

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