

By Senator Hutson

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1                   A bill to be entitled  
2       An act relating to gaming; creating s. 546.13, F.S.;  
3       defining terms; exempting a fantasy contest from  
4       certain regulations; amending s. 550.01215, F.S.;  
5       revising application requirements for a pari-mutuel  
6       operating license; authorizing a greyhound racing  
7       permitholder to specify certain intentions on its  
8       application; providing that a greyhound racing  
9       permitholder that has been issued a slot machine  
10      license remains an eligible facility, continues to be  
11      eligible for a slot machine license, is exempt from  
12      certain provisions of ch. 551, F.S., is eligible to be  
13      a guest track for certain purposes, and remains  
14      eligible for a cardroom license; authorizing a  
15      greyhound racing permitholder to receive an operating  
16      license to conduct pari-mutuel wagering activities at  
17      another permitholder's greyhound racing facility;  
18      authorizing a thoroughbred horse racing permitholder  
19      to elect not to conduct live racing under certain  
20      circumstances; authorizing a thoroughbred horse racing  
21      permitholder that elects not to conduct live racing to  
22      retain its permit and requiring the permitholder to  
23      specify its intention not to conduct live racing in  
24      future applications and that it is a pari-mutuel  
25      facility; authorizing such thoroughbred racing  
26      permitholder's facility to remain an eligible  
27      facility, to continue to be eligible for a slot  
28      machine license, to be exempt from certain provisions  
29      of chs. 550 and 551, F.S., to be eligible as a guest

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30 track for intertrack wagering and simulcasting, and to  
31 remain eligible for a cardroom license; requiring that  
32 such permitholder comply with all contracts regarding  
33 distributions to thoroughbred horse purse supplements  
34 or breeders' awards entered into before a specified  
35 date; requiring, for a specified period, that such  
36 permitholder file with the division an irrevocable  
37 consent authorizing the use of certain contributions  
38 for specified purses and awards; authorizing harness  
39 horse and quarter horse racing permitholders to elect  
40 not to conduct live racing under certain  
41 circumstances; authorizing a permitholder that elects  
42 not to conduct live racing to retain its permit and  
43 remain a pari-mutuel facility; specifying that, if  
44 such permitholder has been issued a slot machine  
45 license, the permitholder's facility remains an  
46 eligible facility, continues to be eligible for a slot  
47 machine license, is exempt from certain provisions of  
48 chs. 550 and 551, F.S., is eligible to be a guest  
49 track, and if the permitholder is a harness horse  
50 racing permitholder, a host track for intertrack  
51 wagering and simulcasting, and remains eligible for a  
52 cardroom license; authorizing a harness horse racing  
53 permitholder to be a host track for purposes of  
54 intertrack wagering and simulcasting; authorizing the  
55 division to approve a change in racing dates for a  
56 permitholder if the request for a change is received  
57 before a specified date and under certain  
58 circumstances; amending s. 551.104, F.S.; revising

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59 conditions of licensure and conditions for maintaining  
60 authority to conduct slot machine gaming; amending s.  
61 551.106, F.S.; deleting obsolete provisions; revising  
62 the tax rate on slot machine revenue effective on  
63 specified dates; providing a formula to calculate a  
64 surcharge amount; prohibiting the surcharge from  
65 exceeding a certain amount; amending s. 849.086, F.S.;  
66 revising legislative intent; revising definitions;  
67 authorizing the division to establish a reasonable  
68 period to respond to certain requests from a licensed  
69 cardroom; providing that the division must approve  
70 certain requests within 45 days; requiring the  
71 division to review and approve or reject certain  
72 revised internal controls or revised rules within 10  
73 days after submission; deleting provisions relating to  
74 the renewal of a cardroom license; making technical  
75 changes; authorizing certain cardroom operators to  
76 offer a certain number of certain designated player  
77 games; requiring the designated player and employees  
78 of the designated player to be licensed; requiring the  
79 designated player to pay certain fees; prohibiting a  
80 cardroom operator from serving as the designated  
81 player in a game and from having a financial interest  
82 in a designated player; authorizing a cardroom  
83 operator to collect a rake, subject to certain  
84 requirements; requiring the dealer button to be  
85 rotated under certain circumstances; prohibiting a  
86 cardroom operator from allowing a designated player to  
87 pay an opposing player under certain circumstances;

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88 prohibiting the rules of the game or of the cardroom  
89 to require a designated player to cover more than 10  
90 times the maximum wager for players participating in  
91 any one game; prohibiting a cardroom or cardroom  
92 licensee from contracting with or receiving certain  
93 compensation from a player to allow that player to  
94 participate in any game as a designated player;  
95 revising requirements for a cardroom license to be  
96 issued or renewed; requiring a certain written  
97 agreement with a thoroughbred permitholder; providing  
98 contract requirements for the agreement; requiring a  
99 thoroughbred permitholder to remit a percentage of  
100 specified funds to the Florida Thoroughbred Breeders'  
101 Association, Inc., subject to certain requirements;  
102 deleting provisions relating to a quarter horse racing  
103 permitholder's cardroom license; conforming a cross-  
104 reference; providing a directive to the Division of  
105 Law Revision and Information; providing an effective  
106 date.

