



Regulatory Affairs Committee

**Thursday, March 26, 2015
8:00 AM
Sumner Hall (404 HOB)**

Action Packet

AMENDED

COMMITTEE MEETING REPORT

Regulatory Affairs Committee

3/26/2015 8:00:00AM

Location: Sumner Hall (404 HOB)

Summary: No Bills Considered

Committee meeting was reported out: Thursday, March 26, 2015 3:36:18PM

COMMITTEE MEETING REPORT

Regulatory Affairs Committee

3/26/2015 8:00:00AM

Location: Sumner Hall (404 HOB)

Attendance:

	<i>Present</i>	<i>Absent</i>	<i>Excused</i>
Jose Diaz (Chair)	X		
Halsey Beshears	X		
Jim Boyd	X		
Randolph Bracy	X		
Dane Eagle	X		
Matt Gaetz	X		
Evan Jenne	X		
Mike La Rosa	X		
Mike Miller	X		
Jared Moskowitz	X		
Jake Raburn	X		
Holly Raschein	X		
David Richardson	X		
Ray Rodrigues	X		
Darryl Rouson	X		
Irving Slosberg	X		
John Wood	X		
Ritch Workman	X		
Totals:	18	0	0

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Location: Sumner Hall (404 HOB)

Presentation/Workshop/Other Business Appearances:

Workshop on Gaming

Marc Dunbar (Lobbyist) - Information Only

Stronach Group, Bally Technologies, Gaming Laboratories Int'l, Association of Gaming Equipment Mfctr

P. O. Box 351

Tallahassee FL 32312

Phone: 850-933-8500

Workshop on Gaming

Ramon Maury (Lobbyist) - Information Only

Greyhound Safety (Florida)

P.O. Box 10245

Tallahassee FL 32302

Phone: 850-222-1568

Workshop on Gaming

John Sowinski (General Public) - Information Only

No Casinos, Inc.

201 S. Orange Ave., Ste. 880

Orlando FL 32703

Phone: 407-608-5931

Workshop on Gaming

Mark Wilson (Lobbyist) - Information Only

Florida Chamber of Commerce

President

136 S. Bronough St.

Tallahassee FL 32301

Phone: 850-521-1209

Workshop on Gaming

Regina Brown (General Public) - Information Only

Transforming Florida, Inc.

President and Executive Director

10233 130th St.

Largo FL 33774

Phone: 727-243-0128

Workshop on Gaming

Nick Iarossi (Lobbyist) - Information Only

Las Vegas Sands Corp.

101 E. College Ave., Ste. 502

Tallahassee FL 32301

Phone: 850-222-9075

Workshop on Gaming

Donn Mitchell (General Public) - Information Only

South Florida Gaming Association / Isle of Capri Casinos

777 Isle of Capri Circle

Pompano Beach FL 33069

Phone: 314-306-0118

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Regulatory Affairs Committee

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Presentation/Workshop/Other Business Appearances: (continued)

Workshop on Gaming

Lonny Powell (Lobbyist) - Information Only
Florida Thoroughbred Breeders and Owners Association
801 S.W. 60th Ave.
Ocala FL 34774
Phone: 352-629-2160

Workshop on Gaming

Brewster Bevis (Lobbyist) - Information Only
Associated Industries of Florida
516 N. Adams St.
Tallahassee FL 32301
Phone: 850-224-7173

Workshop on Gaming

Stella Thayer (General Public) - Information Only
Tampa Bay Downs Race Track
11225 Race Track Road
Tampa FL 33626

Workshop on Gaming

Mitch C. Taylor (General Public) - Information Only
Town of Davie
6591 Orange Dr.
Davie FL 33314
Phone: 954-797-1109

Workshop On Gaming

Bill Bunkley (Lobbyist) - Information Only
Florida Ethice & Religious Liberty Commission, Inc.
P. O. Box 341644
Tampa FL 33694
Phone: 813-264-2977

Workshop on Gaming

Carey Theil (Lobbyist) - Information Only
GREY2K USA
P.O. Box F
Arlington MA 02476
Phone: 781-488-3526

