CHAPTER 2009-170

Committee Substitute for
Committee Substitute for Senate Bill No. 788

An act relating to gaming; creating s. 285.710, F.S.; providing terms and conditions for a gaming compact between the State of Florida and the Seminole Tribe of Florida; defining terms; providing that the previous compact between the Tribe and the Governor is not approved or ratified by the Legislature; directing the Governor to negotiate a gaming compact with the Tribe; specifying requirements and minimum standards for the compact; designating the Division of Pari-mutuel Wagering of the Department of Business and Professional Regulation to carry out the state's oversight responsibilities under the compact; providing for Legislative approval of a negotiated compact and amendments to the compact; providing that the compact becomes void as the result of a judicial decision or decision of the Secretary of the United States Department of the Interior invalidating certain provisions of the compact; providing for the deposit of compact revenues into the Educational Enhancement Trust Fund; providing legislative intent to review the compact; specifying the date on which the authority of the Governor to negotiate a compact expires; providing Legislative intent to review the compact in 5 years; specifying games that the Tribe is authorized to play pursuant to the compact; directing the Governor to negotiate agreements with Indian tribes in this state, subject to approval by the Legislature, relating to the application of state taxes on Indian lands; requiring the release of certain revenues to the state; creating s. 285.711, F.S.; authorizing the Governor to negotiate and execute a compact between the State of Florida and the Seminole Tribe of Florida in the form provided; providing terms and conditions for the gaming compact; defining terms; specifying games that may be authorized for play pursuant to the compact; specifying revenue sharing between the state and the Tribe; limiting the number of facilities at which gaming may occur and specifying the gaming activities that can be conducted at specified facilities; specifying the rules and regulations and minimum requirements for the compact; providing for state monitoring of the compact; specifying requirements for a central computer system on gaming facility premises; requiring that the system provide the state with access to certain data; specifying the authority of the state to oversee gaming activities by the Tribe; requiring medical professionals employed at the Tribe's gaming facilities to have certain minimum qualifications; requiring access for municipal or county emergency medical services; specifying minimum construction standards for the Tribe's gaming facilities; specifying minimum environmental standards; providing for revenue sharing payments by the Tribe to the state based on the Tribes net win from covered games; providing for the reduction of the Tribe's net win on which revenue sharing is based under certain circumstances; specifying procedures for tort claims by patrons; requiring the Tribe to maintain a minimum amount of

general liability insurance for tort claims; prohibiting the Tribe or its insurer from invoking sovereign immunity under certain circumstances; requiring the Tribe to waive its sovereign immunity for disputes relating to the compact; providing for the resolution of disputes between the Tribe and the state; requiring presuit arbitration of disputes relating to the compact; requiring the Tribe to maintain nondiscriminatory employment practices; requiring the Tribe to use its best efforts to spend its revenue in this state; specifying the term of the compact; amending s. 1013.737, F.S.; authorizing the state to pledge to use revenues from gaming activities to repay bonds; amending s. 550.002, F.S.; revising the definition of the term "full schedule of live racing or games" in reference to quarter horse permitholders; amending s. 550.01215, F.S.; removing an exception to the required issuance date of licenses to conduct thoroughbred racing performances; amending s. 550.054, F.S.; providing for a jai alai permitholder meeting certain conditions to apply to the Division of Pari-mutuel Wagering to convert a permit to conduct jai alai to a permit to conduct greyhound racing; directing the division to issue a permit to conduct greyhound racing if certain conditions are met; providing for the relocation of certain permits; amending ss. 550.0951 and 550.09511, F.S.; revising requirements for the payment of daily license fees and taxes; amending s. 550.09514, F.S.; conforming provisions to changes made by the act; amending s. 550.105, F.S.; revising provisions for business and occupational licenses; providing for a determination of fees for such licenses valid for more than 12 months; directing the Division of Pari-mutuel Wagering to adopt rules for licensing periods and renewal cycles; defining the term "convicted" as it applies to occupational license applicants; limiting application of the term "conviction"; revising the time period that a temporary occupational license may be valid; removing a requirement that an applicant's signature be witnessed and notarized or signed in the presence of a division official; providing for retention of fingerprints and criminal history screening; providing for payment of a fee for screenings; providing that the fee be established by rule of the Department of Law Enforcement; requiring that the cost of processing fingerprints and conducting a national criminal history record check for a general occupational license be borne by the applicant and for a business or professional occupational license be borne by the person being checked; requiring licensees to disclose certain convictions; amending s. 550.2415, F.S.; revising provisions prohibiting cruelty to animals; providing that the prohibition applies to any act of cruelty involving any animal; authorizing the division to inspect any area at a pari-mutuel facility for certain purposes; amending s. 550.26165, F.S.; providing for certain flexibility in the awards programs of the Florida Thoroughbred Breeders' Association in order to attract thoroughbred breeding and training operations; prohibiting the association from giving certain awards under certain circumstances; amending s. 550.2625, F.S.; clarifying provisions relating to owners' awards; amending s. 550.334, F.S.; revising provisions for permits to conduct quarter horse race meetings; removing provisions for application to the Division of Pari-

mutuel Wagering for a permit to conduct quarter horse race meetings; removing provisions for granting a license to conduct quarter horse racing; revising a provision for governance and control of quarter horse racing; revising authorization to substitute races of other breeds of horses; providing for an exception to a prohibition against the transfer or conversion of a quarter horse permit; providing requirements for a quarter horse racing permitholder to be eligible to conduct intertrack wagering; providing requirements for a quarter horse racing permitholder to be eligible to operate a cardroom; removing certain provisions restricting intertrack wagering; creating s. 550.3345, F.S.; providing for the transfer of a quarter horse racing permit to a not-for-profit corporation; providing for membership and purpose of such corporation; providing for conversion of such permit to a limited thoroughbred permit; requiring net revenues derived by the not-for-profit corporation to be used for certain purposes relating to the thoroughbred horse racing industry; prohibiting live racing in certain locations during certain times; providing licensure requirements; providing for a change in location of the permit; prohibiting transfer of the converted permit; providing for application of state law to the permit and the corporation; providing an exception to certain provisions for failure to pay tax on handle; amending s. 550.3355, F.S.; revising the time period for a harness track summer season; repealing s. 550.3605, F.S., relating to use of electronic transmitting equipment on the premises of a horse or dog racetrack or jai alai fronton; amending s. 550.5251, F.S.; revising provisions for licensing to conduct thoroughbred racing; revising certain dates relating to licensing and the thoroughbred racing season; removing a provision for a summer thoroughbred horse racing permit; providing an exception to requirements relating to required races for thoroughbred permitholders; removing expired provisions relating to scheduled performances; amending s. 551.102, F.S.; redefining the terms “eligible facility” and “progressive system” to include licensed facilities in other jurisdictions; amending s. 551.104, F.S.; providing that the payout percentage of a slot machine gaming facility must be at least 85 percent; amending s. 551.106, F.S.; revising the license fee and tax rate for slot machine licensees; providing for minimum tax revenue from the operation of slot machines; amending s. 551.121, F.S.; clarifying a provision prohibiting the use of a progressive system between licensed facilities; amending s. 849.086, F.S.; revising requirements for initial issuance of a cardroom license; requiring the permitholder to be licensed to conduct a full schedule of live racing or games during the state fiscal year in which the initial cardroom license is issued; revising provisions for renewal of a cardroom occupational license; revising requirements for occupational licensee’s criminal records check; providing a limitation on occupational licensee fees; permitting cardroom operators to operate 24 hours per day; increasing certain wager and buy-in limits; permitting charity tournaments under certain conditions; amending ss. 772.102 and 895.02, F.S.; correcting cross-references; providing effective dates, one of which is contingent.

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

Section 1. Section 285.710, Florida Statutes, is created to read:

285.710 Compact authorization.—

(1) Terms used in this section have the same meaning as provided in s. 285.711.

(2) The agreement executed by the Governor and the Tribe on November 14, 2007, published in the Federal Register on January 7, 2008, and subsequently invalidated by the Florida Supreme Court in the case of Florida House of Representatives, et al., v. Crist, No. SC07-2154, is not ratified or approved by the Legislature and is void.

(3) Subject to the limitations in s. 285.711, the Governor is hereby authorized and directed to negotiate and execute a compact on behalf of the State with the Tribe pursuant to the federal Indian Gaming Regulatory Act of 1988, 18 U.S.C. ss. 1166-1168, and 25 U.S.C. s. 2701 et seq., and this act for the purpose of authorizing class III gaming on Seminole lands within this state. Any such compact shall not be deemed entered into by the state unless and until it is ratified by the Legislature.

(4) The Governor is authorized to bind the State to any amendment to the compact that is consistent with the terms and standards in this section and s. 285.711, provided that any amendment to provisions relating to covered games, the amount of revenue sharing payments, suspension or reduction of payments, or exclusivity shall require ratification by the Legislature.

(5)(a) The Governor shall provide a copy of the compact to the President of the Senate and the Speaker of the House of Representatives as soon as it is executed. The compact shall not be submitted to the Department of the Interior by or on behalf of the state or the Tribe until it has been ratified by the Legislature.

(b) The Governor shall provide a copy of any amendment to the compact to the President of the Senate and the Speaker of the House of Representatives as soon as it is executed and before or simultaneous with its submission to the Department of the Interior, provided that any amendment requiring ratification by the Legislature shall not be submitted to the Department of the Interior for approval until such ratification has occurred.

(6) The Governor shall preserve all documents, if any, which relate to the intent or interpretation of the compact, and maintain such documents for at least the term of the compact.

(7) If any provision of the compact relating to covered games, payments, suspension or reduction in payments, or exclusivity is held by a court of competent jurisdiction or by the Department of the Interior to be invalid, the compact is void.

(8) In the event that a subsequent change to the Indian Gaming Regulatory Act, or to an implementing regulation thereof, mandates the retroactive

application of such change without the respective consent of the state or Tribe, the compact is void if it materially alters the terms and standards in the compact relating to the covered games, payments, suspension or reduction of payments, or exclusivity.

(9) The Governor shall ensure that all revenue sharing received pursuant to the compact and agreement executed by the Governor and the Tribe on November 14, 2007, is deposited into the Education Enhancement Trust Fund provided that, if necessary to comply with any covenant established pursuant to s. 1013.68(4), s. 1013.70(1), or s. 1013.737(3), funds transferred to the Educational Enhancement Trust Fund shall be first available to pay debt service on lottery bonds issued to fund school construction in the event lottery revenues are insufficient for such purpose or to satisfy debt service reserve requirements established in connection with lottery bonds.

(10) Except for the authority granted to the Governor in subsections (4) and (13), the authority granted to the Governor by this section and s. 285.711 expires at 11:59 p.m. on August 31, 2009.

(11) It is the intent of the Legislature to review a compact entered into under the provisions of this section within 5 years after the compact is approved. It is the intent of the Legislature to consider the authorization of additional Class III games for operation by the Tribe based upon successful implementation of the compact and the history of compliance with the compact.

(12) The Division of Pari-mutuel Wagering of the Department of Business and Professional Regulation is designated as the state compliance agency having the authority to carry out the state's oversight responsibilities under a compact authorized by this act.

(13)(a) The Governor is authorized and directed to execute an agreement on behalf of the State of Florida with the Indian tribes in this state, acting on a government-to-government basis, to develop and implement a fair and workable arrangement to apply state taxes on persons and transactions on Indian lands. Such agreements shall address the imposition of specific taxes, including sales taxes and exemptions from those taxes.

(b) The agreement shall address the Tribe's collection and remittance of sales taxes imposed by chapter 212 to the Department of Revenue. The sales taxes collected and remitted by the Tribe shall be based on all sales to non-tribal members, except those non-tribal members who hold valid exemption certificates issued by the Department of Revenue, exempting the sales from taxes imposed by chapter 212.

(c) The agreement shall require the Tribe to register with the Department of Revenue and remit to the Department of Revenue the taxes collected.

(d) The agreement shall require the Tribe to retain for at least a period of 5 years records of all sales to non-tribal members which are subject to taxation under chapter 212. The agreement shall permit the Department of Revenue to conduct an audit not more often than annually in order to verify

such collections. The agreement shall require the Tribe to provide reasonable access during normal operating hours to records of transactions subject to the taxes collected.

(e) The agreement shall provide a procedure for the resolution of any disputes about the amounts collected pursuant to the agreement. For purposes of the agreement for the collection and remittance of sales taxes, the agreement must provide that the Tribe agrees to waive its immunity, except that the state may seek monetary damages limited to the amount of taxes owed.

(f) An agreement executed by the Governor pursuant to the authority granted in this section shall not take effect unless ratified by the Legislature.

(14) Any moneys remitted by the Tribe before the effective date of a compact entered into by the State and the Tribe pursuant to this act shall be deemed forfeited by the Tribe and released to the state without further obligation or encumbrance. The Legislature further finds that acceptance and appropriation of such funds does not legitimize, validate, or otherwise ratify any previously proposed compact or the operation of Class III games by the Tribe for any period prior to the effective date of a valid compact pursuant to this act.

(15) For the purpose of satisfying the requirement in 25 U.S.C. s. 2710(d)(1)(B) that the gaming activities authorized under an Indian gaming compact must be permitted in the state for any purpose by any person, organization, or entity, the following Class III games or other games specified in this section are hereby authorized to be conducted by the Tribe pursuant to a compact that is substantially in the form provided in s. 285.711:

(a) Slot machines, as defined in s. 551.102(8).

(b) Games of poker without betting limits if such games are authorized in this state to any person for any purpose.

(c) Banking or banked card games, including baccarat, chemin de fer, and blackjack or 21 at the tribal facilities in Broward County and Hillsborough County.

(16) Notwithstanding any other provision of state law, it is not a crime for a person to participate in the games specified in subsection (15) at a tribal facility operating under a compact entered into pursuant to this act.

Section 2. Section 285.711, Florida Statutes, is created to read:

285.711 Gaming compact between the Seminole Tribe and the State of Florida.—The Governor is authorized and directed to negotiate and execute a gaming compact with the Seminole Tribe of Florida on behalf of the State of Florida subject to ratification by the Legislature, in the form substantially as follows:

Gaming Compact Between the Seminole Tribe of Florida and the State of Florida

This Compact is made and entered into by and between the Seminole Tribe of Florida, a federally recognized Indian Tribe, and the State of Florida, with respect to the operation of covered games on the Tribe's Indian lands as defined by the Indian Gaming Regulatory Act, 25 U.S.C. ss. 2701 et seq.

PART I.

TITLE.—This Compact shall be referred to as the "Seminole Tribe of Florida and State of Florida Gaming Compact."

PART II.

RECITALS.—

A. The Seminole Tribe of Florida is a federally recognized tribal government possessing sovereign powers and rights of self-government.

B. The State of Florida is a state of the United States of America possessing the sovereign powers and rights of a state.

C. The State of Florida and the Seminole Tribe of Florida maintain a government-to-government relationship.

D. The United States Supreme Court has long recognized the right of an Indian Tribe to regulate activity on lands within its jurisdiction, but the Congress, through the Indian Gaming Regulatory Act, has given states a role in the conduct of tribal gaming in accordance with negotiated tribal-state compacts.

E. Pursuant to the Seminole Tribe Amended Gaming Ordinance, adopted by Resolution No. C-195-06, and approved by the National Indian Gaming Commission on July 10, 2006, hereafter referred to as the Seminole Tribal Gaming Code, the Seminole Tribe of Florida desires to offer the play of Covered Games, as defined in Part III. of this Compact, as a means of generating revenues for purposes authorized by the Indian Gaming Regulatory Act, including without limitation the support of tribal governmental programs, such as health care, housing, sewer and water projects, police, fire suppression, general assistance for tribal elders, day care for children, economic development, educational opportunities, per capita payments to tribal members, and other typical and valuable governmental services and programs for tribal members.

