

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

BILL: CS/ SB 1086

SPONSOR: Regulated Industries Committee and Senator Geller

SUBJECT: Cardrooms

DATE: January 8, 2004

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Sumner</u>	<u>Imhof</u>	<u>RI</u>	<u>Fav/CS</u>
2.	_____	_____	_____	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

This bill authorizes cardroom operators to host high-stakes poker tournaments and high-stakes dominoes tournaments at pari-mutuel facilities authorized to operate cardrooms. The bill defines “dominoes” as flat rectangular blocks the faces of which are divided into two equal parts that are blank or include from one to six dots arranged in a pattern, “high stakes dominoes” as a game of dominoes played with a set of 28 dominoes that is played without limits on the amount wagered in any game or series of games and without limits on the rounds of betting, and “high stakes poker” as any game or series of games without pot limits and no limits on the rounds of betting. Tournaments are played for a period of one week, twice per year with no more than one tournament conducted during any 6-month period.

This bill substantially amends s. 849.086, F.S.

II. Present Situation:

A cardroom may be operated only at the location specified on the cardroom license issued by the division and such location may be only where such permitholder is authorized to conduct pari-mutuel wagering activities subject to its pari-mutuel permit. Authorized cardroom games or series of games of poker may not exceed a \$2 bet with a maximum of three raises in any round of betting.

A cardroom may operate between the hours of 12 noon and 12 midnight on any day a pari-mutuel event is conducted live as a part of its authorized meet. In addition, any permitholder who holds a valid cardroom license may operate a cardroom between the hours of 12 noon and 12 midnight on any day that live racing of the same class of permit is occurring within 35 miles of its facility, if no other holder of that same class of permit within 35 is operating a cardroom at

such time and if all holders of the same class of permit within the 35 mile area have given written permission to the permitholder to operate the cardroom during the designated period.

III. Effect of Proposed Changes:

This bill amends s. 849.086(2), F.S., to define “dominoes” to mean flat rectangular blocks the faces of which are divided into two equal parts that are blank or include from one to six dots arranged in a pattern, “high stakes dominoes” to mean a game of dominoes played with a set of 28 dominoes that is played without limits on the amount wagered in any game or series of games and without limits on the rounds of betting, and “high stakes poker” to mean a game of poker without limits on the amount wagered in any game or series of games and without limits on the rounds of betting.

The bill would allow cardroom operators to host a high stakes dominoes tournament and a high stakes poker tournament twice a year for one week at any pari-mutuel facility authorized to operate cardrooms during the hours the cardroom is open for business. Each tournament would only be conducted for one week in any six-month period.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

It is estimated that cardroom operators would benefit from increased revenue based upon the increased participation fees.

C. Government Sector Impact:

According to the Department of Business and Professional Regulation, cardroom operators typically assess a participation fee such as an hourly rate for use of a seat at a table or a flat fee that is independent of the pot size. The participation fees make up the gross receipts of which the state collects a 10 percent tax. Since the high stakes tournaments would only take place for two weeks out of the year at any cardroom, the department estimates that any additional state revenue realized would be minimal.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.