Workshop on Gaming

Jennifer Green (Lobbyist) - Information Only
Florida Attractions Association
President, Liberty Partners of Tallahassee
113 E. College Ave.
Tallahassee FL 32301
Phone: 850-841-1726

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Presentation/Workshop/Other Business Appearances: (continued)

Workshop on Gaming

Davie Roberts (Lobbyist) - Information Only
Florida Council on Compulsive Gambling
106 E. College Ave.
Tallahassee FL 32301
Phone: 850-224-9634

Workshop on Gaming

Mark A. Alvarez (General Public) - Information Only
Veterans of Foreign Wars
Legislative Chairman
1149 Corby Ct. E.
Tallahassee FL 32317
Phone: 850-212-8936

Workshop on Gaming

Brenda A. Holt (General Public) - Information Only
Gadsden County
Gadsden County Commission
7 W. Jefferson St.
Quincy FL 32351
Phone: 850-510-9162

Workshop on Gaming

David Bishop (Lobbyist) - Information Only
Florida Greyhound Association
P.O. Box 11201
Tallahassee FL 32302
Phone: 850-766-8384

Workshop on Gaming

Jeff Kottkamp (Lobbyist) - Information Only
Florida Greyhound Association (FGA) & Florida Casino Watch
3311 Dartmoor Dr.
Tallahassee FL 32312
Phone: 239-297-9741

Workshop on Gaming

Jack Cory (Lobbyist) - Information Only
Florida Greyhound Association
120 E. College Ave.
Tallahassee FL 32301
Phone: 850-893-0995

Workshop on Gaming (Parimutuel)

Daniel Martell (Lobbyist) - Information Only
Economic Council of Palm Beach County
218 Datura St.
West Palm Beach FL 33401
Phone: 561-531-3910

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Presentation/Workshop/Other Business Appearances: (continued)

Workshop on Gaming (Casino Gambling)

Mark Phillips (Lobbyist) - Information Only
Florida Family Action
1101 Victoria Dr. #8
Dunedin FL 34698
Phone: 813-532-5023

