

February 8, 2024

Re: SB 1046 & HB 189 – Legislation to Combat Illegal Gambling

Dear Members of the Florida Legislature:

The American Gaming Association (AGA) strongly supports the passage of Senate Bill 1046 and House Bill 189, which would increase the criminal penalties for persons operating or advertising illegal gambling establishments in the state of Florida. We urge both chambers to approve the legislation to better protect Floridians from the scourge of illegal gambling, give gaming regulators and law enforcement more effective tools to combat illegal operations, and deter people from operating illegal gambling establishments.

The AGA is the national trade group representing the legal U.S. gaming industry, which supports 1.8 million jobs across the country. Our membership consists of commercial and tribal casino operators, U.S.-licensed gaming suppliers and vendors, licensed sportsbook operators, testing labs, payment processors, and other key stakeholders. The gaming industry is one of the most highly regulated in the country at every level of government, and our members constantly work to provide consumers with a safe gaming environment and to give back to their communities.

Illegal gambling is a long-standing problem across the country, not just in Florida. According to [AGA research](#), it is estimated that Americans wager over \$500 billion every year through illegal and unregulated channels, including illegal, offshore sportsbooks and online casinos as well as on unregulated gambling machines.

Unregulated gambling machines are particularly pervasive: Americans wager \$109 billion every year on the estimated 580,000 machines across the country. In Florida, AGA research estimates there are more than 47,000 illegal machines operating throughout the state. Between July 2022 and June 2023, the Florida Gaming Control Commission (FGCC) enforcement operations seized 858 illegal slot machines, more than \$1.1 million in cash and \$2 million in real estate, made over 40 arrests, and recovered 40 grams of fentanyl and 10 grams of methamphetamine. From August 2022 through September 2023, the FGCC recorded 1,561 reports of illegal gambling activity.

This is a significant public safety issue that deserves the heightened level of attention it is receiving in Florida. Operators of illegal slot machines offer no responsible gaming resources to identify and help those who need it, implement no age verification requirements to protect minors, pay no taxes, and lack any requirements to pay out bettors who win.

Naturally, illegal gambling also often attracts other forms of crime, where drug trafficking, weapons trafficking, fraud, and money laundering are commonly linked. According to [news reports](#), a Jacksonville man hired as a security guard for an illegal gambling facility was recently

charged with murder after shooting a man who attacked the manager of the illegal establishment. In November 2023, [one person](#) was killed in Havana after the attempted robbery of an illegal gambling establishment. Unfortunately, these types of incidents are far too common.

We also applaud the legislation's ban on affiliate advertising for illegal gambling operations. One of the main focuses of the legal industry has been to educate the public on what platforms and locations offer legal and licensed gaming, and which do not. Increasing criminal penalties for illegal gambling advertising will help rid the public sphere of false information that could lead Floridians to illegal operations.

It is critical that policymakers prioritize enforcement of illegal gambling. The enactment of SB 1046 and HB 189 will send a clear message to illegal operators that gaming regulators and law enforcement have the legal authority and the resources necessary to crack down on their activities, charge them with serious felony crimes, and put them out of business.

Sincerely,

A handwritten signature in black ink, appearing to read "W. C. Miller, Jr.", with a stylized flourish at the end.

William C. Miller, Jr.
President & CEO