

## FREQUENTLY ASKED QUESTIONS

### **SB 2A – IMPLEMENTATION OF THE 2021 GAMING COMPACT**

#### **What is the Indian Gaming Regulatory Act?**

The Indian Gaming Regulatory Act (IGRA) was signed by President Ronald Reagan on October 17, 1988, to regulate the conduct of gaming on Indian Lands. IGRA also established the National Indian Gaming Commission (NIGC), an independent federal agency, and the regulatory structure for Indian gaming in the United States.

The congressional findings and policies in IGRA and its regulations are strongly supportive of the Indian tribes' sovereign right to raise governmental revenue to support tribal self-sufficiency and engage in economic development through gaming activities, while also recognizing the need for regulation to prevent infiltration by organized crime.

IGRA divides gaming into three classes subject to differing regulatory controls:

- Class I consists of social gaming solely for prizes of minimal value and traditional forms of Indian gaming, the regulation of which is left to the exclusive jurisdiction of the Indian tribes.
- Class II includes bingo, non-banked card games and a few other games that are subject to tribal/federal regulation and may be conducted by a tribe if located in a state that otherwise permits such gaming and the tribe's governing body adopts an ordinance or resolution approved by the NIGC Chair.
- Class III gaming consists of all forms of gaming that are not Class I or Class II gaming, including slot and video machines and banking card games, such as blackjack. Class III gaming may be conducted only if the NIGC Chair approves a tribal gaming ordinance, the tribe enters into a compact with the state, and the Secretary of the United States Department of the Interior approves the compact.

#### **What is the vote required to ratify the 2021 Compact?**

Ratifying the 2021 Gaming Compact and authorizing the games permitted in the 2021 Gaming Compact in statute requires a majority vote of the Florida Legislature. Because IGRA requires the gaming activities authorized under an Indian gaming compact to be legally permitted in the state, the specific new gaming authorized in the 2021 Gaming Compact must be added to the games that the Seminole Tribe is currently authorized to conduct, as listed in s. 285.710 F.S.

#### **How long does the 2021 Gaming Compact last?**

The 2021 Gaming Compact has a thirty-year term, expiring in 2051.

#### **What is a Covered Game?**

The term Covered Game refers to any of the games the Seminole Tribe is authorized to offer under the 2021 Gaming Compact.

**What Covered Games are the Seminole Tribe currently authorized to offer under the 2010 Gaming Compact and what new games are included in the 2021 Gaming Compact?**

Currently, the Seminole Tribe offers:

- Slots;
- Banked card games; and
- Raffles and drawings.

The 2021 Compact also authorizes the Seminole Tribe to offer:

- Craps;
- Roulette;
- Fantasy sports contests; and
- Sports betting.

**Where are the Seminole Tribe’s casinos?**

The 2010 Gaming Compact authorizes seven casinos on tribal reservations.

- Seminole Indian Casino – Brighton (Okeechobee, FL)
- Seminole Indian Casino – Coconut Creek (Coconut Creek, FL)
- Seminole Indian Casino – Hollywood (Hollywood, FL)
- Seminole Indian Casino – Immokalee (Immokalee, FL)
- Seminole Indian Casino – Big Cypress (Clewiston, FL)
- Seminole Hard Rock Hotel & Casino – Hollywood (Hollywood, FL)
- Seminole Hard Rock Hotel & Casino – Tampa (Tampa, FL)

Currently, the Big Cypress facility is not in operation.

The 2021 Gaming Compact authorizes the Seminole Tribe to add up to three facilities on its reservation in Hollywood, FL.

The 2021 Gaming Compact also provides that the Seminole Tribe agrees that it will not build Las Vegas-style casino resorts on its Brighton or Big Cypress Reservations.

**What is the difference between the Commission referenced in the 2021 Gaming Compact and the Florida Gaming Control Commission being proposed?**

The term “Commission” in the 2021 Compact refers to the Seminole Tribal Gaming Commission, which is the tribal governmental agency required under IGRA, which has the authority to carry out the Seminole Tribe’s gaming regulatory and oversight responsibilities.

The proposed Florida Gaming Control Commission is a new state entity that will exercise all state regulatory and executive powers over gambling activities within its jurisdiction, including, without limitation, pari-mutuel wagering, cardrooms, slot machine facilities, and any other forms of gambling authorized by the state constitution or law, except lottery games.

