

1 A bill to be entitled
2 An act relating to pari-mutuel wagering;
3 amending s. 550.26165, F.S.; revising criteria
4 for making breeders' awards for racehorses;
5 amending s. 550.2625, F.S.; providing for
6 payment of special racing awards; amending s.
7 550.334, F.S.; revising provisions relating to
8 quarter horse races; specifying certain
9 conditions of operation for permitholders shall
10 not be applicable; amending s. 550.002, F.S.;
11 revising a definition for "full schedule of
12 live racing or games"; providing an effective
13 date.

14

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

16

17 Section 1. Subsections (1) and (2) of section
18 550.26165, Florida Statutes, are amended to read:

19

550.26165 Breeders' awards.--

20

(1) The purpose of this section is to encourage the
21 agricultural activity of breeding and training racehorses in
22 this state. Moneys dedicated in this chapter for use as
23 breeders' awards and stallion awards are to be used for awards
24 to breeders of registered Florida-bred horses winning
25 horseraces and for similar awards to the owners of stallions
26 who sired Florida-bred horses winning stakes races, if the
27 stallions are registered as Florida stallions standing in this
28 state. Such awards shall be given at a uniform rate to all
29 winners of the awards, shall not be greater than 20 percent of
30 the announced gross purse, and shall not be less than 15
31 percent of the announced gross purse if funds are available.

1 In addition, no less than 17 percent nor more than 40 percent,
 2 as determined by the Florida Thoroughbred Breeders'
 3 Association, of the moneys dedicated in this chapter for use
 4 as breeders' awards and stallion awards for thoroughbreds
 5 shall be returned pro rata to the permitholders that generated
 6 the moneys for special racing awards to be distributed by the
 7 permitholders to owners of ~~registered Florida-bred~~
 8 thoroughbred horses participating winning in prescribed
 9 thoroughbred stakes races, non-stakes races, or both ~~and~~
 10 ~~winning or placing in thoroughbred stakes races~~, all in
 11 accordance with a written agreement establishing the rate,
 12 procedure, and eligibility requirements for such awards
 13 entered into ~~plan established annually no later than 120 days~~
 14 ~~before the first day of the permitholders' racing meet and~~
 15 ~~agreed upon~~ by the permitholder, the Florida Thoroughbred
 16 Breeders' Association, and the Florida Horsemen's Benevolent
 17 and Protective Association, Inc., except that the plan for the
 18 distribution by any permitholder located in the area described
 19 in s. 550.615(9) shall be agreed upon by that permitholder,
 20 the Florida Thoroughbred Breeders' Association, and the
 21 association representing a majority of the thoroughbred
 22 racehorse owners and trainers at that location. Awards for
 23 thoroughbred races are to be paid through the Florida
 24 Thoroughbred Breeders' Association, and awards for
 25 standardbred races are to be paid through the Florida
 26 Standardbred Breeders and Owners Association. Among other
 27 sources specified in this chapter, moneys for thoroughbred
 28 breeders' awards will come from the 0.955 percent of handle
 29 for thoroughbred races conducted, received, broadcast, or
 30 simulcast under this chapter as provided in s. 550.2625(3).
 31 The moneys for quarter horse and harness breeders' awards will

1 come from the breaks and uncashed tickets on live quarter
2 horse and harness racing performances and 1 percent of handle
3 on intertrack wagering. The funds for these breeders' awards
4 shall be paid to the respective breeders' associations by the
5 permitholders conducting the races.

6 (2) Each breeders' association shall develop a plan
7 each year that will provide for a uniform rate of payment and
8 procedure for breeders' and stallion awards ~~payment~~. The plan
9 for payment of breeders' and stallion awards may set a cap on
10 winnings and may limit, exclude, or defer payments on to
11 certain classes of races, such as the Florida stallion stakes
12 races, in order to assure that there are adequate revenues to
13 meet the proposed uniform rate. Priority shall be placed on
14 imposing such restrictions in lieu of allowing the uniform
15 rate for breeders' and stallion awards to be less than 15
16 percent of the total purse payment. The plan must provide for
17 the maximum possible payments within revenues.