F. It is in the best interest of the State of Florida to enter into a compact with the Seminole Tribe of Florida. This Compact will generally benefit Florida, while at the same time limiting the expansion of gaming within the State. The State of Florida also recognizes that the significant revenue participation pursuant to the Compact in exchange for its exclusivity provisions provide an opportunity to increase and enhance the dollars available to spend on governmental programs that benefit the citizens of Florida.

G. The agreement executed by the Seminole Tribe of Florida and the Governor of Florida on November 14, 2007, published in the Federal Regis-

ter on January 7, 2008, and subsequently invalidated by the Florida Supreme Court in the case of Florida House of Representatives, et al., vs. Crist, No. SCO7-2154, is void.

PART III.

DEFINITIONS.—As used in this Compact and the Appendices thereto:

A. "Annual Oversight Assessment" means the assessment described in Part XI., Section C. of this Compact.

B. "Class III gaming" means the forms of Class III gaming defined in 25 U.S.C. s. 2703(8) and by the regulations of the National Indian Gaming Commission in effect on January 1, 2009.

C. "Commission" means the Seminole Tribal Gaming Commission, which is the tribal governmental agency that has the authority to carry out the Tribe's regulatory and oversight responsibilities under this Compact.

D. "Compact" means the Seminole Tribe of Florida and State of Florida Gaming Compact.

E. "Covered Game" or "Covered Gaming Activity" means the following gaming activities:

1.(a) Slot machines, means any mechanical or electrical contrivance, terminal that may or may not be capable of downloading slot games from a central server system, machine, or other device that, upon insertion of a coin, bill, ticket, token, or similar object or upon payment of any consideration whatsoever, including the use of any electronic payment system, except a credit card or debit card, is available to play or operate, the play or operation of which, whether by reason of skill or application of the element of chance or both, may deliver or entitle the person or persons playing or operating the contrivance, terminal, machine, or other device to receive cash, billets, tickets, tokens, or electronic credits to be exchanged for cash or to receive merchandise or anything of value whatsoever, whether the payoff is made automatically from the machine or manually. The term includes associated equipment necessary to conduct the operation of the contrivance, terminal, machine, or other device. Slot machines may use spinning reels, video displays, or both.

(b) If at any time, State law authorizes the use of electronic payments systems utilizing credit or debit card payment for the play or operation of slot machines for any person, the Tribe shall be authorized to use such payment systems;

2. No limit poker; and

3. Banking or banked card games, including baccarat, chemin de fer and blackjack at the Facilities located in Broward County and Hillsborough County as described in Part IV., Section B., subsections 2., 3., 6., and 7.

This definition specifically does not include roulette, craps, roulette styled games, or craps-styled games.

F. "Covered Game Employee" or "Covered Employee" means any individual employed and licensed by the Tribe whose responsibilities include the rendering of services with respect to the operation, maintenance or management of Covered Games, including, but not limited to, the following: managers and assistant managers; accounting personnel; Commission officers; surveillance and security personnel; cashiers, supervisors, and floor personnel; cage personnel; and any other employee whose employment duties require or authorize access to areas of the Facility related to the conduct of Covered Games or the technical support or storage of Covered Game components. This definition does not include the Tribe's elected officials provided that such individuals are not directly involved in the operation, maintenance, or management of Covered Games or Covered Games components.

G. "Documents" means books, records, electronic, magnetic and computer media documents and other writings and materials, copies thereof, and information contained therein.

H. "Effective Date" means the date on which the Compact becomes effective pursuant to Part XVI., Section A. of this Compact.

I. "Facility" or "Facilities" means any building of the Tribe in which the Covered Games authorized by this Compact are conducted on Indian lands as defined by the Indian Gaming Regulatory Act.

J. "Guaranteed Minimum Payment" means the minimum payment the Tribe agrees to make to the State as provided by Part XI. of the Compact.

K. "Indian Gaming Regulatory Act" or "IGRA" means the Indian Gaming Regulatory Act, Pub. L. No. 100-497, Oct. 17, 1988, 102 Stat. 2467, codified at 25 U.S.C. ss. 2701 et seq., and 18 U.S.C. ss. 1166-1168.

L. "Net Poker Income" means the total revenue from all hands played, including buy-ins and rebuys.

M. "Net Win" means gross gaming revenue for Class III games, which is the difference between gaming wins and losses, before deducting costs and expenses.

N. "Non-tribal member" means a person who is not a bona fide member of an Indian tribe as defined in 25 U.S.C. s. 2703(5).

O. "Patron" means any person who is on the premises of a Facility, or who is entering the Tribe's Indian lands for the purpose of playing Covered Games authorized by this Compact.

P. "Reservation" means any of the seven Tribal locations currently with gaming facilities, specifically enumerated in Part IV., Section B.

Q. "Revenue Share" means the periodic payment by the Tribe to the State provided for in Part XI., Sections A. and B. of this Compact.

R. "Revenue Sharing Cycle" means the annual (12-month) period of the Tribe's operation of Covered Games in its Facilities and whose first annual

cycle shall commence on the day the Tribe makes Covered Games available for public play in its Facilities.

S. "Rules and regulations" means the rules and regulations promulgated by the Commission for implementation of this Compact.

T. "State" means the State of Florida.

U. "State Compliance Agency" or "SCA" means the Division of Parimutuel Wagering of the Department of Business and Professional Regulation, which is designated as the state agency having the authority to carry out the state's oversight responsibilities under this compact.

V. "Tribe" means the Seminole Tribe of Florida or any affiliate thereof conducting activities pursuant to this Compact under the authority of the Seminole Tribe of Florida.

PART IV.

AUTHORIZATION AND LOCATION OF COVERED GAMES.—

A. The Tribe and State agree that the Tribe is authorized to operate Covered Games on its Indian lands, as defined in the Indian Gaming Regulatory Act, in accordance with the provisions of this Compact. However, except for the provisions in Part XI., Section A. below, nothing in this Compact shall limit the Tribe's right to operate any game that is Class II under the Indian Gaming Regulatory Act.

B. The Tribe is authorized to conduct Covered Games under this Compact at only the following seven existing gaming Facilities on Tribal lands, except as limited by Part III, Section E., Subsection 3.:

1. Seminole Indian Casino on the Brighton Indian Reservation in Okeechobee County.

2. Seminole Indian Casino in the City of Coconut Creek in Broward County.

3. Seminole Indian Casino in the City of Hollywood in Broward County.

4. Seminole Indian Casino in Immokalee in Collier County.

5. Seminole Indian Big Cypress Casino in the City of Clewiston in Hendry County.

6. Seminole Hard Rock Hotel & Casino in the City of Hollywood in Broward County.

7. Seminole Hard Rock Hotel & Casino in the City of Tampa in Hillsborough County.

C. Any of the identified Facilities in Section B. may be expanded or replaced by another Facility on the same reservation with advance notice to the State of sixty (60) calendar days, subject to the understanding that the number of existing Facilities on each reservation and the number of reservations upon which Class III gaming is authorized shall remain the same as provided in Section B.

PART V.

RULES AND REGULATIONS; MINIMUM REQUIREMENTS FOR OPERATIONS.—

A. At all times during the term of this Compact, the Tribe shall be responsible for all duties which are assigned to it and the Commission under this Compact. The Tribe shall promulgate any rules and regulations necessary to implement this Compact, which at a minimum shall expressly include or incorporate by reference all provisions of this Part and the procedural requirements of Part VI. of this Compact. Nothing in this Compact shall be construed to affect the Tribe's right to amend its rules and regulations, provided that any such amendment shall be in conformity with this Compact and subject to approval by the SCA. The SCA may propose additional rules and regulations consistent with and related to the implementation of this Compact to the Commission at any time, and the Commission shall give good faith consideration to such suggestions and shall notify the SCA of its response or action with respect thereto.

B. All Facilities shall comply with, and all Covered Games approved under this Compact shall be operated in accordance with, the requirements set forth in this Compact, including, but not limited to, those set forth in Sections C. and D. of this Part and the Tribe's Internal Control Policies and Procedures. In addition, all Facilities and all Covered Games shall be operated in strict compliance with tribal internal control standards that provide a level of control that equals or exceeds those set forth in the National Indian Gaming Commission's Minimum Internal Control Standards (25 C.F.R. Part 542), as the same may be amended or supplemented from time to time.

C. The Tribe and the Commission shall retain all records in compliance with the requirements set forth in the Record Retention Policies and Procedures.

D. The Tribe will continue and maintain its program to combat problem gambling and curtail compulsive gambling, including work with the Florida Council on Compulsive Gambling or other organizations dedicated to assisting problem gamblers. The Tribe will continue to maintain the following safeguards against problem gambling.

1. The Tribe shall make an annual donation to the Florida Council on Compulsive Gambling in an amount not less than $250,000 per Facility.

2. The Tribe will provide a comprehensive training and education program designed in cooperation with the Florida Council on Compulsive Gambling (or other organization dedicated to assisting problem gamblers) to every new gaming employee.

3. The Tribe will make printed materials available to Patrons, which include contact information for the Florida Council on Compulsive Gambling 24-Hour Helpline (or other hotline dedicated to assisting problem gamblers), and will work with the Florida Council on Compulsive Gambling (or other organization dedicated to assisting problem gamblers) to provide contact information for the Florida Council on Compulsive Gambling (or other orga-

nization dedicated to assisting problem gamblers), and to provide such information on the Facilities' Internet website. The Tribe will continue to display all literature from the Florida Council on Compulsive Gambling (or other organization dedicated to assisting problem gamblers) within the Facilities.

4. The Commission shall establish a list of the Patrons voluntarily excluded from the Tribe's Facilities, pursuant to subsection 5.

5. The Tribe shall employ its best efforts to exclude Patrons on such list from entry into its Facilities; provided that nothing in this Compact shall create for Patrons who are excluded but gain access to the Facilities, or any other person, a cause of action or claim against the State, the Tribe or the Commission, or any other person, entity, or agency for failing to enforce such exclusion.

6. Patrons who believe they may be playing Covered Games on a compulsive basis may request that their names be placed on the list of the Patrons voluntarily excluded from the Tribe's Facilities.

7. All Covered Game employees shall receive training on identifying players who have a problem with compulsive gambling and shall be instructed to ask them to leave. Signs bearing a toll-free help-line number and educational and informational materials shall 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. All Covered Game employees shall also be screened for compulsive gambling habits. Nothing in this Section shall create for Patrons, or any other person, a cause of action or claim against the State, the Tribe or the Commission, or any other person, entity, or agency for failing to identify a Patron or person who is a compulsive gambler or ask that person to leave.

8. The Tribe shall follow the rules for exclusion of Patrons set forth in Article XI of the Seminole Tribal Gaming Code.

9. The Tribe shall make diligent efforts to prevent underage individuals from loitering in the area of each Facility where the Covered Games take place.

10. The Tribe shall assure that advertising and marketing of the Covered Games at the Facilities contain a responsible gambling message and a toll-free help-line number for problem gamblers, where practical, and that they make no false or misleading claims.

E. Summaries of the rules for playing Covered Games and promotional contests shall be visibly displayed in the Facilities. Complete sets of rules shall be available in the Facilities upon request. Copies of all such rules shall be provided to the SCA within thirty (30) calendar days of their issuance or their amendment.

F. The Tribe shall provide the Commission and SCA with a chart of the supervisory lines of authority with respect to those directly responsible for the conduct of Covered Games, and shall promptly notify those agencies of any material changes thereto.

G. The Tribe engages in and shall 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 transmitted 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 Tribe will continue to operate the "Safe Ride Home Program," a free taxi service. Additionally, to reduce risks of underage gambling and underage drinking, the Tribe will continue to prohibit entry onto the casino floor of anyone under twenty-one (21) years of age. The Tribe shall maintain these programs and policies in its Alcohol Beverage Control Act for the duration of the Compact but may replace such programs and policies with either stricter or more extensive programs and policies. The Tribe shall provide the State with written notice of any changes to the programs and policies in the Tribe's Alcohol Beverage Control Act, which notice shall include a copy of such changes and shall be sent on or before the effective date of the change. Nothing in this Section shall create for Patrons, or any other person, a cause of action or claim against the State, the Tribe or the Commission, or any other person, entity, or agency for failing to fulfill the requirements of this Section.

H. No person under twenty-one (21) years of age shall be allowed to play Covered Games unless otherwise permitted by state law.

I. The Tribe may establish and operate Facilities that operate Covered Games only on the reservations as defined by the Indian Gaming Regulatory Act and as specified in Part IV. of this Compact.

J. The Commission shall keep a record of, and shall report at least quarterly to the SCA, the number of Covered Games in each Facility, by the name or type of each and its identifying number.

K. The Tribe and the Commission shall make available a copy of the following documents to any member of the public upon request: the minimum internal control standards of the National Indian Gaming Commission; the Seminole Tribal Gaming Code; this Compact; the rules of each Covered Game operated by the Tribe; and the administrative procedures for addressing Patron tort claims under Part VI.

L. Cessation of Banking or Banked Card Games. The Tribe shall stop all banked card games occurring on Tribal lands at any existing gaming facility within any county of the state, other than Broward County or Hillsborough County, within ninety (90) days after the date this Compact is executed by the State and the Tribe.

PART VI.

PATRON DISPUTES; WORKERS' COMPENSATION; TORT CLAIMS; PRIZE CLAIMS; LIMITED CONSENT TO SUIT.—

A. All Patron disputes involving gaming will be resolved in accordance with the procedures established in Article XI of the Seminole Tribal Gaming Code.

B. Tort claims by employees of the Tribe's Facilities will be handled pursuant to the provisions of the Tribe's Workers' Compensation Ordinance, which shall provide workers the same or better protections as set forth in Florida's workers' compensation laws.

C. Disputes by employees of the Tribe's Facilities will be handled pursuant to the provisions of the Tribe's policy for gaming employees, the Employee Fair Treatment and Dispute Resolution Policy as provided in part XVIII.G.

D.1. A Patron who claims to have been injured in a Facility where Covered Games are played is required to provide written notice to the Tribe's Risk Management Department or the Facility, in a reasonable and timely manner.

2. The Tribe shall have ten (10) days to respond to a claim made by a Patron. When the Tribe responds to an incident alleged to have caused a Patron's injury or illness, the Tribe shall provide a claim form to the Patron. It is the Patron's responsibility to complete the form and forward the form to the Tribe's Risk Management Department within a reasonable period of time, and in a reasonable and timely manner.

3. Upon receiving written notification of the claim, the Tribe's Risk Management Department shall forward the notification to the Tribe's insurance carrier. The Tribe will use its best efforts to assure that the insurance carrier contacts the Patron within a reasonable period of time following receipt of the claim.

4. The insurance carrier will handle the claim to conclusion. If the Patron and the insurance carrier are not able to resolve the claim, the Patron may bring a tort claim against the Tribe in any court of competent jurisdiction in the County in which the incident occurred, subject to a four (4) year statute of limitations, which shall begin to run from the date of the incident of the alleged claimed injury. Nothing in this Part shall preclude a Patron from asserting a tort claim against the Tribe from immediately filing suit in any court of competent jurisdiction in the county where the claim arises without resorting to or exhausting tribal remedies.

5. In no event shall the Tribe be deemed to have waived its tribal immunity from suit beyond $500,000 for an individual tort claim and $1,000,000 for the tort claims of all persons or entities claiming injury in tort arising out of a single event or occurrence. These limitations are intended to include liability for compensatory damages as well as any costs, prejudgment interest, and attorney's fees arising out of any claim brought or asserted against

the Tribe, its subordinate governmental and economic units as well as any Tribal officials, employees, servants, or agents in their official capacities.

6. The Tribe shall obtain and maintain a commercial general liability policy which provides coverage of no less than $1,000,000 per occurrence and $10,000,000 in the aggregate for bodily injury, personal injury, and property damage arising out of, connected with, or relating to the operation of Facilities where Covered Games are offered.

7. Notices explaining the procedures and time limitations with respect to making a tort claim shall be prominently displayed in the Facilities, posted on the Tribe's website, and provided to any Patron for whom the Tribe has notice of the injury or property damage giving rise to the tort claim. Such notices shall explain the method and places for making a tort claim.

