

By Senator Haridopolos

26-2161-03

1 A bill to be entitled
2 An act relating to pari-mutuel wagering;
3 amending s. 550.09515, F.S.; deleting
4 provisions that require a thoroughbred horse
5 permit to be voided and to escheat to the state
6 for failure to operate performances; deleting
7 provisions for the reissuance of such escheated
8 permit; amending s. 550.3551, F.S.; deleting a
9 limitation on horsetracks receiving broadcasts
10 of races conducted out of this state; providing
11 clarification regarding simulcast horseraces;
12 amending s. 550.5251, F.S.; revising provisions
13 for application and issuance of certain
14 thoroughbred horse permits; providing for
15 penalties for failure to operate full schedule
16 of performances by such permitholders;
17 providing procedures for election not to
18 operate live performances; providing that such
19 election shall not affect the validity of a
20 permit; exempting from penalties thoroughbred
21 permitholders who failed to operate full
22 schedule of performances during specified
23 seasons; deleting a limitation on beginning
24 thoroughbred races after 7 p.m.; amending s.
25 550.6305, F.S.; authorizing certain intertrack
26 wagering; providing an effective date.

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

29
30 Section 1. Subsections (3), (4), (5), (6), and (7) of
31 section 550.09515, Florida Statutes, are amended to read:

1 550.09515 Thoroughbred horse taxes; abandoned interest
2 in a permit for nonpayment of taxes.--

3 ~~(3)(a) The permit of a thoroughbred horse permitholder~~
4 ~~who does not pay tax on handle for live thoroughbred horse~~
5 ~~performances for a full schedule of live races during any 2~~
6 ~~consecutive state fiscal years shall be void and shall escheat~~
7 ~~to and become the property of the state unless such failure to~~
8 ~~operate and pay tax on handle was the direct result of fire,~~
9 ~~strike, war, or other disaster or event beyond the ability of~~
10 ~~the permitholder to control. Financial hardship to the~~
11 ~~permitholder shall not, in and of itself, constitute just~~
12 ~~cause for failure to operate and pay tax on handle.~~

13 ~~(b) In order to maximize the tax revenues to the~~
14 ~~state, the division shall reissue an escheated thoroughbred~~
15 ~~horse permit to a qualified applicant pursuant to the~~
16 ~~provisions of this chapter as for the issuance of an initial~~
17 ~~permit. However, the provisions of this chapter relating to~~
18 ~~referendum requirements for a pari-mutuel permit shall not~~
19 ~~apply to the reissuance of an escheated thoroughbred horse~~
20 ~~permit. As specified in the application and upon approval by~~
21 ~~the division of an application for the permit, the new~~
22 ~~permitholder shall be authorized to operate a thoroughbred~~
23 ~~horse facility anywhere in the same county in which the~~
24 ~~escheated permit was authorized to be operated,~~
25 ~~notwithstanding the provisions of s. 550.054(2) relating to~~
26 ~~mileage limitations.~~

27 (3)(4) In the event that a court of competent
28 jurisdiction determines any of the provisions of this section
29 to be unconstitutional, it is the intent of the Legislature
30 that the provisions contained in this section shall be null
31 and void and that the provisions of s. 550.0951 shall apply to

1 all thoroughbred horse permitholders beginning on the date of
2 such judicial determination. To this end, the Legislature
3 declares that it would not have enacted any of the provisions
4 of this section individually and, to that end, expressly finds
5 them not to be severable.

6 (4)~~(5)~~ Notwithstanding the provisions of s.
7 550.0951(3)(c), the tax on handle for intertrack wagering on
8 rebroadcasts of simulcast horseraces is 2.4 percent of the
9 handle; provided however, that if the guest track is a
10 thoroughbred track located more than 35 miles from the host
11 track, the host track shall pay a tax of .5 percent of the
12 handle, and additionally the host track shall pay to the guest
13 track 1.9 percent of the handle to be used by the guest track
14 solely for purses. The tax shall be deposited into the
15 Pari-mutuel Wagering Trust Fund.

