

THE FLORIDA LEGISLATURE



May 6, 2009

The Honorable Jeff Atwater
President of the Senate

The Honorable Larry Cretul
Speaker, House of Representatives

Dear Mr. President and Mr. Speaker:

Your Conference Committee on the disagreeing votes of the two houses on CS/CS/SB 788, 1st Eng., same being:

An act relating to a gaming compact between the State of
Florida and the Seminole Tribe of Florida

having met, and after full and free conference, do recommend to their respective houses as follows:

1. That the House of Representatives recede from its Amendment 1.
2. That the Senate and House of Representatives adopt the Conference Committee Amendment attached hereto, and by reference made a part of this report.

Managers on the part of the Senate

Dennis L. Jones, D.C., Chair

Thad Altman, At Large

Ted Deutch

Alex Diaz de la Portilla

Mike Haridopolos, At Large

Alfred "Al" Lawson, Jr., At Large

Ken Pruitt

Managers on the part of the House of Representatives

Bill Galvano, Chair

Joseph Abruzzo

Sandra Adams

Joseph A. Gibbons

D. Alan Hays

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The Conference Committee Amendment for CS/CS/SB 788, 1st Eng., relating to gaming, provides for the following:

- Grants the Governor the authority to execute an Indian gaming compact on behalf of the State with the Seminole Indian Tribe of Florida (Tribe) for the purpose of authorizing Class III gaming on the Tribe's lands;
- Provides the form of the compact and specifies the minimum terms and standards required for a valid compact;
- Requires that the negotiated compact be ratified by the Legislature;
- Requires ratification of amendments to the compact if they alter the provisions related to covered games, the amount of revenue sharing payments, suspension or reduction of payments, or exclusivity;
- Provides that revenue sharing payments from the Tribe must be deposited into Educational Enhancement Trust Fund;
- Authorizes the Governor to negotiate agreements with the Indian Tribes for all taxes, including sales taxes;
- Provides legislative intent to review the compact within 5 years in order to consider the authorization of additional Class III games; and
- Designates the Division of Pari-mutuel Wagering of the Department of Business and Professional Regulation to monitor the Tribe's compliance with the compact.

An Indian gaming compact authorized by this conference amendment must:

- Have a 15 year term;
- Permit the Tribe to offer no limit poker and slot machines at seven specified tribal casinos;
- Permit the Tribe to conduct banked card games, including blackjack, chemin de fer, and baccarat, only at tribal casinos in Broward County and Hillsborough County;
- Require a guaranteed minimum payment of \$150 million;
- Require the Tribe to make revenue sharing payments to the state based on the following annual amounts:
 - 12 percent of net win up to \$2.5 billion,
 - 15 percent of net win between \$2.5 billion and \$3 billion;
 - 20 percent of net win between \$3 billion and \$4 billion;
 - 22.5 percent of net win between \$4 billion and 4.5 billion; and
 - 25 percent of any net win above \$4.5 billion.
- Require the Tribe to waive sovereign immunity for tort claims by patrons in the amount of \$500,000 per person and \$1 million per incident;
- Require the Tribe to maintain insurance of \$1 million per occurrence and \$10 million in the aggregate;
- Permit the state to inspect public and non-public areas of the Tribe's gaming facilities with at least concurrent notice and with no limitations on the number of random inspections;
- Require annual slot machine compliance audits;

- Prohibit persons under 21 years of age to enter the casino floor or to play the covered games;
- Require a \$250,000 per facility annual donation to a compulsive gambling program;
- Require that the Tribe provide a process for employee disputes that permits the tribal employee to be represented by an attorney or other legally-authorized representative, including language interpreters;
- Provide a process for resolving compact disputes between the State and the Tribe through specified presuit nonbinding arbitration; and
- Require the Tribe use its best efforts to spend its revenue in this state to acquire goods and services from Florida-based vendors, professionals, and material and service providers.

The Conference Amendment relating to Pari-Mutuel Wagering:

- Provides a gradual increase in the number of performances that comprise a full schedule of live racing for quarter horses;
- Streamlines regulatory procedures for the pari-mutuel industry by:
 - changing the term “year” to fiscal year instead of calendar year;
 - requiring monthly payment of taxes instead of weekly beginning on July 1, 2012;
 - providing a consistent definition of the term “conviction”;
 - providing flexibility for occupational license renewal and fees;
 - providing enhanced fingerprint regulations; and
 - expanding the current cruelty to animal prohibitions.
- Provides for greater flexibility of breeders’ and stallion awards;
- Allows quarter horse permitholders to run thoroughbred races up to 50% of the time;
- Authorizes a quarter horse permit to convert to a limited thoroughbred permit;
- Restricts quarter horse permit holders to a 35-mile lease restriction;
- Authorizes a jai alai permit to convert to a greyhound permit if certain requirements are satisfied;
- Provides for a reduction of the tax rate on slot machine revenue from 50% to 35% with a guarantee of tax revenue to be that which was collected in 2008-2009;
- Provides for a gradual reduction of the slot machine annual license fee from \$3 million to \$2 million;
- Allows for slot machines to be linked using a progressive system;
- Provides that the payout percentage of a slot machine facility shall be no less than 85%;
- Authorizes Class III slot machines in a county that has had a referendum approving slots or has a referendum approving slots that was approved by law or the Constitution provided that such facility has conducted 2 years of racing and complies with other requirements for slot licensure;
- Provides that an initial cardroom license shall not be issued unless the permitholder has a facility and has begun racing;
- Allows for the conduct of no limit poker in cardrooms; and
- Extends the hours of cardroom operation from 12 hours per day to 18 hours per day Monday through Friday and 24 hours per day Saturday and Sunday.