

1                   A bill to be entitled  
2           An act relating to pari-mutuel wagering;  
3           amending s. 550.2625, F.S.; revising standing  
4           requirements for stallion awards; amending s.  
5           550.09512, F.S.; repealing the expiration of  
6           that section; amending s. 550.09514, F.S.,  
7           providing a formula for the distribution of  
8           greyhound purses; requiring greyhound  
9           permitholders to produce weekly purse payment  
10          reports; requiring greyhound permitholders to  
11          make direct payment of purses to greyhound  
12          owners based on certain amounts; providing for  
13          a greyhound permitholder, under certain  
14          conditions, to make deductions from purses paid  
15          to kennel operators and to make payments to a  
16          local association of greyhound kennel  
17          operators; creating s. 550.6308, F.S.;  
18          providing for issuance of a limited intertrack  
19          wagering license; amending s. 550.0951, F.S.;  
20          authorizing certain permitholders to transfer  
21          daily license fee tax credits to other  
22          permitholders and to receive reimbursement;  
23          amending s. 26, ch. 96-364, Laws of Florida,  
24          relating to tax on handle of live thoroughbred  
25          performances, live jai alai performances, and  
26          intertrack wagering; providing effective dates.

27  
28   Be It Enacted by the Legislature of the State of Florida:

29  
30           Section 1. Paragraph (d) of subsection (3) of section  
31   550.2625, Florida Statutes, is amended to read:

1           550.2625 Horseracing; minimum purse requirement,  
2 Florida breeders' and owners' awards.--

3           (3) Each horseracing permitholder conducting any  
4 thoroughbred race under this chapter, including any intertrack  
5 race taken pursuant to ss. 550.615-550.6305 or any interstate  
6 simulcast taken pursuant to s. 550.3551(3) shall pay a sum  
7 equal to 0.75 percent on all pari-mutuel pools conducted  
8 during any such race for the payment of breeders' and stallion  
9 awards as authorized in this section. This subsection also  
10 applies to all Breeder's Cup races conducted outside this  
11 state taken pursuant to s. 550.3551(3). On any race  
12 originating live in this state which is broadcast out-of-state  
13 to any location at which wagers are accepted pursuant to s.  
14 550.3551(2), the host track is required to pay 3.3 percent of  
15 the gross revenue derived from such out-of-state broadcasts as  
16 breeders' and stallion awards. The Florida Thoroughbred  
17 Breeders' Association is authorized to receive these payments  
18 from the permitholders and make payments of awards earned.  
19 The Florida Thoroughbred Breeders' Association has the right  
20 to withhold up to 10 percent of the permitholder's payments  
21 under this section as a fee for administering the payments of  
22 awards and for general promotion of the industry. The  
23 permitholder shall remit these payments to the Florida  
24 Thoroughbred Breeders' Association by the 5th day of each  
25 calendar month for such sums accruing during the preceding  
26 calendar month and shall report such payments to the division  
27 as prescribed by the division. With the exception of the  
28 10-percent fee, the moneys paid by the permitholders shall be  
29 maintained in a separate, interest-bearing account, and such  
30 payments together with any interest earned shall be used

31

1 exclusively for the payment of breeders' awards and stallion  
 2 awards in accordance with the following provisions:  
 3 (d) In order for an owner of the sire of a  
 4 thoroughbred horse winning a stakes race to be eligible to  
 5 receive a stallion award, the stallion must have been  
 6 registered with the Florida Thoroughbred Breeders'  
 7 Association, and the breeding of the registered Florida-bred  
 8 horse must have occurred in this state. The stallion must be  
 9 standing permanently in this state between February 1st  
 10 through June 15th of each year or, if the stallion is dead,  
 11 must have stood permanently in this state for a period of not  
 12 less than 1 year immediately prior to its death. The removal  
 13 of a stallion from this state during the period of time  
 14 between February 1st through June 15th of any year for any  
 15 reason, other than exclusively for prescribed medical  
 16 treatment, as approved by the Florida Thoroughbred Breeders'  
 17 Association, renders the owner or owners of the stallion  
 18 ineligible to receive a stallion award under any circumstances  
 19 for offspring sired prior to removal; however, if a removed  
 20 stallion is returned to this state, all offspring sired  
 21 subsequent to the return make the owner or owners of the  
 22 stallion eligible for the stallion award but only for those  
 23 offspring sired subsequent to such return to this state. The  
 24 Florida Thoroughbred Breeders' Association shall maintain  
 25 complete records showing the date the stallion arrived in this  
 26 state for the first time, whether or not the stallion remained  
 27 in the state permanently, the location of the stallion, and  
 28 whether the stallion is still standing in this state and  
 29 complete records showing awards earned, received, and  
 30 distributed. The association may charge the owner, owners, or  
 31 breeder a reasonable fee for this service.

