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CHAMBER ACTION

<u>Senate</u>	.	<u>House</u>
Comm: RCS	.	
4/1/2008	.	
	.	
	.	

1 The Committee on Regulated Industries (Geller) recommended the
 2 following **amendment**:

3
 4 **Senate Amendment (with title amendment)**

5 Delete everything after the enacting clause
 6 and insert:

7
 8 Section 1. Subsections (2), (4), and (7) of section
 9 849.086, Florida Statutes, are amended, present subsections (9)
 10 through (17) of that section are redesignated as subsections (10)
 11 through (18), respectively, and a new subsection (9) is added to
 12 that section, to read:

13 849.086 Cardrooms authorized.--

14 (2) DEFINITIONS.--As used in this section:

15 (a) "Authorized game" means a game or series of games of
 16 poker or dominoes which are played in a nonbanking manner.



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17 (b) "Banking game" means a game in which the house is a
18 participant in the game, taking on players, paying winners, and
19 collecting from losers or in which the cardroom establishes a
20 bank against which participants play.

21 (c) "Cardroom" means a facility where authorized games are
22 played for money or anything of value and to which the public is
23 invited to participate in such games and charged a fee for
24 participation by the operator of such facility. Authorized games
25 and cardrooms do not constitute casino gaming operations.

26 (d) "Cardroom management company" means any individual not
27 an employee of the cardroom operator, any proprietorship,
28 partnership, corporation, or other entity that enters into an
29 agreement with a cardroom operator to manage, operate, or
30 otherwise control the daily operation of a cardroom.

31 (e) "Cardroom distributor" means any business that
32 distributes cardroom paraphernalia such as card tables, betting
33 chips, chip holders, dominoes, dominoes tables, drop boxes,
34 banking supplies, playing cards, card shufflers, and other
35 associated equipment to authorized cardrooms.

36 (f) "Cardroom operator" means a licensed pari-mutuel
37 permitholder which holds a valid permit and license issued by the
38 division pursuant to chapter 550 and which also holds a valid
39 cardroom license issued by the division pursuant to this section
40 which authorizes such person to operate a cardroom and to conduct
41 authorized games in such cardroom.

42 (g) "Celebrity/charity poker tournament" means a game of
43 poker which is played without limits on the amount wagered in any
44 game or series of games or without limits on the rounds of
45 betting established in this section if a minimum of 70 percent of
46 the net proceeds from each poker tournament is donated to a



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47 | charitable organization organized pursuant to section 501(c)(3)
48 | of the Internal Revenue Code.

49 | ~~(g)~~ (h) "Division" means the Division of Pari-mutuel
50 | Wagering of the Department of Business and Professional
51 | Regulation.

52 | ~~(h)~~ (i) "Dominoes" means a game of dominoes typically played
53 | with a set of 28 flat rectangular blocks, called "bones," which
54 | are marked on one side and divided into two equal parts, with
55 | zero to six dots, called "pips," in each part. The term also
56 | includes larger sets of blocks that contain a correspondingly
57 | higher number of pips. The term also means the set of blocks used
58 | to play the game.

59 | ~~(i)~~ (j) "Gross receipts" means the total amount of money
60 | received by a cardroom from any person for participation in
61 | authorized games.

62 | (k) "High-stakes poker tournament" means a game of poker
63 | which is played without limits on the amount wagered in any game
64 | or series of games or without limits on the rounds of betting
65 | established in this section.

66 | ~~(j)~~ (l) "House" means the cardroom operator and all
67 | employees of the cardroom operator.

68 | ~~(k)~~ (m) "Net proceeds" means the total amount of gross
69 | receipts received by a cardroom operator from cardroom operations
70 | less direct operating expenses related to cardroom operations,
71 | including labor costs, admission taxes only if a separate
72 | admission fee is charged for entry to the cardroom facility,
73 | gross receipts taxes imposed on cardroom operators by this
74 | section, the annual cardroom license fees imposed by this section
75 | on each table operated at a cardroom, and reasonable promotional
76 | costs excluding officer and director compensation, interest on



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77 capital debt, legal fees, real estate taxes, bad debts,
78 contributions or donations, or overhead and depreciation expenses
79 not directly related to the operation of the cardrooms.

80 (n)~~(l)~~ "Rake" means a set fee or percentage of the pot
81 assessed by a cardroom operator for providing the services of a
82 dealer, table, or location for playing the authorized game.

83 (o)~~(m)~~ "Tournament" means a series of games that have more
84 than one betting round involving one or more tables and where the
85 winners or others receive a prize or cash award.

86 (4) AUTHORITY OF DIVISION.--The Division of Pari-mutuel
87 Wagering of the Department of Business and Professional
88 Regulation shall administer this section and regulate the
89 operation of cardrooms under this section and the rules adopted
90 pursuant thereto, and is ~~hereby~~ authorized to:

91 (a)1. Adopt rules, including, but not limited to: the
92 issuance of cardroom and employee licenses for cardroom
93 operations; the operation of a cardroom; recordkeeping and
94 reporting requirements; and the collection of all fees and taxes
95 imposed by this section.

96 2. Adopt rules for the operation of high-stakes poker
97 tournaments and charity/celebrity poker tournaments, including,
98 but not limited to, the amount of betting units and payout
99 scales.

100 (b) Conduct investigations and monitor the operation of
101 cardrooms and the playing of authorized games therein.

102 (c) Review the books, accounts, and records of any current
103 or former cardroom operator.

104 (d) Suspend or revoke any license or permit, after hearing,
105 for any violation of the provisions of this section or the
106 administrative rules adopted pursuant thereto.



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107 (e) Take testimony, issue summons and subpoenas for any
108 witness, and issue subpoenas duces tecum in connection with any
109 matter within its jurisdiction.