In addition, the Florida Gaming Control Commission will serve as the State Compliance Agency under the 2021 Gaming Compact once its members are in place, with the authority to carry out the state’s oversight responsibilities under the compact.

### **What protections does the 2021 Gaming Compact contain to prevent illegal or underage gambling?**

The 2021 Gaming Compact specifies the operation of Covered Gaming Activity on tribal facilities must comply with the:

- Federal Wire Act.
- Seminole Tribal Gaming Code approved by NIGC.
- Rules and Regulations promulgated by the Seminole Tribal Gaming Commission, the tribal governmental agency with authority to carry out the Seminole Tribe's regulatory and oversight responsibilities under the gaming compact.
- NIGC's Guidance for Class III Minimum Internal Control Standards.

The 2021 Gaming Compact requires the Seminole Tribe to:

- Pay an annual oversight assessment of up to \$600,000 to be used for the operation of the State Compliance Agency; if any additional tribal gaming facilities are added as authorized under the 2021 Gaming Compact, the assessment increases by \$150,000 annually, per additional facility.
- Have compliance audits prepared for slot machine operations and sports betting operations.
- Limit the play of Covered Games to persons who must be 21 years of age or older, unless otherwise permitted by state law (i.e., fantasy sports contests players must be 18 years of age or older).
- Prevent illegal activity at its gaming facilities.
- Prevent illegal activity associated with its web applications and websites employed for sports betting.
- Ensure prompt notice is given to law enforcement authorities about persons who may be involved in illegal acts.

In addition, consistent with the provisions of the 2021 Gaming Compact, the Gaming Control Commission is directed to review rules and regulations promulgated by the Seminole Tribal Gaming Commission for the operation of sports betting and propose to the Seminole Tribe Gaming Commission any additional consumer protection measures it deems appropriate. The proposed consumer protection measures may include, but are not limited to, the types of advertising and marketing conducted for sports betting, the types of procedures implemented to prohibit underage persons from engaging in sports betting, and the types of information, materials, and procedures needed to assist patrons with compulsive or addictive gambling problems.

### **Does the 2021 Gaming Compact address compulsive gambling?**

The 2021 Gaming Compact includes several provisions to help prevent and curb compulsive gambling, and requires:

- The Seminole Tribe to make an annual donation to the Florida Council on Compulsive Gaming as an assignee of the State of \$250,000 per operational gaming facility.
- Advertising and marketing of the games at the tribal facilities and all web applications and websites employed for online Sports Betting contain a responsible gambling message and a toll-free help-line number for problem gamblers, and that such advertising and marketing make no false or misleading claims.

- That patrons who believe they may be gambling on a compulsive basis may request that their names be placed on the list of patrons voluntarily excluded from the Seminole Tribe's facilities and from participating in the Seminole Tribe's online Sports Betting.
- All gaming employees receive training on identifying players who have a problem with compulsive gambling and directs employees to instruct those patrons to leave the facility.
- Signs bearing a toll-free help-line number and educational and informational materials be made available at conspicuous locations and automated teller machines in each facility, which aim at the prevention of problem gaming and which specify where patrons may receive counseling or assistance for gambling problems.
- Gaming employees are screened by the Seminole Tribe for compulsive gambling habits.

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#### **Does the 2021 Gaming Compact address alcohol abuse or underage drinking?**

The 2021 Gaming Compact requires that the Seminole Tribe engage in and continue to maintain proactive approaches to prevent improper alcohol sales, drunk driving, underage drinking, and underage gambling.

These approaches involve:

- Intensive staff training,
- Screening and certification,
- Patron education, and the use of security personnel and surveillance equipment in order to enhance patrons' enjoyment of the Facilities and provide for Patron safety.

Staff training includes specialized employee training in nonviolent crisis intervention, driver's license verification, and the detection of intoxication.

Patron education is carried out through notices on valet parking stubs, posted signs in the Facilities, and in brochures.

Roving and fixed security officers, along with surveillance cameras, assist in the detection of intoxicated patrons, investigate problems, and engage with patrons to de-escalate volatile situations.

To help prevent alcohol-related crashes, the Seminole Tribe will operate a “Safe Ride Home Program,” free of charge to the Patron.