18 Section 2. Subsection (3) of section 550.2625, Florida
19 Statutes, is amended to read:

20 550.2625 Horseracing; minimum purse requirement,
21 Florida breeders' and owners' awards.--

22 (3) Each horseracing permitholder conducting any
23 thoroughbred race under this chapter, including any intertrack
24 race taken pursuant to ss. 550.615-550.6305 or any interstate
25 simulcast taken pursuant to s. 550.3551(3) shall pay a sum
26 equal to 0.955 percent on all pari-mutuel pools conducted
27 during any such race for the payment of breeders', and
28 stallion, or special racing awards as authorized in this
29 chapter ~~section~~. This subsection also applies to all
30 Breeder's Cup races conducted outside this state taken
31 pursuant to s. 550.3551(3). On any race originating live in

1 this state which is broadcast out-of-state to any location at
2 which wagers are accepted pursuant to s. 550.3551(2), the host
3 track is required to pay 3.475 percent of the gross revenue
4 derived from such out-of-state broadcasts as breeders', and
5 stallion, or special racing awards. The Florida Thoroughbred
6 Breeders' Association is authorized to receive these payments
7 from the permitholders and make payments of awards earned.
8 The Florida Thoroughbred Breeders' Association has the right
9 to withhold up to 10 percent of the permitholder's payments
10 under this section as a fee for administering the payments of
11 awards and for general promotion of the industry. The
12 permitholder shall remit these payments to the Florida
13 Thoroughbred Breeders' Association by the 5th day of each
14 calendar month for such sums accruing during the preceding
15 calendar month and shall report such payments to the division
16 as prescribed by the division. With the exception of the
17 10-percent fee, the moneys paid by the permitholders shall be
18 maintained in a separate, interest-bearing account, and such
19 payments together with any interest earned shall be used
20 exclusively for the payment of breeders', ~~awards and~~ stallion,
21 or special racing awards in accordance with the following
22 provisions:

23 (a) The breeder of each Florida-bred thoroughbred
24 horse winning a thoroughbred horse race is entitled to an
25 award of up to, but not exceeding, 20 percent of the announced
26 gross purse, including nomination fees, eligibility fees,
27 starting fees, supplementary fees, and moneys added by the
28 sponsor of the race.

29 (b) The owner or owners of the sire of a Florida-bred
30 thoroughbred horse that wins a stakes race is entitled to a
31 stallion award of up to, but not exceeding, 20 percent of the

1 announced gross purse, including nomination fees, eligibility
2 fees, starting fees, supplementary fees, and moneys added by
3 the sponsor of the race.

4 (c) The owners of ~~registered Florida-bred~~ thoroughbred
5 horses participating winning or placing in thoroughbred stakes
6 races, non-stakes races, or both may receive a special racing
7 ~~an~~ award in accordance with the agreement a plan established
8 pursuant to in s. 550.26165(1).

9 (d) In order for a breeder of a Florida-bred
10 thoroughbred horse to be eligible to receive a breeder's
11 award, ~~or for the owners of a registered Florida-bred~~
12 ~~thoroughbred horse to be eligible to receive an award under~~
13 ~~paragraph (c),~~ the horse must have been registered as a
14 Florida-bred horse with the Florida Thoroughbred Breeders'
15 Association, and the Jockey Club certificate for the horse
16 must show that it has been duly registered as a Florida-bred
17 horse as evidenced by the seal and proper serial number of the
18 Florida Thoroughbred Breeders' Association registry. The
19 Florida Thoroughbred Breeders' Association shall be permitted
20 to charge the registrant a reasonable fee for this
21 verification and registration.