8. The Tribe's insurance policy shall:

(a) Prohibit the insurer or the Tribe from invoking tribal sovereign immunity up to the limits of the policy with respect to any claim covered under the policy and disposed of in accordance with the Tribe's tort claim procedures.

(b) Include covered claims made by a Patron or invitee for personal injury or property damage.

(c) Permit the insurer or the Tribe to assert any statutory or common law defense other than sovereign immunity.

(d) Provide that any award or judgment rendered in favor of a Patron or invitee shall be satisfied solely from insurance proceeds.

PART VII.

ENFORCEMENT OF COMPACT PROVISIONS.—

A. The Tribe and the Commission shall be responsible for regulating activities pursuant to this Compact. As part of its responsibilities, the Tribe has adopted or issued standards designed to ensure that the Facilities are constructed, operated, and maintained in a manner that adequately protects the environment and public health and safety. Additionally, the Tribe shall ensure that:

1. Operation of the conduct of Covered Games is in strict compliance with (i) the Seminole Tribal Gaming Code, (ii) all rules, regulations, procedures, specifications, and standards lawfully adopted by the National Indian Gaming Commission and the Commission, and (iii) the provisions of this Compact, including, but not limited to, the standards and the Tribe's rules and regulations set forth in the Appendices;

2. Reasonable measures are taken to:

(a) Assure the physical safety of Facility Patrons, employees, and any other person while in the Facility;

(b) Prevent illegal activity at the Facilities or with regard to the operation of Covered Games, including, but not limited to, the maintenance of employee procedures and a surveillance system;

(c) Ensure prompt notification is given to appropriate law enforcement authorities of persons who may be involved in illegal acts in accordance with applicable law;

(d) Ensure that the construction and maintenance of the Facilities comply with the standards that are at least as stringent as the Florida Building Code, the provisions of which the Tribe has adopted as the Seminole Tribal Building Code;

(e) Ensure adequate emergency access plans have been prepared to ensure the health and safety of all Covered Game Patrons;

(f) Employ, permit, or authorize only medical professionals at its gaming facilities that are licensed by this state;

(g) Allow unimpeded access to the gaming facilities by municipal or county emergency medical services; and

(h) Ensure, at a minimum, that the environmental requirements of any federal permit will meet the standards established for the state's environmental resource permitting program as provided for in s. 373.414, Florida Statutes.

B. All licenses for members and employees of the Commission shall be issued according to the same standards and terms applicable to Facility employees. The Commission's compliance officers shall be independent of the Tribal gaming operations, and shall be supervised by and accountable only to the Commission. A Commission compliance officer shall be available to the Facility during all hours of operation upon reasonable notice, and shall have immediate access to any and all areas of the Facility for the purpose of ensuring compliance with the provisions of this Compact. The Commission shall investigate any such suspected or reported violation of this Part and shall officially enter into its files timely written reports of investigations and any action taken thereon, and shall forward copies of such investigative reports to the SCA within 30 calendar days of such filing. The scope of such reporting shall be determined by a Memorandum of Understanding between the Commission and the SCA as soon as practicable after the Effective Date of this Compact. Any such violations shall be reported immediately to the Commission, and the Commission shall immediately forward the same to the SCA. In addition, the Commission shall promptly report to the SCA any such violations which it independently discovers.

C. In order to develop and foster a positive and effective relationship in the enforcement of the provisions of this Compact, representatives of the Commission and the SCA shall meet, not less than on an annual basis, to review past practices and examine methods to improve the regulatory scheme created by this Compact. The meetings shall take place at a location mutually agreed to by the Commission and the SCA. The SCA, prior to or

during such meetings, shall disclose to the Commission any concerns, suspected activities, or pending matters reasonably believed to possibly constitute violations of this Compact by any person, organization, or entity, if such disclosure will not compromise the interest sought to be protected.

PART VIII.

STATE MONITORING OF COMPACT.—

A. The State shall secure an annual independent financial audit of the conduct of Covered Games subject to this Compact. The audit shall examine revenues in connection with the conduct of Covered Games and shall include only those matters necessary to verify the determination of Net Win and the basis and amount of, and the right to, and the amount of the payments the Tribe is obligated to make to the State pursuant to Part XI. of this Compact and as defined by this Compact. A copy of the audit report for the conduct of Covered Games shall be submitted to the Commission within thirty (30) calendar days of completion. Representatives of the SCA may, upon request, meet with the Tribe and its auditors to discuss the audit or any matters in connection therewith; provided, such discussions are limited to Covered Games information. The annual independent financial audit shall be performed by an independent accounting firm, with experience in auditing casino operations, selected by the State, subject to the consent of the Tribe, which shall not be unreasonably withheld. The Tribe shall pay the accounting firm for the costs of the annual independent financial audit.

B. The SCA shall, pursuant to the provisions of this Compact, monitor the conduct of Covered Games to ensure that the Covered Games are conducted in compliance with the provisions of this Compact. In order to properly monitor the conduct of Covered Games, agents of the SCA without prior notice or with concurrent notice shall have reasonable access to all public areas of the Facilities related to the conduct of Covered Games as provided herein.

1. While the Commission will act as the regulator of the Facilities, the SCA may take reasonable steps to assure that operations at the Facilities comply with the terms of this Compact and may advise on such issues as it deems appropriate.

2. In order to fulfill its oversight responsibilities, the State has identified specific oversight testing procedures, set forth below in subsection 3., paragraphs (a), (b), and (c), which the SCA may perform on a routine basis.

3.(a) The Tribe shall permit access to the SCA to inspect with at least concurrent notice any Covered Games in operation at the Facilities on a random basis, without limitation as to frequency, to confirm that the Covered Games operate and play properly pursuant to the manufacturer's technical standards and are conducted in compliance with the rules, regulations, and standards established by the Commission and this Compact. Such random inspections shall occur during normal operating hours. No advance notice is required when the SCA inspects public and nonpublic areas of the Facility. However, representatives of the SCA shall provide notice to the Commission of their presence for such inspections. A Commission agent may accompany the inspection.

(b) For each Facility, the SCA may perform one annual review of the slot machine compliance audit.

(c) At least on an annual basis, the SCA may meet with the Tribe's Internal Audit Department for Gaming to review internal controls and violations of same by the Facilities.

4. The SCA will seek to work with and obtain the assistance of the Commission in the resolution of any conflicts with the management of the Facilities, and the State and the Tribe shall make their best efforts to resolve disputes through negotiation whenever possible. Therefore, in order to foster a spirit of cooperation and efficiency, the parties hereby agree that when disputes arise between the SCA staff and Commission regulators from the day-to-day regulation of the Facilities, they should generally be resolved first through meeting and conferring in good faith. This voluntary process does not proscribe the right of either party to seek other relief that may be available when circumstances require such relief. In the event of a dispute or disagreement between Tribal and SCA regulators, the dispute or disagreement shall be resolved in accordance with the dispute resolution provisions of Part XIII. of this Compact.

5. Access to each Facility by the SCA shall be during the Facility's operating hours only, provided that to the extent such inspections are limited to areas of the Facility where the public is normally permitted, the SCA agents may inspect the Facility without giving prior notice to the Tribe or the Commission.

6. Any suspected or claimed violations of this Compact or law shall be directed in writing to the Commission; the SCA agents, in conducting the functions assigned them under this Compact, shall not unreasonably interfere with the functioning of any Facility.

7. Before the SCA agents enter any nonpublic area of a Facility, they shall provide photographic identification to the Commission. The SCA agents shall be accompanied in nonpublic areas of the Facility by a Commission officer. Prior notice or concurrent notice by the SCA to the Commission is required to assure that a Commission officer is available to accompany the SCA agents at all times.

8. There is no limit to the number of times or opportunities that the SCA may inspect any covered games or gaming devices in operation at a Facility on a random basis to confirm that the operation and play of the games or devices conform to manufacturer's technical standards or to the standards specified in the compact.

9. There is no limit to the number of times the SCA may review internal controls and violations by a Facility.

10. All gaming machines on the premises of each Facility will be connected to a central computerized reporting and auditing system on the gaming facility premises. The system shall:

(a) Collect on a continual basis the unaltered activity of each gaming machine in use at the gaming facility.

(b) Provide access to the state by a dedicated telecommunications connection, on a "read-only" basis, upon entry of appropriate security codes, and permit access to and downloads of the wager and payout data of each machine, electronically captured by the central computer. However, the compact may not authorize the state to alter or affect the operation of any gaming machine or other device on the premises of the authorized gaming facility or the data provided to the central computer.

(c) Be constructed and installed at the Tribe's expense to provide electronic access to the state for the machine wager and payout data collected by the central computer.

(d) Be designed in conjunction with the state and the Tribe's technical staff so as to preserve the integrity of the system and the data contained therein, to minimize any possibility of unauthorized access to the system or tampering with the data, and to minimize any access by the state to information other than machine wager and payout data residing in the central reporting and auditing system.

C. Subject to the provisions herein, agents of the SCA shall have the right to review, request, and receive copies of documents of the Facility related to its conduct of Covered Games. The review and copying of such documents shall be during normal business hours unless otherwise allowed by the Tribe at the Tribe's discretion. The Tribe shall not refuse said inspection and copying of such documents, provided that the inspectors may not require copies of documents in such volume that it unreasonably interferes with the normal functioning of the Facilities or Covered Games. To the extent that the Tribe provides the State with information which the Tribe claims to be confidential and proprietary, or a trade secret, the Tribe shall clearly mark such information with the following designation: "Trade Secret, Confidential and Proprietary." If the State receives a request under Chapter 119, Florida Statutes, that would include such designated information, the State shall promptly notify the Tribe of such a request. The SCA may provide copies of tribal documents to federal law enforcement and other State agencies or State consultants that the State deems reasonably necessary in order to conduct or complete any investigation of suspected criminal activity in connection with the Tribe's Covered Games or the operation of the Facilities or in order to assure the Tribe's compliance with this Compact.

D. At the completion of any SCA inspection or investigation, the SCA may forward a written report thereof to the Commission, containing all pertinent, nonconfidential, nonproprietary information regarding any violation of applicable laws or this Compact which was discovered during the inspection or investigation unless disclosure thereof would adversely impact an investigation of suspected criminal activity. Nothing herein prevents the SCA from contacting tribal or federal law enforcement authorities for suspected criminal wrongdoing involving the Commission.

E. Except as expressly provided in this Compact, nothing in this Compact shall be deemed to authorize the State to regulate the Tribe's government, including the Commission, or to interfere in any way with the Tribe's selection of its governmental officers, including members of the Commission.

PART IX.

JURISDICTION.—The obligations and rights of the State and the Tribe under this Compact are contractual in nature, and are to be construed and enforced in accordance with the laws of the State of Florida. This Compact shall not alter tribal, federal, or state civil adjudicatory or criminal jurisdiction in any way.

PART X.

LICENSING.—The Tribe and the Commission shall comply with the licensing and hearing requirements set forth in 25 C.F.R. Parts 556 and 558, as well as the applicable licensing and hearing requirements set forth in Articles IV-VI of the Seminole Tribal Gaming Code. The Commission shall notify the SCA of any disciplinary hearings or revocation or suspension of licenses.

PART XI.

PAYMENTS TO THE STATE OF FLORIDA.—

A. The parties acknowledge and recognize that this Compact provides the Tribe with partial but substantial exclusivity and other valuable consideration consistent with the goals of the Indian Gaming Regulatory Act, including special opportunities for tribal economic development through gaming within the external boundaries of Florida with respect to the play of Covered Games. In consideration thereof, the Tribe covenants and agrees, subject to the conditions agreed upon in Part XII. of this Compact, to make Payments to the State derived from Net Win as set forth in Section B. The Tribe further agrees to convert all of its Class II video bingo terminals (or their equivalents) to Class III slot machines within twenty-four (24) months after the Effective Date of this Compact, or the Payment to the State shall be calculated as if the conversion has been completed, whether or not the Tribe has fully executed its conversion. The Tribe further agrees that it will not purchase or lease any new Class II video bingo terminals (or their equivalents) after the Effective Date of this Compact.

B. Payment schedule.—Subject to the provisions in this Part of the Compact, and subject to the limitations agreed upon in Part XII. of the Compact, the amounts paid by the Tribe to the State shall be calculated as follows:

1. For each Revenue Sharing Cycle, the Tribe agrees to pay not less than a Guaranteed Minimum Payment of One Hundred Fifty Million Dollars ($150,000,000) if the Revenue Share calculated for that Revenue Sharing Cycle under subsection 3., below, is less than the Guaranteed Minimum Payment.

2. All Guaranteed Minimum Payments shall be deducted from and credited toward the Revenue Share in each Revenue Sharing Cycle set forth below in subsection 3.

3. For each Revenue Sharing Cycles, to the extent that the Revenue Share exceeds the Guaranteed Minimum Payment for each Revenue Sharing Cycle, the Tribe agrees, as further provided in subsection 4., to pay a Revenue Share for that Revenue Sharing Cycle equal to the total amount

calculated from the operation and play of Covered Games from each Revenue Sharing Cycle as follows:

(a) Twelve percent (12%) of all amounts up to Two and one half Billion Dollars ($2,500,000,000) of Net Win received by the Tribe from the operation and play of Covered Games from each Revenue Sharing Cycle;

(b) Fifteen percent (15%) of all amounts between Two and one half Billion and One Dollars ($2,500,000,001) and Three Billion Dollars ($3,000,000,000) of Net Win received by the Tribe from the operation and play of Covered Games from each Revenue Sharing Cycle;

(c) Twenty percent (20%) of all amounts between Three Billion and One Dollar ($3,000,000,001) and Four Billion Dollars ($4,000,000,000) of Net Win received by the Tribe from the operation and play of Covered Games from each Revenue Sharing Cycle;

(d) Twenty-two and one half percent (22.5%) of all amounts between Four Billion and One Dollar ($4,000,000,001) and Four and one half Billion Dollars ($4,500,000,000) of Net Win Received by the Tribe from the operation and play of Covered Games from each Revenue Sharing Cycle; and

(e) Twenty-five percent (25%) of all amounts over Four and one half Billion Dollars ($4,500,000,000) of Net Win received by the Tribe from the operation and play of Covered Games from each Revenue Sharing Cycle.

4.(a) On or before the fifteenth day of the month following the first month of the Revenue Sharing Cycle, the Tribe will remit to the State the greater amount of eight and one-third percent (8.3 percent) of the estimated annual Revenue Share or eight and one-third percent (8.3 percent) of the Guaranteed Minimum Payment ("the monthly payment").

(b) The Tribe will make available to the State at the time of the monthly payment the basis for the calculation of the Payment.

(c) Each month the Tribe will internally "true up" the calculation of the estimated Revenue Share based on the Tribe's un-audited financial statements related to Covered Games.

5.(a) On or before the forty-fifth day after the third month, sixth month, ninth month, and twelfth month of each Revenue Sharing Cycle, provided that the twelve (12) month period does not coincide with the Tribe's fiscal year end date as indicated in paragraph (c), the Tribe will provide the State with an audit report by its independent auditors as to the accuracy of the annual Revenue Share calculation.

(b) For each quarter of these Revenue Sharing Cycles the Tribe will engage its independent auditors to conduct a review of the un-audited net revenue from Covered Games. On or before the one hundred and twentieth day after the end of the Tribe's fiscal year, the Tribe will require its independent auditors to provide an audit report to verify Net Win for Covered Games and the related Payment of the annual Revenue Share to the SCA for State review.

(c) If the twelfth month of each Revenue Sharing Cycle does not coincide with the Tribe's fiscal year, the Tribe will require its independent auditors to deduct Net Win from Covered Games for any of the months that are outside of the Revenue Sharing Cycle and to include Net Win from Covered Games for those months which fall outside of the Tribe's audit period but fall within the Revenue Sharing Cycle, prior to issuing the audit report.

(d) No later than thirty (30) calendar days after the day the audit report is issued, the Tribe will remit to the State any underpayment of the annual Revenue Share, and the State at its discretion will either reimburse to the Tribe any overpayment of the annual Revenue Share or authorize the overpayment to be deducted from the next monthly payment.

