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Proposed Committee Substitute by the Committee on General Government Appropriations

1 A bill to be entitled

2 An act relating to cardrooms; amending s.

3 849.086, F.S.; defining the term "tournament";

4 clarifying that provisions authorizing

5 cardrooms do not authorize video poker or

6 certain other games or machines; revising

7 license fees; revising hours of operation;

8 authorizing the award of certain prizes;

9 revising betting limits; authorizing

10 tournaments; providing tournament requirements;

11 providing an appropriation and authorizing

12 additional positions; providing an effective

13 date.

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

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17 Section 1. Paragraph (1) is added to subsection (2) of

18 section 849.086, Florida Statutes, and subsections (3) and

19 (4), paragraph (d) of subsection (5), and subsections (7) and

20 (8) of that section are amended, to read:

21 849.086 Cardrooms authorized.--

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

23 (1) "Tournament" means a series of games that have

24 more than one betting round involving one or more tables and

25 where the winners or others receive a prize or cash award.

26 (3) CARDROOM AUTHORIZED.--Notwithstanding any other

27 provision of law, it is not a crime for a person to

28 participate in an authorized game at a licensed cardroom or to

29 operate a cardroom ~~described in this section~~ if such game and

30 cardroom ~~operation~~ are conducted strictly in accordance with

31 the provisions of this section. This section does not

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1 authorize video poker games or any other game or machine that
2 is not authorized by state law or that is authorized at a slot
3 machine facility licensed under chapter 551.

4 (4) AUTHORITY OF DIVISION.--The Division of
5 Pari-mutuel Wagering of the Department of Business and
6 Professional Regulation shall administer this section and
7 regulate the operation of cardrooms under this section and the
8 rules adopted under this section ~~pursuant thereto~~, and may ~~is~~
9 ~~hereby authorized to~~:

10 (a) Adopt rules, including, but not limited to: the
11 issuance of cardroom and employee licenses for cardroom
12 operations; the operation of a cardroom; recordkeeping and
13 reporting requirements; and the collection of all fees and
14 taxes imposed by this section.

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

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

19 (d) Suspend or revoke any license or permit, after
20 hearing, for any violation of the provisions of this section
21 or adopted ~~the administrative rules adopted pursuant thereto~~.

22 (e) Take testimony, issue summons and subpoenas for
23 any witness, and issue subpoenas duces tecum in connection
24 with any matter within its jurisdiction.

25 (f) Monitor and ensure the proper collection of taxes
26 and fees imposed by this section. Permitholder internal
27 controls are mandated to ensure that there is no compromise of
28 state funds. To that end, a roaming division auditor shall
29 ~~will~~ monitor and verify the cash flow and accounting of
30 cardroom revenue on ~~for~~ any given operating day.

31 (5) LICENSE REQUIRED; APPLICATION; FEES.--No person

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1 may operate a cardroom in this state unless such person holds
 2 a valid cardroom license issued pursuant to this section.

3 (d) The annual cardroom license fee for each facility
 4 shall be \$1,000 for ~~the first table and \$500 for each~~
 5 ~~additional~~ table ~~to be~~ operated at the cardroom. ~~The This~~
 6 license fee shall be deposited by the division with the Chief
 7 Financial Officer to the credit of the Pari-mutuel Wagering
 8 Trust Fund.

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

10 (a) A cardroom may be operated only at the location
 11 specified on the cardroom license ~~issued by the division~~, and
 12 such location may only be the location at which the
 13 pari-mutuel permitholder is authorized to conduct pari-mutuel
 14 wagering activities pursuant to such permitholder's valid
 15 pari-mutuel permit or as otherwise authorized by law.

16 (b) Any horserace, greyhound, or jai alai permitholder
 17 licensed under this chapter may operate a cardroom at its
 18 pari-mutuel facility between the hours of 10 a.m. and 2 a.m.
 19 if the permitholder meets the requirements of paragraph
 20 (5)(b). The hours of operation may be extended by majority
 21 vote of the governing body of the municipality where the
 22 facility is located or the governing body of the county if the
 23 facility is not located in a municipality. A permitholder may
 24 amend the license issued to the permitholder within 60 days
 25 after July 1, 2007. A cardroom may be operated at the facility
 26 only when the facility is authorized to accept wagers on
 27 pari-mutuel events during its authorized meet. A cardroom may
 28 operate between the hours of 12 noon and 12 midnight on any
 29 day a pari-mutuel event is conducted live as a part of its
 30 authorized meet. However, a permitholder who holds a valid
 31 cardroom license may operate a cardroom between the hours of

