CHAPTER 2007-130

Committee Substitute for Committee Substitute for Committee Substitute for Senate Bill No. 752 and Committee Substitute for Senate Bill No. 1192

An act relating to cardrooms; amending s. 849.086, F.S.; defining the term "tournament"; revising license fees; revising hours of operation; authorizing the award of certain prizes; revising betting limits; authorizing tournaments; providing tournament requirements; providing an appropriation and authorizing additional positions; providing an effective date.

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

Section 1. Paragraph (l) is added to subsection (2) of section 849.086, Florida Statutes, paragraph (d) of subsection (5), subsections (7) and (8), paragraph (h) of subsection (13), and subsection (16) of that section are amended, to read:

849.086 Cardrooms authorized.—

- (2) DEFINITIONS.—As used in this section:
- (l) "Tournament" means a series of games that have more than one betting round involving one or more tables and where the winners or others receive a prize or cash award.
- (5) LICENSE REQUIRED; APPLICATION; FEES.—No person may operate a cardroom in this state unless such person holds a valid cardroom license issued pursuant to this section.
- (d) The annual cardroom license fee for each facility shall be \$1,000 for the first table and \$500 for each additional table to be operated at the cardroom. The This license fee shall be deposited by the division with the Chief Financial Officer to the credit of the Pari-mutuel Wagering Trust Fund.

(7) CONDITIONS FOR OPERATING A CARDROOM.—

- (a) A cardroom may be operated only at the location specified on the cardroom license issued by the division, and such location may only be the location at which the pari-mutuel permitholder is authorized to conduct pari-mutuel wagering activities pursuant to such permitholder's valid parimutuel permit or as otherwise authorized by law.
- (b) Any horserace, greyhound race, or jai alai permitholder licensed under this section may operate a cardroom at the pari-mutuel facility on any day for a cumulative amount of 12 hours if the permitholder meets the requirements under paragraph (5)(b). A cardroom may be operated at the facility only when the facility is authorized to accept wagers on pari-mutuel events during its authorized meet. A cardroom may operate between the

hours of 12 noon and 12 midnight on any day a pari-mutuel event is conducted live as a part of its authorized meet. However, a permitholder who holds a valid cardroom license may operate a cardroom between the hours of 12 noon and 12 midnight on any day that live racing of the same class of permit is occurring within 35 miles of its facility if no other holder of that same class of permit within 35 miles is operating a cardroom at such time and if all holders of the same class of permit within the 35-mile area have given their permission in writing to the permitholder to operate the cardroom during the designated period. Application to operate a cardroom under this paragraph must be made to the division as part of the annual license application.

- (c) A cardroom operator must at all times employ and provide a nonplaying dealer for each table on which authorized card games which traditionally use utilize a dealer are conducted at the cardroom. Such dealers may not have a any participatory interest in any game other than the dealing of cards and may not have an interest in the outcome of the game. The providing of such dealers by a licensee does shall not constitute be construed as constituting the conducting of a banking game by the cardroom operator.
- (d) A cardroom operator may award giveaways, jackpots, and prizes to a player who holds certain combinations of cards specified by the cardroom operator.
- (e)(d) Each cardroom operator shall conspicuously post upon the premises of the cardroom a notice which contains a copy of the cardroom license; a list of authorized games offered by the cardroom; the wagering limits imposed by the house, if any; any additional house rules regarding operation of the cardroom or the playing of any game; and all costs to players to participate, including any rake by the house. In addition, each cardroom operator shall post at each table a notice of the minimum and maximum bets authorized at such table and the fee for participation in the game conducted.
- $\underline{\text{(f)}(e)}$ The cardroom facility $\underline{\text{is}}$ shall be subject to inspection by the division or any law enforcement agency during the licensee's regular business hours. The inspection $\underline{\text{must}}$ will specifically $\underline{\text{include}}$ encompass the permitholder internal control procedures approved by the division.
- (g)(f) A cardroom operator may refuse entry to or refuse to allow to play any person who is objectionable, undesirable, or disruptive to play, but such refusal may shall not be on the basis of race, creed, color, religion, gender sex, national origin, marital status, physical handicap, or age, except as provided in this section.

(8) METHOD OF WAGERS; LIMITATION.—

- (a) No wagering may be conducted using money or other negotiable currency. Games may only be played utilizing a wagering system whereby all players' money is first converted by the house to tokens or chips which shall be used for wagering only at that specific cardroom.
- (b) The cardroom operator may limit the amount wagered in any game or series of games, but the maximum bet may not exceed \$5 \$2 in value.

There may not be more than three raises in any round of betting. The fee charged by the cardroom for participation in the game shall not be included in the calculation of the limitation on the bet amount provided in this paragraph. However, a cardroom operator may conduct games of Texas Hold-em without a betting limit if the required player buy-in is no more than \$100.

(c) A tournament shall consist of a series of games. The entry fee for a tournament, including any re-buys, may not exceed the maximum amount that could be wagered by a participant in 10 like-kind, nontournament games under paragraph (b). Tournaments may be played only with tournament chips that are provided to all participants in exchange for an entry fee and any subsequent re-buys. All players must receive an equal number of tournament chips for their entry fee. Tournament chips have no cash value and represent tournament points only. There is no limitation on the number of tournament chips that may be used for a bet except as otherwise determined by the cardroom operator. Tournament chips may never be redeemed for cash or for any other thing of value. The distribution of prizes and cash awards must be determined by the cardroom operator before entry fees are accepted. For purposes of tournament play only, the term "gross receipts" means the total amount received by the cardroom operator for all entry fees, player re-buys, and fees for participating in the tournament less the total amount paid to the winners or others as prizes.

(13) TAXES AND OTHER PAYMENTS.—

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- (h) One-quarter of the moneys deposited into the Pari-mutuel Wagering Trust Fund pursuant to paragraph (g) shall, by October 1 of each year, be distributed to the local government that approved the cardroom under subsection (16) counties in which the cardrooms are located; however, if two or more pari-mutuel racetracks are located within the same incorporated municipality, the cardroom funds shall be distributed to the municipality. If a pari-mutuel facility is situated in such a manner that it is located in more than one county, the site of the cardroom facility shall determine the location for purposes of disbursement of tax revenues under this paragraph. The division shall, by September 1 of each year, determine: the amount of taxes deposited into the Pari-mutuel Wagering Trust Fund pursuant to this section from each cardroom licensee; the location by county of each cardroom; whether the cardroom is located in the unincorporated area of the county or within an incorporated municipality; and, the total amount to be distributed to each eligible county and municipality.
- (16) <u>LOCAL GOVERNMENT</u> <u>COUNTY COMMISSION</u> APPROVAL.— The Division of Pari-mutuel Wagering shall not issue any <u>initial</u> license under this section except upon proof in such form as the division may prescribe that <u>the local government</u> where the applicant for such license desires to conduct cardroom gaming has voted to approve such activity by a majority vote of the governing body of the municipality or the governing body of the county if the facility is not located in a municipality a majority of the county commissioners in the county where the applicant for such license desires to conduct cardroom gaming has voted to approve such activity within the county.

Section 2. For the 2007-2008 fiscal year, four full-time equivalent positions and 138,949 in associated salary rate are authorized, and the sums of \$230,722 in recurring funds and \$48,411 in nonrecurring funds are appropriated from the Pari-mutuel Wagering Trust Fund of the Department of Business and Professional Regulation for the purpose of carrying out activities related to this act.

Section 3. This act shall take effect July 1, 2007.

Became a law without the Governor's approval June 15, 2007.

Filed in Office Secretary of State June 13, 2007.