107  
108 Be It Enacted by the Legislature of the State of Florida:

109  
110 Section 1. Section 546.13, Florida Statutes, is created to  
111 read:

112 546.13 Fantasy contests and fantasy contest operators.—

113 (1) DEFINITIONS.—As used in this section, the term:

114 (a) "Entry fee" means cash or a cash equivalent that is  
115 required to be paid by a participant in order to participate in  
116 a fantasy contest.

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117 (b) "Fantasy contest" means a fantasy or simulated game or  
118 contest in which:

119 1. The value of all prizes and awards offered to winning  
120 participants is established and made known to the participants  
121 in advance of the contest;

122 2. All winning outcomes reflect the relative knowledge and  
123 skill of the participants and are determined predominantly by  
124 accumulated statistical results of the performance of  
125 individuals, including athletes in the case of sporting events;

126 3. No winning outcome is based on the score, point spread,  
127 or any performance or performances of any single actual team or  
128 combination of such teams, solely on any single performance of  
129 an individual athlete or player in any single actual event, or  
130 on the performances of participants in collegiate, high school,  
131 or youth sporting events.

132 (c) "Fantasy contest operator" means a person or an entity,  
133 including any employee or agent, that offers or conducts a  
134 fantasy contest with an entry fee for a cash prize or award and  
135 that is not a participant in the fantasy contest.

136 (2) EXEMPTIONS.—The Department of Business and Professional  
137 Regulation may not regulate and the offenses established in s.  
138 849.01, s. 849.08, s. 849.09, s. 849.11, s. 849.14, and s.  
139 849.25 do not include or apply to a fantasy contest operated or  
140 conducted by a:

141 (a) Fantasy contest operator.

142 (b) Natural person who is a participant in the fantasy  
143 contest, serves as the commissioner of not more than 10 fantasy  
144 contests in a calendar year, and distributes all entry fees for  
145 the fantasy contest as prizes or awards to the participants in

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146 that fantasy contest.

147 Section 2. Subsections (1) and (3) of section 550.01215,  
148 Florida Statutes, are amended to read:

149 550.01215 License application; periods of operation; bond,  
150 conversion of permit.—

151 (1) Each permitholder shall annually, during the period  
152 between December 15 and January 4, file in writing with the  
153 division its application for an operating a license to conduct  
154 pari-mutuel wagering during the next state fiscal year,  
155 including intertrack and simulcast race wagering for greyhound  
156 racing permitholders and thoroughbred horse racing permitholders  
157 that do not ~~to~~ conduct live performances during the next state  
158 fiscal year. Each application for live performances must shall  
159 specify the number, dates, and starting times of all live  
160 performances that which the permitholder intends to conduct. It  
161 must shall also specify which performances will be conducted as  
162 charity or scholarship performances.

163 (a) ~~In addition,~~ Each application for an operating a  
164 license also must shall include:7

165 1. For each permitholder, whether the permitholder intends  
166 to accept wagers on intertrack or simulcast events.

167 2. For each permitholder that elects ~~which elects~~ to  
168 operate a cardroom, the dates and periods of operation the  
169 permitholder intends to operate the cardroom. ~~or~~

170 3. For each thoroughbred racing permitholder that which  
171 elects to receive or rebroadcast out-of-state races after 7  
172 p.m., the dates for all performances which the permitholder  
173 intends to conduct.

174 (b) A greyhound racing permitholder that conducted a full

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175 schedule of live racing for a period of at least 10 consecutive  
176 state fiscal years after the 1996-1997 state fiscal year, or  
177 that converted its permit to a permit to conduct greyhound  
178 racing after the 1996-1997 state fiscal year, may specify in its  
179 application for an operating license that it does not intend to  
180 conduct live racing, or that it intends to conduct less than a  
181 full schedule of live racing, in the next state fiscal year. A  
182 greyhound racing permitholder may retain its permit; is a pari-  
183 mutuel facility as defined in s. 550.002(23); if such  
184 permitholder has been issued a slot machine license, the  
185 facility where such permit is located remains an eligible  
186 facility as defined in s. 551.102(4), continues to be eligible  
187 for a slot machine license, and is exempt from ss. 551.104(3)  
188 and (4)(c)1. and 551.114(2) and (4); is eligible, but not  
189 required, to be a guest track for purposes of intertrack  
190 wagering and simulcasting pursuant to ss. 550.3551, 550.615, and  
191 550.6305; and, if such permitholder has been issued a cardroom  
192 license, remains eligible for a cardroom license notwithstanding  
193 any requirement in s. 849.086 for the conduct of live racing. A  
194 greyhound racing permitholder may receive an operating license  
195 to conduct pari-mutuel wagering activities at another  
196 permitholder's greyhound racing facility pursuant to s. 550.475.