1 Section 2. Subsection (5) of section 550.09512,  
2 Florida Statutes, as created by section 1 of chapter 93-288,  
3 Laws of Florida, is amended to read:

4 550.09512 Harness horse taxes; abandoned interest in a  
5 permit for nonpayment of taxes.--

6 ~~(5) This section is repealed July 1, 1998, and shall~~  
7 ~~be reviewed by the Legislature prior to that date.~~

8 Section 3. Subsection (2) of section 550.09514,  
9 Florida Statutes, is amended to read:

10 550.09514 Greyhound dogracing taxes; purse  
11 requirements.--

12 (2)(a) The division shall determine for each greyhound  
13 permitholder the annual purse percentage rate of live handle  
14 for the state fiscal year 1993-1994 by dividing total purses  
15 paid on live handle by the permitholder, exclusive of payments  
16 made from outside sources, during the 1993-1994 state fiscal  
17 year by the permitholder's live handle for the 1993-1994 state  
18 fiscal year. Each permitholder shall pay as purses for live  
19 races conducted during its current race meet a percentage of  
20 its live handle not less than the percentage determined under  
21 this paragraph, exclusive of payments made by outside sources,  
22 for its 1993-1994 state fiscal year.

23 (b)1. Except as otherwise provided herein, in addition  
24 to the minimum purse percentage required by paragraph (a),  
25 each permitholder shall pay as purses, for fiscal year  
26 1996-1997, an amount equal to 75 percent of the permitholder's  
27 tax credit pursuant to s. 550.0951(1).

28 2. Except as otherwise set forth herein, in addition  
29 to the minimum purse percentage required by paragraph (a),  
30 beginning July 1, 1997, each permitholder shall pay as purses  
31 an annual amount equal to 75 percent of the daily license fees

1 paid by each permitholder for the 1994-1995 fiscal year. This  
 2 purse supplement shall be disbursed weekly during the  
 3 permitholder's race meet in an amount determined by dividing  
 4 the annual purse supplement by the number of performances  
 5 approved for the permitholder pursuant to its annual license  
 6 and multiplying that amount by the number of performances  
 7 conducted each week.For the greyhound permitholders in the  
 8 county where there are two greyhound permitholders located as  
 9 specified in s. 550.615(6), such permitholders shall pay in  
 10 the aggregate an amount equal to 75 percent of the daily  
 11 license fees paid by such permitholders for the 1994-1995  
 12 fiscal year. These permitholders shall be jointly and  
 13 severally liable for such purse payments.

14

15 The additional purses provided by this paragraph must be used  
 16 exclusively for purses other than stakes. The division shall  
 17 conduct audits necessary to ensure compliance with this  
 18 section.

19 (c)1. ~~The division shall require sufficient~~  
 20 ~~documentation from each greyhound permitholder regarding~~  
 21 ~~purses paid on live racing and greyhound intertrack and~~  
 22 ~~simulcast broadcasts to assure that the annual purse~~  
 23 ~~percentage rates paid by each permitholder on the intertrack~~  
 24 ~~or simulcast broadcasts are not reduced below those paid~~  
 25 ~~during the 1993-1994 state fiscal year. In addition,Each~~  
 26 ~~greyhound permitholder when conducting at least three live~~  
 27 ~~performances during any week live races shall pay purses in~~  
 28 ~~that week on wagers it accepts as a guest track on intertrack~~  
 29 ~~and simulcast greyhound races at the same rate as it pays on~~  
 30 ~~live races. Each greyhound permitholder when conducting at~~  
 31 ~~least three live performances during any week acting as a host~~

1 ~~track~~ shall pay purses in that week, at the same rate as it  
2 pays on live races, on wagers accepted on greyhound ~~such~~ races  
3 at a guest track which is not conducting live racing and is  
4 located within the same market area as the greyhound  
5 permitholder conducting at least three live performances  
6 during any week ~~host~~.

7         2. Each host greyhound permitholder shall pay purses  
8 on its simulcast and intertrack broadcasts of greyhound races  
9 to guest facilities that are located outside its market area  
10 in an amount equal to one quarter of an amount determined by  
11 subtracting the transmission costs of sending the simulcast or  
12 intertrack broadcasts from an amount determined by adding the  
13 fees received for greyhound simulcast races plus 3 percent of  
14 the greyhound intertrack handle at guest facilities that are  
15 located outside the market area of the host and that paid  
16 contractual fees to the host for such broadcasts of greyhound  
17 races.