16 (5)~~(6)~~ A credit equal to the amount of contributions
17 made by a thoroughbred permitholder during the taxable year
18 directly to the Jockeys' Guild or its health and welfare fund
19 to be used to provide health and welfare benefits for active,
20 disabled, and retired Florida jockeys and their dependents
21 pursuant to reasonable rules of eligibility established by the
22 Jockeys' Guild is allowed against taxes on live handle due for
23 a taxable year under this section. A thoroughbred permitholder
24 may not receive a credit greater than an amount equal to 1
25 percent of its paid taxes for the previous taxable year.

26 (6)~~(7)~~ If a thoroughbred permitholder fails to operate
27 all performances on its 2001-2002 license, failure to pay tax
28 on handle for a full schedule of live races for those
29 performances in the 2001-2002 fiscal year does not constitute
30 failure to pay taxes on handle for a full schedule of live
31 races in a fiscal year for the purposes of subsection (3).

1 This subsection may not be construed as forgiving a
2 thoroughbred permitholder from paying taxes on performances
3 conducted at its facility pursuant to its 2001-2002 license
4 other than for failure to operate all performances on its
5 2001-2002 license. This subsection expires July 1, 2003.

6 Section 2. Subsection (3) of section 550.3551, Florida
7 Statutes, is amended, and subsection (15) is added to that
8 section, to read:

9 550.3551 Transmission of racing and jai alai
10 information; commingling of pari-mutuel pools.--

11 (3) Any horse track licensed under this chapter may
12 receive broadcasts of horseraces conducted at other horse
13 racetracks located outside this state at the racetrack
14 enclosure of the licensee ~~during its racing meet.~~

15 (a) All broadcasts of horseraces received from
16 locations outside this state must comply with the provisions
17 of the Interstate Horseracing Act of 1978, 92 Stat. 1811, 15
18 U.S.C. ss. 3001 et seq.

19 (b) Wagers accepted at the horse track in this state
20 may be, but are not required to be, included in the
21 pari-mutuel pools of the out-of-state horse track that
22 broadcasts the race. Notwithstanding any contrary provisions
23 of this chapter, if the horse track in this state elects to
24 include wagers accepted on such races in the pari-mutuel pools
25 of the out-of-state horse track that broadcasts the race, from
26 the amount wagered by patrons at the horse track in this state
27 and included in the pari-mutuel pools of the out-of-state
28 horse track, the horse track in this state shall deduct as the
29 takeout from the amount wagered by patrons at the horse track
30 in this state and included in the pari-mutuel pools of the
31 out-of-state horse track a percentage equal to the percentage

1 deducted from the amount wagered at the out-of-state racetrack
2 as is authorized by the laws of the jurisdiction exercising
3 regulatory authority over the out-of-state horse track.

4 (c) All forms of pari-mutuel wagering are allowed on
5 races broadcast under this section, and all money wagered by
6 patrons on such races shall be computed as part of the total
7 amount of money wagered at each racing performance for
8 purposes of taxation under ss. 550.0951, 550.09512, and
9 550.09515. Section 550.2625(2)(a), (b), and (c) does not
10 apply to any money wagered on races broadcast under this
11 section. Similarly, the takeout shall be increased by breaks
12 and uncashed tickets for wagers on races broadcast under this
13 section, notwithstanding any contrary provision of this
14 chapter.

15 (15) This chapter does not prevent a licensed horse
16 track from receiving and engaging in pari-mutuel wagering on
17 simulcast horseraces.