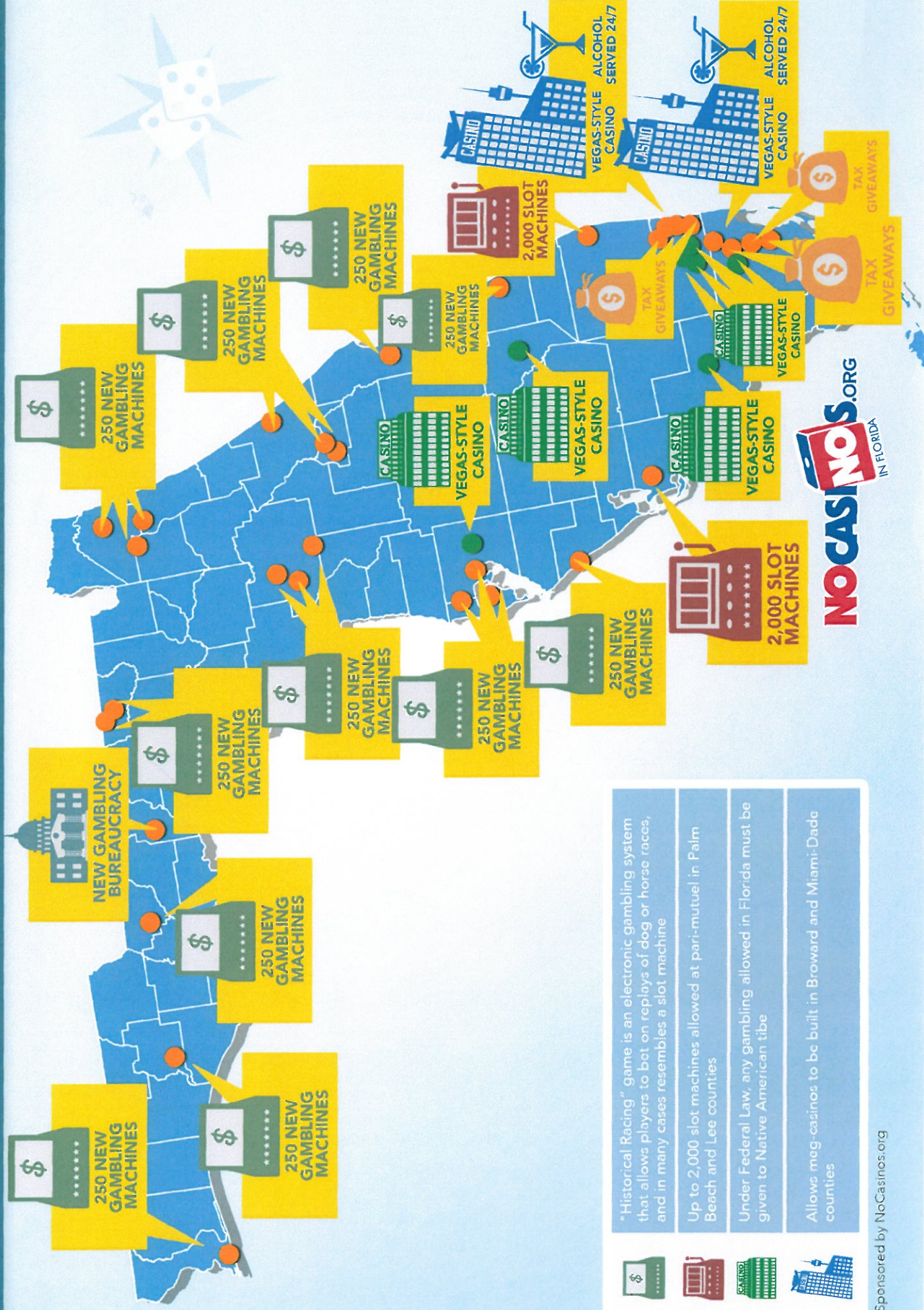
Workshop on Gaming/Revenue Overview

Amy Baker (State Employee) (At Request Of Chair) - Information Only
Florida Office of Economic and Demographic Research
Coordinator
111 W. Madison St., Ste. 574
Tallahassee FL 32399
Phone: 850-487-1402

Workshop on Gaming/State Regulatory Overview

Jonathan Zachem (State Employee) (At Request Of Chair) - Information Only
Department of Business and Professional Regulation
Director, Pari-Mutuel Wagering
1940 N. Monroe St.
Tallahassee FL 32399-1035
Phone: 850-487-1395

HB 1233 - A CONTRACTION OF GAMBLING???



"Historical Racing" game is an electronic gambling system that allows players to bet on replays of dog or horse races, and in many cases resembles a slot machine

Up to 2,000 slot machines allowed at pari-mutuel in Palm Beach and Lee counties

Under Federal Law, any gambling allowed in Florida must be given to Native American tribes