The Seminole Tribe is required to maintain these programs and policies in its Alcohol Beverage Control Act for the duration of the Gaming Compact but may replace these programs and policies with either stricter or more extensive programs and policies. The Seminole Tribe is required to provide the State with written notice of any changes to the Seminole Tribe's Alcohol Beverage Control Act.

**What does “exclusivity” mean in terms of a gaming compact?**

The Department of the Interior only approves revenue sharing agreements in gaming compacts on the basis that the compact provides for a meaningful concession to the tribe, almost always in the form of “substantial exclusivity” for the Indian tribe’s gaming.

The term “substantial exclusivity” provides tribes with the exclusive authorization to operate gaming within the state's territory. In essence, tribes receive substantial exclusivity, by states prohibiting non-Indian gaming from competing with Indian gaming and by agreeing to relinquish payments if non-Indian gaming is permitted by the state in the future.

The Department of the Interior has an obligation to ensure that the benefit received by the state under the proposed compact is appropriate in light of benefit the state confers on the tribe. If revenue share payments exceed the benefit received by the tribe, it would violate IGRA because the payments would amount to an unlawful tax, fee, charge, or assessment prohibited by IGRA.

**What exclusivity does the 2021 Gaming Compact provide the Seminole Tribe?**

The 2021 Gaming Compact states: “The Compact recognizes the Tribe’s right to offer certain forms of Class III Gaming and provides significant, additional substantial exclusivity for such activities in return for a reasonable revenue sharing arrangement between the Tribe and the State that will entitle the State to significant, additional revenue participation.”

Under the 2021 Gaming Compact, the Seminole Tribe has total exclusivity to offer banked card games, craps, roulette, and sports betting. In addition, the Seminole Tribe maintains partial exclusivity to offer slot machines.

**By ratifying the 2021 Gaming Compact, will current pari-mutuel slot machine licenses be able to automatically relocate?**

No. Currently, slot machine licenses held by pari-mutuel permitholders are limited by law to only Broward and Miami-Dade Counties and are not eligible to relocate.

The 2021 Gaming Compact provides that slot machine licenses may be transferred, but not without the Seminole Tribe’s written consent to:

- Any location in a county other than Broward County or Miami-Dade Counties where the new location is within one hundred (100) miles on a straight line from any tribal facility or,
- Any location in either Broward County or Miami-Dade Counties where the new location is within fifteen (15) miles on a straight line from any tribal facility in Broward County.

In order for a pari-mutuel slot machine license to relocate, Florida law must be amended. The proposed legislation for the 2021 Special Session A does not amend Florida law to authorize any slot machine license to relocate.

**How are the revenue brackets structured in the 2021 Compact?**

Revenue sharing payments to the State based on varying percentage rates depend on the amount of the Seminole Tribe’s net win, including a Guaranteed Minimum Compact Term Payment, as set forth on the chart below.

<b>SUMMARY OF REVENUE SHARE PAYMENTS – 2021 Gaming Compact (Revenue Share Payments by the Seminole Tribe to the State)</b>	
<b>Net Win - Slots, Raffles and Drawings, and New Games, if Authorized by the State</b>	
\$0-2B:	12%
\$2-2.5B:	17.5%
\$2.5-3B:	20%
\$3-3.5B:	22.5%
\$3.5B+:	25%
<b>Net Win – Table Games (banked card games, craps, and roulette)</b>	
\$0-1B:	15%
\$1-1.5B:	17.5%
\$1.5-2B:	22.5%
\$2B+:	25%
<b>Net Win – Sports Betting</b>	
13.75%, on Net Win received by the Seminole Tribe, excluding Net Win on wagering by patrons using a brand marketed by a qualified pari-mutuel permitholder	
10% on Net Win received by the Seminole Tribe from patrons using a brand marketed by a qualified pari-mutuel permitholder	
<b>Guaranteed Minimum Compact Term Payment of \$2.5B</b> (includes all Revenue Share Payments for the first five years of the 2021 Gaming Compact)	

**Does Amendment 3 impact the State’s ability to ratify a Compact?**

While Amendment 3 limits the authorization of casino style gambling to the citizens’ initiative process, the amendment includes an exception for gaming conducted pursuant to compacts negotiated with Native American tribes authorized under the federal Indian Gaming Regulatory Act.