197 (c)1. A thoroughbred horse racing permitholder that has  
198 conducted live racing for at least 5 years irrevocably may elect  
199 not to conduct live racing if the election is made within 30  
200 days after the effective date of this act. A thoroughbred horse  
201 racing permitholder that makes such election may retain such  
202 permit, must specify in future applications for an operating  
203 license that it does not intend to conduct live racing, and is a

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204 pari-mutuel facility as defined in s. 550.002(23).

205 2. If a thoroughbred horse racing permitholder makes such  
206 election and if such permitholder holds a slot machine license  
207 when such election is made, the facility where such permit is  
208 located:

209 a. Remains an eligible facility pursuant to s. 551.102(4),  
210 and continues to be eligible for a slot machine license;

211 b. Is exempt from ss. 550.5251, 551.104(3) and (4)(c)1.,  
212 and 551.114(2) and (4);

213 c. Is eligible, but not required, to be a guest track for  
214 purposes of intertrack wagering and simulcasting; and

215 d. Remains eligible for a cardroom license, notwithstanding  
216 any requirement in s. 849.086 for the conduct of live racing.

217 3. A thoroughbred horse racing permitholder that makes such  
218 election shall comply with all contracts regarding contributions  
219 by such permitholder to thoroughbred horse purse supplements or  
220 breeders' awards entered into before the effective date of this  
221 act pursuant to s. 551.104(10)(a). At the time of such election,  
222 such permitholder shall file with the division an irrevocable  
223 consent that such contributions shall be allowed to be used for  
224 purposes and awards on live races at other thoroughbred horse  
225 racing facilities in this state. This subparagraph and s.  
226 551.104(10)(a) do not apply after December 31, 2020, to a  
227 thoroughbred horse racing permitholder that made such election.

228 (d) A harness horse racing permitholder or a quarter horse  
229 racing permitholder that has conducted live racing for at least  
230 5 years irrevocably may elect not to conduct live racing if the  
231 election is made within 30 days after the effective date of this  
232 act. A permitholder that makes such election may retain its



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233 permit; is a pari-mutuel facility as defined in s. 550.002(23);  
234 if such permitholder has been issued a slot machine license, the  
235 facility where such permit is located remains an eligible  
236 facility as defined in s. 551.102(4), continues to be eligible  
237 for a slot machine license, and is exempt from ss. 551.104(3)  
238 and (4)(c)1. and 551.114(2) and (4); is eligible, but not  
239 required, to be a guest track and, if the permitholder is a  
240 harness horse racing permitholder, to be a host track for  
241 purposes of intertrack wagering and simulcasting pursuant to ss.  
242 550.3551, 550.615, 550.625, and 550.6305; and, if such  
243 permitholder has been issued a cardroom license, remains  
244 eligible for a cardroom license notwithstanding any requirement  
245 in s. 849.086 to conduct live racing performances.

246 (e) Permitholders may ~~shall be entitled to~~ amend their  
247 applications through February 28.

248 (3) The division shall issue each license no later than  
249 March 15. Each permitholder shall operate all performances at  
250 the date and time specified on its license. The division shall  
251 have the authority to approve minor changes in racing dates  
252 after a license has been issued. The division may approve  
253 changes in racing dates after a license has been issued when  
254 there is no objection from any operating permitholder located  
255 within 50 miles of the permitholder requesting the changes in  
256 operating dates. In the event of an objection, the division  
257 shall approve or disapprove the change in operating dates based  
258 upon the impact on operating permitholders located within 50  
259 miles of the permitholder requesting the change in operating  
260 dates. In making the determination to change racing dates, the  
261 division shall take into consideration the impact of such

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262 changes on state revenues. Notwithstanding any other provision  
263 of law, and for the 2018-2019 fiscal year only, the division may  
264 approve changes in racing dates for permitholders if the request  
265 for such changes is received before May 31, 2018.