Allows meg-casinos to be built in Broward and Miami-Dade counties



NO CASINOS.ORG
IN FLORIDA

South Florida Gaming Association

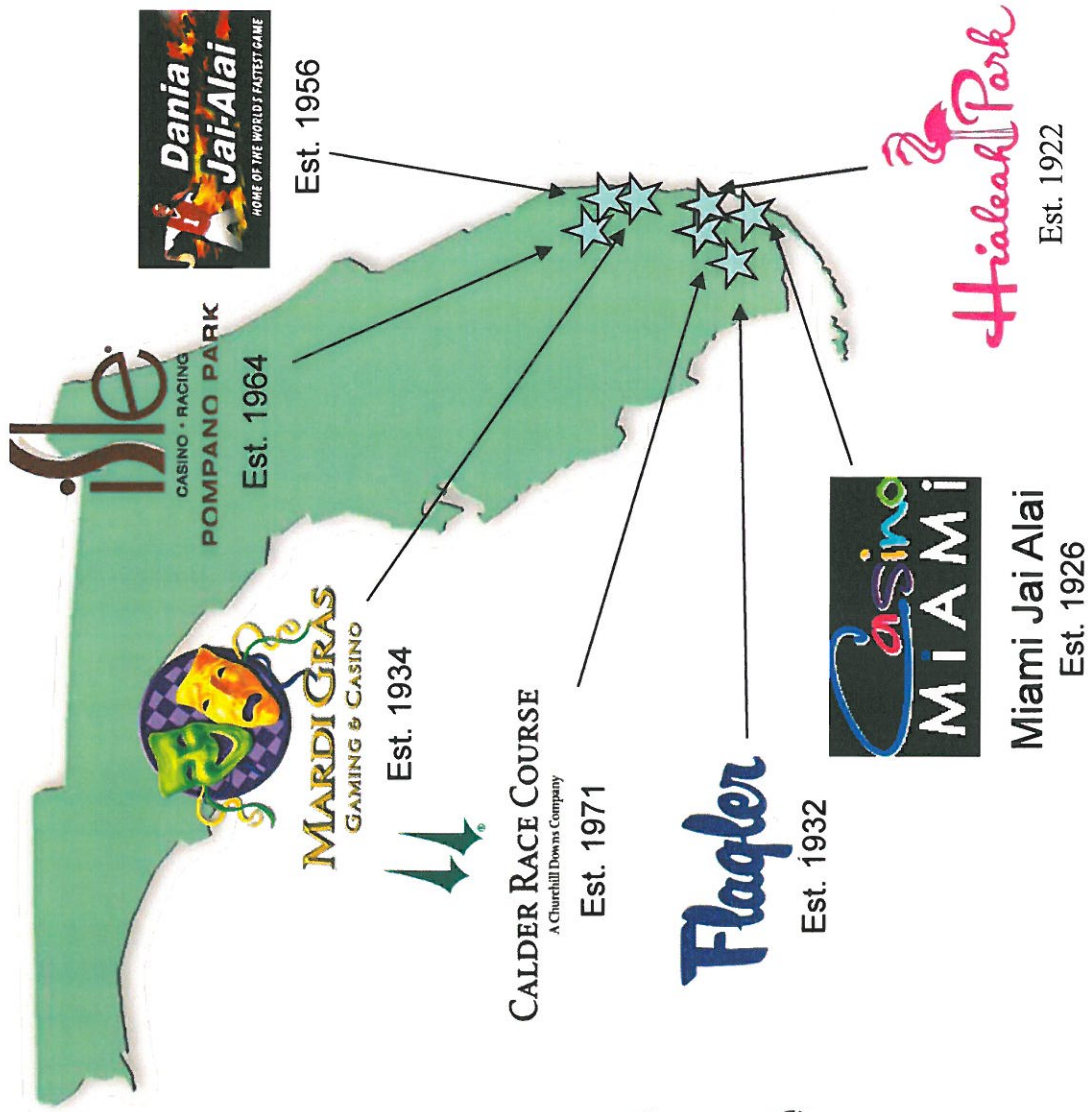
***Florida House
Regulated Affairs Committee
Gaming Workshop
March 2015***

South Florida Gaming Association

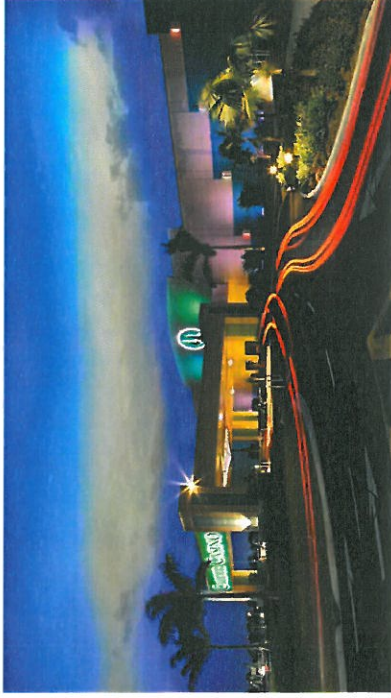
- **South Florida Casinos**
Miami-Dade & Broward County Pari-mutuels
- **Voter Approved: State-wide & local referendums**
- **Limited Gaming:**
 - Class III slots and poker only (No table games)
 - Limited to 2,000 gaming positions
 - Limited hours of operation (Not 24/7)
 - No complimentary alcohol beverages on gaming floor
 - No credit play allowed for customers