C. Payments pursuant to Sections A. and B. above shall be made to the State via electronic funds transfer in a manner directed by the SCA for immediate transfer into the Educational Enhancement Trust Fund of the Department of Education. Payments will be due in accordance with the Payment Schedule set forth in Section B. The appropriation of any Payments received by the State pursuant to this Compact lies within the exclusive prerogative of the Legislature.

D. The Annual Oversight Assessment to reimburse the State for the actual costs of the operation of the SCA to perform its monitoring functions as defined in this Compact shall be determined and paid in quarterly installments within thirty (30) calendar days of receipt by the Tribe of an invoice from the SCA. The Tribe reserves the right to audit the invoices on an annual basis, a copy of which will be provided to the SCA, and any discrepancies found therein shall be reconciled within forty-five (45) calendar days of receipt of the audit by the SCA. Out-of-pocket expenses to be incurred by the Governor or his designee performing functions of the SCA unless and until the SCA is designated by the Legislature shall be advanced by the Tribe upon submission of properly documented requests.

E. As provided for 25 U.S.C. s. 2710(b)(2)(B)(v), the Tribe agrees to pay to the State an additional amount equal to three percent (3 percent) of the annual amount set forth in Section B. of this Part, which funds shall be used for the purposes of offsetting the impacts of the Tribe's facilities on the operations of local governments.

F. Any moneys remitted by the Tribe before the effective date of this Compact shall be deemed forfeited by the Tribe and released to the State without further obligation or encumbrance. Acceptance and appropriation of such funds does not legitimize, validate, or otherwise ratify any previously proposed compact or the operation of class III games by the Tribe for any period prior to the effective date of this Compact.

G. Except as expressly provided in this Part, nothing in this Compact shall be deemed to require the Tribe to make payments of any kind to the State or any of its agencies.

PART XII.

REDUCTION OF TRIBAL PAYMENTS BECAUSE OF LOSS OF EXCLUSIVITY OR OTHER CHANGES IN FLORIDA LAW.—The intent of this

Part is to provide the Tribe with the right to operate Covered Games on an exclusive basis as provided in this compact, subject to the exceptions and provisions set forth below.

A. If Class III gaming as defined in this Compact that is not presently authorized by or under Florida law is authorized for any location within the State of Florida that is under the jurisdiction of the State and Tribal Net Win plus revenues from its remaining Class II video bingo terminals (or their equivalents) within its Facilities statewide drops below $1.37 billion, the Payments due the State pursuant to Part XI., Sections A. and B. of this Compact shall be reduced based on the proportion of net win below $1.37 billion. The Payments due the State pursuant to Part XI., Sections A. and B. of this Compact shall resume in full if the Tribe's annual Net Win plus revenues from its remaining Class II video bingo terminals (or their equivalents) within its Facilities statewide again reaches or exceeds $1.37 billion.

B. The following are exceptions to the exclusivity provisions of Section A. above.

1. Any Class III gaming authorized by a compact between the State and any other federally recognized tribe pursuant to the Indian Gaming Regulatory Act will not be a breach or other violation of the exclusivity provisions set forth in Section A. above.

2. The conduct of illegal or otherwise unauthorized gaming within the State shall not be considered a breach or other violation of the exclusivity provisions set forth in Section A. above.

3. Any Class III slot machine gaming authorized after the effective date of this compact for pari-mutuel facilities in Miami-Dade County or Broward County will not be a breach or violation of the exclusivity provisions set forth in Section A. above.

4. Any historic racing machines, electronic bingo machines, and pari-mutuel wagering activities at licensed pari-mutuel facilities authorized after the effective date of this compact will not be a breach or violation of the exclusivity provisions set forth in Section A. above.

C. Revenue sharing by the Tribe may not be reduced or eliminated by the existence of any gaming activities being conducted in Florida at the time this compact is ratified which are illegal or are of unsettled legal status.

D. If the Florida Constitution is amended to repeal the slot machine amendment in s. 23, Article X of the State Constitution, the Legislature authorizes the Seminoles to continue to offer the play of covered games under the terms of the compact authorized pursuant to this section during the remainder of the term of the compact.

E. To the extent that the Tribe's ongoing Payment obligations to the State pursuant to Part XI., Sections A. and B. of this Compact are reduced, any outstanding Payments that would have been due the State from the Tribe's Facilities prior to the event authorizing the reduction shall be made within thirty (30) business days after cessation.

F. Any reduction of Payments authorized under this Compact shall not excuse the Tribe from continuing to comply with all other provisions of this Compact, including continuing to pay the State the Annual Oversight Assessment as set forth in Part XI., Section C. of this Compact. Furthermore, the State shall continue to have the right to monitor the Tribe's compliance with the Compact.

G. In the event that revenue sharing payments to the State made pursuant to Part XI., Sections A. and B. are reduced under this Part, the annual amount payable to the State for the impacts to local governments under Part XI., Section E. shall be calculated as the amount paid for the last full revenue sharing year. Such payments shall continue to be calculated in such manner until the revenue sharing payments under Part XI., Sections A. and B. are restored.

H. Nothing in this Compact is intended to affect the ability of the State Legislature to enact laws either further restricting or expanding gambling on non-tribal lands.

PART XIII.

DISPUTE RESOLUTION.—In the event that either party to this Compact believes that the other party has failed to comply with any requirements of this Compact, or in the event of any dispute hereunder, including, but not limited to, a dispute over the proper interpretation of the terms and conditions of this Compact, the goal of the Parties is to resolve all disputes amicably and voluntarily whenever possible. In pursuit of this goal, the following procedures may be invoked:

A. A party asserting noncompliance or seeking an interpretation of this Compact first shall serve written notice on the other party. The notice shall identify the specific Compact provision alleged to have been violated or in dispute and shall specify in detail the asserting party's contention and any factual basis for the claim. Representatives of the Tribe and State shall meet within thirty (30) calendar days of receipt of notice in an effort to resolve the dispute, unless they mutually agree to extend this period.

B. A party asserting noncompliance or seeking an interpretation of this Compact under this Part shall be deemed to have certified that to the best of the party's knowledge, information, and belief formed after reasonable inquiry, the claim of noncompliance or the request for interpretation of this Compact is warranted and made in good faith and not for any improper purpose, such as to harass or to cause unnecessary delay or the needless incurring of the cost of resolving the dispute.

C. If the parties are unable to resolve a dispute through the process specified in Sections A. and B. of this Part, the parties may agree to mediation under the Commercial Mediation Procedures of the American Arbitration Association (AAA), or any such successor procedures, provided that such mediation does not last more than sixty (60) calendar days, unless an extension to this time limit is mutually agreed to by the parties. The disputes available for resolution through mediation are limited to matters arising under the terms of this Compact.

D. If the parties are unable to resolve a dispute through the process specified in Sections A., B., and C. of this Part, notwithstanding any other provision of law, the State may bring an action against the Tribe in any court of competent jurisdiction regarding any dispute arising under this Compact. The State is entitled to all remedies available under law or in equity.

E. For purposes of actions based on disputes between the State and the Tribe that arise under this Compact and the enforcement of any judgment resulting therefore, the Tribe expressly waives its right to assert sovereign immunity from suit and from enforcement of any ensuing judgment, and further consents to be sued in federal or state court, including the rights of appeal, as the case may be, provided that (i) the dispute is limited solely to issues arising under this Compact, (ii) there is no claim for monetary damages (except that payment of any money required by the terms of this Compact, as well as injunctive relief or specific performance enforcing a provision of this Compact requiring the payment of money to the State may be sought), and (iii) nothing herein shall be construed to constitute a waiver of the sovereign immunity of the Tribe with respect to any third party that is made a party or intervenes as a party to the action.

F. The State may not be precluded from pursuing any mediation or judicial remedy against the Tribe on the grounds that the State has failed to exhaust its Tribal administrative remedies.

G. Notwithstanding anything to the contrary in this Part, any failure of the Tribe to remit the Payments pursuant to the terms of Part XI. will entitle the State to seek mandatory injunctive relief in federal or state court, at the State's election, to compel the Payments after exhausting the dispute resolution process in Sections A. and B. of this Part.

H. The State shall be entitled to seek immediate injunctive relief in the event the Tribe offers or continues to offer Class III games not authorized under this Compact.

I. Notwithstanding any other provision of law to the contrary, if the parties are unable to resolve a dispute through the process specified in Sections A., B., and C., of this Part, provided that the State does not exercise its option to file an action against the Tribe under Section D., either party may invoke presuit nonbinding arbitration to resolve any dispute between the parties arising under the compact.

(a) The party demanding the presuit nonbinding arbitration shall immediately ask the American Arbitration Association to furnish a list of 11 arbitrators, each of whom shall have at least 5 years of commercial arbitration experience and no financial interest in or prior relationship with any of the parties or their affiliated or related entities or principals.

(b) The state and the Tribe shall each select a single arbitrator from the list provided by the American Arbitration Association within 10 days after receipt, and the individuals so selected shall choose one additional arbitrator from the list within the next 10 days. The three arbitrators selected shall constitute the panel that shall arbitrate the dispute between the parties

pursuant to the American Arbitration Association Commercial Arbitration Rules and Chapter 682, Florida Statutes.

(c) At the conclusion of the proceedings, which shall be no later than 90 days after the demand for arbitration, the arbitration panel shall present to the parties a proposed agreement that the majority of the panel believes equitably balances the rights, interests, obligations, and reasonable expectations of the parties.

(d) The parties shall, within 10 days after the arbitration panel's issuance of the proposed agreement, enter into such agreement or notify the opposing party of its intent to reject the agreement and proceed with a lawsuit to resolve the dispute.

(e) Each party shall pay its respective costs of arbitration and shall pay one-half of the costs of the arbitration panel.

(f) The arbitrator's decision may not be enforced in any court.

J. If the arbitrator finds that the state is not in compliance with the Compact, the State shall have the opportunity to challenge the decision of the arbitrators by bringing an independent action against the Tribe in federal district court ("federal court") regarding the dispute underlying the arbitration in a district in which the federal court has venue. If the federal court declines to exercise jurisdiction, or federal precedent exists that rules that the federal court would not have jurisdiction over such a dispute, the State may bring the action in the Courts of the Seventeenth Judicial Circuit in and for Broward County, Florida. The State is entitled to all rights of appeal permitted by law in the court system in which the action is brought. The State shall be entitled to de novo review of the arbitrators' decision under this Section. For the purpose of this Section, the Tribe agrees to waive its immunity as provided in Section E. of this Part.

PART XIV.

CONSTRUCTION OF COMPACT; SEVERANCE; FEDERAL APPROVAL.—

A. If any provision of this Compact relating to the covered games, revenue sharing payments, suspension or reduction of payments, or exclusivity is held by a court of competent jurisdiction to be invalid, this Compact will become null and void. If any provision, part, section, or subsection of this Compact is determined by a federal district court in Florida or other court of competent jurisdiction to impose a mandatory duty on the State of Florida that requires authorization by the Florida Legislature, the duty conferred by that particular provision, part, section, or subsection shall no longer be mandatory but will be deemed to be a matter within the discretion of the Governor or other State officers, subject to such legislative approval as may be required by Florida law.

B. It is understood that Part XII. of this Compact, which provides for a reduction of the Payments to the State under Part XI., does not create any duty on the State of Florida but only a remedy for the Tribe if Class III

gambling under state jurisdiction is expanded by operation of law and Tribal net win falls below $1.37 billion.

C. This Compact is intended to meet the requirements of the Indian Gaming Regulatory Act as it reads on the Effective Date of this Compact, and where reference is made to the Indian Gaming Regulatory Act, or to an implementing regulation thereof, the reference is deemed to have been incorporated into this document as if set in full. Subsequent changes to the Indian Gaming Regulatory Act that diminish the rights of the State or Tribe may not be applied retroactively to alter the terms of this Compact, except to the extent that federal law validly mandates that retroactive application without the respective consent of the State or Tribe. In the event that a subsequent change to the Indian Gaming Regulatory Act, or to an implementing regulation thereof, mandates the retroactive application without the respective consent of the state or Tribe, the parties agree that this Compact is void if the subsequent change materially alters the minimum terms and standards in the compact relating to the covered games, revenue sharing payments, suspension or reduction of payments, or exclusivity.

D. Neither the presence in another tribal-state compact of language that is not included in this Compact, nor the absence in this Compact of language that is present in another tribal-state compact shall be a factor in construing the terms of this Compact.

E. Upon Legislative ratification, the parties shall cooperate and use their best efforts in seeking approval of this Compact from the Secretary of the Interior and the parties further agree that, upon ratification by the Legislature, the Tribe shall submit the Compact to the Secretary forthwith.

PART XV.

NOTICES.—All notices required under this Compact shall be given by (i) certified mail, return receipt requested, (ii) commercial overnight courier service, or (iii) personal delivery, to the following persons:

A. The Governor.

B. The General Counsel to the Governor.

C. The Chair of the Seminole Tribe of Florida.

D. The General Counsel to the Seminole Tribe of Florida.

PART XVI.

EFFECTIVE DATE AND TERM.—

A. This Compact shall become effective upon ratification by the Legislature and subsequent approval of the Compact by the Secretary of the Interior as a tribal-state compact within the meaning of the Indian Gaming Regulatory Act either by publication of the notice of approval in the Federal Register or by operation of law under 25 U.S.C. s. 2710(d)(7)(C).

B. This Compact shall have a term of fifteen (15) years, beginning on the first day of the month following the month in which the Compact becomes

effective under Section A. of this Part. This Compact shall remain in full force and effect until the sooner of expiration of its terms or until terminated by mutual agreement of the parties.

PART XVII.

AMENDMENT OF COMPACT AND REFERENCES.—

A. Amendment of this Compact may only be made by written agreement of the parties, subject to approval by the Secretary either by publication of the notice of approval in the Federal Register or by operation of law under 25 U.S.C. s. 2710(d)(7)(C).

B. Legislative ratification is required for any amendment to the Compact that is not consistent with the terms and standards set forth in ss. 285.710 and 285.711, Florida Statutes, or that alters the provisions relating to the covered games, the amount of revenue sharing payments, suspension or reduction in payments, or exclusivity.

C. Changes in the provisions of tribal ordinances, regulations, and procedures referenced in this Compact may be made by the Tribe with thirty (30) calendar days advance notice to the State. If the State has an objection to any change to the tribal ordinance, regulation, or procedure which is the subject of the notice on the ground that its adoption would be a violation of the Tribe's obligations under this Compact, the State may invoke the dispute resolution provisions provided in Part XIII. of this Compact.

PART XVIII.

MISCELLANEOUS.—

A. Except to the extent expressly provided in this Compact, this Compact is not intended to, and shall not be construed to, create any right on the part of a third party to bring an action to enforce any of its terms.

B. If, after the Effective Date of this Compact, the State enters into a compact with any other Tribe that contains more favorable terms with respect to any of the provisions of this Compact and the U.S. Secretary of the Interior approves such compact, either by publication of the notice of approval in the Federal Register or by operation of law under 25 U.S.C. s. 2710(d)(7)(C), upon tribal notice to the State and the Secretary, this Compact shall be deemed amended to contain the more favorable terms, unless the State objects to the change and can demonstrate, in a proceeding commenced under Part XIII., that the terms in question are not more favorable.

C. Upon the occurrence of certain events beyond the Tribe's control, including acts of God, war, terrorism, fires, floods, or accidents causing damage to or destruction of one or more of its Facilities or property necessary to operate the Facility(ies), (i) the Tribe's obligation to pay the Guaranteed Minimum Payment described in Part XI. shall be reduced pro rata to reflect the percentage of the total Net Win lost to the Tribe from the impacted Facility(ies) and (ii) the Net Win specified under Part XI., Section B., for purposes of determining whether the Tribe's payments described in Part XI. shall be reduced pro rata to reflect the percentage of the total Net Win

lost to the Tribe from the impacted Facility(ies). The foregoing shall not excuse any obligations of the Tribe to make Payments to the State as and when required hereunder or in any related document or agreement.

