

MEMORANDUM

TO: All Senators

FROM: Wilton Simpson

SUBJECT: Special Session on Gaming – Legislation

DATE: May 14, 2021

This morning, Senator Hutson filed a number of bills for the Senate to consider during next week's special session. Those bills will be referred to the Committee on Appropriations and heard next Monday. The Committee on Appropriations contains half of the membership of the Senate. Senators not on the committee are welcome and encouraged to attend or to view the hearing remotely. With the Capitol now open to the public, testimony will be received in-person in the committee room.

A detailed staff analysis for each bill is available on the Senate website. I have included some highlights of the legislation below, and a staff-prepared question and answer document and summary of the 2021 Compact are attached for your reference. Additionally, you can access a number of background summaries and informational videos prepared by the Florida House, including summary materials prepared by the Governor's Office at: https://myfloridahouse.gov/legislatoru.

Thank you for your time and attention to this important information. I look forward to seeing you on Monday.

2021 Gaming Compact and Related Legislation

On April 23, 2021, Governor DeSantis and the Seminole Tribe of Florida executed a historic new thirty year gaming Compact that restores the State's relationship with the Tribe, preserves and offers new opportunities for Florida's legacy pari-mutuel industry, and provides substantial new revenues for the State of Florida.

The legislation proposed for Special Session A comprehensively addresses gaming issues raised for almost a decade by ratifying the 2021 Compact, updating Florida law to better reflect the current gaming climate, combating illegal gambling through a new Gaming Control Commission, and offering additional games allowable under Florida's Constitution.

In addition to providing new gaming opportunities for the Seminole Tribe and Florida's parimutuel industry, consistent with the constitutional authority provided to the Legislature to restrict and regulate gaming, the proposed legislation seeks to more clearly define the footprint of gaming in Florida by eliminating inactive pari-mutuel permits, prohibiting new permits for parimutuel facilities, and establishing new guardrails on gaming activities in the state.

Some highlights of the new Compact with the Seminole Tribe include:

- A new 30 year term;
- Addition of Craps and Roulette at tribal facilities;
- A \$2.5 billion revenue-sharing guarantee in the first five years;
- Statewide online sports betting in partnership with existing pari-mutuels.

Some of the highlights of the new Gaming Control Commission include:

- A new five member, independent Commission to regulate and enforce gaming laws;
- Establishment of the Division of Gaming Enforcement with law enforcement powers to detect, apprehend, and arrest perpetrators of illegal gaming;
- New authority for the Statewide Prosecutor to pursue gaming violations referred by the Gaming Control Commission.

Some of the highlights of the pari-mutuel bill include:

- Decoupling jai alai, harness, and quarter horse racing;
- Creating penalties for greyhound racing consistent with the constitutional prohibition;
- Revising outdated regulations to help modernize Florida's legacy pari-mutuel industry.

In total, the proposed gaming legislation seeks to balance the requirements of federal Indian gaming law, the complex pari-mutuel regulatory structure established over decades, and the need to better enforce restrictions against illegal gaming, all while adhering to the new constitutional restrictions on casino-style gaming.