

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Gaming

BILL: SB 742

INTRODUCER: Senator Sobel and others

SUBJECT: Greyhound Racing Injuries

DATE: April 7, 2014

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Kraemer	Guthrie	GM	Pre-meeting
2.			AGG	
3.			AP	

I. Summary:

SB 742 requires greyhound track veterinarians to prepare detailed reports of all injuries to racing greyhound dogs that occur while the dogs are on a racetrack or in another location. Injury reports must be signed under oath and witnessed by a representative of the Division of Pari-Mutuel Wagering in the Department of Business and Professional Regulation. The reports and any associated records are public records that must be maintained for 7 years. False statements in an injury report may result in a \$1,500 fine for a first violation and \$3,000 or more for subsequent violations.

II. Present Situation:

As of June 30, 2013, there were 30 pari-mutuel facilities in Florida, including 16 greyhound tracks, 6 jai alai frontons, 4 quarter horse tracks, 3 thoroughbred tracks, and 1 harness track.¹ Among the 16 greyhound racing tracks, three conducted races at leased facilities.² Therefore, the actual number of operating tracks was 13. Also, there were four tracks that operated two greyhound permits each,³ bringing the total number of greyhound racing permitholders with 2013-2014 operating licenses to 20. Jefferson County Kennel Club recently closed, reducing the number of operating permitholders to 19 and the number of operating tracks to 12.

¹ Information about facilities regulated by the Division of Pari-Mutuel Wagering are published in *82nd Annual Report, Fiscal Year 2012-2013*, <http://www.myfloridalicense.com/dbpr/pmw/documents/AR/AnnualReport2012-2013--82nd--2014-01-24.pdf> (last visited April 7, 2014).

² Tampa Greyhound conducts races at St. Petersburg Kennel Club (a.k.a., Derby Lane), and both Jacksonville Kennel Club and Bayard Raceways (St. Johns) conduct races at Orange Park Kennel Club.

³ H & T Gaming @ Mardi Gras and Mardi Gras share a facility in Hallandale Beach, Daytona Beach Kennel Club and West Volusia Racing-Daytona share a facility in Daytona Beach, Palm Beach Kennel Club and License Acquisitions-Palm Beach share a facility in West Palm Beach, and Sanford-Orlando Kennel Club and Penn Sanford @SOKC share a facility in Longwood.

Racing greyhounds are registered with the National Greyhound Association and are used in racing at a pari-mutuel facility, or have been used, bred, raised, or trained to be used for such racing.⁴ More greyhound racing performances occur in Florida than any other state.

Regulation by Division of Pari-Mutuel Wagering

Greyhound racing is regulated by the Division of Pari-Mutuel Wagering in the Department of Business and Professional Regulation (division). The division has regulatory oversight of permitted and licensed pari-mutuel wagering facilities, cardrooms located at pari-mutuel facilities, and slot machines at pari-mutuel facilities located in Miami-Dade and Broward counties.

Under current law, greyhound permitholders are not required to have operating licenses if not currently conducting live racing, and there are 10 inactive permits: 1 greyhound,⁵ 2 jai alai, 1 limited thoroughbred,⁶ and 6 quarter horse⁷ permits.

Greyhound permitholders must apply for an annual operating license, specifying the number, dates and starting times of all performances to be conducted.⁸ A “performance” is a minimum of 8 consecutive live races.⁹ At least three live performances must be held at a track each week.¹⁰ When a permitholder conducts at least three live performances in a week, it must pay purses (cash prizes) on wagers accepted at the track on certain greyhound races run at other tracks (in Florida or elsewhere).¹¹

In order to receive an operating license, a greyhound permitholder must have conducted a full schedule of live racing during the preceding year,¹² that is, a minimum of 100 live performances.¹³

If a permitholder does not conduct all of the performances specified in its operating license, the division may determine whether to fine the permitholder or suspend the license,¹⁴ unless the

⁴ Section 550.002(29), F.S.

⁵ North American Racing Association (Key West).

⁶ Under Section 550.3345, F.S., during Fiscal Year 2010-2011 only, holders of quarter horse permits were allowed to convert their permits to a thoroughbred racing permit, conditioned upon specific use of racing revenues for enhancement of thoroughbred purses and awards, promotion of the thoroughbred horse industry, and the care of retired thoroughbred horses. Two conversions occurred (Gulfstream-GPTARP and Ocala Thoroughbred Racing).

⁷ A quarter horse is capable of high speed for a short distance; the breed was developed in the American West. See Section 550.002(28), F.S.

⁸ Section 550.01215, F.S.

⁹ Section 550.002(25), F.S.

¹⁰ Section 550.002(11), F.S.

¹¹ Section 550.09514(2)(c), F.S.

¹² Section 550.002(11), F.S. In accordance with s. 550.002(38), F.S., a full schedule of live racing is calculated from July 1 to June 30, which is the state fiscal year.