LONG-TIME FLORIDA BASED BUSINESSES

- ✓ For over 90 years, since the 1920's
- ✓ Investing in Florida
- ✓ Creating jobs for Floridians
- ✓ Contributing hundreds of millions annually into Florida's tax base
- ✓ Involved in our Communities



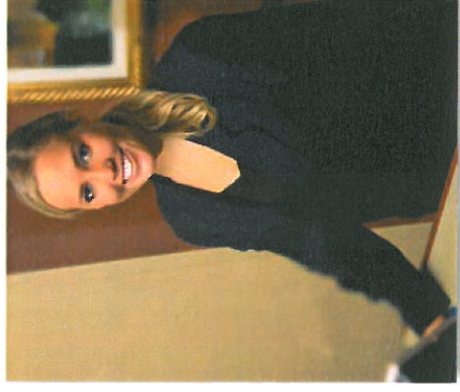
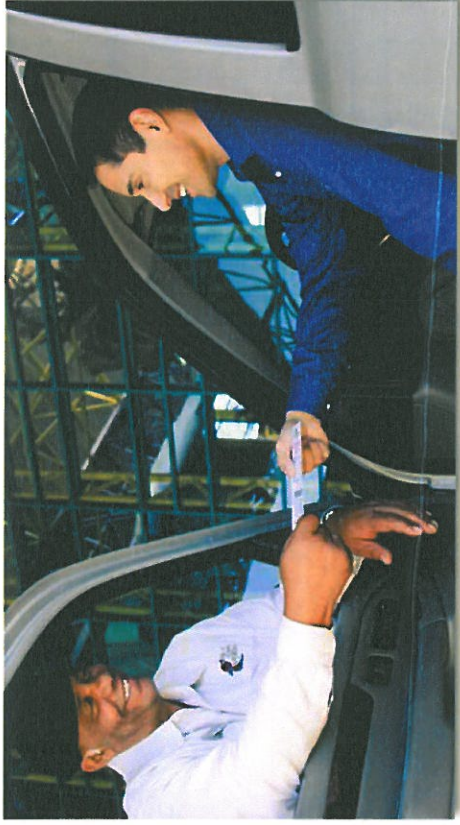
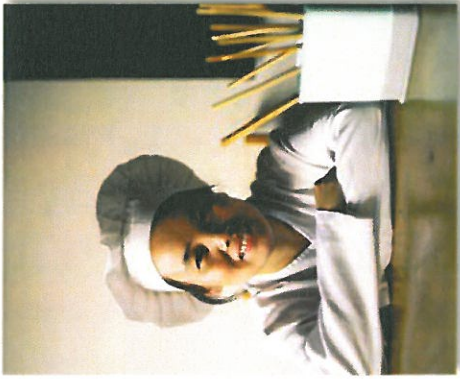
INVESTED IN FLORIDA



South Florida Casinos have invested over

\$1.2 Billion in Florida to date.

JOBS FOR FLORIDIANS



**4,500 Direct current full-time and part-time Florida jobs
(\$120+ million in total current annual payroll)***

2,350 Directly affiliated pari-mutuel Florida jobs*

10,400 Indirect Florida jobs (est. based on a conservative 1.5 multiplier)

17,250 Total Jobs related to South Florida pari-mutuels

*Approximate numbers.

SOUTH FLORIDA CASINOS

STATE & LOCAL GAMING TAX REVENUES PAID SINCE 2006

- \$1.1 BILLION IN GAMING TAXES PAID TO THE STATE
 - \$ 115 MILLION IN SLOT LICENSURE FEES PAID TO THE STATE
 - \$ 75 MILLION IN LOCAL CITY & COUNTY GAMING REVENUE SHARE
-

TOTAL: \$1.4 BILLION AND COUNTING

Approx. Revenue numbers from slot operations paid and accrued over Fiscal Years 2006-07, 2007-08, 2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14 and 2014-15 to date.

