

By the Committees on Criminal Justice; Regulated Industries;
and Senator Haridopolos

307-2563-04

1 A bill to be entitled
2 An act relating to legal gambling; amending s.
3 550.002, F.S.; redefining the term "full
4 schedule of live racing or games"; amending s.
5 550.01215, F.S.; deleting the requirement for a
6 thoroughbred permitholder to include on a
7 license application the dates and periods for
8 receiving or rebroadcasting out-of-state races
9 or conducting performances; deleting the
10 conversion of a jai alai permit to a greyhound
11 permit; amending s. 550.054, F.S.; authorizing
12 the Division of Pari-mutuel Wagering to
13 consider an application for a permit within a
14 certain distance from an existing pari-mutuel
15 facility with the consent of all active
16 permitholders within the county in which the
17 new permit is to be located; amending s.
18 550.0951, F.S.; recognizing that pari-mutuel
19 permitholders are highly regulated and taxed
20 for the public welfare and safety; requiring
21 horserace and greyhound permitholders, but not
22 jai alai permitholders, to pay a daily license
23 fee on simulcast races; deleting the tax
24 exemption and the admission tax; revising the
25 tax on handle; requiring jai alai permitholders
26 to pay an annual license fee in lieu of other
27 fees or taxes; requiring a jai alai
28 permitholder to remit a monthly report to the
29 division; requiring a greyhound or horserace
30 permitholder to pay the difference between
31 aggregate taxes and daily license fees under

1 certain conditions; deleting the breaks tax
2 regarding jai alai performances; revising the
3 requirements for payment and disposition of
4 fees and taxes; amending s. 550.09514, F.S.;
5 deleting tax on handle regarding wagering on
6 live greyhound racing; amending s. 550.2625,
7 F.S.; requiring thoroughbred permitholders to
8 withhold a certain amount of money from the
9 handle under certain conditions; requiring a
10 horseracing permitholder to pay a certain sum
11 for payment of special racing awards for any
12 thoroughbred race, including receipt of a
13 broadcast of such race; amending ss. 550.26352,
14 550.2704, F.S.; conforming provisions to
15 changes made by the act; amending s. 550.3551,
16 F.S.; requiring a licensed thoroughbred
17 permitholder to consent to the receipt of
18 broadcasts of horse races conducted live at its
19 facility along with compliance with the
20 Interstate Horseracing Act of 1978; authorizing
21 a licensed thoroughbred permitholder to offer
22 wagering at its pari-mutuel facility on
23 broadcasts of horseraces conducted at other
24 horse racetracks located outside this state;
25 providing for a percentage of the handle to be
26 paid monthly on wagers of such races; requiring
27 certain thoroughbred permitholders who offer
28 wagering on certain broadcast horseraces to pay
29 a certain percentage of the net proceeds into
30 its purse account; amending s. 550.475, F.S.;
31 authorizing the operator of a licensed

1 racetrack to lease such track to any quarter
2 horse racing permitholder for the conduct of
3 quarter horse racing; amending s. 550.615,
4 F.S.; prohibiting a harness permitholder from
5 accepting intertrack wagers from certain other
6 permitholders within a certain mile radius;
7 authorizing a permitholder to engage in
8 intertrack wagering with an affiliated licensed
9 permitholder under common ownership; amending
10 s. 550.6305, F.S.; providing an exception where
11 certain guest tracks are entitled to a certain
12 percentage of the total contributions to the
13 pari-mutuel pool on wagers accepted; deleting
14 purse payment for a guest horserace
15 permitholder that accepts wagers during its
16 current race meet; deleting purse payments for
17 a guest thoroughbred permitholder accepting
18 intertrack wagers and its host thoroughbred
19 permitholder; revising the percentage of the
20 net proceeds for wagers on rebroadcasts of
21 out-of-state thoroughbred horse races from
22 certain in-state thoroughbred permitholder;
23 requiring licensed horserace permitholders to
24 schedule a certain number of races per racing
25 day; requiring written conditions for such
26 races; authorizing a quarter horse racing
27 permitholder to substitute other races of other
28 breeds of horses in a certain percentage of
29 races daily; permitting the racing of Arabian
30 horses exclusively in an additional race per
31 racing day; authorizing certain owners of a

1 quarter horse permit to convert it to one for
2 the conduct of thoroughbred racing under
3 certain conditions; creating s. 550.09516,
4 F.S.; providing legislative findings; providing
5 an annual fee for a dormant permit; providing
6 for revocation of a permit; repealing s.
7 550.0745, F.S., relating to the conversion of a
8 pari-mutuel permit to a summer jai alai permit;
9 repealing s. 550.09511, F.S., relating to taxes
10 on wagering on live jai alai performances;
11 repealing s. 550.09512, relating to tax on
12 handle for live harness horse performances;
13 repealing s. 550.09515, F.S., relating to the
14 tax on handle for live thoroughbred horserace
15 performances; repealing s. 550.1625, F.S.,
16 relating to the payment of certain taxes and
17 the daily license fee for dogracing; repealing
18 s. 550.3355, F.S., relating to harness track
19 licenses for summer quarter horse racing;
20 repealing s. 550.334, F.S., relating to
21 requirements for obtaining a permit to conduct
22 quarter horse racing and authorization of a
23 permitholder to substitute other races of other
24 breeds of horses; repealing s. 550.375, F.S.,
25 relating to the operation of certain harness
26 tracks; repealing s. 550.5251, F.S., relating
27 to Florida thoroughbred racing; repealing s.
28 550.71, F.S., relating to the nonseverability
29 of chapter 96-364, Laws of Florida, regarding
30 pari-mutuel wagering; excusing certain
31 thoroughbred permitholders who failed to

1 operate all performances during certain time
2 periods from discipline; amending s. 849.161,
3 F.S.; excluding certain amusement games or
4 machines from application of ch. 849, F.S.;
5 providing requirements for an application for a
6 license to operate an arcade amusement center;
7 prohibiting gambling devices from arcade
8 amusement centers; creating s. 849.1615, F.S.;
9 providing an exception for amusement games or
10 machines located at truck stops; amending s.
11 849.085, F.S.; exempting the conduct of
12 penny-ante games in described facilities from a
13 prohibition against soliciting participants
14 through advertising; providing an effective
15 date.