266 Section 3. Paragraph (c) of subsection (4) of section  
267 551.104, Florida Statutes, is amended to read:

268 551.104 License to conduct slot machine gaming.-

269 (4) As a condition of licensure and to maintain continued  
270 authority for the conduct of slot machine gaming, a the slot  
271 machine licensee shall:

272 (c)1. Conduct no less fewer than a full schedule of live  
273 racing or games as defined in s. 550.002(11), unless conducting  
274 less than a full schedule of live racing or games pursuant to s.  
275 550.01215(1)(b) or (c). A permitholder's responsibility to  
276 conduct a full schedule such number of live races or games, as  
277 defined in s. 550.002(11), shall be reduced by the number of  
278 races or games that could not be conducted due to the direct  
279 result of fire, war, hurricane, or other disaster or event  
280 beyond the control of the permitholder. A permitholder may  
281 conduct live races or games at another pari-mutuel facility  
282 pursuant to s. 550.475 if such permitholder has operated its  
283 live races or games by lease for at least 5 consecutive years  
284 immediately prior to the permitholder's application for a slot  
285 machine license.

286 2. If not licensed to conduct a full schedule of live  
287 racing or games, as defined in s. 550.002(11), pursuant to s.  
288 550.01215(1)(b) or (c), remit for the payment of purses and  
289 awards on live races an amount equal to the lesser of \$2 million  
290 or 3 percent of its slot machine revenues from the previous

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291 state fiscal year to a slot machine licensee licensed to conduct  
292 not fewer than 160 days of thoroughbred racing. A slot machine  
293 licensee receiving funds under this subparagraph shall remit,  
294 within 10 days after receipt, 10 percent of those funds to the  
295 Florida Thoroughbred Breeders' Association, Inc., for the  
296 payment of breeders', stallion, and special racing awards,  
297 subject to the fee authorized in s. 550.2625(3). If no slot  
298 machine licensee is licensed for at least 160 days of live  
299 thoroughbred racing, no payments for purses are required. A slot  
300 machine licensee that conducts no live racing and is making  
301 purse and awards supplement payments due under agreements  
302 entered pursuant to paragraph (10)(a) prior to the effective  
303 date of this act may offset the total amount paid under such  
304 agreements for purses and awards on or after July 1, 2017,  
305 against any amount due under this subparagraph until the amount  
306 paid and the amount due equal zero.

307 Section 4. Subsections (1), (2), and (4) of section  
308 551.106, Florida Statutes, are amended to read:

309 551.106 License fee; tax rate; penalties.—

310 (1) LICENSE FEE.—

311 ~~(a)~~ Upon submission of the initial application for a slot  
312 machine license, and annually thereafter, on the anniversary  
313 date of the issuance of the initial license, the licensee must  
314 pay to the division a nonrefundable license fee of ~~\$3 million~~  
315 ~~for the succeeding 12 months of licensure. In the 2010-2011~~  
316 ~~fiscal year, the licensee must pay the division a nonrefundable~~  
317 ~~license fee of \$2.5 million for the succeeding 12 months of~~  
318 ~~licensure. In the 2011-2012 fiscal year and for every fiscal~~  
319 ~~year thereafter, the licensee must pay the division a~~

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320 ~~nonrefundable license fee~~ of \$2 million for the succeeding 12  
321 months of licensure. The license fee must ~~shall~~ be deposited  
322 into the Pari-mutuel Wagering Trust Fund of the Department of  
323 Business and Professional Regulation to be used by the division  
324 and the Department of Law Enforcement for investigations,  
325 regulation of slot machine gaming, and enforcement of slot  
326 machine gaming provisions under this chapter. These payments  
327 must ~~shall~~ be accounted for separately from taxes or fees paid  
328 pursuant to ~~the provisions of~~ chapter 550.

329 ~~(b) Prior to January 1, 2007, the division shall evaluate~~  
330 ~~the license fee and shall make recommendations to the President~~  
331 ~~of the Senate and the Speaker of the House of Representatives~~  
332 ~~regarding the optimum level of slot machine license fees in~~  
333 ~~order to adequately support the slot machine regulatory program.~~

334 (2) TAX ON SLOT MACHINE REVENUES.—

335 (a)1. The tax rate on slot machine revenues at each  
336 facility is ~~shall be~~ 35 percent. Effective January 1, 2019, the  
337 tax rate on slot machine revenues at each facility is 30  
338 percent. Effective July 1, 2020, the tax rate on slot machine  
339 revenues at each facility is 25 percent.

