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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.

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

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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
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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.

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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
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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

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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.

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