Corporate Citizenship

**Volunteer Hours and Financially
We Support Many Organizations**

American Cancer Society

American Diabetes Assoc.

American Heart Assoc.

Charter School SLAM

FL Gulf Coast University

Jewish Federation of Broward County

Joe DiMaggio Children's Hospital

Veteran's Multi-Purpose Center

Urban League

Women is Distress – Broward Co.

Broward Children's Center

Cystic Fibrosis Walk

Farm Share

South Florida Gaming Association

- South Florida Casinos provide significant benefits to Florida:
 - Capital Investment
 - Good Jobs
 - Tax Dollars for the State
 - Good Corporate Citizens
- We believe Florida should maximize the benefits it gets from the Gaming Industry
- We believe in the “Fair Competition”

PROPOSED CASINO LEGISLATION – CONSEQUENCES

- Adds competition with Unfair Competitive Advantages
- South Florida Casinos compete directly with the Tribal Casinos
- Tribal Casinos will use their significant competitive advantages to drive South Florida Casinos out of business
- Revenue Estimating Committee historically projected gaming expansion in this manner will **Significantly Cannibalize** the existing Casinos
- **EFFECTIVE GAMING TAX RATE INCREASE** because of annual minimum tax guarantee

South Florida Gaming Association

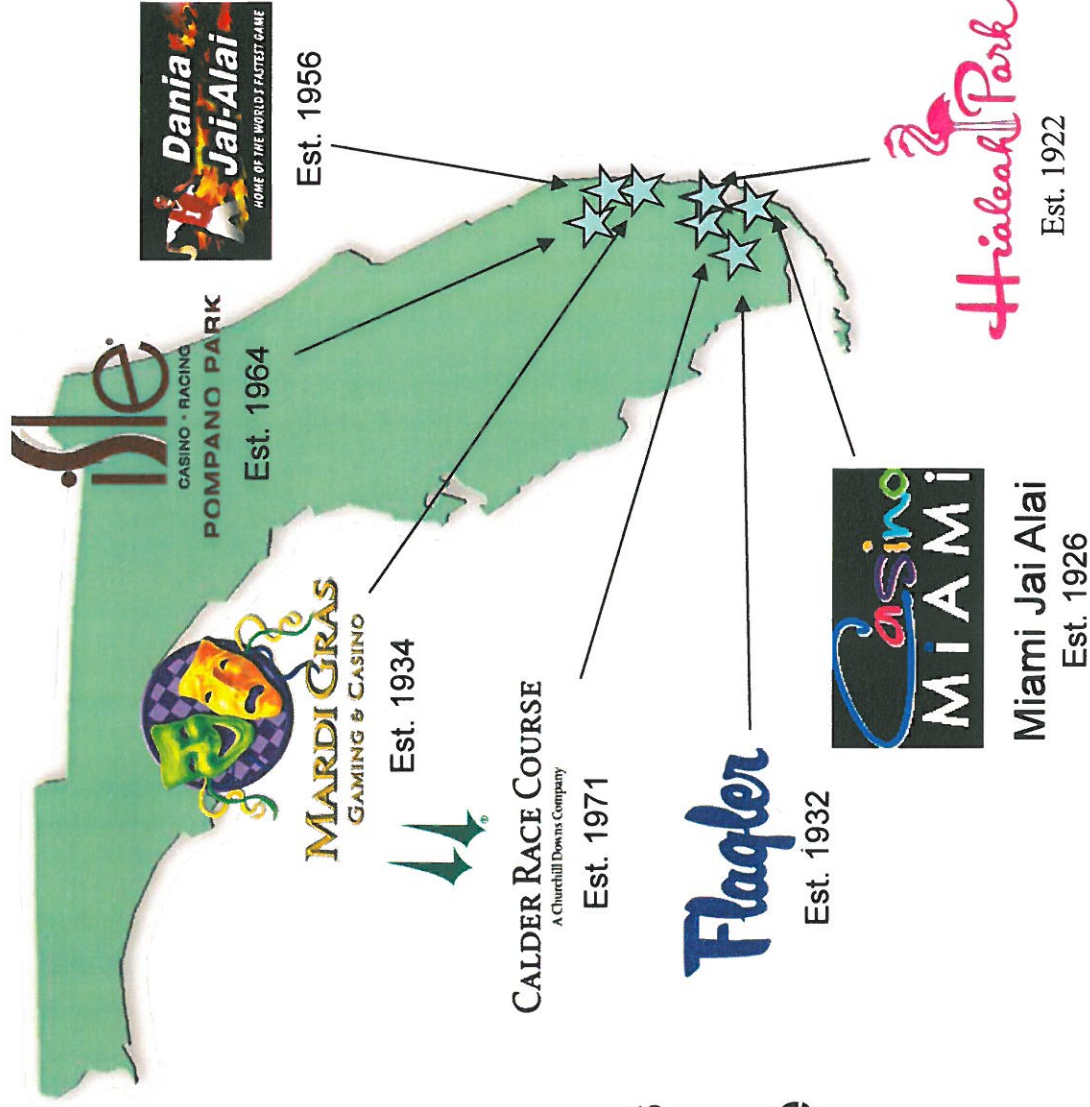
- Florida should maximize its benefits from Gaming by creating a Fair competitive environment
- “PARITY” – Level Playing Field for ALL Casinos
 - Gaming Product: Same Slots & Table Games allowed
 - Tax Rate: 12.5% vs. 35%++ (25%++ more than double Tribe)
 - Operating Restrictions: (24/7, Comp drinks and Credit)
- Fair Competition will result in:
 - Maximized capital investment
 - Maximized Job Growth
 - Maximized Revenues to Florida