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

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

22 Section 2. Subsections (1), (3), and (6) of section
23 550.01215, Florida Statutes, are amended to read:

24 550.01215 License application; periods of operation;
25 bond, conversion of permit.--

26 (1) Each permitholder shall annually, during the
27 period between December 15 and January 4, file in writing with
28 the division its application for a license to conduct
29 performances during the next state fiscal year. Each
30 application shall specify the number, dates, and starting
31 times of all performances which the permitholder intends to

1 conduct. It shall also specify which performances will be
2 conducted as charity or scholarship performances. In addition,
3 each application for a license shall include, for each
4 permitholder that ~~which~~ elects to operate a cardroom, the
5 dates and periods of operation the permitholder intends to
6 operate the cardroom ~~or, for each thoroughbred permitholder~~
7 ~~which elects to receive or rebroadcast out-of-state races~~
8 ~~after 7 p.m., the dates for all performances which the~~
9 ~~permitholder intends to conduct.~~ Permitholders shall be
10 entitled to amend their applications through February 28.

11 (3) ~~Except as provided in s. 550.5251 for thoroughbred~~
12 ~~racing,~~The division shall issue each license no later than
13 March 15. Each permitholder shall operate all performances at
14 the date and time specified on its license. The division
15 shall have the authority to approve minor changes in racing
16 dates after a license has been issued. The division may
17 approve changes in racing dates after a license has been
18 issued when there is no objection from any operating
19 permitholder located within 50 miles of the permitholder
20 requesting the changes in operating dates. In the event of an
21 objection, the division shall approve or disapprove the change
22 in operating dates based upon the impact on operating
23 permitholders located within 50 miles of the permitholder
24 requesting the change in operating dates. In making the
25 determination to change racing dates, the division shall take
26 into consideration the impact of such changes on state
27 revenues.

28 (6) ~~Any permit which was converted from a jai alai~~
29 ~~permit to a greyhound permit may be converted to a jai alai~~
30 ~~permit at any time if the permitholder never conducted~~
31

1 ~~greyhound racing or if the permitholder has not conducted~~
2 ~~greyhound racing for a period of 12 consecutive months.~~

3 Section 3. Subsection (2) of section 550.054, Florida
4 Statutes, is amended to read:

5 550.054 Application for permit to conduct pari-mutuel
6 wagering.--

7 (2) Upon each application filed and approved, a permit
8 shall be issued to the applicant setting forth the name of the
9 permitholder, the location of the pari-mutuel facility, the
10 type of pari-mutuel activity desired to be conducted, and a
11 statement showing qualifications of the applicant to conduct
12 pari-mutuel performances under this chapter; however, a permit
13 is ineffectual to authorize any pari-mutuel performances until
14 approved by a majority of the electors participating in a
15 ratification election in the county in which the applicant
16 proposes to conduct pari-mutuel wagering activities. In
17 addition, an application may not be considered, nor may a
18 permit be issued by the division or be voted upon in any
19 county, to conduct horseraces, harness horse races, or
20 dograces at a location within 100 miles of an existing
21 pari-mutuel facility, or for jai alai within 50 miles of an
22 existing pari-mutuel facility, unless all active permitholders
23 within the county in which the new permit is to be located
24 agree to issuance of the new permit; this distance shall be
25 measured on a straight line from the nearest property line of
26 one pari-mutuel facility to the nearest property line of the
27 other facility.

28 Section 4. Section 550.0951, Florida Statutes, is
29 amended to read:

30 550.0951 Payment of daily license fee and taxes;
31 penalties.--Pari-mutuel wagering at horsetracks, dog

1 racetracks, and jai alai frontons in this state is an
2 important business enterprise, and taxes derived therefrom
3 constitute a part of the tax structure that funds operation of
4 the state. Horserace, greyhound, and jai alai permitholders
5 should pay their fair share of these taxes to the state. This
6 business interest should not be taxed to such an extent as to
7 cause any permitholder that is operated under sound business
8 principles to be forced out of business. Due to the need to
9 protect the public health, safety, and welfare, the gaming
10 laws of the state provide for pari-mutuel permitholders to be
11 highly regulated and taxed. The state recognizes that there
12 exist identifiable differences between horserace
13 permitholders, greyhound permitholders, and jai alai
14 permitholders based upon their ability to operate under such
15 regulation and tax system.