### **Does Amendment 3 impact the authorization of mobile sports wagering?**

The 2021 Gaming Compact with the Seminole Tribe and the proposed legislation to implement and approve the 2021 Gaming Compact specify that mobile sports betting is deemed at all times to be exclusively conducted by the Seminole Tribe where wagers are received by servers and devices at the Seminole Tribe's facilities on Indian lands.

This is not a new concept in terms of mobile sports wagering, and IGRA allows such jurisdictional arrangements.

In 2016, a binding arbitration certified in federal court between the State of Oklahoma and the Iowa Tribe of Oklahoma determined the use of the Internet to play properly authorized covered games as agreed by the parties does not violate IGRA.

Another example is mobile sports wagering in New Jersey. The New Jersey Constitution authorizes sports wagering in casinos within the boundaries of Atlantic City and certain horse racetracks around the state, however, New Jersey recently authorized mobile sports wagering throughout the state, deeming the wager to occur on servers located at authorized casinos and racetracks. A number of other states have adopted this approach.

Similarly, the 2021 Gaming Compact and the proposed legislation to implement and approve the 2021 Compact, consistent with IGRA and Amendment 3, stipulate that the Seminole Tribe and the state agree that the wagers on sports betting are deemed to take place where the wagers are received at the servers and devices at the Seminole Tribe's facilities on Indian lands. Thus, the parties have agreed that the entire gaming transaction will be governed by IGRA as taking place on Indian lands.

### **How is the Seminole Tribe partnering with pari-mutuels in mobile sports wagering?**

The 2021 Gaming Compact authorizes sports betting on professional and collegiate sport events by players physically located in Florida who may use a mobile or other electronic device, exclusively by and through sports books conducted and operated by the Seminole Tribe.

In addition, the 2021 Gaming Compact requires the Seminole Tribe to contract with any willing, qualified pari-mutuel permitholder to perform marketing and similar services in support of the sports books, for compensation of not less than 60% of the profit associated with wagering by the permitholder's registered patrons through the permitholder's branded website or mobile application.

The term "qualified pari-mutuel permitholder" is a permitholder who:

1. Held, prior to January 1, 2021, a pari-mutuel wagering permit issued, pursuant to chapter 550, Florida Statutes;
2. Held, prior to January 1, 2021, a pari-mutuel operating license issued pursuant to s. 550.01215, Florida Statutes; and
3. Holds a slot machine license issued pursuant to chapter 551, Florida Statutes, or a cardroom license issued pursuant to s. 849.086, Florida Statutes.

### **How does the 2021 Compact address poker games played in a designated player manner?**

The 2021 Compact requires:

- Poker games played in a designated player manner must have been approved by the Division of Pari-mutuel Wagering in the Department of Business and Professional Regulation on or before March 15, 2018, or, if a substantially similar poker game, approved before April 1, 2021;
- If the cardroom is located in Broward County, Miami-Dade County, Hillsborough County, Glades County, Collier County or Hendry County (i.e., where slot machine gaming is authorized in state and tribal facilities), the cardroom operator is limited to offering no more than 10 tables for the play of poker games in a designated player manner; and
- If the cardroom is located outside Broward County, Miami-Dade County, Hillsborough County, Glades County, Collier County and Hendry County (i.e., where slot machine gaming is not authorized), the cardroom operator is limited to offering no more than 30 tables for the play of poker games in a designated player manner.

No cardroom operator may have any direct economic interest in a designated player game except for the rake, which is the set fee or percentage of the pot assessed by a cardroom operator for providing the services of a dealer, table, or location for playing; and

No card room operator may receive any portion of the designated player's winnings.

### **Does the 2021 Gaming Compact authorize online casino gaming?**

No. The 2021 Compact authorizes on two forms of gaming that utilize the Internet, sports wagering and fantasy sports contests.

The 2021 Gaming Compact does contain a provision that the Seminole Tribe and the state agree to engage in good faith negotiations within thirty-six months after the effective date of this Compact to consider an amendment to authorize the Seminole Tribe to offer all types of Covered Games online.

While the state has agreed to negotiate with the Seminole Tribe, nothing in the 2021 Compact or implementing legislation authorizes online gaming outside sports wagering and fantasy sports contests.

The 2021 Compact states that ratification by the Legislature is required for any amendment to the Compact that alters the provisions relating to Covered Games, the amount of revenue sharing payments, suspension or reduction in payments, or exclusivity.