340 2.a. If, during any state fiscal year, the aggregate amount  
341 of tax paid to the state by ~~all~~ slot machine licensees in  
342 Broward and Miami-Dade Counties is less than the aggregate  
343 amount of tax paid to the state by ~~all slot machine~~ licensees in  
344 those counties in the 2017-2018 2008-2009 fiscal year, each slot  
345 machine licensee shall pay to the state within 45 days after the  
346 end of the state fiscal year a surcharge ~~equal to its pro rata~~  
347 ~~share of an amount equal to the difference between the aggregate~~  
348 ~~amount of tax paid to the state by all slot machine licensees in~~

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349 ~~the 2008-2009 fiscal year and the amount of tax paid during the~~  
350 ~~fiscal year.~~

351 b. The amount of the surcharge to be paid by each such  
352 licensee must be calculated by dividing the aggregate amount of  
353 slot machine taxes paid to the state by all such slot machine  
354 licensees in the 2017-2018 fiscal year by the aggregate amount  
355 of slot machine taxes paid by all such licensees during the  
356 applicable state fiscal year, multiplying the result by the  
357 amount of slot machine taxes paid by the licensee during the  
358 applicable state fiscal year, and then subtracting from that  
359 product the amount of slot machine taxes paid by the licensee  
360 during the applicable state fiscal year. However, the sum of the  
361 taxes paid by a licensee pursuant to subparagraph 1. and any  
362 surcharge due from the licensee may not exceed 35 percent of the  
363 slot machine revenue of that licensee in the applicable state  
364 fiscal year ~~Each licensee's pro rata share shall be an amount~~  
365 ~~determined by dividing the number 1 by the number of facilities~~  
366 ~~licensed to operate slot machines during the applicable fiscal~~  
367 ~~year, regardless of whether the facility is operating such~~  
368 ~~machines.~~

369 (b) The slot machine revenue tax imposed by this section  
370 must ~~shall~~ be paid to the division for deposit into the Pari-  
371 mutuel Wagering Trust Fund for immediate transfer by the Chief  
372 Financial Officer for deposit into the Educational Enhancement  
373 Trust Fund of the Department of Education. Any interest earnings  
374 on the tax revenues must ~~shall~~ also be transferred to the  
375 Educational Enhancement Trust Fund.

376 (c)1. Funds transferred to the Educational Enhancement  
377 Trust Fund under paragraph (b) must ~~shall~~ be used to supplement

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378 public education funding statewide.

379       2. If necessary to comply with any covenant established  
380 pursuant to s. 1013.68(4), s. 1013.70(1), or s. 1013.737(3),  
381 funds transferred to the Educational Enhancement Trust Fund  
382 under paragraph (b) must ~~shall~~ first be available to pay debt  
383 service on lottery bonds issued to fund school construction in  
384 the event lottery revenues are insufficient for such purpose or  
385 to satisfy debt service reserve requirements established in  
386 connection with lottery bonds. Moneys available pursuant to this  
387 subparagraph are subject to annual appropriation by the  
388 Legislature.

389       (4) TO PAY TAX; PENALTIES.—A slot machine licensee who  
390 fails to make tax and any applicable surcharge payments as  
391 required under this section is subject to an administrative  
392 penalty of up to \$10,000 for each day the tax payment is not  
393 remitted. All administrative penalties imposed and collected  
394 must ~~shall~~ be deposited into the Pari-mutuel Wagering Trust Fund  
395 of the Department of Business and Professional Regulation. If  
396 any slot machine licensee fails to pay penalties imposed by  
397 order of the division under this subsection, the division may  
398 deny, suspend, revoke, or refuse to renew the license of the  
399 permitholder or slot machine licensee.

400       Section 5. Present subsections (9) through (17) of section  
401 849.086, Florida Statutes, are redesignated as subsections (10)  
402 through (18), respectively, and a new subsection (9) is added to  
403 that section, subsections (1) and (2) of that section are  
404 amended, paragraph (g) is added to subsection (4) of that  
405 section, and paragraph (b) of subsection (5), paragraph (c) of  
406 subsection (7), paragraph (a) of subsection (8), present

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407 subsection (12), and paragraphs (d) and (h) of present  
408 subsection (13) are amended, to read:

409 849.086 Cardrooms authorized.—

410 (1) LEGISLATIVE INTENT.—It is the intent of the Legislature  
411 to provide additional entertainment choices for the residents of  
412 and visitors to the state, promote tourism in the state, provide  
413 revenues to support the continuation of live pari-mutuel  
414 activity, and provide additional state revenues through the  
415 authorization of the playing of certain games in the state at  
416 facilities known as cardrooms which are to be located at  
417 licensed pari-mutuel facilities. To ensure the public confidence  
418 in the integrity of authorized cardroom operations, this act is  
419 designed to strictly regulate the facilities, persons, and  
420 procedures related to cardroom operations. Furthermore, the  
421 Legislature finds that authorized games of poker and dominoes ~~as~~  
422 ~~herein defined~~ are considered to be pari-mutuel style games and  
423 not casino gaming because the participants play against each  
424 other instead of against the house.

