

## BANKING/ FINANCE

# Florida, Seminoles Gambling Deal Faces Legal Questions



J. ALBERT DIAZ

Under the agreement, the Seminole Tribe of Florida would serve as a hub for online sports betting, with pari-mutuel operators contracting with the tribe.

by Dara Kam

After years of legal wrangling and failed attempts to seal a deal, Gov. Ron DeSantis and the Seminole Tribe of Florida have nailed down a gambling agreement to bring sports betting to the state and rake at least \$2.5 billion into state coffers within five years.

But the complicated 30-year pact faces significant hurdles before Florida residents and visitors legally could whip out their phones and place bets on their favorite sports teams.

State lawmakers would have to sign off on the agreement, which is known as a “compact.” The U.S. Department of the Interior also has to authorize the deal.

In addition, experts are divided about whether the Florida Constitution requires statewide voter approval to legalize sports betting. Other lawyers believe that the proposed compact with the Seminoles could run afoul of federal law.

“Florida is a legal landmine,” Hallandale Beach lawyer Daniel Wallach, who specializes in sports betting, said in an interview.

Wallach warned that the compact could result in a legal quagmire because of the federal Indian Gaming Regulatory Act which governs what activities tribes can engage in.

Under the agreement inked April 23 by DeSantis and Seminole Tribe of Florida Chairman Marcellus Osceola Jr., the Seminoles would serve as a hub for online sports betting, with pari-mutuel operators contracting with the tribe. Pari-mutuels would get to keep 60 percent of sports-betting revenue, with 40% going to the Seminoles. The tribe would pay the state up to 14% on the net winnings.

But Wallach and others question whether federal law allows the state to enter into a compact that authorizes gambling off tribal lands, even if the technology handling wagering transactions is located on the Seminoles’ property.

Wallach pointed to the Indian Gaming Regulatory Act, which provides that tribes may conduct certain types of gambling activities “on tribal lands.” Courts have strictly interpreted the federal law to mean that the activities need to take place on tribal lands.

“There’s no ambiguity,” Wallach said. “It’s not the server. It’s not the adminis-

trative off-site. It’s the roll of the dice. It’s the actions of the gambler.”

But Jim Allen, CEO of Seminole Gaming and chairman of Hard Rock International, said the tribe believes the sports betting arrangement laid out in the compact is on solid ground.

“It’s our feeling, and we certainly have talked to the Department of the Interior, as long as the servers are on sovereign land, we are within the boundaries of the law. I certainly recognize that there are many companies that are trying to derail this,” Allen told The News Service of Florida in a phone interview.

The federal agency has 45 days to authorize a tribal compact, once it has been ratified. If the Department of the Interior doesn’t act within that period of time, the compact automatically goes into effect. Florida’s compact wouldn’t be ratified until the Legislature signs off on the deal.

Under the agreement, sports betting would be “geo-fenced” within the state’s borders. The tribe would be required to contract with three pari-mutuel operators within three months of sports-betting operations going live or it would face financial penalties.

The pari-mutuels wouldn’t be limited to offering sports wagering at their brick-and-mortar facilities but would be allowed to issue what are known as “skins,” or apps, to market sports betting operated on the Seminoles’ properties.

Allen noted that the tribe is “very aware of certain individuals or companies that would not like this particular contract approved, and we certainly respect that,” but he repeatedly said the wagering “transaction” would take place on tribal sovereign lands.

“Candidly, we would never enter into this agreement if we did not verify this with other legal representation, that the bet in the transaction happens at the server, and as long as that is on tribal sovereign lands, we think we are within the boundaries of the law,” he said. “I’ll reiterate we certainly respect there’s those who feel that’s not accurate, and we respect that but that’s our position. And obviously if someone challenges that legally, then we’ll have to go through the process.”

**Dara Kam reports for the News Service of Florida.**



## CITY OF DORAL NOTICE OF PUBLIC HEARING

All residents, property owners and other interested parties are hereby notified of a **COUNCIL ZONING MEETING** on **May 19, 2021 beginning at 10:30 AM.**

**General Public Comments:** members of the public that wish to provide comments in writing may do so by emailing the City Clerk at [cityclerk@cityofdoral.com](mailto:cityclerk@cityofdoral.com). Comments must be submitted with your name and full address by **Tuesday, May 18, 2021 at 5:00 pm**. The comments will be circulated to the elected officials and administration, as well as remain as a part of the record for the meeting.

**Public Hearing Comments (Pre-Registration):** interested parties that wish to speak on the Public Hearing item(s) **ONLY**, must register by **Tuesday, May 18, 2021 at 5:00 pm** via this link: <https://attendee.gotowebinar.com/register/8692485354599901197>

The meeting will be broadcasted live for members of the public to view on the City of Doral’s website (<https://www.cityofdoral.com/government/city-clerk/council-meetings>) as well as Channel 77 and Facebook Live.