In order for the Seminole Tribe to begin to authorize online casino gaming, the state would have to negotiate an amendment to the 2021 Gaming Compact required to be ratified by the Legislature.

## **SB 4A - GAMING ENFORCEMENT**

### **Why does Florida need a new Commission?**

Responsible regulation is central to gaming, and as with other industries, such regulation should be reviewed and updated regularly. Regulation of gaming and enforcement of laws against illegal gaming not only protects the public, but the integrity of the industry.

Regulation assures patrons that the games are fair and provides Floridians security that these businesses are operating responsibly in their communities. This oversight is key to protecting the legacy pari-mutuel businesses that have been a part of Florida's economy for decades as well as the exclusivity provided to the Seminole Tribe in the 2021 Gaming Compact.

Appropriate regulatory controls build public confidence and lead to a stronger gaming industry that can spur economic growth that benefits the businesses and our state. An independent Gaming Control Commission is essential to this effort.

Current enforcement of Florida's gaming laws, other than pari-mutuel wagering, is decentralized among Florida's cities and counties, primarily left to local law enforcement. The bill grants additional investigatory and prosecutorial authority to the Office of Statewide Prosecution in the Department of Legal Affairs. While the Commission will operate independently, it will be administratively housed within the Department of Legal Affairs to allow seamless coordination with the Statewide Prosecutor and the Office of the Attorney General to collectively address violations of gaming laws.

### **How are Commissioners selected?**

The Commission consists of five members, one from each appellate district, to be appointed by the Governor by January 1, 2022, subject to Senate confirmation.

Of the five members:

- At least one member must have at least 10 years of experience in law enforcement and criminal investigations;
- At least one member must be a certified public accountant licensed in this state with at least 10 years of experience in accounting and auditing; and
- At least one member must be an attorney admitted and authorized to practice law in this state for the preceding 10 years.

### **What are the restrictions on who can serve as a Commissioner?**

Persons are ineligible for appointment to the commission who:

- Holds any office in a political party.
- Within the previous 10 years has been convicted or found guilty of or has plead nolo contendere to, regardless of adjudication, in any jurisdiction, any felony, or a misdemeanor that directly related to gambling, dishonesty, theft, or fraud.
- Has been convicted of or found guilty of or pled nolo contendere to, regardless of adjudication, in any jurisdiction, a crime listed in ss. 775.21(4)(a)1. or s. 776.08, F.S., relating to sexual predator crimes and forcible felonies, respectively.

- Had a permit or license issued under chapter 550, F.S., (Pari-mutuel Wagering), chapter 551, F.S., (Slot Machines), or chapter 849, F.S., (Gambling), or a gaming license issued by any other jurisdiction denied, suspended, or revoked.

For a period of two years immediately preceding an appointment a person may not:

- Hold a permit or license issued under chapter 550, F.S., (Pari-mutuel Wagering), or a license issued under chapter 551, F.S., (Slot Machines), or chapter 849, F.S., (Gambling); be an officer, official, or employee of such permitholder or licensee; or be an ultimate equitable owner, as defined in s. 550.002(37), F.S., of such permitholder or licensee;
- Be an officer, official, employee, or other person with duties or responsibilities relating to a gaming operation owned by an Indian tribe that has a valid and active compact with the state; be a contractor or subcontractor of such tribe or an entity employed, licensed, or contracted by such tribe; or be an ultimate equitable owner, as defined in s. 550.002(37), F.S., of such entity;
- Be or have been, a member of the Legislature;
- Be a registered lobbyist for the executive or legislative branch, except while a commissioner when officially representing the commission; or
- Be a bingo game operator or an employee of a bingo game operator;

**What is the role of the Executive Director of the Gaming Control Commission?**

The Commission must appoint an executive director, no later than April 1, 2022, to supervise, direct, coordinate, and administer the activities needed to fulfill the Commission’s responsibilities. The executive director serves at the pleasure of the Commission, may not be a commissioner, and must reside in and maintain the commission’s headquarters in Leon County.

**Will the Commissioners be paid?**

The salary of a member is the same as a commissioner serving on the Public Service Commission (approximately \$136,000 annually).

Similarly, the executive director’s salary is the same as a commissioner serving on the Public Service Commission (approximately \$136,000 annually).