16 (1)(a) DAILY LICENSE FEE.--Each horserace or greyhound
17 permitholder person engaged in the business of conducting race
18 meetings ~~or jai alai games~~ under this chapter, hereinafter
19 referred to as the "permitholder," "licensee," or "permittee,"
20 shall pay to the division, ~~for the use of the division,~~a
21 daily license fee on each live or simulcast pari-mutuel event
22 of \$100 for each horserace and \$80 for each dograce ~~and \$40~~
23 ~~for each jai alai game~~ conducted at a racetrack or fronton
24 licensed under this chapter. ~~In addition to the tax exemption~~
25 ~~specified in s. 550.09514(1) of \$360,000 or \$500,000 per~~
26 ~~greyhound permitholder per state fiscal year, each greyhound~~
27 ~~permitholder shall receive in the current state fiscal year a~~
28 ~~tax credit equal to the number of live greyhound races~~
29 ~~conducted in the previous state fiscal year times the daily~~
30 ~~license fee specified for each dograce in this subsection~~
31 ~~applicable for the previous state fiscal year. This tax~~

1 ~~credit and the exemption in s. 550.09514(1) shall be~~
2 ~~applicable to any tax imposed by this chapter or the daily~~
3 ~~license fees imposed by this chapter except during any charity~~
4 ~~or scholarship performances conducted pursuant to s. 550.0351.~~
5 Each permitholder shall pay daily license fees not to exceed
6 \$500 per day on any simulcast races or games on which such
7 permitholder accepts wagers regardless of the number of
8 out-of-state events taken or the number of out-of-state
9 locations from which such events are taken. ~~This license fee~~
10 ~~shall be deposited with the Chief Financial Officer to the~~
11 ~~credit of the Pari-mutuel Wagering Trust Fund.~~

12 ~~(b) Each permitholder that cannot utilize the full~~
13 ~~amount of the exemption of \$360,000 or \$500,000 provided in s.~~
14 ~~550.09514(1) or the daily license fee credit provided in this~~
15 ~~section may, after notifying the division in writing, elect~~
16 ~~once per state fiscal year on a form provided by the division~~
17 ~~to transfer such exemption or credit or any portion thereof to~~
18 ~~any greyhound permitholder which acts as a host track to such~~
19 ~~permitholder for the purpose of intertrack wagering. Once an~~
20 ~~election to transfer such exemption or credit is filed with~~
21 ~~the division, it shall not be rescinded. The division shall~~
22 ~~disapprove the transfer when the amount of the exemption or~~
23 ~~credit or portion thereof is unavailable to the transferring~~
24 ~~permitholder or when the permitholder who is entitled to~~
25 ~~transfer the exemption or credit or who is entitled to receive~~
26 ~~the exemption or credit owes taxes to the state pursuant to a~~
27 ~~deficiency letter or administrative complaint issued by the~~
28 ~~division. Upon approval of the transfer by the division, the~~
29 ~~transferred tax exemption or credit shall be effective for the~~
30 ~~first performance of the next biweekly pay period as specified~~
31 ~~in subsection (5). The exemption or credit transferred to such~~

1 ~~host track may be applied by such host track against any taxes~~
2 ~~imposed by this chapter or daily license fees imposed by this~~
3 ~~chapter. The greyhound permitholder host track to which such~~
4 ~~exemption or credit is transferred shall reimburse such~~
5 ~~permitholder the exact monetary value of such transferred~~
6 ~~exemption or credit as actually applied against the taxes and~~
7 ~~daily license fees of the host track. The division shall~~
8 ~~ensure that all transfers of exemption or credit are made in~~
9 ~~accordance with this subsection and shall have the authority~~
10 ~~to adopt rules to ensure the implementation of this section.~~

11 ~~(2) ADMISSION TAX.--~~

12 ~~(a) An admission tax equal to 15 percent of the~~
13 ~~admission charge for entrance to the permitholder's facility~~
14 ~~and grandstand area, or 10 cents, whichever is greater, is~~
15 ~~imposed on each person attending a horserace, dograce, or jai~~
16 ~~alai game. The permitholder shall be responsible for~~
17 ~~collecting the admission tax.~~

18 ~~(b) No admission tax under this chapter or chapter 212~~
19 ~~shall be imposed on any free passes or complimentary cards~~
20 ~~issued to persons for which there is no cost to the person for~~
21 ~~admission to pari-mutuel events.~~

22 ~~(c) A permitholder may issue tax-free passes to its~~
23 ~~officers, officials, and employees or other persons actually~~
24 ~~engaged in working at the racetrack, including accredited~~
25 ~~press representatives such as reporters and editors, and may~~
26 ~~also issue tax-free passes to other permitholders for the use~~
27 ~~of their officers and officials. The permitholder shall file~~
28 ~~with the division a list of all persons to whom tax-free~~
29 ~~passes are issued under this paragraph.~~

30 ~~(2)(3) TAX ON HANDLE.--~~Each permitholder shall pay a
31 tax on contributions to pari-mutuel pools, the aggregate of

1 which is hereinafter referred to as "handle," on races or
2 games conducted by the permitholder. The tax is imposed daily
3 and is based on the total contributions to all pari-mutuel
4 pools conducted during the daily performance. If a
5 permitholder conducts more than one performance daily, the tax
6 is imposed on each performance separately.

7 (a) The tax on handle for ~~quarter~~ horse racing is 0.5
8 ~~1.0~~ percent of the handle.

9 (b)~~1.~~ The tax on handle for dogracing is 1.5 ~~5.5~~
10 percent of the handle, except that for live charity
11 performances held pursuant to s. 550.0351, and for intertrack
12 wagering on such charity performances at a guest greyhound
13 track within the market area of the host, the tax is 7.6
14 percent of the handle.

15 ~~2. The tax on handle for jai alai is 7.1 percent of~~
16 ~~the handle.~~

17 (c)1. The tax on handle for intertrack wagering is 2.0
18 percent of the handle if the host track is a horse track, 3.3
19 percent if the host track is a harness track, and 3.5 ~~5.5~~
20 percent if the host track is a dog track, ~~and 7.1 percent if~~
21 ~~the host track is a jai alai fronton.~~

22 2. The tax on handle for intertrack wagering is 0.5
23 percent of the handle if the host track and the guest track
24 are thoroughbred permitholders or if the guest track is
25 located outside the market area of the host track and within
26 the market area of a thoroughbred permitholder currently
27 conducting a live race meet.