¹³ The performances may be during the day or in the evenings, as set forth in the schedule that is part of the operating license issued by the division.

¹⁴ Section 550.01215(4), F.S.

failure is due to certain events beyond the permit holder's control.¹⁵ Financial hardship itself is not an acceptable basis to avoid a fine or suspension.¹⁶

Intertrack Wagering and Simulcast

Section 550.615(2), F.S., allows a greyhound permit holder that has conducted a full schedule of live racing in the preceding year to receive broadcasts and accept wagers on any type of pari-mutuel race or game conducted by other licensed pari-mutuel permit holders in the state. This type of wagering is defined as "intertrack wagering."¹⁷

Wagering on a simulcast event occurs when a wager is placed on (1) a live race or game that is broadcast outside the state from an in-state location, or (2) a live race or game that occurs outside the state but is broadcast to a permit holder in the state.¹⁸

Cardrooms at Pari-mutuel Locations

Section s. 849.086, F.S., provides that a licensed pari-mutuel permit holder that holds a valid pari-mutuel permit and license to conduct a full schedule of greyhound performances may obtain a cardroom license. Eleven (11) of the 12 currently operating greyhound racing locations have cardrooms.¹⁹ As a result of the so-called "90% rule," the required minimum of live performances varies among greyhound permit holders (e.g., in Fiscal Year 2012-2013, the number of performances ranged from 104 to 395).

Slot Machines at Pari-mutuel Locations in Miami-Dade and Broward Counties

Section 551.104(4), F.S., outlines licensing requirements related to slot machine gaming, which is authorized only in Miami-Dade and Broward counties.²⁰ A greyhound permit holder that is also a slot machine licensee must conduct at least a full schedule of live racing or games as defined in Section 551.002 (11), F.S.

Injury Reporting

The division, by administrative rule pursuant to Section 550.2415(12), F.S., requires notification of the death of a racing greyhound while in training or during a race on the grounds of a greyhound track or kennel compound. The track must notify the division within 18 hours of the deceased animal's location, where the death occurred, and how to reach the kennel operator,

¹⁵ *Id.*

¹⁶ *Id.*

¹⁷ Section 550.002(17), F.S.

¹⁸ Section 550.002(32), F.S.

¹⁹ Section 849.086(5)(a), F.S., provides that an initial cardroom license may be issued to a permit holder only after its facilities are in place and it has conducted its first day of live racing or games. If more than one permit holder is operating at a facility, each permit holder must have applied for a license to conduct a full schedule of live racing. See s. 849.086(5)(b), F.S., Renewal of a cardroom license requires that the permit holder's annual application requests at least 90% of the performances conducted either (1) in the year in which its first cardroom license was issued, or (2) in the state fiscal year immediately prior to the application if a full schedule of live racing was conducted.

²⁰ See s 551.010, F.S., and FLA. CONST. art. X, s. 23.

trainer and the person making the report.²¹ Also, if an animal is injured and later dies or is euthanized, the division may conduct a postmortem examination.²²

III. Effect of Proposed Changes:

SB 742 requires that an injury to a racing greyhound be reported by a racetrack veterinarian to the Division of Pari-Mutuel Wagering.

The bill requires reporting of the following information about an injury that does not cause a racing greyhound's death:

- Specific identification of the injured greyhound (name, tattoos, microchip information);
- Contact information for the greyhound's owner, trainer, and kennel operator; and
- The location where the injury occurred, whether on a racetrack, or elsewhere.

Further, if the injury occurs during a race, an injury report must state:

- The name of the racetrack and the time injury occurred;
- The distance, grade, race, and post position of the injured greyhound;
- The weather and track conditions at the time of the injury; and
- The type and location of the injury, its cause, and the recovery time anticipated.

Racing greyhound injury reports must be sworn to by the racetrack veterinarian under penalty of perjury and witnessed by an employee or other designated representative of the division. False statements in an injury report may result in a \$1,500 fine for a first violation and \$3,000 or more for subsequent violations.

The bill does not set a deadline for the submission of injury reports.

The bill provides that the records that are created and maintained respecting injury reports are public records that must be maintained by the division for 7 years. Any oral or written requests to the division for the records must result in the records being made "readily available."

The effective date is July 1, 2014.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

²¹ See also Rule 61D-2.023(2)(k), F.A.C.

²² Section 550.2415(9), F.S. also provides that postmortem examinations may be made of any animal that dies while housed at a permitted racetrack, association compound, or licensed kennel or farm.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Additional reporting will have an indeterminate impact on greyhound racetracks.

C. Government Sector Impact:

Recordkeeping and producing documents in response to public records requests will have an indeterminate impact on the Division of Pari-Mutuel Wagering.

VI. Technical Deficiencies:

None.

VII. Related Issues:

The bill does not set deadlines for completing racing greyhound injury reports or providing reports to the Division of Pari-Mutuel Wagering.

VIII. Statutes Affected:

The bill substantially amends section 550.2415 of the Florida Statutes.

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.