

Ken Lawson, Secretary

Division of Pari-Mutuel Wagering Leon M. Biegalski, Director

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Talla Phone: 850,48 Denartment of Business and Professional Regulation Deputy Agency Clerk

Evette Lawson-Proctor 9/22/2014

Date File#

September 22, 2014

Palm Beach Kennel Club C/o Noah Carbone, Director of Poker 1111 North Congress Avenue West Palm Beach, FL 33409-6317

Case No.: 2014-039506

Dear Mr. Carbone:

Florida law regulating pari-mutuel pools and gambling are unique. Unless a game is specifically authorized by statute, it is prohibited. More specifically, gambling in Florida is authorized only by permission of the legislature. Solimena v. State, Dept. of Business Regulation, Division of Pari-Mutuel Wagering, 402 So.2d 1240 (Fla. 3rd DCA 1981).

Presently, your "Tree Card Poker1" game allows for a designated player2 to award jackpot payments with hands that contain a certain combination of cards. Specifically, on August 7, 2014, a Division investigator observed "Tree Card Poker" as played at your facility and made the following observations:

- "Tree Card Poker" consists of three different bets:
 - The first bet is labeled "bet" and in the traditional Vegas-style game is mandatory for entry into the game and called the ante.

¹ It is worth noting that your "Tree Card Poker" game carries a marked resemblance to Shuffle Master's "Three Card Poker" game.

² Rule 61D-11.001(17), Florida Administrative Code (2014), defines designated player as "the player identified by the button as the player in the dealer position."

- O The second bet is identified as the "call" and is comparable to the traditional "play" bet, wherein a player is provided the option to bet or forfeit their initial "bet" wager.
- The last bet in your game is identified as the "ante," but in the traditional Vegasstyle game is labeled as the "pair plus" wager; however, your game makes this bet
 mandatory, whereas traditionally it is optional. The "pair plus" wager, as played
 in Las Vegas, allows players to win where payment potentially is not paid 1 to 1,
 but based on odds derived from a certain combination of cards, regardless of the
 outcome of the game.
- As played at Palm Beach Kennel Club (PBKC), your "ante" bet plays exactly like the Vegas-style "pair plus" wager; however, it is paid out of the designated player's chips based on the following odds:
 - o Pair 1:1
 - o Flush 3:1
 - o Straight 6:1
 - Three of a kind 30:1
 - o Straight flush 50:1.

Based on the fact that your "ante" bet pays from the designated player on odds derived from a certain combination of cards, regardless of the outcome of the games, it is an impermissible jackpot.

Section 849.086(7)(d), Florida Statutes (2014), grants a specific authorization by stating "[a] cardroom operator may award giveaways, jackpots, and prizes to a player who holds certain combinations of cards specified by the cardroom operator." However, designated player is not a cardroom operator and accordingly is not authorized to award jackpots. Therefore, the Division

has determined that the playing of your "Tree Card Poker" game, in its current iteration where you allow for the "pair plus" wager to be awarded by a designated player, is not authorized by section 849.086, Florida Statutes (2014).

Section 849.086(4)(d), Florida Statutes (2014), authorizes the Division to [s]uspend or revoke any license or permit, after hearing, for any violation of the provisions of this section or the administrative rules adopted pursuant thereto." Therefore, please cease all further play of this form of "Tree Card Poker" immediately.

Thank you for your timely consideration in this matter. With your cooperation, the Division strives to further ensure the public confidence in the integrity of authorized cardroom operations.

Sincerely,

Leon M. Biegalski, Director

Division of Pari-Mutuel Wagering

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Cc:

Patrick J. Rooney, President

Palm Beach Kennel Club