28 3. The tax on handle for intertrack wagering is 1.5
29 percent of the handle if the guest track is located within the
30 market area of the host dog track.

31

1 (d)1. The tax on handle for intertrack wagering on
2 rebroadcasts of simulcast thoroughbred horseraces is 2.4
3 percent of the handle. For permitholders located as specified
4 in s. 550.615(2) and conducting intertrack wagering on
5 rebroadcasts of simulcast thoroughbred horseraces, the tax on
6 handle is 1.0 percent of the handle, and the host thoroughbred
7 permitholder shall retain 1.4 percent of the handle to be used
8 for purses.

9 2. The tax on ~~and 1.5 percent of the~~ handle for
10 intertrack wagering on rebroadcasts of simulcast harness
11 horseraces is 1.5 percent of the handle. ~~The tax shall be~~
12 ~~deposited into the Pari-mutuel Wagering Trust Fund.~~

13 ~~2.~~ ~~The tax on handle for intertrack wagers accepted by~~
14 ~~any dog track located in an area of the state in which there~~
15 ~~are only three permitholders, all of which are greyhound~~
16 ~~permitholders, located in three contiguous counties, from any~~
17 ~~greyhound permitholder also located within such area or any~~
18 ~~dog track or jai alai fronton located as specified in s.~~
19 ~~550.615(6) or (9), on races or games received from the same~~
20 ~~class of permitholder located within the same market area is~~
21 ~~3.9 percent if the host facility is a greyhound permitholder~~
22 ~~and, if the host facility is a jai alai permitholder, the rate~~
23 ~~shall be 6.1 percent except that it shall be 2.3 percent on~~
24 ~~handle at such time as the total tax on intertrack handle paid~~
25 ~~to the division by the permitholder during the current state~~
26 ~~fiscal year exceeds the total tax on intertrack handle paid to~~
27 ~~the division by the permitholder during the 1992-1993 state~~
28 ~~fiscal year.~~

29 (e)(d) Notwithstanding any other provision of this
30 chapter, in order to protect the Florida jai alai industry,
31

1 effective July 1, 2000, a jai alai permitholder may not be
2 taxed on live handle at a rate higher than 2 percent.

3 (3) JAI ALAI ANNUAL LICENSE FEE.--A licensed jai alai
4 permitholder may not be liable for any other fees or taxes
5 imposed by this chapter for the conduct of pari-mutuel
6 wagering and shall instead pay an annual license fee of
7 \$350,000 for the privilege of holding and operating a permit
8 to conduct pari-mutuel wagering authorized under this chapter.
9 Such fee shall be payable within 5 days after the commencement
10 of the jai alai permitholder's live meet. A jai alai
11 permitholder may use any credits accrued under s. 550.1646 and
12 any unused tax credits from the operation of s. 550.09511 as
13 an offset to the annual license fee; however, a jai alai
14 permitholder conducting fewer than 100 live performances in
15 any calendar year may not use these credits to pay to the
16 state less than the aggregate amount of pari-mutuel taxes and
17 fees which the permitholder paid to the state during the most
18 recent prior calendar year in which the jai alai permitholder
19 conducted at least 100 live performances. A jai alai
20 permitholder shall remit monthly a report under oath to the
21 division showing the total of the pari-mutuel wagering
22 activities for the preceding month and such other information
23 as is prescribed by the division.

24 (4) MINIMUM PAYMENTS FOR GREYHOUND AND
25 HORSETRACKS.--In the event a greyhound or horserace
26 permitholder at the conclusion of its racing meet has not paid
27 over the preceding 12 months at least \$350,000 in the
28 aggregate of daily license fees and tax on handle, such
29 permitholder shall pay to the division the difference between
30 the aggregate taxes and daily license fees paid and \$350,000.
31 Such payment shall be made within 30 days after the conclusion

1 of the permitholder's live racing meet. In determining the
2 total tax on handle for this subsection, the division shall
3 credit taxes paid by greyhound host tracks and generated from
4 intertrack wagering between greyhound permitholders as if the
5 taxes on such intertrack wagering were paid by the guest
6 track.

7 ~~(4) BREAKS TAX.--Effective October 1, 1996, each~~
8 ~~permitholder conducting jai alai performances shall pay a tax~~
9 ~~equal to the breaks. The "breaks" represents that portion of~~
10 ~~each pari-mutuel pool which is not redistributed to the~~
11 ~~contributors or withheld by the permitholder as commission.~~

12 (5) PAYMENT AND DISPOSITION OF FEES AND
13 ~~TAXES.--Payment for the admission tax, tax on handle, and the~~
14 ~~breaks tax~~ imposed by this section shall be paid to the
15 division. The division shall deposit these sums with the Chief
16 Financial Officer, to the credit of the Pari-mutuel Wagering
17 Trust Fund, hereby established. ~~The permitholder shall remit~~
18 ~~to the division payment for the daily license fee, the~~
19 ~~admission tax, the tax on handle, and the breaks tax. Such~~
20 Payments of the daily license fees and taxes on handle shall
21 be remitted to the division by 3 p.m. of the 5th day Wednesday
22 of each calendar month week for taxes and fees imposed and
23 collected for the preceding calendar month week ending on
24 Sunday. Permitholders shall file a report under oath by the
25 5th day of each calendar month for all taxes remitted during
26 the preceding calendar month.Such payments shall be
27 accompanied by a report under oath showing the total of all
28 taxes remitted admissions, the pari-mutuel wagering activities
29 for the preceding calendar month, and such other information
30 as may be prescribed by the division.

