#### Bill No. CS for SB 160

Amendment No. \_\_\_\_ Barcode 251452

	CHAMBER ACTION <u>Senate</u> <u>House</u>
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11	Senator Smith moved the following amendment:
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13	Senate Amendment (with title amendment)
14	On page 4, between lines 20 and 21,
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16	insert:
17	Section 3. 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.

In addition, no less than 17 percent nor more than 40 percent, as determined by the Florida Thoroughbred Breeders' Association, of the moneys dedicated in this chapter for use 3 4 as breeders' awards and stallion awards for thoroughbreds 5 shall be returned pro rata to the permitholders that generated the moneys for special racing awards to be distributed by the 6 7 permitholders to owners of registered Florida-bred 8 thoroughbred horses participating winning in prescribed thoroughbred stakes races, non-stakes races, or both and 9 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 before the first day of the permitholders' racing meet and 14 15 agreed upon by the permitholder, the Florida Thoroughbred Breeders' Association, and the Florida Horsemen's Benevolent 16 17 and Protective Association, Inc., except that the plan for the distribution by any permitholder located in the area described 18 in s. 550.615(9) shall be agreed upon by that permitholder, 19 the Florida Thoroughbred Breeders' Association, and the 20 21 association representing a majority of the thoroughbred racehorse owners and trainers at that location. Awards for 22 thoroughbred races are to be paid through the Florida 23 Thoroughbred Breeders' Association, and awards for 24 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 for thoroughbred races conducted, received, broadcast, or 29 30 simulcast under this chapter as provided in s. 550.2625(3). 31 The moneys for quarter horse and harness breeders' awards will

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29 30 come from the breaks and uncashed tickets on live quarter horse and harness racing performances and 1 percent of handle on intertrack wagering. The funds for these breeders' awards shall be paid to the respective breeders' associations by the permitholders conducting the races.

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

Section 4. Subsection (3) of section 550.2625, Florida Statutes, is amended to read:

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

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

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

- (a) The breeder of each Florida-bred thoroughbred horse winning a thoroughbred horse race is entitled to an award of up to, but not exceeding, 20 percent of the announced gross purse, including nomination fees, eligibility fees, starting fees, supplementary fees, and moneys added by the sponsor of the race.
- The owner or owners of the sire of a Florida-bred (b) thoroughbred horse that wins a stakes race is entitled to a 31 stallion award of up to, but not exceeding, 20 percent of the

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

- (c) The owners of registered Florida-bred thoroughbred horses participating winning or placing in thoroughbred stakes races, non-stakes races, or both may receive a special racing an award in accordance with the agreement a plan established pursuant to  $\frac{1}{100}$  s. 550.26165(1).
- (d) In order for a breeder of a Florida-bred thoroughbred horse to be eligible to receive a breeder's award, or for the owners of a registered Florida-bred thoroughbred horse to be eligible to receive an award under paragraph (c), the horse must have been registered as a Florida-bred horse with the Florida Thoroughbred Breeders' Association, and the Jockey Club certificate for the horse must show that it has been duly registered as a Florida-bred horse as evidenced by the seal and proper serial number of the Florida Thoroughbred Breeders' Association registry. The Florida Thoroughbred Breeders' Association shall be permitted to charge the registrant a reasonable fee for this verification and registration.
- (e) In order for an owner of the sire of a thoroughbred horse winning a stakes race to be eligible to receive a stallion award, the stallion must have been registered with the Florida Thoroughbred Breeders' Association, and the breeding of the registered Florida-bred horse must have occurred in this state. The stallion must be standing permanently in this state during the period of time between February 1 and June 15 of each year or, if the stallion is dead, must have stood permanently in this state 31 | for a period of not less than 1 year immediately prior to its

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

- (f) A permitholder conducting a thoroughbred horse race under the provisions of this chapter shall, within 30 days after the end of the race meet during which the race is conducted, certify to the Florida Thoroughbred Breeders' Association such information relating to the thoroughbred horses winning a stakes or other horserace at the meet as may be required to determine the eligibility for payment of breeders', awards and stallion, and special racing awards.
- (g) The Florida Thoroughbred Breeders' Association shall maintain complete records showing the starters and winners in all races conducted at thoroughbred tracks in this 31 | state; shall maintain complete records showing awards earned,

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29 30 received, and distributed; and may charge the owner, owners, or breeder a reasonable fee for this service.

- (h) The Florida Thoroughbred Breeders' Association shall annually establish a uniform rate and procedure for the payment of breeders' and stallion awards and shall make breeders' and stallion award payments in strict compliance with the established uniform rate and procedure plan. plan may set a cap on winnings and may limit, exclude, or defer payments to certain classes of races, such as the Florida stallion stakes races, in order to assure that there are adequate revenues to meet the proposed uniform rate. Such plan must include proposals for the general promotion of the industry. Priority shall be placed upon imposing such restrictions in lieu of allowing the uniform rate to be less than 15 percent of the total purse payment. The uniform rate and procedure plan must be approved by the division before implementation. In the absence of an approved plan and procedure, the authorized rate for breeders' and stallion awards is 15 percent of the announced gross purse for each race. Such purse must include nomination fees, eligibility fees, starting fees, supplementary fees, and moneys added by the sponsor of the race. If the funds in the account for payment of breeders' and stallion awards are not sufficient to meet all earned breeders' and stallion awards, those breeders and stallion owners not receiving payments have first call on any subsequent receipts in that or any subsequent year.
- (i) The Florida Thoroughbred Breeders' Association shall keep accurate records showing receipts and disbursements of such payments and shall annually file a full and complete report to the division showing such receipts and disbursements 31 and the sums withheld for administration. The division may

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audit the records and accounts of the Florida Thoroughbred
   Breeders' Association to determine that payments have been
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   made to eligible breeders and stallion owners in accordance
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   with this section.
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           (j) If the division finds that the Florida
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   Thoroughbred Breeders' Association has not complied with any
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   provision of this section, the division may order the
   association to cease and desist from receiving funds and
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   administering funds received under this section.
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   division enters such an order, the permitholder shall make the
   payments authorized in this section to the division for
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   deposit into the Pari-mutuel Wagering Trust Fund; and any
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   funds in the Florida Thoroughbred Breeders' Association
   account shall be immediately paid to the Division of
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   Pari-mutuel Wagering for deposit to the Pari-mutuel Wagering
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   Trust Fund. The division shall authorize payment from these
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   funds to any breeder or stallion owner entitled to an award
   that has not been previously paid by the Florida Thoroughbred
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   Breeders' Association in accordance with the applicable rate.
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    (Redesignate subsequent sections.)
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   ======= T I T L E A M E N D M E N T =========
   And the title is amended as follows:
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           On page 1, line 26, following the first semicolon
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   insert:
          amending s. 550.26165, F.S.; revising criteria
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           for making breeders' awards for racehorses;
           amending s. 550.2625, F.S.; providing for
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