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1 ~~12 noon and 12 midnight on any day that live racing of the~~
2 ~~same class of permit is occurring within 35 miles of its~~
3 ~~facility if no other holder of that same class of permit~~
4 ~~within 35 miles is operating a cardroom at such time and if~~
5 ~~all holders of the same class of permit within the 35-mile~~
6 ~~area have given their permission in writing to the~~
7 ~~permitholder to operate the cardroom during the designated~~
8 ~~period. Application to operate a cardroom under this paragraph~~
9 ~~must be made to the division as part of the annual license~~
10 ~~application.~~

11 (c) A cardroom operator must at all times employ and
12 provide a nonplaying dealer for each table on which authorized
13 card games which traditionally use ~~utilize~~ a dealer are
14 conducted at the cardroom. Such dealers may not have a ~~any~~
15 participatory interest in any game other than the dealing of
16 cards and may not have an interest in the outcome of the game.
17 The providing of such dealers by a licensee does ~~shall~~ not
18 constitute ~~be construed as constituting~~ the conducting of a
19 banking game by the cardroom operator.

20 (d) A cardroom operator may award giveaways, jackpots,
21 and prizes to a player who holds certain combinations of cards
22 specified by the cardroom operator.

23 (e)~~(d)~~ Each cardroom operator shall conspicuously post
24 upon the premises of the cardroom a notice which contains a
25 copy of the cardroom license; a list of authorized games
26 offered by the cardroom; the wagering limits imposed by the
27 house, if any; any additional house rules regarding operation
28 of the cardroom or the playing of any game; and all costs to
29 players to participate, including any rake by the house. In
30 addition, each cardroom operator shall post at each table a
31 notice of the minimum and maximum bets authorized at such

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1 table and the fee for participation in the game conducted.

2 ~~(f)(e)~~ The cardroom facility is ~~shall be~~ subject to
3 inspection by the division or any law enforcement agency
4 during the licensee's regular business hours. The inspection
5 must will specifically include ~~encompass~~ the permitholder
6 internal control procedures approved by the division.

7 ~~(g)(f)~~ A cardroom operator may refuse entry to or
8 refuse to allow ~~to play~~ any person who is objectionable,
9 undesirable, or disruptive to play, but such refusal may ~~shall~~
10 not be on the basis of race, creed, color, religion, gender
11 ~~sex~~, national origin, marital status, physical handicap, or
12 age, except as provided in this section.

13 (8) METHOD OF WAGERS; LIMITATION.--

14 (a) ~~No~~ Wagering may not be conducted using money or
15 other negotiable currency. Games may only be played using
16 ~~utilizing~~ a wagering system where ~~whereby~~ all players' money
17 is ~~first~~ converted by the house to tokens or chips that may
18 ~~which shall~~ be used only for wagering ~~only~~ at that specific
19 cardroom.

20 (b) The cardroom operator may limit the amount wagered
21 in any game or series of games, but the maximum bet may not
22 exceed \$2 in value. There may not be more than three raises in
23 any round of betting. The fee charged by the cardroom for
24 participation in the game may ~~shall~~ not be included in the
25 calculation of the limitation on the bet amount provided in
26 this paragraph. However, a cardroom operator may conduct games
27 of Texas Hold-em without a betting limit if the required
28 player buy-in is no more than \$100.

29 (c) A tournament shall consist of a series of games.
30 The entry fee for a tournament, including any re-buys, may not
31 exceed the maximum amount that could be wagered by a

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1 participant in 10 like-kind, nontournament games under
2 paragraph (b). Tournaments may be played only with tournament
3 chips that are provided to all participants in exchange for an
4 entry fee and any subsequent re-buys. All players must receive
5 an equal number of tournament chips for their entry fee.
6 Tournament chips have no cash value and represent tournament
7 points only. There is no limitation on the number of
8 tournament chips that may be used for a bet except as
9 otherwise determined by the cardroom operator. Tournament
10 chips may never be redeemed for cash or for any other thing of
11 value. The distribution of prizes and cash awards must be
12 determined by the cardroom operator before entry fees are
13 accepted. For purposes of tournament play only, the term
14 "gross receipts" means the total amount received by the
15 cardroom operator for all entry fees, player re-buys, and fees
16 for participating in the tournament less the total amount paid
17 to the winners or others as prizes.

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

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

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