



THE FLORIDA SENATE
SENATOR WILTON SIMPSON
President

MEMORANDUM

TO: All Senators
FROM: Wilton Simpson
SUBJECT: 2021 Gaming Compact
DATE: April 23, 2021

Today, after months of negotiations, Governor DeSantis and the Seminole Tribe of Florida executed a historic new thirty year gaming Compact that restores the State's relationship with the Tribe, preserves and offers new opportunities for Florida's legacy pari-mutuel industry, and provides substantial new revenues for the State of Florida.

The 2021 Compact creates a \$2.5 billion revenue-sharing guarantee in the first five years, with \$6 billion in new revenues for Florida through 2030. By comprehensively addressing issues raised for almost a decade, the 2021 Compact will maximize revenues for the state and provide new opportunities for both the Tribe and Florida's pari-mutuel businesses by updating Florida law to better reflect the current gaming climate.

Some of the highlights of the new Compact with the Seminole Tribe include:

- A new 30 year term;
- Craps and Roulette;
- Additional facilities on the Tribe's Hollywood reservation;
- Enhanced revenue sharing brackets and;
- Statewide online sports betting in partnership with the pari-mutuels.

In order to take effect, the new Compact will need to be ratified by the Legislature. While many of these provisions have been discussed for the last several years, I recognize that with a week left in the Regular Session, we are running short on time. Therefore, in an effort to provide the opportunity for a more thorough vetting of these important issues, Speaker Sprowls and I have agreed to convene in a Special Session the week of May 17, 2021. It is my expectation that the 2021 Regular Session will conclude as scheduled on Friday, April 30.

Separate communications regarding travel authorizations, COVID-19 Protocols, and other logistics for the Special Session will be sent in a separate memorandum when those details have been finalized.

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While the previously announced legislation to establish a Gaming Control Commission and to decouple greyhound, jai alai, harness, and quarter horse racing has seen tremendous support in the Senate thus far, my intention is to reintroduce these bills during the Special Session, so that we can discuss and address the future of gaming in our state in a more comprehensive manner at that time.

Revenues contemplated in the new Compact were not included in allocations for the development of the 2021-22 General Appropriations Act. In my view, if the Compact is ratified by the Legislature during the Special Session, these revenues would be used to further buffer our state reserves in the coming year. The 2022 Regular Session begins in eight months, and we will have the opportunity to further address these revenues as we begin our budget planning this fall. As such, the ongoing budget conference will proceed as planned, and I believe are on pace to conclude that work within the confines of the Regular Session.

Gaming, in one form or another, is a voter-approved legacy industry in our state that has contributed billions of dollars to our economy for education, health care and infrastructure, while providing hundreds of thousands of jobs to Floridians over the course of nearly 100 years. In my view, we have a responsibility to update our laws to reflect current realities of this heavily-regulated industry and to ensure those laws are properly enforced.

Florida is a diverse state and our Senators and constituents have many different opinions, beliefs and convictions regarding gaming. The fact remains, Florida has a significant gaming footprint, and I think if we are going to regulate these activities, it should be within a structure that is fair and equitable to all parties.

I look forward to a robust discussion of these important issues in the coming days.