18         (d) The division shall require sufficient documentation  
19 from each greyhound permitholder regarding purses paid on live  
20 racing to assure that the annual purse percentage rates paid  
21 by each permitholder on the live races are not reduced below  
22 those paid during the 1993-94 state fiscal year. The division  
23 shall require sufficient documentation from each greyhound  
24 permitholder to assure that the purses paid by each  
25 permitholder on the greyhound intertrack and simulcast  
26 broadcasts are in compliance with the requirements of  
27 paragraph (c) of this section.

28         (e)~~(d)~~ Each greyhound permitholder who conducted live  
29 racing in state fiscal year 1993-1994 shall submit to the  
30 division by September 1, 1996, purse payment records and  
31

1 copies of purse contracts pertaining to greyhound racing that  
2 were in effect during state fiscal year 1993-1994.

3 (f) Each greyhound permitholder shall, during the  
4 permitholder's race meet, supply kennel operators and the  
5 Division of Pari-Mutuel Wagering with a weekly report showing  
6 purses paid on live greyhound races and all greyhound  
7 intertrack and simulcast broadcasts, including both as a guest  
8 and a host together with the handle or commission calculations  
9 on which such purses were paid and the transmission costs of  
10 sending the simulcast or intertrack broadcasts, so that the  
11 kennel operators may determine statutory and contractual  
12 compliance.

13 (g) Each greyhound permitholder shall make direct  
14 payment of purses to the greyhound owners who have filed with  
15 such permitholder appropriate federal taxpayer identification  
16 information based on the percentage amount agreed upon between  
17 the kennel operator and the greyhound owner.

18 (h) At the request of a majority of kennel operators  
19 under contract with a greyhound permitholder, the permitholder  
20 shall make deductions from purses paid to each kennel operator  
21 electing such deduction and shall make a direct payment of  
22 such deductions to the local association of greyhound kennel  
23 operators formed by a majority of kennel operators under  
24 contract with the permitholder. The amount of the deduction  
25 shall be at least 1 percent of purses, as determined by the  
26 local association of greyhound kennel operators. No deductions  
27 may be taken pursuant to this paragraph without a kennel  
28 operator's specific approval before or after the effective  
29 date of this act.

30 Section 4. Section 550.6308, Florida Statutes, is  
31 created to read:

1           550.6308 Limited intertrack wagering license.--In  
2 recognition of the economic importance of the thoroughbred  
3 breeding industry to this state, its positive impact on  
4 tourism, and of the importance of a permanent thoroughbred  
5 sales facility as a key focal point for the activities of the  
6 industry, a limited license to conduct intertrack wagering is  
7 established to ensure the continued viability and public  
8 interest in thoroughbred breeding in Florida.

9           (1) Upon application to the division on or before  
10 January 31 of each year, any person who is licensed to conduct  
11 public sales of thoroughbred horses pursuant to s. 535.01, who  
12 has conducted at least 15 days of thoroughbred horse sales at  
13 a permanent sales facility in this state for at least 3  
14 consecutive years, and who has conducted at least 1 day of  
15 nonwagering thoroughbred racing in this state, with a purse  
16 structure of at least \$250,000 per year for 2 consecutive  
17 years before such application, shall be issued a license to  
18 conduct intertrack wagering for thoroughbred racing for up to  
19 21 days in connection with thoroughbred sales, to conduct  
20 intertrack wagering at such permanent sales facility between  
21 November 1 and May 8, to conduct intertrack wagering at such  
22 permanent sales facility between May 9 and October 31 at such  
23 times and on such days as any thoroughbred, jai alai, or a  
24 greyhound permitholder in the same county is not conducting  
25 live performances, and to conduct intertrack wagering under  
26 the provisions of this subsection during the weekend of the  
27 Kentucky Derby, the Preakness, the Belmont, and a Breeders'  
28 Cup Meet that is conducted before November 1 and after May 8,  
29 subject to conditions set forth in this section but no more  
30 than one such license may be issued and no such license may be



1 issued for a facility located within 50 miles of any  
2 thoroughbred permitholder's track.

3 (2) If more than one application is submitted for such  
4 license, the division shall determine which applicant shall be  
5 granted the license. In making its determination, the division  
6 shall grant the license to the applicant demonstrating  
7 superior capabilities, as measured by the length of time the  
8 applicant has been conducting thoroughbred sales within this  
9 state or elsewhere, the applicant's total volume of  
10 thoroughbred horse sales, within this state or elsewhere, the  
11 length of time the applicant has maintained a permanent  
12 thoroughbred sales facility in this state, and the quality of  
13 the facility.

14 (3) The applicant must comply with the provisions of  
15 ss. 550.125 and 550.1815.

16 (4) Intertrack wagering under this section may be  
17 conducted only on thoroughbred horse racing.