18 Section 3. Subsections (2), (4), (5), (6), and (7) of
19 section 550.5251, Florida Statutes, are amended to read:

20 550.5251 Florida thoroughbred racing; certain permits;
21 operating days.--

22 (2) Each permitholder referred to in subsection (1)
23 shall annually, during the period commencing December 15 of
24 each year and ending January 4 of the following year, file in
25 writing with the division its application to conduct one or
26 more thoroughbred racing meetings during the thoroughbred
27 racing season commencing on the following June 1. Each
28 application shall specify the number and dates of all
29 performances that the permitholder intends to conduct during
30 that thoroughbred racing season. ~~On or before February 15 of~~
31 ~~each year, the division shall issue a license authorizing each~~

1 ~~permitholder to conduct performances on the dates specified in~~
2 ~~its application.~~Up to March 31 of each year, each
3 permitholder may request and shall be granted changes in its
4 authorized performances, and the division shall issue a
5 license on or before April 30 of each year authorizing each
6 permitholder to conduct performances on the dates specified in
7 its application; but thereafter, as a condition precedent to
8 the validity of its license and its right to retain its
9 permit,each permitholder must operate the full number of days
10 authorized on each of the dates set forth in its license or be
11 subject to discipline pursuant to ss. 550.01215(4) and
12 550.0251(10). On or before February 15 of each year, a
13 permitholder may elect not to operate live performances during
14 the ensuing thoroughbred racing season by filing an amendment
15 to its application indicating its irrevocable election not to
16 operate and the division shall not issue a license to such
17 permitholder. An election not to operate shall not affect the
18 continuing validity of the permit of such permitholder. For
19 the 2003-2004 Florida Thoroughbred Racing Season only, an
20 election not to operate will be effective if delivered to the
21 division on or before July 1, 2003. Any thoroughbred
22 permitholder who failed to operate all performances that it
23 was authorized to operate under the license or licenses issued
24 to it by the division for either or both the 2001-2002 or
25 2002-2003 Florida Thoroughbred Racing Seasons shall be excused
26 from discipline by the division for its failure to operate
27 such performances, and its permit shall be deemed valid and in
28 good standing.

29 ~~(4) A thoroughbred racing permitholder may not begin~~
30 ~~any race later than 7 p.m. However, any thoroughbred~~
31 ~~permitholder in a county in which the authority for cardrooms~~

1 ~~has been approved by the board of county commissioners may~~
2 ~~elect not to operate a cardroom when conducting live races~~
3 ~~during its current race meet and instead to receive and~~
4 ~~rebroadcast out-of-state races after the hour of 7 p.m. on any~~
5 ~~day during which the permitholder conducts live races.~~
6 ~~However, such permitholder may not engage in both operating a~~
7 ~~cardroom and receiving or rebroadcasting out-of-state races~~
8 ~~after 7 p.m. Permitholders shall be required to elect between~~
9 ~~either operating a cardroom or engaging in simulcasting after~~
10 ~~7 p.m. at the time of submitting its application for its~~
11 ~~annual license pursuant to this section.~~

12 (4)~~(5)~~(a) Each licensed thoroughbred permitholder in
13 this state must run an average of one race per racing day in
14 which horses bred in this state and duly registered with the
15 Florida Thoroughbred Breeders' Association have preference as
16 entries over non-Florida-bred horses. All licensed
17 thoroughbred racetracks shall write the conditions for such
18 races in which Florida-bred horses are preferred so as to
19 assure that all Florida-bred horses available for racing at
20 such tracks are given full opportunity to run in the class of
21 races for which they are qualified. The opportunity of
22 running must be afforded to each class of horses in the
23 proportion that the number of horses in this class bears to
24 the total number of Florida-bred horses available. A track is
25 not required to write conditions for a race to accommodate a
26 class of horses for which a race would otherwise not be run at
27 the track during its meeting.

28 (b) Each licensed thoroughbred permitholder in this
29 state may run one additional race per racing day composed
30 exclusively of Arabian horses registered with the Arabian
31 Horse Registry of America. Any licensed thoroughbred

1 permitholder that elects to run one additional race per racing
2 day composed exclusively of Arabian horses registered with the
3 Arabian Horse Registry of America is not required to provide
4 stables for the Arabian horses racing under this paragraph.