D. The Tribe and the State recognize that opportunities to engage in gaming in smoke-free or reduced-smoke environments provides both health and other benefits to Patrons, and the Tribe has already instituted a non-smoking section at its Seminole Hard Rock Hotel & Casino – Hollywood Facility. As part of its continuing commitment to this issue, the Tribe will:

1. Install and utilize a ventilation system at all new construction at its Facilities, which system exhausts tobacco smoke to the extent reasonably feasible under existing state-of-the-art technology;

2. Designate a smoke-free area for slot machines at all new construction at its Facilities; and

3. Install non-smoking, vented tables for table games in its Facilities sufficient to respond to demand for such tables.

E. The annual average minimum pay-out of all slot machines in each Facility shall not be less than eighty-five percent (85 percent).

F. Nothing in this Compact shall alter any of the existing memoranda of understanding, contracts, or other agreements entered into between the Tribe and any other federal, state, or local governmental entity.

G. The Tribe currently has as set forth in its Employee Fair Treatment and Dispute Resolution Policy, and agrees to maintain, standards that are comparable to the standards provided in federal laws and State laws forbidding employers from discrimination in connection with the employment of persons working at the Facilities on the basis of race, color, religion, national origin, gender, age, disability/handicap, or marital status. Nothing herein shall preclude the Tribe from giving preference in employment, promotion, seniority, lay-offs, or retention to members of the Tribe and other federally recognized tribes. The Tribe will comply with all federal and state labor laws, where applicable. The Tribe shall provide a process for employee disputes which permits the employee to be represented by an attorney or other legally authorized representative. The process shall permit the employee to use language interpreters, including interpreters for the deaf or hard of hearing.

H. The Tribe agrees to use its best efforts to spend its revenue in this state to acquire goods and services from Florida-based vendors, professionals, and material and service providers.

Section 3. Subsection (3) of section 1013.737, Florida Statutes, is amended to read:

1013.737 The Class Size Reduction Lottery Revenue Bond Program.—There is established the Class Size Reduction Lottery Revenue Bond Program.

(3) The state hereby covenants with the holders of such revenue bonds that it will not take any action that will materially and adversely affect the rights of such holders so long as bonds authorized by this section are outstanding. The state does hereby additionally authorize the establishment of a covenant in connection with the bonds which provides that any additional funds received by the state from new or enhanced lottery programs;~~,~~ video gaming; banking card games, including baccarat, chemin de fer, or blackjack; electronic or electromechanical facsimiles of any game of chance; casino games; slot machines;~~,~~ or other similar activities will first be available for payments relating to bonds pledging revenues available pursuant to s. 24.121(2), prior to use for any other purpose.

Section 4. Subsections (11) and (38) of section 550.002, Florida Statutes, are amended to read:

550.002 Definitions.—As used in this chapter, the term:

(11) "Full schedule of live racing or games" means, for a greyhound or jai alai permitholder, the conduct of a combination of at least 100 live evening or matinee performances during the preceding year; for a permitholder who has a converted permit or filed an application on or before June 1, 1990, for a converted permit, the conduct of a combination of at least 100 live evening and matinee wagering performances during either of the 2 preceding years; for a jai alai permitholder who does not operate slot machines in its pari-mutuel facility, who has conducted at least 100 live performances per year for at least 10 years after December 31, 1992, and whose handle on live jai alai games conducted at its pari-mutuel facility has been less than $4 million per state fiscal year for at least 2 consecutive years after June 30, 1992, the conduct of a combination of at least 40 live evening or matinee performances during the preceding year; for a jai alai permitholder who operates slot machines in its pari-mutuel facility, the conduct of a combination of at least 150 performances during the preceding year; for a harness permitholder, the conduct of at least 100 live regular wagering performances during the preceding year; for a quarter horse permitholder at its facility unless an alternative schedule of at least 20 live regular wagering performances is agreed upon by the permitholder and either the Florida Quarter Horse Racing Association or the horsemen's association representing the majority of the quarter horse owners and trainers at the facility and filed with the division along with its annual date application, in the 2010-2011 fiscal year, the conduct of at least 20 regular wagering performances, in the 2011-2012 and 2012-2013 fiscal years, the conduct of at least 30 live regular wagering performances, and for every fiscal year after the 2012-2013 fiscal year, the conduct of at least 40 live regular wagering performances ~~during the preceding year~~; for a quarter horse permitholder leasing another licensed racetrack, the conduct of 160 events at the leased facility; and for a thoroughbred permitholder, the conduct of at least 40 live regular wagering performances during the preceding year. For a permitholder which is restricted by statute to certain operating periods within the year when other members of its same class of permit are authorized to operate throughout the year, the specified number of live performances which constitute a full schedule of live racing or games shall be adjusted pro rata in accordance with the relationship between its authorized operating period and the full calendar year and the

resulting specified number of live performances shall constitute the full schedule of live games for such permitholder and all other permitholders of the same class within 100 air miles of such permitholder. A live performance must consist of no fewer than eight races or games conducted live for each of a minimum of three performances each week at the permitholder's licensed facility under a single admission charge.

(38) "Year," for purposes of determining a full schedule of live racing, means the state fiscal ~~calendar~~ year.

Section 5. Subsection (3) of section 550.01215, Florida Statutes, is amended to read:

550.01215 License application; periods of operation; bond, conversion of permit.—

(3) ~~Except as provided in s. 550.5251 for thoroughbred racing,~~ The division shall issue each license no later than March 15. Each permitholder shall operate all performances at the date and time specified on its license. The division shall have the authority to approve minor changes in racing dates after a license has been issued. The division may approve changes in racing dates after a license has been issued when there is no objection from any operating permitholder located within 50 miles of the permitholder requesting the changes in operating dates. In the event of an objection, the division shall approve or disapprove the change in operating dates based upon the impact on operating permitholders located within 50 miles of the permitholder requesting the change in operating dates. In making the determination to change racing dates, the division shall take into consideration the impact of such changes on state revenues.

Section 6. Subsection (14) is added to section 550.054, Florida Statutes, to read:

550.054 Application for permit to conduct pari-mutuel wagering.—

(14)(a) Any holder of a permit to conduct jai alai may apply to the division to convert such permit to a permit to conduct greyhound racing in lieu of jai alai if:

1. Such permit is located in a county in which the division has issued only two pari-mutuel permits pursuant to this section;

2. Such permit was not previously converted from any other class of permit; and

3. The holder of the permit has not conducted jai alai games during a period of 10 years immediately preceding his or her application for conversion under this subsection.

(b) The division, upon application from the holder of a jai alai permit meeting all conditions of this section, shall convert the permit and shall issue to the permitholder a permit to conduct greyhound racing. A permitholder of a permit converted under this section shall be required to apply for

and conduct a full schedule of live racing each fiscal year to be eligible for any tax credit provided by this chapter. The holder of a permit converted pursuant to this subsection or any holder of a permit to conduct greyhound racing located in a county in which it is the only permit issued pursuant to this section who operates at a leased facility pursuant to s. 550.475 may move the location for which the permit has been issued to another location within a 30-mile radius of the location fixed in the permit issued in that county, provided the move does not cross the county boundary and such location is approved under the zoning regulations of the county or municipality in which the permit is located, and upon such relocation may use the permit for the conduct of pari-mutuel wagering and the operation of a cardroom. The provisions of s. 550.6305(9)(d) and (f) shall apply to any permit converted under this subsection and shall continue to apply to any permit which was previously included under and subject to such provisions before a conversion pursuant to this section occurred.

Section 7. Paragraph (b) of subsection (1) and subsection (5) of section 550.0951, Florida Statutes, are amended, and subsection (6) of that section is reenacted, to read:

550.0951 Payment of daily license fee and taxes; penalties.—

(1)

(b) Each permitholder that cannot utilize the full amount of the exemption of $360,000 or $500,000 provided in s. 550.09514(1) or the daily license fee credit provided in this section may, after notifying the division in writing, elect once per state fiscal year on a form provided by the division to transfer such exemption or credit or any portion thereof to any greyhound permitholder which acts as a host track to such permitholder for the purpose of intertrack wagering. Once an election to transfer such exemption or credit is filed with the division, it shall not be rescinded. The division shall disapprove the transfer when the amount of the exemption or credit or portion thereof is unavailable to the transferring permitholder or when the permitholder who is entitled to transfer the exemption or credit or who is entitled to receive the exemption or credit owes taxes to the state pursuant to a deficiency letter or administrative complaint issued by the division. Upon approval of the transfer by the division, the transferred tax exemption or credit shall be effective for the first performance of the next payment ~~bi-weekly pay~~ period as specified in subsection (5). The exemption or credit transferred to such host track may be applied by such host track against any taxes imposed by this chapter or daily license fees imposed by this chapter. The greyhound permitholder host track to which such exemption or credit is transferred shall reimburse such permitholder the exact monetary value of such transferred exemption or credit as actually applied against the taxes and daily license fees of the host track. The division shall ensure that all transfers of exemption or credit are made in accordance with this subsection and shall have the authority to adopt rules to ensure the implementation of this section.

(5) PAYMENT AND DISPOSITION OF FEES AND TAXES.—Payments ~~Payment for the admission tax, tax on handle, and the breaks tax~~ imposed

by this section shall be paid to the division. The division shall deposit these sums with the Chief Financial Officer, to the credit of the Pari-mutuel Wagering Trust Fund, hereby established. The permitholder shall remit to the division payment for the daily license fee, the admission tax, the tax on handle, and the breaks tax. Such payments shall be remitted by 3 p.m. Wednesday of each week for taxes imposed and collected for the preceding week ending on Sunday. Beginning on July 1, 2012, such payments shall be remitted by 3 p.m. on the 5th day of each calendar month for taxes imposed and collected for the preceding calendar month. If the 5th day of the calendar month falls on a weekend, payments shall be remitted by 3 p.m. the first Monday following the weekend. Permitholders shall file a report under oath by the 5th day of each calendar month for all taxes remitted during the preceding calendar month. Such payments shall be accompanied by a report under oath showing the total of all admissions, the pari-mutuel wagering activities for the preceding calendar month, and such other information as may be prescribed by the division.

(6) PENALTIES.—

(a) The failure of any permitholder to make payments as prescribed in subsection (5) is a violation of this section, and the permitholder may be subjected by the division to a civil penalty of up to $1,000 for each day the tax payment is not remitted. All penalties imposed and collected shall be deposited in the General Revenue Fund. If a permitholder fails to pay penalties imposed by order of the division under this subsection, the division may suspend or revoke the license of the permitholder, cancel the permit of the permitholder, or deny issuance of any further license or permit to the permitholder.

(b) In addition to the civil penalty prescribed in paragraph (a), any willful or wanton failure by any permitholder to make payments of the daily license fee, admission tax, tax on handle, or breaks tax constitutes sufficient grounds for the division to suspend or revoke the license of the permitholder, to cancel the permit of the permitholder, or to deny issuance of any further license or permit to the permitholder.

Section 8. Paragraph (e) of subsection (2) and paragraph (b) of subsection (3) of section 550.09511, Florida Statutes, are amended to read:

550.09511 Jai alai taxes; abandoned interest in a permit for nonpayment of taxes.—

(2) Notwithstanding the provisions of s. 550.0951(3)(b), wagering on live jai alai performances shall be subject to the following taxes:

(e) The payment of taxes pursuant to paragraphs (b), (c), and (d) shall be calculated and commence beginning the day ~~after the biweekly period~~ in which the permitholder is first entitled to the reduced rate specified in this section and the report of taxes required by s. 550.0951(5) is submitted to the division.

(3)

(b) The payment of taxes pursuant to paragraph (a) shall be calculated and commence beginning the day ~~after the biweekly period~~ in which the permitholder is first entitled to the reduced rate specified in this subsection.

Section 9. Subsection (1) of section 550.09514, Florida Statutes, is amended to read:

550.09514 Greyhound dogracing taxes; purse requirements.—

(1) Wagering on greyhound racing is subject to a tax on handle for live greyhound racing as specified in s. 550.0951(3). However, each permitholder shall pay no tax on handle until such time as this subsection has resulted in a tax savings per state fiscal year of $360,000. Thereafter, each permitholder shall pay the tax as specified in s. 550.0951(3) on all handle for the remainder of the permitholder's current race meet~~, and the tax must be calculated and commence beginning the day after the biweekly period in which the permitholder reaches the maximum tax savings per state fiscal year provided in this section~~. For the three permitholders that conducted a full schedule of live racing in 1995, and are closest to another state that authorizes greyhound pari-mutuel wagering, the maximum tax savings per state fiscal year shall be $500,000. The provisions of this subsection relating to tax exemptions shall not apply to any charity or scholarship performances conducted pursuant to s. 550.0351.

Section 10. Subsections (1), (2), (5), (6), and (10) of section 550.105, Florida Statutes, are amended to read:

550.105 Occupational licenses of racetrack employees; fees; denial, suspension, and revocation of license; penalties and fines.—

(1) Each person connected with a racetrack or jai alai fronton, as specified in paragraph (2)(a), shall purchase from the division an ~~annual~~ occupational license~~, which license is valid from May 1 until June 30 of the following year~~. All moneys collected pursuant to this section each fiscal year shall be deposited into the Pari-mutuel Wagering Trust Fund. ~~Any person may, at her or his option and~~ Pursuant to the rules adopted by the division, ~~purchase~~ an occupational license may be valid for a period of up to 3 years for a fee that does not exceed ~~if the purchaser of the license pays~~ the full occupational license fee for each of the years for which the license is purchased ~~at the time the 3-year license is requested~~. The occupational license shall be valid during its specified term at any pari-mutuel facility.

(2)(a) The following licenses shall be issued to persons or entities with access to the backside, racing animals, jai alai players' room, jockeys' room, drivers' room, totalisator room, the mutuels, or money room, or to persons who, by virtue of the position they hold, might be granted access to these areas or to any other person or entity in one of the following categories and with ~~scheduled annual~~ fees not to exceed the following amounts for any 12-month period ~~as follows~~:

1. Business licenses: any business such as a vendor, contractual concessionaire, contract kennel, business owning racing animals, trust or estate, totalisator company, stable name, or other fictitious name: $50.

2. Professional occupational licenses: professional persons with access to the backside of a racetrack or players' quarters in jai alai such as trainers, officials, veterinarians, doctors, nurses, EMT's, jockeys and apprentices, drivers, jai alai players, owners, trustees, or any management or officer or director or shareholder or any other professional-level person who might have access to the jockeys' room, the drivers' room, the backside, racing animals, kennel compound, or managers or supervisors requiring access to mutuels machines, the money room, or totalisator equipment: $40.

3. General occupational licenses: general employees with access to the jockeys' room, the drivers' room, racing animals, the backside of a racetrack or players' quarters in jai alai, such as grooms, kennel helpers, leadouts, pelota makers, cesta makers, or ball boys, or a practitioner of any other occupation who would have access to the animals, the backside, or the kennel compound, or who would provide the security or maintenance of these areas, or mutuel employees, totalisator employees, money-room employees, or any employee with access to mutuels machines, the money room, or totalisator equipment or who would provide the security or maintenance of these areas: $10.

The individuals and entities that are licensed under this paragraph require heightened state scrutiny, including the submission by the individual licensees or persons associated with the entities described in this chapter of fingerprints for a Federal Bureau of Investigation criminal records check.

(b) The division shall adopt rules pertaining to pari-mutuel occupational licenses, licensing periods, and renewal cycles.

(5)(a) The division may:

1. Deny a license to or revoke, suspend, or place conditions upon or restrictions on a license of any person who has been refused a license by any other state racing commission or racing authority;

2. Deny, suspend, or place conditions on a license of any person who is under suspension or has unpaid fines in another jurisdiction; if the state racing commission or racing authority of such other state or jurisdiction extends to the division reciprocal courtesy to maintain the disciplinary control.