18 Section 5. Subsection (1) of section 550.0951, Florida  
19 Statutes is amended to read:

20 550.0951 Payment of daily license fee and taxes.--

21 (1)(a) DAILY LICENSE FEE.--Each person engaged in the  
22 business of conducting race meetings or jai alai games under  
23 this chapter, hereinafter referred to as the "permitholder,"  
24 "licensee," or "permittee," shall pay to the division, for the  
25 use of the division, a daily license fee on each live or  
26 simulcast pari-mutuel event of \$100 for each horserace and \$80  
27 for each dograce and \$40 for each jai alai game conducted at a  
28 racetrack or fronton licensed under this chapter. Effective  
29 October 1, 1996, in addition to the tax exemption specified in  
30 s. 550.09514(1) of \$360,000 or \$500,000 per greyhound  
31 permitholder per state fiscal year, each greyhound

1 permitholder shall receive in the current state fiscal year a  
2 tax credit equal to the number of live greyhound races  
3 conducted in the previous state fiscal year times the daily  
4 license fee specified for each dograce in this subsection  
5 applicable for the previous state fiscal year. This tax  
6 credit and the exemption in s. 550.09514(1) shall be  
7 applicable to the tax on live handle under subsection (3)  
8 except during any charity or scholarship performances  
9 conducted pursuant to s. 550.0351. Effective October 1, 1996,  
10 each permitholder shall pay daily license fees not to exceed  
11 \$500 per day on any simulcast races or games on which such  
12 permitholder accepts wagers regardless of the number of  
13 out-of-state events taken or the number of out-of-state  
14 locations from which such events are taken. This license fee  
15 shall be deposited with the Treasurer to the credit of the  
16 Pari-mutuel Wagering Trust Fund.

17 (b) Each permitholder authorized a maximum tax savings  
18 of \$500,000 per state fiscal year pursuant to s. 550.09514(1)  
19 or the greyhound permitholder that had the lowest live handle  
20 during the preceding state fiscal year, which cannot utilize  
21 the full amount of the daily license fee credit, may, after  
22 notifying the division in writing, elect once per state fiscal  
23 year on a form provided by the division to transfer such  
24 credit or any portion thereof to any greyhound permitholder  
25 which acts as a host track to such permitholder for the  
26 purpose of intertrack wagering. Once an election to transfer  
27 such credit is filed with the division it shall not be  
28 rescinded. The division shall disapprove the credit transfer  
29 when the amount of credit or portion thereof is unavailable to  
30 the transferring permitholder or when the permitholder, who is  
31 entitled to transfer the credit or who is entitled to receive

1 the credit, owes taxes to the state pursuant to a deficiency  
 2 letter or administrative complaint issued by the division.  
 3 Upon approval of the transfer by the division, the transferred  
 4 tax credit shall be effective for the first performance of the  
 5 next biweekly pay period as specified in subsection (5). The  
 6 daily license fee credit transferred to such host track may be  
 7 applied by such host track against its taxes on live racing as  
 8 provided in this subsection. The greyhound permitholder host  
 9 track to which such daily license fee credit is transferred  
 10 shall reimburse such permitholder the exact monetary value of  
 11 such transferred credit as actually applied against the taxes  
 12 of the host track. The division shall ensure that all  
 13 transfers of credit are made in accordance with this  
 14 subsection and shall have the authority to adopt rules to  
 15 ensure the implementation of this section.

16 Section 6. Section 26 of chapter 96-364, Laws of  
 17 Florida, is amended to read:

18 Section 26. Effective July 1, 1998, the amendments to  
 19 ~~subsection (3) of section 550.0951, subsections (2) and (3) of~~  
 20 ~~section 550.09511, subsection (2) of section 550.09515, and~~  
 21 paragraph (a) of subsection (2) of section 550.2625, Florida  
 22 Statutes, shall expire and the text of said subsections shall  
 23 revert to that in existence immediately prior to chapter  
 24 96-364, Laws of Florida, ~~this act~~ becoming law and as set  
 25 forth in that ~~the~~ act without the amendments to such  
 26 subsections, specified in that ~~this~~ act, except that any  
 27 amendments to such text enacted other than by that ~~this~~ act  
 28 shall be preserved and continue to operate to the extent that  
 29 such amendments are not dependent upon the portions of said  
 30 text which expire pursuant to the provisions of that ~~this~~ act.  
 31 The Statutory Revision Division of the Joint Legislative

1 Management Committee shall include in an appropriate reviser's  
2 bill any amendments to said section which are necessary to  
3 give effect to the legislative intent expressed in this  
4 section.

5 Section 7. Except as otherwise expressly provided in  
6 this act, this act shall take effect upon becoming a law.

7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31