31 (6) PENALTIES.--

1 (a) The failure of any permitholder to make payments
2 as prescribed in subsection (5) is a violation of this
3 section, and the permitholder may be subjected by the division
4 to a civil penalty of up to \$1,000 for each day the tax
5 payment is not remitted. All penalties imposed and collected
6 shall be deposited in the General Revenue Fund. If a
7 permitholder fails to pay penalties imposed by order of the
8 division under this subsection, the division may suspend or
9 revoke the license of the permitholder, cancel the permit of
10 the permitholder, or deny issuance of any further license or
11 permit to the permitholder.

12 (b) In addition to the civil penalty prescribed in
13 paragraph (a), any willful or wanton failure by any
14 permitholder to make payments under this section ~~of the daily~~
15 ~~license fee, admission tax, tax on handle, or breaks tax~~
16 constitutes sufficient grounds for the division to suspend or
17 revoke the license of the permitholder, to cancel the permit
18 of the permitholder, or to deny issuance of any further
19 license or permit to the permitholder.

20 Section 5. Section 550.09514, Florida Statutes, is
21 amended to read:

22 550.09514 Greyhound dogracing taxes; purse
23 requirements.--

24 ~~(1) Wagering on greyhound racing is subject to a tax~~
25 ~~on handle for live greyhound racing as specified in s.~~
26 ~~550.0951(3). However, each permitholder shall pay no tax on~~
27 ~~handle until such time as this subsection has resulted in a~~
28 ~~tax savings per state fiscal year of \$360,000. Thereafter,~~
29 ~~each permitholder shall pay the tax as specified in s.~~
30 ~~550.0951(3) on all handle for the remainder of the~~
31 ~~permitholder's current race meet, and the tax must be~~

1 ~~calculated and commence beginning the day after the biweekly~~
2 ~~period in which the permitholder reaches the maximum tax~~
3 ~~savings per state fiscal year provided in this section. For~~
4 ~~the three permitholders that conducted a full schedule of live~~
5 ~~racing in 1995, and are closest to another state that~~
6 ~~authorizes greyhound pari-mutuel wagering, the maximum tax~~
7 ~~savings per state fiscal year shall be \$500,000. The~~
8 ~~provisions of this subsection relating to tax exemptions shall~~
9 ~~not apply to any charity or scholarship performances conducted~~
10 ~~pursuant to s. 550.0351.~~

11 (1)~~(2)~~(a) The division shall determine for each
12 greyhound permitholder the annual purse percentage rate of
13 live handle for the state fiscal year 1993-1994 by dividing
14 total purses paid on live handle by the permitholder,
15 exclusive of payments made from outside sources, during the
16 1993-1994 state fiscal year by the permitholder's live handle
17 for the 1993-1994 state fiscal year. Each permitholder shall
18 pay as purses for live races conducted during its current race
19 meet a percentage of its live handle not less than the
20 percentage determined under this paragraph, exclusive of
21 payments made by outside sources, for its 1993-1994 state
22 fiscal year.

23 (b) Except as otherwise set forth herein, in addition
24 to the minimum purse percentage required by paragraph (a),
25 each permitholder shall pay as purses an annual amount equal
26 to 75 percent of the daily license fees paid by each
27 permitholder for the 1994-1995 fiscal year. This purse
28 supplement shall be disbursed weekly during the permitholder's
29 race meet in an amount determined by dividing the annual purse
30 supplement by the number of performances approved for the
31 permitholder pursuant to its annual license and multiplying

1 that amount by the number of performances conducted each week.
2 For the greyhound permitholders in the county where there are
3 two greyhound permitholders located as specified in s.
4 550.615(6), such permitholders shall pay in the aggregate an
5 amount equal to 75 percent of the daily license fees paid by
6 such permitholders for the 1994-1995 fiscal year. These
7 permitholders shall be jointly and severally liable for such
8 purse payments. The additional purses provided by this
9 paragraph must be used exclusively for purses other than
10 stakes. The division shall conduct audits necessary to ensure
11 compliance with this section.

12 (c)1. Each greyhound permitholder when conducting at
13 least three live performances during any week shall pay purses
14 in that week on wagers it accepts as a guest track on
15 intertrack and simulcast greyhound races at the same rate as
16 it pays on live races. Each greyhound permitholder when
17 conducting at least three live performances during any week
18 shall pay purses in that week, at the same rate as it pays on
19 live races, on wagers accepted on greyhound races at a guest
20 track which is not conducting live racing and is located
21 within the same market area as the greyhound permitholder
22 conducting at least three live performances during any week.

23 2. Each host greyhound permitholder shall pay purses
24 on its simulcast and intertrack broadcasts of greyhound races
25 to guest facilities that are located outside its market area
26 in an amount equal to one quarter of an amount determined by
27 subtracting the transmission costs of sending the simulcast or
28 intertrack broadcasts from an amount determined by adding the
29 fees received for greyhound simulcast races plus 3 percent of
30 the greyhound intertrack handle at guest facilities that are
31 located outside the market area of the host and that paid

1 contractual fees to the host for such broadcasts of greyhound
2 races.