South Florida Gaming Association

- We are Florida's Commercial Casino Industry and we support Florida growing its Gaming Industry
- Status Quo doesn't maximize the benefits from Gaming for the State
- We believe "Fair Competition" will maximize the Gaming Industry benefits for Florida
- Smart Growth – Full Parity for All Florida Casinos
- We are partners with Florida: "What's in Florida's best interest will also be in our best interest."

South Florida Gaming Association

- ✓ For over 90 years, since the 1920's
- ✓ Investing in Florida
- ✓ Creating jobs for Floridians
- ✓ Contributing hundreds of millions annually into Florida's tax base
- ✓ Involved in our Communities





Greyhound Decoupling Findings from the Spectrum Report

- Greyhound decoupling will **reduce gambling** in the state by \$23 million.ⁱ
- In 2012, the **state lost between \$1 million and \$3.3 million on dog racing**, because regulatory costs exceed revenues. Some of the tracks that will close after greyhound decoupling passes “generated very little state revenue” and “**their closures could be a net gain for the State treasury.**”ⁱⁱ
- **Greyhound breeders will benefit** from increased purse payments. At the tracks that continue greyhound racing, purses will increase by \$2.8 million.ⁱⁱⁱ
- Greyhound racing is “**clearly in serious decline**” and between 1990 and 2012, dog race handle in Florida declined by **67%**.^{iv} This mirrors a national trend, and **ten states have outlawed dog racing** since 1993.^v At the same time that gambling on dog racing has sharply dropped, the number of greyhound performances has declined by only 6% due to state dog racing mandates.^{vi}
- Greyhound decoupling will “**not impact revenue sharing per the Seminole contract**” and will have “no impact” on cardroom or slot machine revenues.^{vii} In fact, greyhound decoupling will have “**no impact on the state’s gaming industry** under any scenario.”^{viii}
- Greyhound decoupling will lead to a **reduction of dog race performances of nearly 40%**.^{ix} Greyhound decoupling will lead to the eventual closure of six tracks, and these facilities would “cease live racing within three years.”^x Three other tracks would reduce performances, by between 10% and 50%.^{xi}
- Remaining dog tracks “will benefit through higher simulcast revenue.”^{xii} However, track increases in simulcast handle and purses will likely be temporary.^{xiii}

