

Passage of Florida Slot Bills in Doubt

By Jim Freer

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As the Florida legislature prepares to end its annual session May 2, chances appear very slim that it will pass either of two slot machine bills being sought by the Thoroughbred industry.

Those bills "are on life support" with little chance of passage in the Florida House, said Marc Dunbar, a lobbyist for Magna Entertainment, its chairman Frank Stronach, and its Gulfstream Park subsidiary. Dunbar is a partner in the Pennington Law Firm in Tallahassee.

The Senate passed both bills in March. But the bills have not been heard in any committees in the House, where Speaker Marco Rubio (R-West Miami) and several other leaders have frequently said they are opposed to any expansion of gambling.

As of April 29, both bills remained in a category that would require majority approval of the 40-member House to even place them on the final days' calendar.

A bill sponsored by Sen. Steve Geller (D-Hallandale Beach) would reduce the state tax from 50% to 35% on slot machine revenues, provided pre-determined minimum revenues are met, at racetracks and jai-alai frontons in Broward and Miami-Dade counties. The other bill, sponsored by Sen. Dennis Jones (R-Seminole) would permit pari-mutuels in all other Florida counties to have "electronic gaming machines." The bill describes those machines as similar to Class II bingo-like slot

machines.

Tampa Bay Downs, the Ocala Breeders' Sales Center, and 19 other facilities -- Greyhound tracks and jai-alai frontons -- would be eligible for those machines.

Broward and Miami-Dade pari-mutuels can have casinos with more sophisticated Class III, Las Vegas-style slot machines.

Gulfstream, in Broward, has had a casino with slot machines since November 2006. Calder Race Course, in Miami-Dade, has permission for a casino and slots. Parent Churchill Downs Inc. has said it plans a casino at Calder, but has not announced details or a timetable.

Gulfstream officials have said a reduction in the state's 50% slots tax rate would make it feasible to build a stand-alone casino adjacent to its current clubhouse/casino building.

Geller said he had not given up hope that the House would consider combining his bill with one related to jai-alai and card rooms. That bill passed in the House but was voted down in the Senate.

The bill would permit several Greyhound track owners that have dormant jai-alai permits to use those permits to open a second track designated for Greyhounds--but eligible for use for poker and simulcast betting without live performances.

Magna also is monitoring House and Senate

bills that would toughen some rules for operators of Quarter Horse tracks in Florida.

On March 22, Stronach applied with the Florida Division of Pari-Mutuel Wagering for a permit to build a Quarter Horse track in Marion County.

Stronach is among six applicants who applied before March 30 and would be grandfathered in from some of the changes.

However, Rep. Ron Schultz (R-Homosassa), sponsor of the House bill, said he sees little chance that the Legislature will pass a Quarter Horse bill. With just four days left in the session, he did not expect the House would attempt to reconcile differences in his bill and the Senate bill.

The last Horse Quarter races in Florida were in the early 1990s, at harness track Pompano Park in Pompano Beach.

A major attraction for a Quarter Horse permit is that a holder can hold only one race a year and still have a year-round poker room.

Under current Florida laws, Quarter Horse tracks can open in any county that permits pari-mutuel wagering--regardless of their proximity to other pari-mutuel facilities.

Horse and Greyhound tracks cannot open within 100 miles of an existing Florida pari-mutuel facility. Jai-alai frontons cannot open within 50 miles of another pari-mutuel.

The bills passed by the House and Senate would make any Quarter Horse application filed after March 30 subject to the 100-mile rule and require at least 40 racing cards a year.

The Senate bill would phase in the 40-race day requirement over three years for applicants who filed for permits on March 30, 2008 or earlier.

For several years, there has been speculation in Florida that Stronach and Magna would like to have a permit for a Quarter Horse site near Ocala, for possible Thoroughbred racing if the state ever eases its restrictions on locations of Thoroughbred tracks.

The Florida Legislature always ends its session at 11:59 p.m. on the first Friday in May. By coincidence, that is Kentucky Oaks Day and the eve of the Kentucky Derby.