(b) The division may deny, suspend, revoke, or declare ineligible any occupational license if the applicant for or holder thereof has violated the provisions of this chapter or the rules of the division governing the conduct of persons connected with racetracks and frontons. In addition, the division may deny, suspend, revoke, or declare ineligible any occupational license if the applicant for such license has been convicted in this state, in any other state, or under the laws of the United States of a capital felony, a felony, or an offense in any other state which would be a felony under the laws of this state involving arson; trafficking in, conspiracy to traffic in, smuggling, importing, conspiracy to smuggle or import, or delivery, sale, or distribution of a controlled substance; or a crime involving a lack of good moral character, or has had a pari-mutuel license revoked by this state or any other jurisdiction for an offense related to pari-mutuel wagering.

(c) The division may deny, declare ineligible, or revoke any occupational license if the applicant for such license has been convicted of a felony or misdemeanor in this state, in any other state, or under the laws of the United States, if such felony or misdemeanor is related to gambling or bookmaking, as contemplated in s. 849.25, or involves cruelty to animals. If the applicant establishes that she or he is of good moral character, that she or he has been rehabilitated, and that the crime she or he was convicted of is not related to pari-mutuel wagering and is not a capital offense, the restrictions excluding offenders may be waived by the director of the division.

(d) For purposes of this subsection, the term "convicted" means having been found guilty, with or without adjudication of guilt, as a result of a jury verdict, nonjury trial, or entry of a plea of guilty or nolo contendere. However, the term "conviction" shall not be applied to a crime committed prior to the effective date of this subsection in a manner that would invalidate any occupational license issued prior to the effective date of this subsection or subsequent renewal for any person holding such a license.

(e)~~(d)~~ If an occupational license will expire by division rule during the period of a suspension the division intends to impose, or if a license would have expired but for pending administrative charges and the occupational licensee is found to be in violation of any of the charges, the license may be revoked and a time period of license ineligibility may be declared. The division may bring administrative charges against any person not holding a current license for violations of statutes or rules which occurred while such person held an occupational license, and the division may declare such person ineligible to hold a license for a period of time. The division may impose a civil fine of up to $1,000 for each violation of the rules of the division in addition to or in lieu of any other penalty provided for in this section. In addition to any other penalty provided by law, the division may exclude from all pari-mutuel facilities in this state, for a period not to exceed the period of suspension, revocation, or ineligibility, any person whose occupational license application has been denied by the division, who has been declared ineligible to hold an occupational license, or whose occupational license has been suspended or revoked by the division.

(f)~~(e)~~ The division may cancel any occupational license that has been voluntarily relinquished by the licensee.

(6) In order to promote the orderly presentation of pari-mutuel meets authorized in this chapter, the division may issue a temporary occupational license. The division shall adopt rules to implement this subsection. However, no temporary occupational license shall be valid for more than 90 ~~30~~ days, and no more than one temporary license may be issued for any person in any year.

(10)(a) Upon application for an occupational license, the division may require the applicant's full legal name; any nickname, alias, or maiden name for the applicant; name of the applicant's spouse; the applicant's date of birth, residence address, mailing address, residence address and business phone number, and social security number; disclosure of any felony or any

conviction involving bookmaking, illegal gambling, or cruelty to animals; disclosure of any past or present enforcement or actions by any racing or gaming agency against the applicant; and any information the division determines is necessary to establish the identity of the applicant or to establish that the applicant is of good moral character. Fingerprints shall be taken in a manner approved by the division and then shall be submitted to the Federal Bureau of Investigation, or to the association of state officials regulating pari-mutuel wagering pursuant to the Federal Pari-mutuel Licensing Simplification Act of 1988. The cost of processing fingerprints shall be borne by the applicant and paid to the association of state officials regulating pari-mutuel wagering from the trust fund to which the processing fees are deposited. ~~The division shall require each applicant for an occupational license to have the applicant's signature witnessed and notarized or signed in the presence of a division official.~~ The division, by rule, may require additional information from licensees which is reasonably necessary to regulate the industry. The division may, by rule, exempt certain occupations or groups of persons from the fingerprinting requirements.

(b) All fingerprints required by this section that are submitted to the Department of Law Enforcement shall be retained by the Department of Law Enforcement and entered into the statewide automated fingerprint identification system as authorized by s. 943.05(2)(b) and shall be available for all purposes and uses authorized for arrest fingerprint cards entered into the statewide automated fingerprint identification system pursuant to s. 943.051.

(c) The Department of Law Enforcement shall search all arrest fingerprints received pursuant to s. 943.051 against the fingerprints retained in the statewide automated fingerprint identification system under paragraph (b). Any arrest record that is identified with the retained fingerprints of a person subject to the criminal history screening requirements of this section shall be reported to the division. Each licensee shall pay a fee to the division for the cost of retention of the fingerprints and the ongoing searches under this paragraph. The division shall forward the payment to the Department of Law Enforcement. The amount of the fee to be imposed for performing these searches and the procedures for the retention of licensee fingerprints shall be as established by rule of the Department of Law Enforcement. The division shall inform the Department of Law Enforcement of any change in the license status of licensees whose fingerprints are retained under paragraph (b).

(d) The division shall request the Department of Law Enforcement to forward the fingerprints to the Federal Bureau of Investigation for a national criminal history records check at least once every 5 years following issuance of a license. If the fingerprints of a person who is licensed have not been retained by the Department of Law Enforcement, the person must file a complete set of fingerprints as provided in paragraph (a). The division shall collect the fees for the cost of the national criminal history record check under this paragraph and forward the payment to the Department of Law Enforcement. The cost of processing fingerprints and conducting a criminal history record check under this paragraph for a general occupational license shall be borne by the applicant. The cost of processing fingerprints and

conducting a criminal history record check under this paragraph for a business or professional occupational license shall be borne by the person being checked. The Department of Law Enforcement may invoice the division for the fingerprints submitted each month. Under penalty of perjury, each person who is licensed or who is fingerprinted as required by this section must agree to inform the division within 48 hours if he or she is convicted of or has entered a plea of guilty or nolo contendere to any disqualifying offense, regardless of adjudication.

Section 11. Subsection (6) of section 550.2415, Florida Statutes, is amended to read:

550.2415 Racing of animals under certain conditions prohibited; penalties; exceptions.—

(6)(a) It is the intent of the Legislature that animals that participate in races in this state on which pari-mutuel wagering is conducted and animals that are bred and trained in this state for racing be treated humanely, both on and off racetracks, throughout the lives of the animals.

(b) The division shall, by rule, establish the procedures for euthanizing greyhounds. However, a greyhound may not be put to death by any means other than by lethal injection of the drug sodium pentobarbital. A greyhound may not be removed from this state for the purpose of being destroyed.

(c) It is a violation of this chapter for an occupational licensee to train a greyhound using live or dead animals. A greyhound may not be taken from this state for the purpose of being trained through the use of live or dead animals.

(d) Any act committed by any licensee that would constitute ~~A conviction of~~ cruelty to animals as defined in s. 828.02 ~~pursuant to s. 828.12~~ involving any ~~a racing~~ animal constitutes a violation of this chapter. Imposition of any penalty by the division for violation of this chapter or any rule adopted by the division pursuant to this chapter shall not prohibit a criminal prosecution for cruelty to animals.

(e) The division may inspect any area at a pari-mutuel facility where racing animals are raced, trained, housed, or maintained, including any areas where food, medications, or other supplies are kept, to ensure the humane treatment of racing animals and compliance with this chapter and the rules of the division.

Section 12. Subsection (5) is added to section 550.26165, Florida Statutes, to read:

550.26165 Breeders' awards.—

(5)(a) The awards programs in this chapter, which are intended to encourage thoroughbred breeding and training operations to locate in this state, must be responsive to rapidly changing incentive programs in other states. To attract such operations, it is appropriate to provide greater flexibility to thoroughbred industry participants in this state so that they may design competitive awards programs.

(b) Notwithstanding any other provision of law to the contrary, the Florida Thoroughbred Breeders' Association, as part of its annual plan, may:

1. Pay breeders' awards on horses finishing in first, second, or third place in thoroughbred horse races; pay breeders' awards that are greater than 20 percent and less than 15 percent of the announced gross purse; and vary the rates for breeders' awards, based upon the place of finish, class of race, state or country in which the race took place, and the state in which the stallion siring the horse was standing when the horse was conceived;

2. Pay stallion awards on horses finishing in first, second, or third place in thoroughbred horse races; pay stallion awards that are greater than 20 percent and less than 15 percent of the announced gross purse; reduce or eliminate stallion awards to enhance breeders' awards or awards under subparagraph 3; and vary the rates for stallion awards, based upon the place of finish, class of race, and state or country in which the race took place; and

3. Pay awards from the funds dedicated for breeders' awards and stallion awards to owners of registered Florida-bred horses finishing in first, second, or third place in thoroughbred horse races in this state, without regard to any awards paid pursuant to s. 550.2625(6).

(c) Breeders' awards or stallion awards under this chapter may not be paid on thoroughbred horse races taking place in other states or countries unless agreed to in writing by all thoroughbred permitholders in this state, the Florida Thoroughbred Breeders' Association, and the Florida Horsemen's Benevolent and Protective Association, Inc.

Section 13. Paragraph (e) is added to subsection (6) of section 550.2625, Florida Statutes, to read:

550.2625 Horseracing; minimum purse requirement, Florida breeders' and owners' awards.—

(6)

(e) This subsection governs owners' awards paid on thoroughbred horse races only in this state, unless a written agreement is filed with the division establishing the rate, procedures, and eligibility requirements for owners' awards, including place of finish, class of race, maximum purse, and maximum award, and the agreement is entered into by the permitholder, the Florida Thoroughbred Breeders' Association, and the association representing a majority of the racehorse owners and trainers at the permitholder's location.

Section 14. Section 550.334, Florida Statutes, is amended to read:

550.334 Quarter horse racing; substitutions.—

~~(1) Subject to all the applicable provisions of this chapter, any person who possesses the qualifications prescribed in this chapter may apply to the division for a permit to conduct quarter horse race meetings and racing under this chapter. The applicant must demonstrate that the location or~~

~~locations where the permit will be used are available for such use and that she or he has the financial ability to satisfy the reasonably anticipated operational expenses of the first racing year following final issuance of the permit. If the racing facility is already built, the application must contain a statement, with reasonable supporting evidence, that the permit will be used for quarter horse racing within 1 year after the date on which it is granted; if the facility is not already built, the application must contain a statement, with reasonable supporting evidence, that substantial construction will be started within 1 year after the issuance of the permit. After receipt of an application, the division shall convene to consider and act upon permits applied for. The division shall disapprove an application if it fails to meet the requirements of this chapter. Upon each application filed and approved, a permit shall be issued setting forth the name of the applicant and a statement showing qualifications of the applicant to conduct racing under this chapter. If a favorable referendum on a pari-mutuel facility has not been held previously within the county, then, before a quarter horse permit may be issued by the division, a referendum ratified by a majority of the electors in the county is required on the question of allowing quarter horse races within that county.~~

~~(2) After a quarter horse racing permit has been granted by the division, the department shall grant to the lawful holder of such permit, subject to the conditions of this section, a license to conduct quarter horse racing under this chapter; and the division shall fix annually the time when, place where, and number of days upon which racing may be conducted by such quarter horse racing permitholder. After the first license has been issued to the holder of a permit for quarter horse racing, all subsequent annual applications for a license by a permitholder must be accompanied by proof, in such form as the division requires, that the permitholder still possesses all the qualifications prescribed by this chapter. The division may revoke any permit or license issued under this section upon the willful violation by the licensee of any provision of this chapter or any rule adopted by the division under this chapter. The division shall revoke any quarter horse permit under which no live racing has ever been conducted before July 7, 1990, for failure to conduct a horse meet pursuant to the license issued where a full schedule of horseracing has not been conducted for a period of 18 months commencing on October 1, 1990, unless the permitholder has commenced construction on a facility at which a full schedule of live racing could be conducted as approved by the division. "Commenced construction" means initiation of and continuous activities beyond site preparation associated with erecting or modifying a horseracing facility, including procurement of a building permit applying the use of approved construction documents, proof of an executed owner/contractor agreement or an irrevocable or binding forced account, and actual undertaking of foundation forming with steel installation and concrete placing. The 18-month period shall be extended by the division, to the extent that the applicant demonstrates to the satisfaction of the division that good faith commencement of the construction of the facility is being delayed by litigation or by governmental action or inaction with respect to regulations or permitting precluding commencement of the construction of the facility.~~

(1)~~(3)~~ The operator of any licensed racetrack is authorized to lease such track to any quarter horse racing permitholder located within 35 miles of such track for the conduct of quarter horse racing under this chapter. However, a quarter horse facility located in a county where a referendum to authorize slot machines pursuant to s. 23, Art. X of the State Constitution is not subject to the mileage restriction if they lease from a licensed racetrack located within a county where a referendum was conducted to authorize slot machines pursuant to s. 23, Art. X of the State Constitution.

(2)~~(4) Section 550.054 is inapplicable to quarter horse racing as permitted under this section.~~ All other provisions of this chapter, including s. 550.054, apply to, govern, and control such racing, and the same must be conducted in compliance therewith.

(3)~~(5)~~ Quarter horses participating in such races must be duly registered by the American Quarter Horse Association, and before each race such horses must be examined and declared in fit condition by a qualified person designated by the division.

(4)~~(6)~~ Any quarter horse racing days permitted under this chapter are in addition to any other racing permitted under the license issued the track where such quarter horse racing is conducted.

(5)~~(7)(a)~~ Any quarter horse racing permitholder operating under a valid permit issued by the division is authorized to substitute races of other breeds of horses~~, except thoroughbreds,~~ which are, respectively, registered with the American Paint Horse Association, Appaloosa Horse Club, Arabian Horse Registry of America, Palomino Horse Breeders of America, ~~or~~ United States Trotting Association, Florida Cracker Horse Association, or ~~for no more than 50 percent of the quarter horse races daily, and may substitute races of thoroughbreds registered with the~~ Jockey Club for no more than 50 percent of the quarter horse races during its meet ~~daily with the written consent of all greyhound, harness, and thoroughbred permitholders whose pari-mutuel facilities are located within 50 air miles of such quarter horse racing permitholder's pari-mutuel facility~~.

~~(b) Any permittee operating within an area of 50 air miles of a licensed thoroughbred track may not substitute thoroughbred races under this section while a thoroughbred horse race meet is in progress within that 50 miles. Any permittee operating within an area of 125 air miles of a licensed thoroughbred track may not substitute live thoroughbred races under this section while a thoroughbred permittee who pays taxes under s. 550.09515(2)(a) is conducting a thoroughbred meet within that 125 miles. These mileage restrictions do not apply to any permittee that holds a nonwagering permit issued pursuant to s. 550.505.~~

(6)~~(8)~~ Except as provided in s. 550.3345, a quarter horse permit issued pursuant to this section is not eligible for transfer or conversion to another type of pari-mutuel operation.

(7)~~(9)~~ Any nonprofit corporation, including, but not limited to, an agricultural cooperative marketing association, organized and incorporated under the laws of this state may apply for a quarter horse racing permit and

operate racing meets under such permit, provided all pari-mutuel taxes and fees applicable to such racing are paid by the corporation. However, insofar as its pari-mutuel operations are concerned, the corporation shall be considered to be a corporation for profit and is subject to taxation on all property used and profits earned in connection with its pari-mutuel operations.

(8) To be eligible to conduct intertrack wagering, a quarter horse racing permitholder must have conducted a full schedule of live racing in the preceding year.

~~(10) Intertrack wagering shall not be authorized for any quarter horse permitholder without the written consent of all greyhound, harness, and thoroughbred permitholders whose pari-mutuel facilities are located within 50 air miles of such quarter horse permitholder's pari-mutuel facility.~~

Section 15. Section 550.3345, Florida Statutes, is created to read:

550.3345 Conversion of quarter horse permit to a limited thoroughbred permit.—

(1) In recognition of the important and long-standing economic contribution of the thoroughbred horse breeding industry to this state and the state's vested interest in promoting the continued viability of this agricultural activity, the state intends to provide a limited opportunity for the conduct of live thoroughbred horse racing with the net revenues from such racing dedicated to the enhancement of thoroughbred purses and breeders', stallion, and special racing awards under this chapter; the general promotion of the thoroughbred horse breeding industry; and the care in this state of thoroughbred horses retired from racing.