22 (e) In order for an owner of the sire of a
23 thoroughbred horse winning a stakes race to be eligible to
24 receive a stallion award, the stallion must have been
25 registered with the Florida Thoroughbred Breeders'
26 Association, and the breeding of the registered Florida-bred
27 horse must have occurred in this state. The stallion must be
28 standing permanently in this state during the period of time
29 between February 1 and June 15 of each year or, if the
30 stallion is dead, must have stood permanently in this state
31 for a period of not less than 1 year immediately prior to its

1 death. The removal of a stallion from this state during the
 2 period of time between February 1 and June 15 of any year for
 3 any reason, other than exclusively for prescribed medical
 4 treatment, as approved by the Florida Thoroughbred Breeders'
 5 Association, renders the owner or owners of the stallion
 6 ineligible to receive a stallion award under any circumstances
 7 for offspring sired prior to removal; however, if a removed
 8 stallion is returned to this state, all offspring sired
 9 subsequent to the return make the owner or owners of the
 10 stallion eligible for the stallion award but only for those
 11 offspring sired subsequent to such return to this state. The
 12 Florida Thoroughbred Breeders' Association shall maintain
 13 complete records showing the date the stallion arrived in this
 14 state for the first time, whether or not the stallion remained
 15 in the state permanently, the location of the stallion, and
 16 whether the stallion is still standing in this state and
 17 complete records showing awards earned, received, and
 18 distributed. The association may charge the owner, owners, or
 19 breeder a reasonable fee for this service.

20 (f) A permitholder conducting a thoroughbred horse
 21 race under the provisions of this chapter shall, within 30
 22 days after the end of the race meet during which the race is
 23 conducted, certify to the Florida Thoroughbred Breeders'
 24 Association such information relating to the thoroughbred
 25 horses winning a stakes or other horserace at the meet as may
 26 be required to determine the eligibility for payment of
 27 breeders', awards and stallion, and special racing awards.

28 (g) The Florida Thoroughbred Breeders' Association
 29 shall maintain complete records showing the starters and
 30 winners in all races conducted at thoroughbred tracks in this
 31 state; shall maintain complete records showing awards earned,

1 received, and distributed; and may charge the owner, owners,
2 or breeder a reasonable fee for this service.

3 (h) The Florida Thoroughbred Breeders' Association
4 shall annually establish a uniform rate and procedure for the
5 payment of breeders' and stallion awards and shall make
6 breeders' and stallion award payments in strict compliance
7 with the established uniform rate and procedure plan. The
8 plan may set a cap on winnings and may limit, exclude, or
9 defer payments to certain classes of races, such as the
10 Florida stallion stakes races, in order to assure that there
11 are adequate revenues to meet the proposed uniform rate. Such
12 plan must include proposals for the general promotion of the
13 industry. Priority shall be placed upon imposing such
14 restrictions in lieu of allowing the uniform rate to be less
15 than 15 percent of the total purse payment. The uniform rate
16 and procedure plan must be approved by the division before
17 implementation. In the absence of an approved plan and
18 procedure, the authorized rate for breeders' and stallion
19 awards is 15 percent of the announced gross purse for each
20 race. Such purse must include nomination fees, eligibility
21 fees, starting fees, supplementary fees, and moneys added by
22 the sponsor of the race. If the funds in the account for
23 payment of breeders' and stallion awards are not sufficient to
24 meet all earned breeders' and stallion awards, those breeders
25 and stallion owners not receiving payments have first call on
26 any subsequent receipts in that or any subsequent year.

27 (i) The Florida Thoroughbred Breeders' Association
28 shall keep accurate records showing receipts and disbursements
29 of such payments and shall annually file a full and complete
30 report to the division showing such receipts and disbursements
31 and the sums withheld for administration. The division may

1 audit the records and accounts of the Florida Thoroughbred
2 Breeders' Association to determine that payments have been
3 made to eligible breeders and stallion owners in accordance
4 with this section.