5 (c) Each licensed thoroughbred permitholder in this
6 state may run up to three additional races per racing day
7 composed exclusively of quarter horses registered with the
8 American Quarter Horse Association.

9 (5)~~(6)~~ Notwithstanding the provisions of subsection
10 (2), a thoroughbred permitholder who fails to operate all
11 performances on its 2001-2002 license does not lose its right
12 to retain its permit. Such thoroughbred permitholder is
13 eligible for issuance of an annual license pursuant to s.
14 550.0115 for subsequent thoroughbred racing seasons. The
15 division shall take no disciplinary action against such
16 thoroughbred permitholder for failure to operate all licensed
17 performances for the 2001-2002 license pursuant to this
18 section or s. 550.01215. This section may not be interpreted
19 to prohibit the division from taking disciplinary action
20 against a thoroughbred permitholder for failure to pay taxes
21 on performances operated pursuant to its 2001-2002 license.
22 This subsection expires July 1, 2003.

23 ~~(7) A thoroughbred permitholder shall file an~~
24 ~~amendment with the division no later than July 1, 2002, that~~
25 ~~indicates that it will not be able to operate the performances~~
26 ~~scheduled on its 2002-2003 license without imposition of any~~
27 ~~penalty for failure to operate all licensed performances~~
28 ~~provided in this chapter. This subsection expires July 1,~~
29 ~~2003.~~

30 Section 4. Subsection (9) of section 550.6305, Florida
31 Statutes, is amended to read:

1 550.6305 Intertrack wagering; guest track payments;
2 accounting rules.--

3 (9) A host track that has contracted with an
4 out-of-state horse track to broadcast live races conducted at
5 such out-of-state horse track pursuant to s. 550.3551(5) may
6 broadcast during its live meet such out-of-state races to any
7 guest track and accept wagers thereon in the same manner as is
8 provided in s. 550.3551.

9 (a) For purposes of this section, "net proceeds" means
10 the amount of takeout remaining after the payment of state
11 taxes, purses required pursuant to s. 550.0951(3)(c)1., the
12 cost to the permitholder required to be paid to the
13 out-of-state horse track, and breeders' awards paid to the
14 Florida Thoroughbred Breeders' Association and the Florida
15 Standardbred Breeders and Owners Association, to be used as
16 set forth in s. 550.625(2)(a) and (b).

17 (b) Notwithstanding the provisions of subsection (1)
18 and s. 550.625(1) and (2)(a), the distribution of the net
19 proceeds that are retained by a thoroughbred host track from
20 the takeout on an out-of-state race rebroadcast under this
21 subsection shall be as follows:

22 1. One-third of the remainder of such proceeds shall
23 be paid to the guest track;

24 2. One-third of the remainder of such proceeds shall
25 be retained by the host track; and

26 3. One-third of the remainder of such proceeds shall
27 be paid by the host track as purses at the host track.

28 (c) All guest tracks other than thoroughbred
29 permitholders that are eligible to receive wagers on
30 out-of-state horseraces rebroadcast from a host track racing
31 under a thoroughbred horse permit shall be subject to the

1 distribution of the net proceeds as specified in paragraph (a)
2 unless the host and guest permitholders and the recognized
3 horseman's group agree to a different distribution of their
4 respective portions of the proceeds by contract.

5 (d) Any permitholder located in any area of the state
6 where there are only two permits, one for dogracing and one
7 for jai alai, may accept wagers on rebroadcasts of
8 out-of-state thoroughbred horse races from an in-state
9 thoroughbred horse racing permitholder and shall not be
10 subject to the provisions of paragraph (b) if such
11 thoroughbred horse racing permitholder located within the area
12 specified in this paragraph is both conducting live races and
13 accepting wagers on out-of-state horseraces. In such case,
14 the guest permitholder shall be entitled to 45 percent of the
15 net proceeds on wagers accepted at the guest facility. The
16 remaining proceeds shall be distributed as follows: one-half
17 shall be retained by the host facility and one-half shall be
18 paid by the host facility as purses at the host facility.

