betting,
 - The types of procedures implemented to prohibit underage persons from engaging in sports betting, and
 - The types of information, materials, and procedures needed to assist patrons with compulsive or addictive gambling problems.
- Requires the commission to evaluate information that is reported by sports governing bodies or other parties to the commission related to:
 - Any abnormal betting activity or patterns that may indicate a concern about the integrity of a sports event or events;
 - Any other conduct with the potential to corrupt a betting outcome of a sports event for purposes of financial gain, including, but not limited to, match fixing, suspicious or illegal wagering activities, including the use of funds derived from illegal activity, wagers to conceal or launder funds derived from illegal activity, use of agents to place wagers, or use of false identification; and

- The use of data deemed unacceptable by the commission or the Seminole Tribal Gaming Commission.
- Provides reasonable notice to state and local law enforcement, the Seminole Tribal Gaming Commission, and any appropriate sports governing body of non-proprietary information that may warrant further investigation of the above information by such entities to ensure integrity of wagering activities in the state;
- Creates a Division of Gaming Enforcement and describes its duties;
- Provides that the commission may refer criminal violations of chapter 24, F.S. (State Lotteries), part II of chapter 285, F.S. (Gaming Compact), chapter 546, F.S. (Amusement Facilities), chapter 550, F.S. (Pari-mutuel Wagering), chapter 551, F.S. (Slot Machines), or chapter 849, F.S. (Gambling), to the appropriate state attorney or to the Office of Statewide Prosecution, as applicable;
- Requires the commission to report annually, by December 1 of each year, to the Governor, the President of the Senate, and the Speaker of the House of Representatives; the report must, at a minimum, include all of the following:
 - Recent events in the gaming industry, including pending litigation, pending facility license applications, and new and pending rules.
 - Commission actions for the implementation and administration of its duties and responsibilities.
 - The state revenues and expenses associated with each form of authorized gaming. Revenues and expenses associated with pari-mutuel wagering must be further delineated by the class of license.
 - The performance of each pari-mutuel wagering licensee, cardroom licensee, and slot licensee.
 - Commission actions as the state compliance agency, and financial information published by the Office of Economic and Demographic Research, relative to gaming activities authorized pursuant to section 285.710(13), F.S., (authorized gaming activity by the Seminole Tribe of Florida pursuant to the 2021 Gaming Compact);
 - A summary of disciplinary actions taken by the commission.
 - The receipts and disbursements of the commission.
 - A summary of actions taken and investigations conducted by the commission.
 - Any additional information and recommendations that the commission considers useful or that the Governor, the President of the Senate, or the Speaker of the House of Representatives requests.
- Authorizes the commission to contract or consult with appropriate agencies of state government for such professional assistance as may be needed in the discharge of its duties, and requires the commission to exercise all of its regulatory and executive powers and adopt, apply, construe, and interpret all laws and administrative rules in a manner consistent with the 2021 Gaming Compact between the Seminole Tribe of Florida and the State of Florida;
- Requires the commission to confirm, prior to the issuance of an operating license, that each permitholder has submitted proof with their annual application for a license, in such a form as the commission may require; that the permitholder continues to possess the

qualifications prescribed by chapter 550, F.S. (Pari-mutuel Wagering); and that the permit has not been disapproved by voters in an election.

The bill includes a type two transfer, effective July 1, 2022, of all powers and duties related to the oversight responsibility for gaming compacts, pari-mutuel wagering, slot machines, and cardrooms from the Department of Business and Professional Regulation to the commission. Additionally, the bill includes appropriations to implement the act and for administrative support by the Department of Business and Professional Regulation to the commission.

If approved by the Governor, except as otherwise expressly provided in the bill (some of the provisions take effect July 1, 2022), these provisions take effect on the same day that CS/SB 2 (Implementation of the Gaming Compact Between the Seminole Tribe of Florida and the State of Florida) or similar legislation takes effect, if adopted in the same legislative session and becomes a law.

Vote: Senate 26-13; House 108-7

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SB 6-A — Public Records and Public Meetings/Florida Gaming Control Commission

by Senator Hutson

This bill provides that information obtained by the Florida Gaming Control Commission (commission) which is exempt or confidential and exempt from the public records requirements in s. 119.07(1)(a), F.S., and Art. I, s. 24(c), State Constitution, shall retain its exempt or confidential and exempt status. The information may be released by the commission to other governmental entities as needed in the performance of its official duties and responsibilities, but such entities must maintain the exempt or confidential and exempt status of the information.