5 (j) If the division finds that the Florida
6 Thoroughbred Breeders' Association has not complied with any
7 provision of this section, the division may order the
8 association to cease and desist from receiving funds and
9 administering funds received under this section. If the
10 division enters such an order, the permitholder shall make the
11 payments authorized in this section to the division for
12 deposit into the Pari-mutuel Wagering Trust Fund; and any
13 funds in the Florida Thoroughbred Breeders' Association
14 account shall be immediately paid to the Division of
15 Pari-mutuel Wagering for deposit to the Pari-mutuel Wagering
16 Trust Fund. The division shall authorize payment from these
17 funds to any breeder or stallion owner entitled to an award
18 that has not been previously paid by the Florida Thoroughbred
19 Breeders' Association in accordance with the applicable rate.

20 Section 3. Paragraph (a) of subsection (7) of section
21 550.334, Florida Statutes, is amended to read:

22 550.334 Quarter horse racing; substitutions.--

23 (7)(a) Any quarter horse racing permitholder operating
24 under a valid permit issued prior to January 1, 2002, by the
25 division that has not been relocated after December 31, 2001,
26 to a county other than the county that appears on the original
27 permit application is authorized to substitute other races of
28 other breeds of horses which are, respectively, registered
29 with the American Paint Horse Association, Appaloosa Horse
30 Club, Arabian Horse Registry of America, Jockey Club, Palomino
31 Horse Breeders of America, or United States Trotting

1 Association, for no more than 50 percent of the quarter horse
2 races daily.

3 Section 4. (1) Notwithstanding the provisions of s.
4 550.01215(4), the license of thoroughbred horserace
5 permitholder who fails to operate all performances specified
6 on its license that are scheduled prior to July 1, 2004 will
7 not be subject to fine or suspension by the division.

8 (2) Notwithstanding the provisions of s.
9 550.09515(3)(a), a thoroughbred horse permitholder who does
10 not pay tax on handle for live thoroughbred performances
11 through the period ending July 1, 2004, does not abandon its
12 interest in its permit.

13 (3) Notwithstanding the provision of s. 550.5251(2),
14 though the period ending July 1, 2004, the ability to operate
15 horseracing meets the full number of days authorized on each
16 of the dates set forth in its license shall not be a condition
17 precedent to the validity of a thoroughbred racing
18 permitholder's license or permit.

19 Section 5. Subsection (11) of section 550.002, Florida
20 Statutes, is amended to read:

21 550.002 Definitions.--As used in this chapter, the
22 term:

23 (11) "Full schedule of live racing or games" means,
24 for a greyhound ~~or jai alai~~ permitholder, the conduct of a
25 combination of at least 100 live evening or matinee
26 performances during the preceding year; for a permitholder who
27 has a converted permit or filed an application on or before
28 June 1, 1990, for a converted permit, the conduct of a
29 combination of at least 100 live evening and matinee wagering
30 performances during either of the 2 preceding years; for a
31 harness permitholder, the conduct of at least 100 live regular

1 wagering performances during the preceding year; for a quarter
 2 horse or jai alai permitholder, the conduct of at least 40
 3 live regular wagering performances during the preceding year;
 4 and for a thoroughbred permitholder, the conduct of at least
 5 40 live regular wagering performances during the preceding
 6 year. For a permitholder which is restricted by statute to
 7 certain operating periods within the year when other members
 8 of its same class of permit are authorized to operate
 9 throughout the year, the specified number of live performances
 10 which constitute a full schedule of live racing or games shall
 11 be adjusted pro rata in accordance with the relationship
 12 between its authorized operating period and the full calendar
 13 year and the resulting specified number of live performances
 14 shall constitute the full schedule of live games for such
 15 permitholder and all other permitholders of the same class
 16 within 100 air miles of such permitholder. A live performance
 17 must consist of no fewer than eight races or games conducted
 18 live for each of a minimum of three performances each week at
 19 the permitholder's licensed facility under a single admission
 20 charge.

21 Section 6. This act shall take effect upon becoming a
 22 law.

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