425 (2) DEFINITIONS.—As used in this section:

426 (a) "Authorized game" means a game or series of games of  
427 poker or dominoes which are played in conformance with this  
428 section, including designated player games that are played in a  
429 manner consistent with the rules and requirements specified in  
430 the 1974 edition of Hoyle's Modern Encyclopedia of Card Games:  
431 Rules of All the Basic Games and Popular Variations and  
432 including three card poker ~~a nonbanking manner.~~

433 (b) "Banking game" means a game in which the house is a  
434 participant in the game, taking on players, paying winners, and  
435 collecting from losers ~~or in which the cardroom establishes a~~

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436 ~~bank against which participants play. A designated player game~~  
437 is not a banking game.

438 (c) "Cardroom" means a facility where authorized games are  
439 played for money or anything of value and to which the public is  
440 invited to participate in such games and charged a fee for  
441 participation by the operator of such facility. Authorized games  
442 and cardrooms do not constitute casino gaming operations if  
443 conducted at an eligible facility.

444 (d) "Cardroom management company" means any individual not  
445 an employee of the cardroom operator, any proprietorship,  
446 partnership, corporation, or other entity that enters into an  
447 agreement with a cardroom operator to manage, operate, or  
448 otherwise control the daily operation of a cardroom.

449 (e) "Cardroom distributor" means any business that  
450 distributes cardroom paraphernalia such as card tables, betting  
451 chips, chip holders, dominoes, dominoes tables, drop boxes,  
452 banking supplies, playing cards, card shufflers, and other  
453 associated equipment to authorized cardrooms.

454 (f) "Cardroom operator" means a licensed pari-mutuel  
455 permitholder that ~~which~~ holds a valid permit and license issued  
456 by the division pursuant to chapter 550 and which also holds a  
457 valid cardroom license issued by the division pursuant to this  
458 section which authorizes such person to operate a cardroom and  
459 to conduct authorized games in such cardroom.

460 (g) "Designated player" means the player identified for  
461 each game by a button that rotates clockwise before each game  
462 begins as the player in the dealer position and seated at a  
463 traditional player position in a designated player game who pays  
464 winning players and collects from losing players.



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465 (h) "Designated player game" means a game in which the  
466 players compare their cards only to the cards of the designated  
467 player or to a combination of cards held by the designated  
468 player and cards common and available for play by all players.

469 (i)~~(g)~~ "Division" means the Division of Pari-mutuel  
470 Wagering of the Department of Business and Professional  
471 Regulation.

472 (j)~~(h)~~ "Dominoes" means a game of dominoes typically played  
473 with a set of 28 flat rectangular blocks, called "bones," which  
474 are marked on one side and divided into two equal parts, with  
475 zero to six dots, called "pips," in each part. The term also  
476 includes larger sets of blocks that contain a correspondingly  
477 higher number of pips. The term also means the set of blocks  
478 used to play the game.

479 (k)~~(i)~~ "Gross receipts" means the total amount of money  
480 received by a cardroom from any person for participation in  
481 authorized games.

482 (l)~~(j)~~ "House" means the cardroom operator and all  
483 employees of the cardroom operator.

484 (m)~~(k)~~ "Net proceeds" means the total amount of gross  
485 receipts received by a cardroom operator from cardroom  
486 operations less direct operating expenses related to cardroom  
487 operations, including labor costs, admission taxes only if a  
488 separate admission fee is charged for entry to the cardroom  
489 facility, gross receipts taxes imposed on cardroom operators by  
490 this section, the annual cardroom license fees imposed by this  
491 section on each table operated at a cardroom, and reasonable  
492 promotional costs excluding officer and director compensation,  
493 interest on capital debt, legal fees, real estate taxes, bad

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494 debts, contributions or donations, or overhead and depreciation  
495 expenses not directly related to the operation of the cardrooms.

496 (n)~~(l)~~ "Rake" means a set fee or percentage of the pot  
497 assessed by a cardroom operator for providing the services of a  
498 dealer, table, or location for playing the authorized game.

499 (o)~~(m)~~ "Tournament" means a series of games that have more  
500 than one betting round involving one or more tables and where  
501 the winners or others receive a prize or cash award.

502 (4) AUTHORITY OF DIVISION.—The Division of Pari-mutuel  
503 Wagering of the Department of Business and Professional  
504 Regulation shall administer this section and regulate the  
505 operation of cardrooms under this section and the rules adopted  
506 pursuant thereto, and is hereby authorized to:

507 (g) Establish a reasonable period to respond to requests  
508 from a licensed cardroom; provided however, the division has a  
509 maximum of 45 days to approve:

510 1. A cardroom's internal controls or provide the cardroom  
511 with a list of deficiencies as to the internal controls.

