

By Senator Sullivan

22-1063-00

See HB

1 A bill to be entitled
2 An act relating to pari-mutuel wagering;
3 creating s. 550.654, F.S.; creating the
4 Pari-mutuel Consolidation Act of 2000;
5 providing legislative intent; providing for the
6 consolidation of live operations under certain
7 circumstances; providing for intertrack
8 wagering; providing limitations; providing a
9 definition; providing requirements for
10 operation under the act; providing for
11 application; providing for deconsolidation;
12 amending s. 849.086, F.S.; conforming to the
13 act; providing requirements if more than one
14 permitholder operates at a facility; providing
15 an effective date.

16
17 Be It Enacted by the Legislature of the State of Florida:

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19 Section 1. Section 550.654, Florida Statutes, is
20 created to read:

21 550.654 Consolidation of live pari-mutuel operations
22 authorized.--

23 (1) This section may be cited as the "Pari-mutuel
24 Consolidation Act of 2000."

25 (2) It is the intent of the Legislature to allow the
26 pari-mutuel industry to participate in emerging technology and
27 to consolidate live operations in overlapping market areas in
28 order to better utilize and maintain facilities through
29 economies of scale.

30 (3) In the event that any two permitholders with the
31 same class of permit are located in overlapping market areas,

1 by mutual agreement either one of them may, at any time,
2 consolidate live operations with the other by leasing the
3 other permitholder's pari-mutuel facilities for the operation
4 of its entire live meet.

5 (4) Provided that the lessee permitholder has operated
6 a full schedule of live racing or games during the preceding
7 year, it shall be entitled to be licensed to conduct
8 intertrack wagering at either the consolidated pari-mutuel
9 facilities or at a separate intertrack facility located within
10 its market area, provided that the intertrack facility does
11 not operate within the market area of any other permitholder
12 of the same class during that permitholder's live meet unless
13 it first obtains the written consent of the same class
14 operating permitholder.

15 (5) The number of locations with pari-mutuel wagering
16 after any consolidation of pari-mutuel permits shall not be
17 expanded beyond the number of locations that would be
18 permissible if all pari-mutuel permitholders were to conduct
19 live performances at facilities of their own.

20 (6) An "intertrack facility" means a pari-mutuel
21 facility used by a permitholder to conduct intertrack wagering
22 as defined in s. 550.002(17), and shall constitute a guest
23 track as defined in s. 550.002. Intertrack facilities shall be
24 permitted to conduct intertrack wagering at any time on the
25 same class of races or games as their permitholders and on
26 those pari-mutuel events on which the permitholders would be
27 able to accept intertrack wagers if they were conducting live
28 operations at the locations of their intertrack facilities,
29 and, except as provided in this section, shall be subject to
30 the provisions of ss. 550.3551, 550.615, 550.625, and
31 550.6305. A wager at an intertrack facility authorized by this

1 section constitutes an intertrack wager as this term is
2 defined in s. 550.002. The provisions of s. 565.02 shall also
3 apply to each intertrack facility.

4 (7) Two or more permitholders participating in a
5 consolidation of live operations may form a business entity to
6 operate one or more intertrack facilities, provided that in no
7 event shall the total number of live pari-mutuel and
8 intertrack facilities exceed the number of pari-mutuel
9 facilities that would exist if all pari-mutuel permitholders
10 were conducting live operations at their own facilities, and
11 further provided that no person, firm, or entity except a
12 pari-mutuel entity shall own, directly or indirectly, any
13 interest in an intertrack facility.

14 (8) Notwithstanding any other provision of this
15 chapter, a permitholder that has consolidated and is
16 conducting its live performances at the facility of another
17 same class permitholder shall pay taxes on live and intertrack
18 handle at a rate that is no higher than any other same class
19 permitholder that operates at the same facility.

20 (9) The provisions of this section apply equally to
21 every consolidation of live pari-mutuel operations resulting
22 in more than one permitholder operating at the same location,
23 regardless of the date of such consolidation.

24 (10) Nothing contained within this chapter shall
25 prevent a permitholder that has consolidated its live
26 operations at the location of another permitholder from
27 deconsolidating and operating its live performances at any
28 other location permitted by law.

29 Section 2. Paragraphs (b) and (d) of subsection (5) of
30 section 849.086, Florida Statutes, are amended to read:

31 849.086 Cardrooms authorized.--

1 (5) LICENSE REQUIRED; APPLICATION; FEES.--No person
2 may operate a cardroom in this state unless such person holds
3 a valid cardroom license issued pursuant to this section.

4 (b) After the initial cardroom license is granted, the
5 application for the annual license renewal shall be made in
6 conjunction with the applicant's annual application for its
7 pari-mutuel license. In order for a cardroom license to be
8 renewed the applicant must have requested, as part of its
9 pari-mutuel annual license application, to conduct at least 90
10 percent of the total number of live performances conducted by
11 such permitholder during either the state fiscal year in which
12 its initial cardroom license was issued or the state fiscal
13 year immediately prior thereto, or, in the event that more
14 than one permitholder is operating at a facility, each of the
15 permitholders must have applied for a license to conduct a
16 full schedule of live racing.

17 (d) The annual cardroom license fee for each facility
18 shall be \$1,000 for the first table and \$500 for each
19 additional table to be operated at the cardroom. This license
20 fee shall be deposited by the division with the Treasurer to
21 the credit of the Pari-mutuel Wagering Trust Fund.

22 Section 3. This act shall take effect upon becoming a
23 law.

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26 LEGISLATIVE SUMMARY

27 Creates the "Pari-mutuel Consolidation Act of 2000" to
28 allow the pari-mutuel industry to participate in emerging
29 technology and to consolidate live operations in
30 overlapping market areas in order to better utilize and
31 maintain facilities through economies of scale. (See bill
for details.)