3 (d) The division shall require sufficient
4 documentation from each greyhound permitholder regarding
5 purses paid on live racing to assure that the annual purse
6 percentage rates paid by each permitholder on the live races
7 are not reduced below those paid during the 1993-1994 state
8 fiscal year. The division shall require sufficient
9 documentation from each greyhound permitholder to assure that
10 the purses paid by each permitholder on the greyhound
11 intertrack and simulcast broadcasts are in compliance with the
12 requirements of paragraph (c).

13 (e) In addition to the purse requirements of
14 paragraphs (a)-(c), each greyhound permitholder shall pay as
15 purses an amount equal to one-third of the amount of the tax
16 reduction on live and simulcast handle applicable to such
17 permitholder as a result of the reductions in tax rates
18 provided by this act through the amendments to s. 550.0951(3)
19 effective July 1, 2000. With respect to intertrack wagering
20 when the host and guest tracks are greyhound permitholders not
21 within the same market area, an amount equal to the tax
22 reduction applicable to the guest track handle as a result of
23 the reduction in tax rate provided by this act through the
24 amendment to s. 550.0951(3) effective July 1, 2000, shall be
25 distributed to the guest track, one-third of which amount
26 shall be paid as purses at the guest track. However, if the
27 guest track is a greyhound permitholder within the market area
28 of the host or if the guest track is not a greyhound
29 permitholder, an amount equal to such tax reduction applicable
30 to the guest track handle shall be retained by the host track,
31 one-third of which amount shall be paid as purses at the host

1 track. These purse funds shall be disbursed in the week
2 received if the permitholder conducts at least one live
3 performance during that week. If the permitholder does not
4 conduct at least one live performance during the week in which
5 the purse funds are received, the purse funds shall be
6 disbursed weekly during the permitholder's next race meet in
7 an amount determined by dividing the purse amount by the
8 number of performances approved for the permitholder pursuant
9 to its annual license, and multiplying that amount by the
10 number of performances conducted each week. The division shall
11 conduct audits necessary to ensure compliance with this
12 paragraph.

13 (f) Each greyhound permitholder shall, during the
14 permitholder's race meet, supply kennel operators and the
15 Division of Pari-Mutuel Wagering with a weekly report showing
16 purses paid on live greyhound races and all greyhound
17 intertrack and simulcast broadcasts, including both as a guest
18 and a host together with the handle or commission calculations
19 on which such purses were paid and the transmission costs of
20 sending the simulcast or intertrack broadcasts, so that the
21 kennel operators may determine statutory and contractual
22 compliance.

23 (g) Each greyhound permitholder shall make direct
24 payment of purses to the greyhound owners who have filed with
25 such permitholder appropriate federal taxpayer identification
26 information based on the percentage amount agreed upon between
27 the kennel operator and the greyhound owner.

28 (h) At the request of a majority of kennel operators
29 under contract with a greyhound permitholder, the permitholder
30 shall make deductions from purses paid to each kennel operator
31 electing such deduction and shall make a direct payment of

1 such deductions to the local association of greyhound kennel
2 operators formed by a majority of kennel operators under
3 contract with the permitholder. The amount of the deduction
4 shall be at least 1 percent of purses, as determined by the
5 local association of greyhound kennel operators. No deductions
6 may be taken pursuant to this paragraph without a kennel
7 operator's specific approval before or after the effective
8 date of this act.

9 (2)~~(3)~~ For the purpose of this section, the term "live
10 handle" means the handle from wagers placed at the
11 permitholder's establishment on the live greyhound races
12 conducted at the permitholder's establishment.

13 Section 6. Effective 3 years after the effective date
14 of this act, subsections (2) and (3) of section 550.2625,
15 Florida Statutes, are amended to read:

16 550.2625 Horseracing; minimum purse requirement,
17 Florida breeders' and owners' awards.--

18 (2) Each permitholder conducting a horserace meet is
19 required to pay from the takeout withheld on pari-mutuel pools
20 a sum for purses in accordance with the type of race
21 performed.

22 (a) A permitholder conducting a thoroughbred horse
23 race meet under this chapter must pay from the takeout
24 withheld a sum not less than 7.75 percent of all contributions
25 to pari-mutuel pools conducted during the race meet as purses.
26 In addition to the 7.75 percent minimum purse payment,
27 permitholders conducting live thoroughbred performances shall
28 be required to pay as additional purses .625 percent of live
29 handle for performances conducted during the period beginning
30 on January 3 and ending March 16; .225 percent for
31 performances conducted during the period beginning March 17

1 and ending May 22; and .85 percent for performances conducted
2 during the period beginning May 23 and ending January 2.
3 Except that any thoroughbred permitholder whose total handle
4 on live performances during the 1991-1992 state fiscal year
5 was not greater than \$34 million is not subject to this
6 additional purse payment. A permitholder authorized to conduct
7 thoroughbred racing shall ~~may~~ withhold from the handle an
8 additional amount equal to 1 percent on exotic wagering for
9 use as owners' awards, and shall ~~may~~ withhold from the handle
10 an amount equal to 2 percent on exotic wagering for use as
11 overnight purses. ~~No permitholder may withhold in excess of 20~~
12 ~~percent from the handle without withholding the amounts set~~
13 ~~forth in this subsection.~~

14 (b)1. A permitholder conducting a harness horse race
15 meet under this chapter must pay to the purse pool from the
16 takeout withheld a purse requirement that totals an amount not
17 less than 8.25 percent of all contributions to pari-mutuel
18 pools conducted during the race meet. An amount not less than
19 7.75 percent of the total handle shall be paid from this purse
20 pool as purses.