(2) Notwithstanding any other provision of law, the holder of a quarter horse racing permit issued under s. 550.334 may, within 1 year after the effective date of this section, apply to the division for a transfer of the quarter horse racing permit to a not-for-profit corporation formed under state law to serve the purposes of the state as provided in subsection (1). The board of directors of the not-for-profit corporation must be comprised of 11 members, 4 of whom shall be designated by the applicant, 4 of whom shall be designated by the Florida Thoroughbred Breeders' Association, and 3 of whom shall be designated by the other 8 directors, with at least 1 of these 3 members being an authorized representative of another thoroughbred permitholder in this state. The not-for-profit corporation shall submit an application to the division for review and approval of the transfer in accordance with s. 550.054. Upon approval of the transfer by the division, and notwithstanding any other provision of law to the contrary, the not-for-profit corporation may, within 1 year after its receipt of the permit, request that the division convert the quarter horse racing permit to a permit authorizing the holder to conduct pari-mutuel wagering meets of thoroughbred racing. Neither the transfer of the quarter horse racing permit nor its conversion to a limited thoroughbred permit shall be subject to the mileage limitation or the ratification election as set forth under s. 550.054(2) or s. 550.0651. Upon receipt of the request for such conversion, the division shall timely issue a converted permit. The converted permit and the not-for-profit corporation shall be subject to the following requirements:

(a) All net revenues derived by the not-for-profit corporation under the thoroughbred horse racing permit, after the funding of operating expenses and capital improvements, shall be dedicated to the enhancement of thoroughbred purses and breeders', stallion, and special racing awards under this chapter; the general promotion of the thoroughbred horse breeding industry; and the care in this state of thoroughbred horses retired from racing.

(b) From December 1 through April 30, no live thoroughbred racing may be conducted under the permit on any day during which another thoroughbred permitholder is conducting live thoroughbred racing within 125 air miles of the not-for-profit corporation's pari-mutuel facility unless the other thoroughbred permitholder gives its written consent.

(c) After the conversion of the quarter horse racing permit and the issuance of its initial license to conduct pari-mutuel wagering meets of thoroughbred racing, the not-for-profit corporation shall annually apply to the division for a license pursuant to s. 550.5251(2)-(5).

(d) Racing under the permit may take place only at the location for which the original quarter horse racing permit was issued, which may be leased by the not-for-profit corporation for that purpose; however, the not-for-profit corporation may, without the conduct of any ratification election pursuant to s. 550.054(13) or s. 550.0651, move the location of the permit to another location in the same county provided that such relocation is approved under the zoning and land use regulations of the applicable county or municipality.

(e) No permit converted under this section is eligible for transfer to another person or entity.

(3) Unless otherwise provided in this section, after conversion, the permit and the not-for-profit corporation shall be treated under the laws of this state as a thoroughbred permit and as a thoroughbred permitholder, respectively, with the exception of s. 550.09515(3).

Section 16. Section 550.3355, Florida Statutes, is amended to read:

550.3355 Harness track licenses for summer quarter horse racing.—Any harness track licensed to operate under the provisions of s. 550.375 may make application for, and shall be issued by the division, a license to operate not more than 50 quarter horse racing days during the summer season, which shall extend from July ~~June~~ 1 until October ~~September~~ 1 of each year. However, this license to operate quarter horse racing for 50 days is in addition to the racing days and dates provided in s. 550.375 for harness racing during the winter seasons; and, it does not affect the right of such licensee to operate harness racing at the track as provided in s. 550.375 during the winter season. All provisions of this chapter governing quarter horse racing not in conflict herewith apply to the operation of quarter horse meetings authorized hereunder, except that all quarter horse racing permitted hereunder shall be conducted at night.

Section 17. Section 550.3605, Florida Statutes, is repealed.

Section 18. Section 550.5251, Florida Statutes, is amended to read:

550.5251 Florida thoroughbred racing; certain permits; operating days.—

~~(1) Each thoroughbred permitholder under whose permit thoroughbred racing was conducted in this state at any time between January 1, 1987, and January 1, 1988, shall annually be entitled to apply for and annually receive thoroughbred racing days and dates as set forth in this section. As regards such permitholders, the annual thoroughbred racing season shall be from June 1 of any year through May 31 of the following year and shall be known as the "Florida Thoroughbred Racing Season."~~

(1)~~(2)~~ Each thoroughbred permitholder ~~referred to in subsection (1)~~ shall annually, during the period commencing December 15 of each year and ending January 4 of the following year, file in writing with the division its application to conduct one or more thoroughbred racing meetings during the thoroughbred racing season commencing on the following July ~~June~~ 1. Each application shall specify the number and dates of all performances that the permitholder intends to conduct during that thoroughbred racing season. On or before March ~~February~~ 15 of each year, the division shall issue a license authorizing each permitholder to conduct performances on the dates specified in its application. Up to February 28 ~~March 31~~ of each year, each permitholder may request and shall be granted changes in its authorized performances; but thereafter, as a condition precedent to the validity of its license and its right to retain its permit, each permitholder must operate the full number of days authorized on each of the dates set forth in its license.

~~(3) Each thoroughbred permit referred to in subsection (1), including, but not limited to, any permit originally issued as a summer thoroughbred horse racing permit, is hereby validated and shall continue in full force and effect.~~

(2)~~(4)~~ A thoroughbred racing permitholder may not begin any race later than 7 p.m. Any thoroughbred permitholder in a county in which the authority for cardrooms has been approved by the board of county commissioners may operate a cardroom and, when conducting live races during its current race meet, may receive and rebroadcast out-of-state races after the hour of 7 p.m. on any day during which the permitholder conducts live races.

(3)~~(5)~~(a) Each licensed thoroughbred permitholder in this state must run an average of one race per racing day in which horses bred in this state and duly registered with the Florida Thoroughbred Breeders' Association have preference as entries over non-Florida-bred horses, unless otherwise agreed to in writing by the permitholder, the Florida Thoroughbred Breeders' Association, and the association representing a majority of the thoroughbred racehorse owners and trainers at that location. All licensed thoroughbred racetracks shall write the conditions for such races in which Florida-bred horses are preferred so as to assure that all Florida-bred horses available for racing at such tracks are given full opportunity to run in the class of races for which they are qualified. The opportunity of running must be afforded to each class of horses in the proportion that the number of horses in this class bears to the total number of Florida-bred horses available. A track is not required to write conditions for a race to accommodate a class of horses

for which a race would otherwise not be run at the track during its meet ~~meeting~~.

(b) Each licensed thoroughbred permitholder in this state may run one additional race per racing day composed exclusively of Arabian horses registered with the Arabian Horse Registry of America. Any licensed thoroughbred permitholder that elects to run one additional race per racing day composed exclusively of Arabian horses registered with the Arabian Horse Registry of America is not required to provide stables for the Arabian horses racing under this paragraph.

(c) Each licensed thoroughbred permitholder in this state may run up to three additional races per racing day composed exclusively of quarter horses registered with the American Quarter Horse Association.

~~(6) Notwithstanding the provisions of subsection (2), a thoroughbred permitholder who fails to operate all performances on its 2001-2002 license does not lose its right to retain its permit. Such thoroughbred permitholder is eligible for issuance of an annual license pursuant to s. 550.0115 for subsequent thoroughbred racing seasons. The division shall take no disciplinary action against such thoroughbred permitholder for failure to operate all licensed performances for the 2001-2002 license pursuant to this section or s. 550.01215. This section may not be interpreted to prohibit the division from taking disciplinary action against a thoroughbred permitholder for failure to pay taxes on performances operated pursuant to its 2001-2002 license. This subsection expires July 1, 2003.~~

~~(7) A thoroughbred permitholder shall file an amendment with the division no later than July 1, 2002, that indicates that it will not be able to operate the performances scheduled on its 2002-2003 license without imposition of any penalty for failure to operate all licensed performances provided in this chapter. This subsection expires July 1, 2003.~~

Section 19. Subsections (4) and (7) of section 551.102, Florida Statutes, are amended to read:

551.102 Definitions.—As used in this chapter, the term:

(4) "Eligible facility" means any licensed pari-mutuel facility located in Miami-Dade County or Broward County existing at the time of adoption of s. 23, Art. X of the State Constitution that has conducted live racing or games during calendar years 2002 and 2003 and has been approved by a majority of voters in a countywide referendum to have slot machines at such facility in the respective county; any licensed pari-mutuel facility located within a county as defined in s. 125.011, provided such facility has conducted live racing for 2 consecutive calendar years immediately preceding its application for a slot machine license, pays the required license fee, and meets the other requirements of this chapter; or any licensed pari-mutuel facility in any other county in which a majority of voters have approved slot machines at such facilities in a countywide referendum held pursuant to a statutory or constitutional authorization after the effective date of this section in the respective county, provided such facility has conducted a full

schedule of live racing for 2 consecutive calendar years immediately preceding its application for a slot machine license, pays the required licensed fee, and meets the other requirements of this chapter.

(7) "Progressive system" means a computerized system linking slot machines in one or more licensed facilities within this state or other jurisdictions and offering one or more common progressive payouts based on the amounts wagered.

Section 20. Paragraph (j) of subsection (4) and paragraph (a) of subsection (10) of section 551.104, Florida Statutes, are amended to read:

551.104 License to conduct slot machine gaming.—

(4) As a condition of licensure and to maintain continued authority for the conduct of slot machine gaming, the slot machine licensee shall:

(j) Ensure that the payout percentage of a slot machine gaming facility is at least ~~no less than~~ 85 percent.

(10)(a)1. No slot machine license or renewal thereof shall be issued to an applicant holding a permit under chapter 550 to conduct pari-mutuel wagering meets of thoroughbred racing unless the applicant has on file with the division a binding written agreement between the applicant and the Florida Horsemen's Benevolent and Protective Association, Inc., governing the payment of purses on live thoroughbred races conducted at the licensee's pari-mutuel facility. In addition, no slot machine license or renewal thereof shall be issued to such an applicant unless the applicant has on file with the division a binding written agreement between the applicant and the Florida Thoroughbred Breeders' Association, Inc., governing the payment of breeders', stallion, and special racing awards on live thoroughbred races conducted at the licensee's pari-mutuel facility. The agreement governing purses and the agreement governing awards may direct the payment of such purses and awards from revenues generated by any wagering or gaming the applicant is authorized to conduct under Florida law. All purses and awards shall be subject to the terms of chapter 550. All sums for breeders', stallion, and special racing awards shall be remitted monthly to the Florida Thoroughbred Breeders' Association, Inc., for the payment of awards subject to the administrative fee authorized in s. 550.2625(3).

2. No slot machine license or renewal thereof shall be issued to an applicant holding a permit under chapter 550 to conduct pari-mutuel wagering meets of quarter horse racing unless the applicant has on file with the division a binding written agreement between the applicant and the Florida Quarter Horse Racing Association or the association representing a majority of the horse owners and trainers at the applicants eligible facility, governing the payment of purses on live quarter horse races conducted at the licensee's pari-mutuel facility. The agreement governing purses may direct the payment of such purses from revenues generated by any wagering or gaming the applicant is authorized to conduct under Florida law. All purses shall be subject to the terms of chapter 550.

(b) The division shall suspend a slot machine license if one or more of the agreements required under paragraph (a) are terminated or otherwise cease to operate or if the division determines that the licensee is materially failing to comply with the terms of such an agreement. Any such suspension shall take place in accordance with chapter 120.

(c)1. If an agreement required under paragraph (a) cannot be reached prior to the initial issuance of the slot machine license, either party may request arbitration or, in the case of a renewal, if an agreement required under paragraph (a) is not in place 120 days prior to the scheduled expiration date of the slot machine license, the applicant shall immediately ask the American Arbitration Association to furnish a list of 11 arbitrators, each of whom shall have at least 5 years of commercial arbitration experience and no financial interest in or prior relationship with any of the parties or their affiliated or related entities or principals. Each required party to the agreement shall select a single arbitrator from the list provided by the American Arbitration Association within 10 days of receipt, and the individuals so selected shall choose one additional arbitrator from the list within the next 10 days.

2. If an agreement required under paragraph (a) is not in place 60 days after the request under subparagraph 1. in the case of an initial slot machine license or, in the case of a renewal, 60 days prior to the scheduled expiration date of the slot machine license, the matter shall be immediately submitted to mandatory binding arbitration to resolve the disagreement between the parties. The three arbitrators selected pursuant to subparagraph 1. shall constitute the panel that shall arbitrate the dispute between the parties pursuant to the American Arbitration Association Commercial Arbitration Rules and chapter 682.

3. At the conclusion of the proceedings, which shall be no later than 90 days after the request under subparagraph 1. in the case of an initial slot machine license or, in the case of a renewal, 30 days prior to the scheduled expiration date of the slot machine license, the arbitration panel shall present to the parties a proposed agreement that the majority of the panel believes equitably balances the rights, interests, obligations, and reasonable expectations of the parties. The parties shall immediately enter into such agreement, which shall satisfy the requirements of paragraph (a) and permit issuance of the pending annual slot machine license or renewal. The agreement produced by the arbitration panel under this subparagraph shall be effective until the last day of the license or renewal period or until the parties enter into a different agreement. Each party shall pay its respective costs of arbitration and shall pay one-half of the costs of the arbitration panel, unless the parties otherwise agree. If the agreement produced by the arbitration panel under this subparagraph remains in place 120 days prior to the scheduled issuance of the next annual license renewal, then the arbitration process established in this paragraph will begin again.

4. In the event that neither of the agreements required under <u>subparagraph (a)1. or the agreement required under subparagraph (a)2.</u> ~~paragraph (a)~~ are in place by the deadlines established in this paragraph, arbitration regarding each agreement will proceed independently, with separate lists of

arbitrators, arbitration panels, arbitration proceedings, and resulting agreements.

5. With respect to the agreements ~~agreement~~ required under paragraph (a) governing the payment of purses, the arbitration and resulting agreement called for under this paragraph shall be limited to the payment of purses from slot machine revenues only.

(d) If any provision of this subsection or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of this subsection or chapter which can be given effect without the invalid provision or application, and to this end the provisions of this subsection are severable.

Section 21. Paragraph (a) of subsection (1), paragraph (a) of subsection (2), and subsection (3) of section 551.106, Florida Statutes, are amended to read:

551.106 License fee; tax rate; penalties.—

(1) LICENSE FEE.—

(a) Upon submission of the initial application for a slot machine license and annually thereafter, on the anniversary date of the issuance of the initial license, the licensee must pay to the division a nonrefundable license fee of $3 million for the succeeding 12 months of licensure. In the 2010-2011 fiscal year, the licensee must pay the division a nonrefundable license fee of $2.5 million for the succeeding 12 months of licensure. In the 2011-2012 fiscal year and for every fiscal year thereafter, the licensee must pay the division a nonrefundable license fee of $2 million for the succeeding 12 months of licensure. The license fee shall be deposited into the Pari-mutuel Wagering Trust Fund of the Department of Business and Professional Regulation to be used by the division and the Department of Law Enforcement for investigations, regulation of slot machine gaming, and enforcement of slot machine gaming provisions under this chapter. These payments shall be accounted for separately from taxes or fees paid pursuant to the provisions of chapter 550.

(2) TAX ON SLOT MACHINE REVENUES.—

(a) The tax rate on slot machine revenues at each facility shall be 35 ~~50~~ percent. If, during any state fiscal year, the aggregate amount of tax paid to the state by all slot machine licensees in Broward and Miami-Dade Counties is less than the aggregate amount of tax paid to the state by all slot machine licensees in the 2008-2009 fiscal year, each slot machine licensee shall pay to the state within 45 days after the end of the state fiscal year a surcharge equal to its pro rata share of an amount equal to the difference between the aggregate amount of tax paid to the state by all slot machine licensees in the 2008-2009 fiscal year and the amount of tax paid during the fiscal year. Each licensee's pro rata share shall be an amount determined by dividing the number 1 by the number of facilities licensed to operate slot machines during the applicable fiscal year, regardless of whether the facility is operating such machines.

