

By Senator Geller

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1                   A bill to be entitled  
2           An act relating to cardrooms; amending s. 849.086, F.S.;  
3           defining the term "high-stakes poker"; authorizing  
4           cardroom operators to host televised high-stakes poker  
5           tournaments at certain pari-mutuel facilities; providing  
6           limitations; authorizing the Division of Pari-mutuel  
7           Wagering of the Department of Business and Professional  
8           Regulation to adopt rules governing the operation of high-  
9           stakes poker tournaments; providing an effective date.

10  
11 Be It Enacted by the Legislature of the State of Florida:

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

18           849.086 Cardrooms authorized.--

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

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

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

26           (c) "Cardroom" means a facility where authorized games are  
27 played for money or anything of value and to which the public is  
28 invited to participate in such games and charged a fee for  
29 participation by the operator of such facility. Authorized games

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30 and cardrooms do not constitute casino gaming operations.

31 (d) "Cardroom management company" means any individual not  
32 an employee of the cardroom operator, any proprietorship,  
33 partnership, corporation, or other entity that enters into an  
34 agreement with a cardroom operator to manage, operate, or  
35 otherwise control the daily operation of a cardroom.

36 (e) "Cardroom distributor" means any business that  
37 distributes cardroom paraphernalia such as card tables, betting  
38 chips, chip holders, dominoes, dominoes tables, drop boxes,  
39 banking supplies, playing cards, card shufflers, and other  
40 associated equipment to authorized cardrooms.

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

47 (g) "Division" means the Division of Pari-mutuel Wagering  
48 of the Department of Business and Professional Regulation.

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

56 (i) "Gross receipts" means the total amount of money  
57 received by a cardroom from any person for participation in  
58 authorized games.

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59           (j) "High-stakes poker" means a game of poker which is  
60 played without limits on the amount wagered in any game or series  
61 of games or without limits on the rounds of betting established  
62 in this section.

63           (k)~~(j)~~ "House" means the cardroom operator and all  
64 employees of the cardroom operator.

65           (l)~~(k)~~ "Net proceeds" means the total amount of gross  
66 receipts received by a cardroom operator from cardroom operations  
67 less direct operating expenses related to cardroom operations,  
68 including labor costs, admission taxes only if a separate  
69 admission fee is charged for entry to the cardroom facility,  
70 gross receipts taxes imposed on cardroom operators by this  
71 section, the annual cardroom license fees imposed by this section  
72 on each table operated at a cardroom, and reasonable promotional  
73 costs excluding officer and director compensation, interest on  
74 capital debt, legal fees, real estate taxes, bad debts,  
75 contributions or donations, or overhead and depreciation expenses  
76 not directly related to the operation of the cardrooms.

77           (m)~~(l)~~ "Rake" means a set fee or percentage of the pot  
78 assessed by a cardroom operator for providing the services of a  
79 dealer, table, or location for playing the authorized game.

80           (n)~~(m)~~ "Tournament" means a series of games that have more  
81 than one betting round involving one or more tables and where the  
82 winners or others receive a prize or cash award.

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

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

93 2. Adopt rules for the operation of high-stakes poker  
94 tournaments, including, but not limited to, maximum buy-in  
95 amounts, number of players, amount of betting units, and payout  
96 scales.

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

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

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

104 (e) Take testimony, issue summons and subpoenas for any  
105 witness, and issue subpoenas duces tecum in connection with any  
106 matter within its jurisdiction.

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

113 (9) HIGH-STAKES POKER TOURNAMENTS.--

114 (a) A cardroom operator may host a televised high-stakes  
115 poker tournament twice each year for 1 week at a pari-mutuel  
116 facility that is authorized to operate cardrooms during the hours

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117 that the pari-mutuel facility is open to conduct business. Such a  
118 tournament may be conducted only once in any 6-month period.

119 (b) A high-stakes poker tournament shall consist of a  
120 series of games played at multiple tables. Tournaments shall be  
121 played only with tournament chips that shall be provided to all  
122 participants in exchange for an entry fee and any subsequent  
123 rebuys. All players shall receive an equal number of tournament  
124 chips for their entry fee. Tournament chips shall have no cash  
125 value and shall represent tournament points only. There shall be  
126 no limitation on the number of tournament chips that can be used  
127 for a bet except as determined by the cardroom operator.  
128 Tournament chips may never be redeemed for cash or any other  
129 thing of value. The entry fee for a tournament shall be decided  
130 by the cardroom operator. The distribution of prizes and cash  
131 awards shall be determined by the cardroom operator before entry  
132 fees are accepted. For purposes of tournament play only, the term  
133 "gross receipts" for the tournament means the total amount  
134 received by the cardroom operator for all entry fees, player  
135 rebuys, and fees for participation in tournaments, less the total  
136 amount paid to the winners or others as prizes. The total number  
137 of players that may enter the tournament shall be decided by the  
138 cardroom operator.

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