

Summary of Gaming Legislation

Terms of the Seminole Gaming Compact

- The term of the compact shall be for 15 years
- Legislative ratification is required; ratification is not required of amendments provided they meet minimum terms and standards.
 - Authorized games include class-III slot machines, no-limit poker, and banked card games (only permitted in Broward and Hillsborough counties).
 - The Tribe must remove banked card games from unauthorized facilities within 90 days of execution of the compact.
 - The guaranteed minimum payments to the State of Florida shall be \$150 million a year.
 - Local governments shall receive 3% of the state revenues and offset local impacts.
 - The revenue share percentages shall be:
 - Revenue of \$0-2.5 billion: 12% of the net win
 - Revenue of \$2.5-3 billion: 15% of the net win
 - Revenue of \$3-4 billion: 20% of the net win
 - Revenue of \$4-4.5 billion: 22.5% of the net win
 - Revenue of more than \$4.5 billion: 25% of the net win
- Revenue sharing payments must be deposited via electronic funds transfer into the Educational Enhancement Trust Fund.
- The Tribe may reduce revenue sharing if additional class-III gaming is authorized **and** the net win from all class-III games falls below \$1.37 billion.
- No reductions are permitted if:
 - the state enters into a compact with another Florida Tribe
 - historic racing or electronic gaming machines are authorized
 - there is non-enforcement against illegal gaming
- Pro rata reductions are permitted for occurrences outside of the Tribe's control including acts of God and terrorism. The reductions would be based on proportion of net win below \$1.37 billion.
- The State of Florida keeps all payments made under the voided compact.
- The Division of Pari-Mutuel Wagering shall be the state agency charged with enforcement.
- Inspections may occur by the Division:
 - in public and non-public areas
 - there is no notice or concurrent notice requirement
 - there is no limit on the number of random inspections or information on when they may occur
 - public area inspections may occur during business hours
 - annual slot machine compliance audits are authorized
- The Tribe must have a central computerized reporting and auditing system and uniform reporting pursuant to rules promulgated by the Division of Pari-Mutuel Wagering.
- The Tribe must employ or authorize only licensed medical professionals and must allow unimpeded access for emergency medical services.
- On the issue of sovereign immunity and insurance, there is a limited waiver of \$500,000 per person and \$1 million per incident; there is a requirement of insurance of \$1 million per occurrence and \$10 million in the aggregate.
- Patron tort claims have a four-year statute of limitation and the patron may access directly Florida courts.

- Legislative review in five years to consider authorizing additional class-III games.
- Casino age set at 21.
- The Tribe must make a \$250,000 per facility annual donation in prevention of compulsive gambling.
- Smoking is permitted in tribal facilities but the Tribe is to provide smoke-free and reduced smoke environments, including vented tables and ventilation systems.
- The compact shall have nonbinding arbitration provisions for dispute resolution between the State of Florida and the Tribe.
- Venue for patron disputes shall be in the county where the claim arises.
- The Governor is authorized to negotiate sales tax agreements with the Indian tribes.
- The Tribe must use its best efforts to spend its revenue in the state and acquire goods and services from Florida-based vendors.
- The Tribe must maintain employment standards comparable to state and federal standards and the Tribe's employee dispute process must permit the employee to be represented by an attorney or other authorized representative and must allow for language interpreters.
- The Governor's authority to negotiate the compact expires August 31, 2009.

Pari-Mutuel Provisions

- Electronic gaming machines and historic racing are not authorized.
- The bill deletes the exemption from general pari-mutuel licensing of mileage restrictions, financial, and notice requirements for Quarter Horse permits.
- Quarter Horse licensees are permitted to substitute up to 50% in Thoroughbred races.
- Allows Quarter Horse licensees to conduct intertrack wagering without the approval from other licensees within 50 miles.
- Allows a Quarter Horse permit holder to convert to a non-profit Thoroughbred permit.
- Deletes the language that may criminalize the use of cell phones/PDAs, or other electronic devices at racetracks.
- Allows conversion of a jai alai permit in Palm Beach County to an off-track betting parlor and cardroom.
- Slot machine annual license fee is \$2.5 million in fiscal year 2010-2011 and \$2 million each year thereafter.
- Slot machine tax rates are set at 35% with a minimum floor set at 2008-2009 collections and shortfall assessed on licensed slot machine operators.
- Slot machine payouts are set at 85% per facility instead of per machine.
- Slot machines are permitted to be linked in a multi-jurisdiction progressive system.
- A new pari-mutuel facility must have all facilities in place and commence racing before cardroom operations are permitted.
- Cardroom hours of operation increased to 18 hours per day Monday through Friday and 24 hours per day Saturday through Sunday and state holidays.
- No-limit poker is authorized.
- No banked card games are authorized at pari-mutuel facilities.