(3) PAYMENT AND DISPOSITION OF TAXES.—Payment for the tax on slot machine revenues imposed by this section shall be paid to the division. The division shall deposit these sums with the Chief Financial Officer, to the credit of the Pari-mutuel Wagering Trust Fund. The slot machine licensee shall remit to the division payment for the tax on slot machine revenues. Such payments shall be remitted by 3 p.m. Wednesday of each week for taxes imposed and collected for the preceding week ending on Sunday. Beginning on July 1, 2012, the slot machine licensee shall remit to the division payment for the tax on slot machine revenues by 3 p.m. on the 5th day of each calendar month for taxes imposed and collected for the preceding calendar month. If the 5th day of the calendar month falls on a weekend, payments shall be remitted by 3 p.m. the first Monday following the weekend. The slot machine licensee shall file a report under oath by the 5th day of each calendar month for all taxes remitted during the preceding calendar month. Such payments shall be accompanied by a report under oath showing all slot machine gaming activities for the preceding calendar month and such other information as may be prescribed by the division.

Section 22. Subsection (5) of section 551.121, Florida Statutes, is amended to read:

551.121 Prohibited activities and devices; exceptions.—

(5) A slot machine, or the computer operating system linking the slot machine, may be linked by any means to any other slot machine or computer operating system within the facility of a slot machine licensee. A progressive system may ~~not~~ be used in conjunction with slot machines between licensed facilities in Florida or in other jurisdictions.

Section 23. Paragraph (a) of subsection (1) and paragraph (a) of subsection (2) and of section 772.102, Florida Statutes, are amended to read:

772.102 Definitions.—As used in this chapter, the term:

(1) "Criminal activity" means to commit, to attempt to commit, to conspire to commit, or to solicit, coerce, or intimidate another person to commit:

(a) Any crime that is chargeable by indictment or information under the following provisions:

1. Section 210.18, relating to evasion of payment of cigarette taxes.

2. Section 414.39, relating to public assistance fraud.

3. Section 440.105 or s. 440.106, relating to workers' compensation.

4. Part IV of chapter 501, relating to telemarketing.

5. Chapter 517, relating to securities transactions.

6. Section 550.235 or~~,~~ s. 550.3551, ~~or s. 550.3605,~~ relating to dogracing and horseracing.

7. Chapter 550, relating to jai alai frontons.

8. Chapter 552, relating to the manufacture, distribution, and use of explosives.

9. Chapter 562, relating to beverage law enforcement.

10. Section 624.401, relating to transacting insurance without a certificate of authority, s. 624.437(4)(c)1., relating to operating an unauthorized multiple-employer welfare arrangement, or s. 626.902(1)(b), relating to representing or aiding an unauthorized insurer.

11. Chapter 687, relating to interest and usurious practices.

12. Section 721.08, s. 721.09, or s. 721.13, relating to real estate timeshare plans.

13. Chapter 782, relating to homicide.

14. Chapter 784, relating to assault and battery.

15. Chapter 787, relating to kidnapping or human trafficking.

16. Chapter 790, relating to weapons and firearms.

17. Section 796.03, s. 796.04, s. 796.045, s. 796.05, or s. 796.07, relating to prostitution.

18. Chapter 806, relating to arson.

19. Section 810.02(2)(c), relating to specified burglary of a dwelling or structure.

20. Chapter 812, relating to theft, robbery, and related crimes.

21. Chapter 815, relating to computer-related crimes.

22. Chapter 817, relating to fraudulent practices, false pretenses, fraud generally, and credit card crimes.

23. Section 827.071, relating to commercial sexual exploitation of children.

24. Chapter 831, relating to forgery and counterfeiting.

25. Chapter 832, relating to issuance of worthless checks and drafts.

26. Section 836.05, relating to extortion.

27. Chapter 837, relating to perjury.

28. Chapter 838, relating to bribery and misuse of public office.

29. Chapter 843, relating to obstruction of justice.

30. Section 847.011, s. 847.012, s. 847.013, s. 847.06, or s. 847.07, relating to obscene literature and profanity.

31. Section 849.09, s. 849.14, s. 849.15, s. 849.23, or s. 849.25, relating to gambling.

32. Chapter 893, relating to drug abuse prevention and control.

33. Section 914.22 or s. 914.23, relating to witnesses, victims, or informants.

34. Section 918.12 or s. 918.13, relating to tampering with jurors and evidence.

(2) "Unlawful debt" means any money or other thing of value constituting principal or interest of a debt that is legally unenforceable in this state in whole or in part because the debt was incurred or contracted:

(a) In violation of any one of the following provisions of law:

1. Section 550.235 or, s. 550.3551, ~~or s. 550.3605,~~ relating to dogracing and horseracing.

2. Chapter 550, relating to jai alai frontons.

3. Section 687.071, relating to criminal usury, loan sharking, and shylocking.

4. Section 849.09, s. 849.14, s. 849.15, s. 849.23, or s. 849.25, relating to gambling.

Section 24. Paragraphs (a) and (b) of subsection (5), subsection (6), paragraphs (a) and (b) of subsection (7), subsection (8), and paragraph (d) of subsection (13) of section 849.086, Florida Statutes, are amended to read:

849.086 Cardrooms authorized.—

(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.

(a) Only those persons holding a valid cardroom license issued by the division may operate a cardroom. A cardroom license may only be issued to a licensed pari-mutuel permitholder and an authorized cardroom may only be operated at the same facility at which the permitholder is authorized under its valid pari-mutuel wagering permit to conduct pari-mutuel wagering activities. An initial cardroom license shall be issued to a pari-mutuel permitholder only after its facilities are in place and after it conducts its first day of live racing or games.

(b) After the initial cardroom license is granted, the application for the annual license renewal shall be made in conjunction with the applicant's annual application for its pari-mutuel license. If a permitholder has operated a cardroom during any of the 3 previous fiscal years and fails to include a renewal request for the operation of the cardroom in its annual application for license renewal, the permitholder may amend its annual application to include operation of the cardroom. In order for a cardroom license to be

renewed the applicant must have requested, as part of its pari-mutuel annual license application, to conduct at least 90 percent of the total number of live performances conducted by such permitholder during either the state fiscal year in which its initial cardroom license was issued or the state fiscal year immediately prior thereto if the permitholder ran at least a full schedule of live racing or games in the prior year. If the application is for a harness permitholder cardroom, the applicant must have requested authorization to conduct a minimum of 140 live performances during the state fiscal year immediately prior thereto. If more than one permitholder is operating at a facility, each permitholder must have applied for a license to conduct a full schedule of live racing.

(6) BUSINESS AND EMPLOYEE OCCUPATIONAL LICENSE REQUIRED; APPLICATION; FEES.—

(a) A person employed or otherwise working in a cardroom as a cardroom manager, floor supervisor, pit boss, dealer, or any other activity related to cardroom operations while the facility is conducting card playing or games of dominoes must hold a valid cardroom employee occupational license issued by the division. Food service, maintenance, and security employees with a current pari-mutuel occupational license and a current background check will not be required to have a cardroom employee occupational license.

(b) Any cardroom management company or cardroom distributor associated with cardroom operations must hold a valid cardroom business occupational license issued by the division.

(c) No licensed cardroom operator may employ or allow to work in a cardroom any person unless such person holds a valid occupational license. No licensed cardroom operator may contract, or otherwise do business with, a business required to hold a valid cardroom business occupational license, unless the business holds such a valid license.

(d) The division shall establish, by rule, a schedule for the ~~annual~~ renewal of cardroom occupational licenses. Cardroom occupational licenses are not transferable.

(e) Persons seeking cardroom occupational licenses, or renewal thereof, shall make application on forms prescribed by the division. Applications for cardroom occupational licenses shall contain all of the information the division, by rule, may determine is required to ensure eligibility.

(f) The division shall adopt ~~promulgate~~ rules regarding cardroom occupational licenses. The provisions specified in s. 550.105(4), (5), (6), (7), (8), and (10) relating to licensure shall be applicable to cardroom occupational licenses.

(g) The division may deny, declare ineligible, or revoke any cardroom occupational license if the applicant or holder thereof has been found guilty or had adjudication withheld in this state or any other state, or under the laws of the United States of a felony or misdemeanor involving forgery, larceny, extortion, conspiracy to defraud, or filing false reports to a government agency, racing or gaming commission or authority.

(h) Fingerprints for all cardroom occupational license applications shall be taken in a manner approved by the division and then shall be submitted to the Florida Department of Law Enforcement and the Federal Bureau of Investigation for a criminal records check upon initial application and at least every 5 years thereafter. The division may by rule require an annual record check of all renewal applications for a cardroom occupational license. The cost of processing fingerprints and conducting a record check shall be borne by the applicant.

(i) The cardroom employee occupational license fee shall not exceed ~~be~~ $50 for any 12-month period. The cardroom business occupational license fee shall not exceed ~~be~~ $250 for any 12-month period.

(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 pari-mutuel permit or as otherwise authorized by law. Cardroom operations may not be allowed beyond the hours provided in paragraph (b) regardless of the number of cardroom licenses issued for permitholders operating at the pari-mutuel facility.

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

(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 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 may be set by the cardroom operator~~, 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.—

(d)1. Each greyhound and jai alai permitholder that operates a cardroom facility shall use at least 4 percent of such permitholder's cardroom monthly gross receipts to supplement greyhound purses or jai alai prize money, respectively, during the permitholder's next ensuing pari-mutuel meet.

2. Each thoroughbred and harness horse racing permitholder that operates a cardroom facility shall use at least 50 percent of such permitholder's cardroom monthly net proceeds as follows: 47 percent to supplement purses and 3 percent to supplement breeders' awards during the permitholder's next ensuing racing meet.

3. No cardroom license or renewal thereof shall be issued to an applicant holding a permit under chapter 550 to conduct pari-mutuel wagering meets of quarter horse racing unless the applicant has on file with the division a binding written agreement between the applicant and the Florida Quarter Horse Racing Association or the association representing a majority of the horse owners and trainers at the applicants eligible facility, governing the payment of purses on live quarter horse races conducted at the licensee's pari-mutuel facility. The agreement governing purses may direct the payment of such purses from revenues generated by any wagering or gaming the applicant is authorized to conduct under Florida law. All purses shall be subject to the terms of chapter 550.

Section 25. Paragraph (a) of subsection (1) and paragraph (a) of subsection (2) of section 895.02, Florida Statutes, are amended to read:

895.02 Definitions.—As used in ss. 895.01-895.08, the term:

(1) "Racketeering activity" means to commit, to attempt to commit, to conspire to commit, or to solicit, coerce, or intimidate another person to commit:

(a) Any crime that is chargeable by petition, indictment, or information under the following provisions of the Florida Statutes:

1. Section 210.18, relating to evasion of payment of cigarette taxes.

2. Section 316.1935, relating to fleeing or attempting to elude a law enforcement officer and aggravated fleeing or eluding.

3. Section 403.727(3)(b), relating to environmental control.

4. Section 409.920 or s. 409.9201, relating to Medicaid fraud.

5. Section 414.39, relating to public assistance fraud.

6. Section 440.105 or s. 440.106, relating to workers' compensation.

7. Section 443.071(4), relating to creation of a fictitious employer scheme to commit unemployment compensation fraud.

8. Section 465.0161, relating to distribution of medicinal drugs without a permit as an Internet pharmacy.

9. Section 499.0051, relating to crimes involving contraband and adulterated drugs.

10. Part IV of chapter 501, relating to telemarketing.

11. Chapter 517, relating to sale of securities and investor protection.

12. Section 550.235 or, s. 550.3551, or s. 550.3605, relating to dogracing and horseracing.

13. Chapter 550, relating to jai alai frontons.

14. Section 551.109, relating to slot machine gaming.

15. Chapter 552, relating to the manufacture, distribution, and use of explosives.

16. Chapter 560, relating to money transmitters, if the violation is punishable as a felony.

17. Chapter 562, relating to beverage law enforcement.

18. Section 624.401, relating to transacting insurance without a certificate of authority, s. 624.437(4)(c)1., relating to operating an unauthorized multiple-employer welfare arrangement, or s. 626.902(1)(b), relating to representing or aiding an unauthorized insurer.

19. Section 655.50, relating to reports of currency transactions, when such violation is punishable as a felony.

20. Chapter 687, relating to interest and usurious practices.

21. Section 721.08, s. 721.09, or s. 721.13, relating to real estate timeshare plans.

22. Section 775.13(5)(b), relating to registration of persons found to have committed any offense for the purpose of benefiting, promoting, or furthering the interests of a criminal gang.

23. Section 777.03, relating to commission of crimes by accessories after the fact.

24. Chapter 782, relating to homicide.

25. Chapter 784, relating to assault and battery.

26. Chapter 787, relating to kidnapping or human trafficking.

27. Chapter 790, relating to weapons and firearms.

28. Chapter 794, relating to sexual battery, but only if such crime was committed with the intent to benefit, promote, or further the interests of a criminal gang, or for the purpose of increasing a criminal gang member's own standing or position within a criminal gang.

29. Section 796.03, s. 796.035, s. 796.04, s. 796.045, s. 796.05, or s. 796.07, relating to prostitution and sex trafficking.

30. Chapter 806, relating to arson and criminal mischief.

31. Chapter 810, relating to burglary and trespass.

32. Chapter 812, relating to theft, robbery, and related crimes.

33. Chapter 815, relating to computer-related crimes.

34. Chapter 817, relating to fraudulent practices, false pretenses, fraud generally, and credit card crimes.

35. Chapter 825, relating to abuse, neglect, or exploitation of an elderly person or disabled adult.

36. Section 827.071, relating to commercial sexual exploitation of children.

37. Chapter 831, relating to forgery and counterfeiting.

38. Chapter 832, relating to issuance of worthless checks and drafts.

39. Section 836.05, relating to extortion.

40. Chapter 837, relating to perjury.

41. Chapter 838, relating to bribery and misuse of public office.

42. Chapter 843, relating to obstruction of justice.

43. Section 847.011, s. 847.012, s. 847.013, s. 847.06, or s. 847.07, relating to obscene literature and profanity.

44. Section 849.09, s. 849.14, s. 849.15, s. 849.23, or s. 849.25, relating to gambling.

45. Chapter 874, relating to criminal gangs.

46. Chapter 893, relating to drug abuse prevention and control.

47. Chapter 896, relating to offenses related to financial transactions.

48. Sections 914.22 and 914.23, relating to tampering with or harassing a witness, victim, or informant, and retaliation against a witness, victim, or informant.

49. Sections 918.12 and 918.13, relating to tampering with jurors and evidence.

(2) "Unlawful debt" means any money or other thing of value constituting principal or interest of a debt that is legally unenforceable in this state in whole or in part because the debt was incurred or contracted:

(a) In violation of any one of the following provisions of law:

1. Section 550.235 or, s. 550.3551, ~~or s. 550.3605,~~ relating to dogracing and horseracing.

2. Chapter 550, relating to jai alai frontons.

3. Section 551.109, relating to slot machine gaming.

4. Chapter 687, relating to interest and usury.

5. Section 849.09, s. 849.14, s. 849.15, s. 849.23, or s. 849.25, relating to gambling.

Section 26. Sections 1 through 3 of this act and this section shall take effect upon becoming law. Sections 4 through 25 shall take effect only if the Governor and an authorized representative of the Seminole Tribe of Florida execute an Indian Gaming Compact pursuant to the Indian Gaming Regulatory Act of 1988 and requirements of this act, only if the compact is ratified by the Legislature, and only if the compact is approved or deemed approved, and not voided pursuant to the terms of this act, by the Department of the Interior, and such sections take effect on the date that the approved compact is published in the Federal Register.

Approved by the Governor June 15, 2009.

Filed in Office Secretary of State June 15, 2009.