21 2. An amount not to exceed 0.5 percent of the total
22 handle on all harness horse races that are subject to the
23 purse requirement of subparagraph 1., must be available for
24 use to provide medical, dental, surgical, life, funeral, or
25 disability insurance benefits for occupational licensees who
26 work at tracks in this state at which harness horse races are
27 conducted. Such insurance benefits must be paid from the
28 purse pool specified in subparagraph 1. An annual plan for
29 payment of insurance benefits from the purse pool, including
30 qualifications for eligibility, must be submitted by the
31 Florida Standardbred Breeders and Owners Association for

1 approval to the division. An annual report of the implemented
2 plan shall be submitted to the division. All records of the
3 Florida Standardbred Breeders and Owners Association
4 concerning the administration of the plan must be available
5 for audit at the discretion of the division to determine that
6 the plan has been implemented and administered as authorized.
7 If the division finds that the Florida Standardbred Breeders
8 and Owners Association has not complied with the provisions of
9 this section, the division may order the association to cease
10 and desist from administering the plan and shall appoint the
11 division as temporary administrator of the plan until the
12 division reestablishes administration of the plan with the
13 association.

14 (c) A permitholder conducting a quarter horse race
15 meet under this chapter shall pay from the takeout withheld a
16 sum not less than 6 percent of all contributions to
17 pari-mutuel pools conducted during the race meet as purses.

18 (d) The division shall adopt reasonable rules to
19 ensure the timely and accurate payment of all amounts withheld
20 by horserace permitholders regarding the distribution of
21 purses, owners' awards, and other amounts collected for
22 payment to owners and breeders. Each permitholder that fails
23 to pay out all moneys collected for payment to owners and
24 breeders shall, within 10 days after the end of the meet
25 during which the permitholder underpaid purses, deposit an
26 amount equal to the underpayment into a separate
27 interest-bearing account to be distributed to owners and
28 breeders in accordance with division rules.

29 (e) An amount equal to 8.5 percent of the purse
30 account generated through intertrack wagering and interstate
31 simulcasting will be used for Florida Owners' Awards as set

1 | forth in subsection (3). Any thoroughbred permitholder with
2 | an average blended takeout which does not exceed 20 percent
3 | and with an average daily purse distribution excluding
4 | sponsorship, entry fees, and nominations exceeding \$225,000 is
5 | exempt from the provisions of this paragraph.

6 | (3) Each horseracing permitholder conducting any
7 | thoroughbred race under this chapter, including via receipt of
8 | a broadcast ~~any intertrack race taken~~ pursuant to s. 550.3551
9 | or ss. 550.615-550.6305 ~~or any interstate simulcast taken~~
10 | ~~pursuant to s. 550.3551(3)~~ shall pay a sum equal to 0.955
11 | percent on all pari-mutuel pools conducted during any such
12 | race for the payment of breeders', stallion, or special racing
13 | awards as authorized in this chapter. This subsection also
14 | applies to all Breeder's Cup races conducted outside this
15 | state taken pursuant to s. 550.3551(3). On any race
16 | originating live in this state which is broadcast out-of-state
17 | to any location at which wagers are accepted pursuant to s.
18 | 550.3551(2), the host track is required to pay 3.475 percent
19 | of the gross revenue derived from such out-of-state broadcasts
20 | as breeders', stallion, or special racing awards. The Florida
21 | Thoroughbred Breeders' Association is authorized to receive
22 | these payments from the permitholders and make payments of
23 | awards earned. The Florida Thoroughbred Breeders' Association
24 | has the right to withhold up to 10 percent of the
25 | permitholder's payments under this section as a fee for
26 | administering the payments of awards and for general promotion
27 | of the industry. The permitholder shall remit these payments
28 | to the Florida Thoroughbred Breeders' Association by the 5th
29 | day of each calendar month for such sums accruing during the
30 | preceding calendar month and shall report such payments to the
31 | division as prescribed by the division. With the exception of

1 the 10-percent fee, the moneys paid by the permitholders shall
2 be maintained in a separate, interest-bearing account, and
3 such payments together with any interest earned shall be used
4 exclusively for the payment of breeders', stallion, or special
5 racing awards in accordance with the following provisions:

6 (a) The breeder of each Florida-bred thoroughbred
7 horse winning a thoroughbred horse race is entitled to an
8 award of up to, but not exceeding, 20 percent of the announced
9 gross purse, including nomination fees, eligibility fees,
10 starting fees, supplementary fees, and moneys added by the
11 sponsor of the race.

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

18 (c) The owners of thoroughbred horses participating in
19 thoroughbred stakes races, nonstakes races, or both may
20 receive a special racing award in accordance with the
21 agreement established pursuant to s. 550.26165(1).

22 (d) In order for a breeder of a Florida-bred
23 thoroughbred horse to be eligible to receive a breeder's
24 award, the horse must have been registered as a Florida-bred
25 horse with the Florida Thoroughbred Breeders' Association, and
26 the Jockey Club certificate for the horse must show that it
27 has been duly registered as a Florida-bred horse as evidenced
28 by the seal and proper serial number of the Florida
29 Thoroughbred Breeders' Association registry. The Florida
30 Thoroughbred Breeders' Association shall be permitted to
31

1 charge the registrant a reasonable fee for this verification
2 and registration.

3 (e) 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 during the period of time
10 between February 1 and June 15 of each year or, if the
11 stallion is dead, must have stood permanently in this state
12 for a period of not less than 1 year immediately prior to its
13 death. The removal of a stallion from this state during the
14 period of time between February 1 and June 15 of any year for
15 any 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 (f) A permitholder conducting a thoroughbred horse
2 race under the provisions of this chapter shall, within 30
3 days after the end of the race meet during which the race is
4 conducted, certify to the Florida Thoroughbred Breeders'
5 Association such information relating to the thoroughbred
6 horses winning a stakes or other horserace at the meet as may
7 be required to determine the eligibility for payment of
8 breeders', stallion, and special racing awards.