19 (e) Notwithstanding the provisions of subsection (1)
20 and s. 550.625(1) and (2)(b), the proceeds that are retained
21 by a harness host facility from the takeout on a race
22 broadcast under this subsection shall be distributed as
23 follows:

24 1. Of the total intertrack handle on the broadcast, 1
25 percent shall be deducted from the proceeds and paid to the
26 Florida Standardbred Breeders and Owners Association, Inc., to
27 be used as set forth in s. 550.625(2)(b);

28 2. One-third of the remainder of such proceeds shall
29 be paid to the guest facility;

30 3. One-third of the remainder of such proceeds shall
31 be retained by the host facility; and

1 4. One-third of the remainder of said proceeds shall
2 be paid by the host facility as purses at the host facility.

3 (f) Any permitholder located in any area of the state
4 where there are only two permits, one for dogracing and one
5 for jai alai, may accept wagers on rebroadcasts of
6 out-of-state harness horse races from an in-state harness
7 horse racing permitholder and shall not be subject to the
8 provisions of paragraph (b) if such harness horse racing
9 permitholder located within the area specified in this
10 paragraph is conducting live races. In such case, the guest
11 permitholder shall be entitled to 45 percent of the net
12 proceeds on wagers accepted at the guest facility. The
13 remaining proceeds shall be distributed as follows: one-half
14 shall be retained by the host facility and one-half shall be
15 paid by the host facility as purses at the host facility.

16 (g)1. Any thoroughbred permitholder that ~~which~~ accepts
17 wagers on a simulcast signal must, during its live meet, make
18 the signal available to any permitholder that is eligible to
19 conduct intertrack wagering under the provisions of ss.
20 550.615-550.6345.

21 2. Any thoroughbred permitholder that ~~which~~ accepts
22 wagers on a simulcast signal received after 6 p.m. must,
23 during its live meet, make such signal available to any
24 permitholder that is eligible to conduct intertrack wagering
25 under the provisions of ss. 550.615-550.6345, including any
26 permitholder located as specified in s. 550.615(6). Such
27 guest permitholders are authorized to accept wagers on such
28 simulcast signal, notwithstanding any other provision of this
29 chapter to the contrary.

30 ~~3. Any thoroughbred permitholder which accepts wagers~~
31 ~~on a simulcast signal received after 6 p.m. must make such~~

1 ~~signal available to any permitholder that is eligible to~~
2 ~~conduct intertrack wagering under the provisions of ss.~~
3 ~~550.615-550.6345, including any permitholder located as~~
4 ~~specified in s. 550.615(9). Such guest permitholders are~~
5 ~~authorized to accept wagers on such simulcast signals for a~~
6 ~~number of performances not to exceed that which constitutes a~~
7 ~~full schedule of live races for a quarter horse permitholder~~
8 ~~pursuant to s. 550.002(11), notwithstanding any other~~
9 ~~provision of this chapter to the contrary, except that the~~
10 ~~restrictions provided in s. 550.615(9)(a) apply to wagers on~~
11 ~~such simulcast signals.~~

12

13 No thoroughbred permitholder shall be required to continue to
14 rebroadcast a simulcast signal to any in-state permitholder if
15 the average per performance gross receipts returned to the
16 host permitholder over the preceding 30-day period were less
17 than \$100. Subject to the provisions of s. 550.615(4), as a
18 condition of receiving rebroadcasts of thoroughbred simulcast
19 signals under this paragraph, a guest permitholder must accept
20 intertrack wagers on all live races conducted by all
21 then-operating thoroughbred permitholders.

22 Section 5. This act shall take effect July 1, 2003.

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25 SENATE SUMMARY

26 Deletes provisions requiring the escheat of a license for
27 failure to operate horseracing performances and providing
28 for the reissuance of such licenses. Provides penalties
29 for failure to operate a full schedule of performances.
30 Revises provisions relating to pari-mutuel intertrack
31 wagering, expanding the scope of such wagering. (See bill
for details.)