512 2. Rules for a new authorized game submitted by a licensed  
513 cardroom or provide the cardroom with a list of deficiencies as  
514 to those rules.

515  
516 No later than 10 days after the submission of revised internal  
517 controls or revised rules addressing the deficiencies identified  
518 by the division, the division must review and approve or reject  
519 the revised internal controls or revised rules.

520 (5) LICENSE REQUIRED; APPLICATION; FEES.—No person may  
521 operate a cardroom in this state unless such person holds a  
522 valid cardroom license issued pursuant to this section.

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523 (b) After the initial cardroom license is granted, the  
524 application for the annual license renewal shall be made in  
525 conjunction with the applicant's annual application for its  
526 pari-mutuel license. If a permitholder has operated a cardroom  
527 during any of the 3 previous fiscal years and fails to include a  
528 renewal request for the operation of the cardroom in its annual  
529 application for license renewal, the permitholder may amend its  
530 annual application to include operation of the cardroom. ~~In~~  
531 ~~order for a cardroom license to be renewed the applicant must~~  
532 ~~have requested, as part of its pari-mutuel annual license~~  
533 ~~application, to conduct at least 90 percent of the total number~~  
534 ~~of live performances conducted by such permitholder during~~  
535 ~~either the state fiscal year in which its initial cardroom~~  
536 ~~license was issued or the state fiscal year immediately prior~~  
537 ~~thereto if the permitholder ran at least a full schedule of live~~  
538 ~~racing or games in the prior year. If the application is for a~~  
539 ~~harness permitholder cardroom, the applicant must have requested~~  
540 ~~authorization to conduct a minimum of 140 live performances~~  
541 ~~during the state fiscal year immediately prior thereto. If more~~  
542 ~~than one permitholder is operating at a facility, each~~  
543 ~~permitholder must have applied for a license to conduct a full~~  
544 ~~schedule of live racing.~~

545 (7) CONDITIONS FOR OPERATING A CARDROOM.—

546 (c) A cardroom operator must at all times employ and  
547 provide a nonplaying live dealer at ~~for~~ each table on which  
548 authorized card games ~~which traditionally use a dealer~~ are  
549 conducted ~~at the cardroom~~. Such dealers may not have a  
550 participatory interest in any game other than the dealing of  
551 cards and may not have an interest in the outcome of the game.

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552 The providing of such dealers by a licensee does not constitute  
553 the conducting of a banking game by the cardroom operator.

554 (8) METHOD OF WAGERS; LIMITATION.—

555 (a) ~~No~~ Wagering may not be conducted using money or other  
556 negotiable currency. Games may only be played utilizing a  
557 wagering system whereby all players' money is first converted by  
558 the house to tokens or chips that may ~~which shall~~ be used for  
559 wagering only at that specific cardroom.

560 (9) DESIGNATED PLAYER GAMES AUTHORIZED.—

561 (a) A cardroom operator may offer designated player games  
562 consisting of players making wagers against the designated  
563 player. However, not more than 50 percent of the total licensed  
564 tables in a cardroom may offer designated player games. The  
565 designated player must be licensed pursuant to paragraph (6) (b).  
566 Employees of a designated player also must be licensed, and the  
567 designated player shall pay, in addition to the business  
568 occupational fee established pursuant to paragraph (6) (i), an  
569 employee occupational license fee that may not exceed \$500 per  
570 employee for any 12-month period.

571 (b) A cardroom operator may not serve as a designated  
572 player in any game. The cardroom operator may not have a  
573 financial interest in a designated player in any game. A  
574 cardroom operator may collect a rake in accordance with the rake  
575 structure posted at the table.

576 (c) If there are multiple designated players at a table,  
577 the dealer button shall be rotated in a clockwise rotation after  
578 each hand.

579 (d) A cardroom operator may not allow a designated player  
580 to pay an opposing player who holds a lower-ranked hand.

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581 (e) A designated player may not be required by the rules of  
582 a game or by the rules of a cardroom to cover more than 10 times  
583 the maximum wager for players participating in any one game.

584 (f) The cardroom, or any cardroom licensee, may not  
585 contract with, or receive compensation other than a posted table  
586 rake from, any player to participate in any game to serve as a  
587 designated player.

588 (13)~~(12)~~ PROHIBITED ACTIVITIES.—

589 (a) A ~~No~~ person licensed to operate a cardroom may not  
590 conduct any banking game or any game not specifically authorized  
591 by this section.