**Who oversees the Gaming Control Commission?**

The Commission is an independent regulatory body, similar to the Ethics Commission, the Elections Commission, and the Public Service Commission. The Commission is administratively housed in the Department Legal Affairs, Office of the Attorney General. The Commission is also a separate budget entity and serves as the agency head for all purposes. The Commission is not subject to control, supervision, or direction by the Department of Legal Affairs or the Attorney General in the performance of its duties, including but not limited to personnel, purchasing transactions involving real or personal property, and budget matters.

**Will the Division of Pari-mutuel Wagering in the Department of Business and Professional Regulations still regulate gaming offered in pari-mutuel facilities?**

No, the Division will be transferred to the Commission by a so-called Type Two transfer on July 1, 2022, and all powers, duties, responsibilities, and funding of the division will transfer.

## **What are the Gaming Control Commission's powers and duties?**

Beginning July 1, 2022, the Commission will:

- Exercise all state regulatory and executive powers respecting gambling, including, without limitation, pari-mutuel wagering, cardrooms, slot machine facilities, oversight of gaming compacts executed by the state pursuant to the Federal Indian Gaming Regulatory Act, and any other forms of gambling authorized by the state constitution or law, but not lottery games operated by the state.
- Establish procedures consistent with the Administrative Procedure Act to ensure adequate due process in exercising its regulatory and executive functions.
- Ensure that Florida law is not interpreted in any manner that expands the activities authorized in chapter 24 (State Lotteries), part II of chapter 285 (Gaming Compact), chapter 546 (Amusement Facilities), chapter 550 (Pari-mutuel Wagering), chapter 551 (Slot Machines), or chapter 849 (Gambling).
- Review the regulation of licensees, permit holders, or persons regulated by the Division of Pari-mutuel Wagering and the procedures used by the division to implement and enforce the law.
- Review the procedures of the Division of Pari-mutuel Wagering used to qualify applicants for a license, permit, or registration.
- Refer criminal violations of chapter 24 (State Lotteries), part II of chapter 285 (Gaming Compact), chapter 546 Amusement Facilities), chapter 550 (Pari-mutuel Wagering), chapter 551 (Slot Machines), or chapter 849 (Gambling), to the appropriate state attorney or to the Office of Statewide Prosecution, as applicable.
- Exercise all other powers and perform any other duties prescribed by the Legislature.

The commission is authorized to subpoena witnesses and compel their attendance and testimony, administer oaths and affirmations, take evidence, and require by subpoena the production of any books, papers, records, or other items relevant to the commission's duties or powers.

## **Will the Commission have law enforcement power?**

Yes. Similar to the Department of Lottery's Division of Security, the Division of Gaming Enforcement is created within the Gaming Control Commission, whose investigators will be designated law enforcement officers and shall have the power to investigate and arrest for any alleged violations of chapter 24 (State Lotteries), part II of chapter 285 (Gaming Compact), chapter 546 (Amusement Facilities), chapter 550 (Pari-mutuel Wagering), chapter 551 (Slot Machines), or chapter 849 (Gambling). The Division will be considered a criminal justice agency within the definition of s. 943.045.

## **Why does the Commission need a public records and meetings exemption?**

Consistent with other law enforcement authorities in the state, the Commission will need both a public records and meetings exemption to protect exempt and confidential information they gather during ongoing investigations.

The exemption is subject to the Open Government Sunset Review Act and will repeal on October 2, 2026, unless reviewed and saved from repeal by the Legislature.

## **SB 8A - GAMING**

### **What is “decoupling?”**

Since approximately 1931, pari-mutuel wagering has been authorized in Florida for jai alai, greyhound racing, and horseracing.

Chapter 550, F.S., provides specific permitting and licensing requirements, taxation provisions, and regulations for the conduct of the pari-mutuel industry. Pari-mutuel wagering activities are limited to operators who have received a permit from the Division of Pari-Mutuel Wagering, which is subject to ratification by county referendum.

Permitholders apply for an operating license annually to conduct pari-mutuel wagering activities. Certain permitholders are also authorized to operate cardrooms and slot machines at their facility if they conduct a certain number of pari-mutuel performances per year.

“Decoupling” refers to the removal of the requirement that permitholders conduct a certain number of pari-mutuel performances each year in order to retain their additional licenses, such as a cardroom or slot machine gaming license.