“It’s clear that pari-mutuel operations at greyhound tracks are loss leaders as the tracks sustained a combined operating loss from wagering on greyhounds of \$35 million.”^{xiv}

ⁱ Spectrum Gaming Group, “Gambling Impact Study,” October 28, 2013, http://www.leg.state.fl.us/gamingstudy/docs/FGIS_Spectrum_28Oct2013.pdf, Final Report PDF page 422.

ⁱⁱ Spectrum Gaming Group, Final Report PDF page 421.

ⁱⁱⁱ Spectrum Gaming Group, Final Report PDF page 418-420.

^{iv} Spectrum Gaming Group, Final Report PDF page 283.

^v Spectrum Gaming Group, Final Report PDF page 135, 121.

^{vi} Spectrum Gaming Group, Final Report PDF page 136.

^{vii} Spectrum Gaming Group, Final Report PDF page 422.

^{viii} Spectrum Gaming Group, Final Report PDF page 395.

^{ix} Spectrum Gaming Group, Final Report PDF page 417.

^x Spectrum Gaming Group, Final Report PDF page 418.

^{xi} *Ibid.*

^{xii} Spectrum Gaming Group, Final Report PDF page 136.

^{xiii} Spectrum Gaming Group, Final Report PDF page 419-420.

^{xiv} Spectrum Gaming Group, Final Report PDF page 136.



OFFICE OF THE CITY COUNCIL

CLAY YARBOROUGH
PRESIDENT
COUNCIL MEMBER, DISTRICT 1
OFFICE (904) 630-1389
FAX (904) 630-2906

March 24, 2015

SUITE 425, CITY HALL
117 WEST DUVAL STREET
JACKSONVILLE, FLORIDA 32202
E-MAIL: CLAY@COJ.NET

The Honorable Jose Felix Diaz
Florida House of Representatives
Regulatory Affairs Committee
303 House Office Building
402 South Monroe Street
Tallahassee, FL 32399-1300

Dear Representative Diaz,

The purpose of this letter is to express my opposition to HB 1233 and any further expansion of gambling in Florida. More gambling is the wrong economic policy and the wrong social policy for Florida.

The fact is that when casinos are introduced into a developed economy like ours, they do little more than cannibalize existing jobs and businesses. Money put into a slot machine or on a blackjack table is money not spent in a local restaurant, entertainment complex, movie theatre, or some other sector of our economy. In fact, when casinos opened in Atlantic City, NJ, 40 percent of the local restaurants and one-third of the local retail stores went out of business.

Florida has spent years and billions of dollars to diversify our economy. We need to continue to attract high-tech, high-wage industries to our state. Redefining Florida by building the world's largest casinos will drive away the types of industries we should be focused on bringing here.

We must also consider the increased crime and negative social impacts brought on by more gambling in our communities. The Florida Council on Compulsive Gambling reports that 32 percent of callers to its toll-free, anonymous problem-gambling help line say they committed an illegal act to support their habit.

If new casinos and additional forms of gambling are legalized, taxpayers will end up footing the bill for the crime, treatment for compulsive gamblers and social costs of destitute gamblers that more gambling will cause. Taxes paid by casinos simply won't cover all these costs.

I'm proud to live in Florida - our family-friendly designation makes this state an ideal place to start a business and raise a family. The staggering number of visitors into our state each year proves that

The Honorable Jose Feliz Diaz

March 23, 2015

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our recipe of attractions, weather and natural beauty are the foundation for a vibrant economy. One thing is clear to me: Florida doesn't need the casino industry to thrive. Casinos need Florida.

Sincerely,

A handwritten signature in black ink that reads "Clay Yarborough". The signature is written in a cursive style with a long horizontal flourish at the end.

Clay Yarborough

President, Jacksonville City Council