110 (f) Monitor and ensure the proper collection of taxes and
111 fees imposed by this section. Permitholder internal controls are
112 mandated to ensure no compromise of state funds. To that end, a
113 roaming division auditor shall ~~will~~ monitor and verify the cash
114 flow and accounting of cardroom revenue for any given operating
115 day.

116 (7) CONDITIONS FOR OPERATING A CARDROOM.--

117 (a) A cardroom may be operated only at the location
118 specified on the cardroom license issued by the division, and
119 such location may only be the location at which the pari-mutuel
120 permitholder is authorized to conduct pari-mutuel wagering
121 activities pursuant to such permitholder's valid pari-mutuel
122 permit or as otherwise authorized by law.

123 (b) Any cardroom operator ~~horserace, greyhound race, or~~
124 ~~jai alai permitholder licensed under this section~~ may operate a
125 cardroom at the pari-mutuel facility daily throughout the year.
126 The cardroom may be open a cumulative amount of 18 hours per day
127 on Monday through Friday and 24 hours per day on Saturday and
128 Sunday and on the holidays specified in s. 110.117(1) ~~on any day~~
129 ~~for a cumulative amount of 12 hours if the permitholder meets the~~
130 ~~requirements under paragraph (5)(b).~~

131 (c) A cardroom operator must at all times employ and
132 provide a nonplaying dealer for each table on which authorized
133 card games which traditionally use a dealer are conducted at the
134 cardroom. Such dealers may not have a participatory interest in
135 any game other than the dealing of cards and may not have an
136 interest in the outcome of the game. The providing of such



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137 | dealers by a licensee does not constitute the conducting of a
138 | banking game by the cardroom operator.

139 | (d) A cardroom operator may award giveaways, jackpots, and
140 | prizes to a player who holds certain combinations of cards
141 | specified by the cardroom operator.

142 | (e) Each cardroom operator shall conspicuously post upon
143 | the premises of the cardroom a notice which contains a copy of
144 | the cardroom license; a list of authorized games offered by the
145 | cardroom; the wagering limits imposed by the house, if any; any
146 | additional house rules regarding operation of the cardroom or the
147 | playing of any game; and all costs to players to participate,
148 | including any rake by the house. In addition, each cardroom
149 | operator shall post at each table a notice of the minimum and
150 | maximum bets authorized at such table and the fee for
151 | participation in the game conducted.

152 | (f) The cardroom facility is subject to inspection by the
153 | division or any law enforcement agency during the licensee's
154 | regular business hours. The inspection must specifically include
155 | the permitholder internal control procedures approved by the
156 | division.

157 | (g) A cardroom operator may refuse entry to or refuse to
158 | allow any person who is objectionable, undesirable, or disruptive
159 | to play, but such refusal may not be on the basis of race, creed,
160 | color, religion, gender, national origin, marital status,
161 | physical handicap, or age, except as provided in this section.

162 | (9) CHARITY/CELEBRITY POKER TOURNAMENTS AND HIGH-STAKES
163 | POKER TOURNAMENTS.--

164 | (a) A cardroom operator may host a charity/celebrity poker
165 | tournament six times each year for 8 consecutive calendar days at
166 | a pari-mutuel facility that is authorized to operate cardrooms



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167 during the hours that the pari-mutuel facility is open to conduct
168 business. Such a tournament may be conducted only once in any 2-
169 month period. Any payments made to charitable organizations
170 pursuant to this part shall not be calculated as gross receipts
171 for purposes of tax payments to the state under s.849.086(13) (a).

172 (b) A cardroom operator may host a televised high-stakes
173 poker tournament twice each year for 8 consecutive calendar days
174 at a pari-mutuel facility that is authorized to operate cardrooms
175 during the hours that the pari-mutuel facility is open to conduct
176 business. Such a tournament may be conducted only once in any 6-
177 month period.

178 (c) A high-stakes poker tournament shall consist of a
179 series of games played at multiple tables. Tournaments shall be
180 played only with tournament chips that shall be provided to all
181 participants in exchange for an entry fee and any subsequent
182 rebuys. All players shall receive an equal number of tournament
183 chips for their entry fee. Tournament chips shall have no cash
184 value and shall represent tournament points only. There shall be
185 no limitation on the number of tournament chips that can be used
186 for a bet except as determined by the cardroom operator.
187 Tournament chips may never be redeemed for cash or any other
188 thing of value. The entry fee for a tournament shall be decided
189 by the cardroom operator, but the entry fee may not exceed
190 \$10,000 in value and subsequent rebuys may not exceed 50 percent
191 of the required entry fee. The distribution of prizes and cash
192 awards shall be determined by the cardroom operator before entry
193 fees are accepted. For purposes of tournament play only, the term
194 "gross receipts" for the tournament means the total amount
195 received by the cardroom operator for all entry fees, player
196 rebuys, and fees for participation in tournaments, less the total



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197 amount paid to the winners or others as prizes. The total number
 198 of players that may enter the tournament shall be decided by the
 199 cardroom operator, but the total number of players may not exceed
 200 1,000.

201 Section 2. This act shall take effect July 1, 2008.

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203

204 ===== T I T L E A M E N D M E N T =====

205 And the title is amended as follows:

206 Delete everything before the enacting clause
 207 and insert:

208 A bill to be entitled
 209 An act relating to cardrooms; amending s. 849.086, F.S.;
 210 providing definitions; authorizing cardroom operators to
 211 host charity/celebrity poker tournaments and televised
 212 high-stakes poker tournaments at certain pari-mutuel
 213 facilities; providing limitations; authorizing the
 214 Division of Pari-mutuel Wagering of the Department of
 215 Business and Professional Regulation to adopt rules
 216 governing the operation of tournaments; providing an
 217 effective date.