The bill provides an open meeting exemption for portions of the commission's meetings during which exempt or confidential and exempt information is discussed. The bill provides the process for meetings that are closed to the public. Under the bill, the entire closed session must be recorded, and such recording must be maintained by the commission. Only members of the commission, Department of Legal Affairs or commission staff supporting the commission's function, and other persons whose presence is necessary for the presentation of exempt or confidential and exempt information may be allowed to attend the exempted portions of commission meetings.

Under the bill, recording of, and any minutes and records generated during a closed portion of a commission meeting are confidential and exempt from s. 119.07(1), F.S., and Art. I, s. 24(a), State Constitution, until such time as the information discussed is no longer exempt or confidential and exempt, depending on the specific statutory exemption.

This open meetings exemption is subject to the Open Government Sunset Review Act and will repeal on October 2, 2026, unless reviewed and saved from repeal by the Legislature.

The bill provides a statement of public necessity as required by the State Constitution.

If approved by the Governor, these provisions take effect on the same day that CS/SB 4-A (Gaming Enforcement) or similar legislation takes effect, if adopted in the same legislative session and becomes a law.

Vote: Senate 38-1; House 114-2

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CS/SB 8-A — Gaming

by Appropriations Committee and Senator Hutson

This bill updates Florida law for authorized gaming in the state, including live racing and games, slot machine gaming, and the operation of cardrooms.

The bill updates provisions in Florida law to be consistent with the prohibition of racing of greyhounds in Art. X, s. 32, State Constitution, titled “Prohibition on Racing of and Wagering on Greyhounds or other Dogs.”

Under the bill, a permitholder or licensee may not conduct live greyhound racing or dogracing for wagering, and the Division of Pari-mutuel Wagering (division) within the Department of Business and Professional Regulation (DBPR) is authorized to deny, suspend, or revoke any permit or license under chapter 550, Florida Statutes, and impose a civil penalty of up to \$5,000 for such conduct.

The bill revises requirements for greyhound permitholders, jai alai permitholders, and harness horse permitholders to conduct live racing or games, by amending ch. 550, F.S. (Pari-Mutuel Wagering), ch. 551, F.S. (Slot Machines), and ch. 849, F.S. (Gambling). The bill also includes technical drafting changes and conforming changes, and eliminates obsolete language related to requirements for live racing or games.

The bill provides a pari-mutuel permitholder may not be issued an operating license for the conduct of pari-mutuel wagering, slot machine gaming, or the operation of a cardroom if the permitholder did not hold an operating license for the conduct of pari-mutuel wagering for Fiscal Year 2020-2021. Under the bill, a permit for the conduct of pari-mutuel wagering and associated cardroom or slot machine licenses may only be held by a permitholder, other than a limited thoroughbred permitholder, who held an operating license for the conduct of pari-mutuel wagering for Fiscal Year 2020-2021.

A permit held by a permitholder on January 1, 2021 is deemed valid, if the permitholder held an operating license for the conduct of pari-mutuel wagering for Fiscal Year 2020-2021, or held a limited thoroughbred permit, but new permits for pari-mutuel wagering may not be approved or issued by the division after January 1, 2021.

The bill retains racing requirements for thoroughbred permitholders, limited thoroughbred permitholders, and limited intertrack wagering license permitholders.

The bill provides that slot machine gaming areas must be located at the address specified in the licensed permitholder’s slot machine license issued for Fiscal Year 2020-2021.

Under the bill, a municipality may prohibit the establishment of a pari-mutuel facility on or after July 1, 2021, in its jurisdiction. This provision does not apply to a permitholder who held an

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operating license for the conduct of pari-mutuel wagering for Fiscal Year 2020-2021 in the municipality's jurisdiction, or to a pari-mutuel facility that was previously approved by the municipality.

Cardroom licenses may not be issued to any permitholder, other than a limited thoroughbred permitholder, if the permitholder did not hold an operating license for Fiscal Year 2020-2021. In addition, the bill provides that in order to renew a cardroom license, a thoroughbred permitholder must conduct the minimum number of live racing performances required under current law (known as the "90 percent rule").

Under the bill, a municipality may prohibit the establishment of a cardroom on or after July 1, 2021, within its jurisdiction. This provision does not apply to a permitholder who held an operating license for the conduct of pari-mutuel wagering for Fiscal Year 2020-2021 in the municipality's jurisdiction, or to a pari-mutuel facility that was previously approved by the municipality.

The bill allows slot machine gaming areas and cardrooms to be open 24 hours daily.

If approved by the Governor, except as otherwise expressly provided in the bill (some provisions take effect October 1, 2021), these provisions take effect on the same day that CS/SB 2 (Implementation of the Gaming Compact Between the Seminole Tribe of Florida and the State of Florida) or similar legislation takes effect, if adopted in the same legislative session and becomes a law.

Vote: Senate 39-0; House 73-43