The City of Doral proposes to adopt the following Ordinance:

### ORDINANCE No. 2021-17

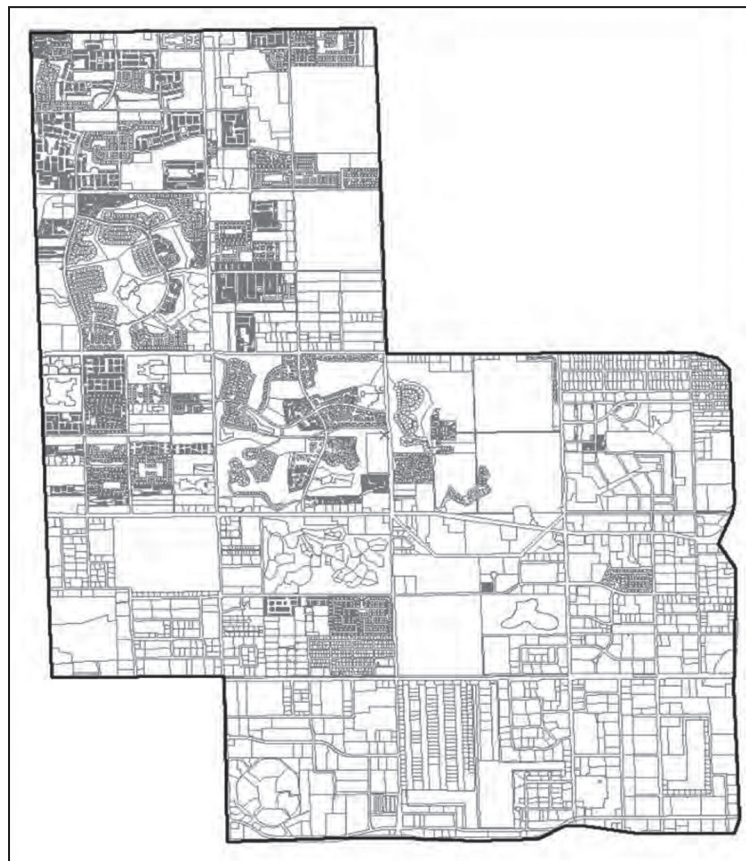
**AN ORDINANCE OF THE MAYOR AND THE CITY COUNCIL OF THE CITY OF DORAL, FLORIDA, APPROVING/DENYING A TEXT AMENDMENT TO THE CITY OF DORAL LAND DEVELOPMENT CODE, CHAPTER 53, “ADMINISTRATION,” ARTICLE II, “PLANNING AND DEVELOPMENT,” DIVISION 5, “SUMMARY OF USES AND DEVELOPMENT STANDARDS,” MODIFYING SECTION 53-128, “USE COMPATIBILITY TABLE,” ELIMINATING SCHOOLS AS A PERMITTED USE WITHIN THE INDUSTRIAL COMMERCIAL DISTRICT (IC), INDUSTRIAL DISTRICT (I) AND INDUSTRIAL RESTRICTIVE (I-R) ZONING DISTRICTS; AND AMENDING CHAPTER 68, “LAND USES AND ZONING DISTRICTS,” ARTICLE VI, “INDUSTRIAL DISTRICT (I),” DIVISION 2 “INDUSTRIAL COMMERCIAL DISTRICT (IC),” DIVISION 3, “INDUSTRIAL DISTRICT (I),” AND DIVISION 4, “INDUSTRIAL RESTRICTIVE DISTRICT (I-R);” REMOVING PUBLIC SCHOOLS AS A PERMITTED USE; PROVIDING FOR INCORPORATION INTO THE CODE; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICTS, AND PROVIDING FOR AN EFFECTIVE DATE**

**HEARING NO.:** 21-05-DOR-03

**APPLICANT:** City of Doral

**REQUEST:** The City of Doral Staff is requesting Mayor and City Council approval of a text amendment to Chapter 53 and Chapter 68 of the City of Doral Land Development Code to remove schools as a permitted use within the Industrial Commercial District (IC), Industrial District (I) and Industrial Restrictive District (I-R).

### Location Map



Inquiries regarding the item may be directed to the Planning and Zoning Department at 305-59-DORAL.

Pursuant to Section 286.0105, Florida Statutes If a person decides to appeal any decisions made by the City Council with respect to any matter considered at such meeting or hearing, they will need a record of the proceedings and, for such purpose, may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. This notice does not constitute consent by the City for introduction or admission of otherwise inadmissible or irrelevant evidence, nor does it authorize challenges or appeals not otherwise allowed by law. In accordance with the Americans with Disabilities Act, any persons who are disabled and who need special accommodations to participate in this meeting because of that disability should contact the Planning and Zoning Department at 305-59-DORAL no later than three (3) business days prior to the proceeding.

Connie Diaz, MMC  
City Clerk  
City of Doral City of Doral