592 (b) A ~~No~~ person who is younger than ~~under~~ 18 years of age  
593 may not be permitted to hold a cardroom or employee license, ~~or~~  
594 to engage in any game conducted therein.

595 (c) With the exception of mechanical card shufflers, ~~No~~  
596 electronic or mechanical devices, ~~except mechanical card~~  
597 ~~shufflers,~~ may not be used to conduct any authorized game in a  
598 cardroom.

599 (d) ~~No~~ Cards, game components, or game implements may not  
600 be used in playing an authorized game unless they have ~~such has~~  
601 been furnished or provided to the players by the cardroom  
602 operator.

603 (14)~~(13)~~ TAXES AND OTHER PAYMENTS.—

604 (d)1. Each ~~greyhound and jai alai~~ permitholder that  
605 operates a cardroom facility shall use at least 4 percent of  
606 such permitholder's cardroom monthly gross receipts to  
607 supplement ~~greyhound~~ purses and awards or jai alai prize money,  
608 respectively, during the permitholder's next ensuing pari-mutuel  
609 meet.

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610           2. A cardroom license or renewal thereof may not be issued  
611 to a permitholder conducting less than a full schedule of live  
612 racing or games, as defined in s. 550.002(11), pursuant to s.  
613 550.01215(1)(b), (c), or (d) unless the applicant has on file  
614 with the division a binding written contract with a thoroughbred  
615 permitholder that is licensed to conduct live racing and that  
616 does not possess a slot machine license. This contract must  
617 provide that the permitholder will pay an amount equal to 4  
618 percent of its monthly cardroom gross receipts to the  
619 thoroughbred permitholder conducting the live racing for  
620 exclusive use as purses and awards during the current or ensuing  
621 live racing meet of the thoroughbred permitholder. A  
622 thoroughbred permitholder receiving funds under this  
623 subparagraph shall remit, within 10 days after receipt, 10  
624 percent of those funds to the Florida Thoroughbred Breeders'  
625 Association, Inc., for the payment of breeders', stallion, and  
626 special racing awards, subject to the fee authorized in s.  
627 550.2625(3). If there is not a thoroughbred permitholder that  
628 does not possess a slot machine license, payments for purses are  
629 not required, and the cardroom licensee shall retain such funds  
630 for its use. Each thoroughbred and harness horse racing  
631 permitholder that operates a cardroom facility shall use at  
632 least 50 percent of such permitholder's cardroom monthly net  
633 proceeds as follows: 47 percent to supplement purses and 3  
634 percent to supplement breeders' awards during the permitholder's  
635 next ensuing racing meet.

636           ~~3. No cardroom license or renewal thereof shall be issued~~  
637 ~~to an applicant holding a permit under chapter 550 to conduct~~  
638 ~~pari-mutuel wagering meets of quarter horse racing unless the~~

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639 ~~applicant has on file with the division a binding written~~  
640 ~~agreement between the applicant and the Florida Quarter Horse~~  
641 ~~Racing Association or the association representing a majority of~~  
642 ~~the horse owners and trainers at the applicant's eligible~~  
643 ~~facility, governing the payment of purses on live quarter horse~~  
644 ~~racers conducted at the licensee's pari-mutuel facility. The~~  
645 ~~agreement governing purses may direct the payment of such purses~~  
646 ~~from revenues generated by any wagering or gaming the applicant~~  
647 ~~is authorized to conduct under Florida law. All purses shall be~~  
648 ~~subject to the terms of chapter 550.~~

649 (h) One-quarter of the moneys deposited into the Pari-  
650 mutuel Wagering Trust Fund pursuant to paragraph (g) shall, by  
651 October 1 of each year, be distributed to the local government  
652 that approved the cardroom under subsection (17) ~~(16)~~; however,  
653 if two or more pari-mutuel racetracks are located within the  
654 same incorporated municipality, the cardroom funds shall be  
655 distributed to the municipality. If a pari-mutuel facility is  
656 situated in such a manner that it is located in more than one  
657 county, the site of the cardroom facility shall determine the  
658 location for purposes of disbursement of tax revenues under this  
659 paragraph. The division shall, by September 1 of each year,  
660 determine: the amount of taxes deposited into the Pari-mutuel  
661 Wagering Trust Fund pursuant to this section from each cardroom  
662 licensee; the location by county of each cardroom; whether the  
663 cardroom is located in the unincorporated area of the county or  
664 within an incorporated municipality; and, the total amount to be  
665 distributed to each eligible county and municipality.

666 Section 6. The Division of Law Revision and Information is  
667 directed to replace the phrase "the effective date of this act"

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668 wherever it occurs in this act with the date this act becomes a  
669 law.

670 Section 7. This act shall take effect upon becoming a law.