### **How does the bill handle inactive and new pari-mutuel permits?**

The bill revokes any pari-mutuel permit of permitholders that did not hold an operating license for the conduct of pari-mutuel wagering for fiscal year 2020-2021. In addition, the bill prohibits new pari-mutuel permits from being issued.

## **SB 10A - PARI-MUTUEL FACILITY BINGO GAMES AND INSTANT BINGO**

### **What type of bingo is being authorized in pari-mutuel facilities?**

The bill authorizes the conduct of bingo games and instant bingo at licensed pari-mutuel facilities, similar to the Class II bingo games currently authorized to be conducted by charitable organizations and certain community groups pursuant to s. 849.0931, F.S.

### **What is an “electronic bingo card minder?”**

The 2021 Gaming Compact and the legislation implementing bingo in pari-mutuel facilities authorizes the use of electronic bingo card minders, which are devices that aid a bingo player in tracking up to three bingo cards at once.

The device must not:

- Be capable of accepting or dispensing any coins, currency, or tokens.
- Be capable of monitoring any bingo card face other than the faces of the tangible bingo card or cards purchased by the player for that game.
- Be capable of displaying or representing the game result through any means other than highlighting the winning numbers marked or covered on the bingo card face or giving an audio alert that the player's card has a prize-winning pattern.

No casino game graphics, themes or titles, including but not limited to depictions of slot machine-style symbols, cards, craps, roulette, or lotto may be used.

In addition, the devices must be certified in advance of use by an approved Independent Testing Laboratory to ensure they are operated in a manner consistent with the 2021 Gaming Compact and Florida law.

## **SB 14A - FANTASY SPORTS CONTESTS**

### **How does federal law treat Fantasy Sports Contests?**

The Unlawful Internet Gambling Enforcement Act of 2006 (UIGEA), signed into law by President George W. Bush on October 13, 2006, defined “unlawful internet gambling” to include the placement, receipt, or transmission of certain bets or wagers. However, the definition of the term “bet or wager” specifically excludes any fantasy game or contest in which a fantasy team is not based on the current membership of a professional or amateur sports team, and:

- All prizes and awards are established and made known to the participants in advance of the game or contest and their value is not determined by the number of participants or the amount of fees by the participants;
- Prize amounts are not based on the number of participants or the amount of entry fees;
- Winning outcomes reflect the relative knowledge and skill of the participants and are determined predominantly by accumulated statistical results of the performance of individuals or athletes in multiple “real-world sporting or other events;” and
- No winning outcome is based:
  - On the score, point-spread, or any performance or performances of any single “real-world” team or combination of teams; or
  - Solely on any single performance of an individual athlete in any single “real-world sporting or other event.”

While UIGEA excludes bets or wagers of participants in certain fantasy sports games and contests, it does not, however, authorize fantasy sports contests and activities in Florida. The proposed legislation authorizing Fantasy Sports Contests is consistent with UIGEA.

### **What is the difference between Fantasy Sports and Sports Wagering?**

The main difference between fantasy sports and sports wagering is that fantasy sports involve playing against other players, and sports wagering involves betting on odds set by a sports book.

### ***Fantasy Sports***

Players choose from real sports athletes in a draft or selection process to assemble a fantasy team. The athletes’ real-game statistics are compiled and compared against other players’ fantasy teams to determine whose fantasy team performs the best. The Unlawful Internet Gambling Enforcement Act of 2006 specifically provides that fantasy sports are allowed, as long as players do not bet on the outcome of a single game or the performance of a single player, which would be more similar to traditional sports wagering. Because fantasy sports participants must make decisions to pick multiple players for their teams, they are participating in a game of skill.

### ***Sports Wagering***

Generally the wager is based on the score, point spread, or any performance of a team or individual athlete or player in a single event. On May 14, 2018, the United States Supreme Court held in *Murphy v. NCAA* that the Professional and Amateur Sports Protection Act of 1992 (PASPA), which made it unlawful for most states to authorize sports gambling wagering, was unconstitutional and invalid. The Supreme Court concluded that the PASPA's prohibition on states "authorizing" sports gambling unconstitutionally "commandeered" the authority of state legislatures in violation of the 10<sup>th</sup> Amendment to the United States Constitution.