9 (g) The Florida Thoroughbred Breeders' Association
10 shall maintain complete records showing the starters and
11 winners in all races conducted at thoroughbred tracks in this
12 state; shall maintain complete records showing awards earned,
13 received, and distributed; and may charge the owner, owners,
14 or breeder a reasonable fee for this service.

15 (h) The Florida Thoroughbred Breeders' Association
16 shall annually establish a uniform rate and procedure for the
17 payment of breeders' and stallion awards and shall make
18 breeders' and stallion award payments in strict compliance
19 with the established uniform rate and procedure plan. The plan
20 may set a cap on winnings and may limit, exclude, or defer
21 payments to certain classes of races, such as the Florida
22 stallion stakes races, in order to assure that there are
23 adequate revenues to meet the proposed uniform rate. Such plan
24 must include proposals for the general promotion of the
25 industry. Priority shall be placed upon imposing such
26 restrictions in lieu of allowing the uniform rate to be less
27 than 15 percent of the total purse payment. The uniform rate
28 and procedure plan must be approved by the division before
29 implementation. In the absence of an approved plan and
30 procedure, the authorized rate for breeders' and stallion
31 awards is 15 percent of the announced gross purse for each

1 race. Such purse must include nomination fees, eligibility
2 fees, starting fees, supplementary fees, and moneys added by
3 the sponsor of the race. If the funds in the account for
4 payment of breeders' and stallion awards are not sufficient to
5 meet all earned breeders' and stallion awards, those breeders
6 and stallion owners not receiving payments have first call on
7 any subsequent receipts in that or any subsequent year.

8 (i) The Florida Thoroughbred Breeders' Association
9 shall keep accurate records showing receipts and disbursements
10 of such payments and shall annually file a full and complete
11 report to the division showing such receipts and disbursements
12 and the sums withheld for administration. The division may
13 audit the records and accounts of the Florida Thoroughbred
14 Breeders' Association to determine that payments have been
15 made to eligible breeders and stallion owners in accordance
16 with this section.

17 (j) If the division finds that the Florida
18 Thoroughbred Breeders' Association has not complied with any
19 provision of this section, the division may order the
20 association to cease and desist from receiving funds and
21 administering funds received under this section. If the
22 division enters such an order, the permitholder shall make the
23 payments authorized in this section to the division for
24 deposit into the Pari-mutuel Wagering Trust Fund; and any
25 funds in the Florida Thoroughbred Breeders' Association
26 account shall be immediately paid to the Division of
27 Pari-mutuel Wagering for deposit to the Pari-mutuel Wagering
28 Trust Fund. The division shall authorize payment from these
29 funds to any breeder or stallion owner entitled to an award
30 that has not been previously paid by the Florida Thoroughbred
31 Breeders' Association in accordance with the applicable rate.

1 Section 7. Subsections (1), (3), (4), (5), and (6) of
2 section 550.26352, Florida Statutes, are amended to read:

3 550.26352 Breeders' Cup Meet; pools authorized;
4 conflicts; taxes; credits; transmission of races; rules;
5 application.--

6 (1) Notwithstanding any provision of this chapter to
7 the contrary, there is hereby created a special thoroughbred
8 race meet which shall be designated as the "Breeders' Cup
9 Meet." The Breeders' Cup Meet shall be conducted at the
10 facility of the Florida permitholder selected by Breeders' Cup
11 Limited to conduct the Breeders' Cup Meet. The Breeders' Cup
12 Meet shall consist of 3 days: the day on which the Breeders'
13 Cup races are conducted, the preceding day, and the subsequent
14 day. Upon the selection of the Florida permitholder as host
15 for the Breeders' Cup Meet and application by the selected
16 permitholder, the division shall issue a license to the
17 selected permitholder to operate the Breeders' Cup Meet.

18 ~~Notwithstanding s. 550.09515(2)(a),~~The Breeders' Cup Meet may
19 be conducted on dates which the selected permitholder is not
20 otherwise authorized to conduct a race meet.

21 (3) If the permitholder conducting the Breeders' Cup
22 Meet is located within 35 miles of one or more permitholders
23 scheduled to conduct a thoroughbred race meet on any of the 3
24 days of the Breeders' Cup Meet, then operation on any of those
25 3 days by the other permitholders is prohibited. As
26 compensation for the loss of racing days caused thereby, such
27 operating permitholders shall receive a credit against the
28 taxes otherwise due and payable to the state under s. 550.0951
29 ~~ss. 550.0951 and 550.09515~~. This credit shall be in an amount
30 equal to the operating loss determined to have been suffered
31 by the operating permitholders as a result of not operating on

1 the prohibited racing days, but shall not exceed a total of
2 \$950,000. The determination of the amount to be credited
3 shall be made by the division upon application by the
4 operating permitholder. The tax credits provided in this
5 subsection shall not be available unless an operating
6 permitholder is required to close a bona fide meet consisting
7 in part of no fewer than 10 scheduled performances in the 15
8 days immediately preceding or 10 scheduled performances in the
9 15 days immediately following the Breeders' Cup Meet. Such
10 tax credit shall be in lieu of any other compensation or
11 consideration for the loss of racing days. There shall be no
12 replacement or makeup of any lost racing days.

13 (4) Notwithstanding any provision of s. 550.0951 ~~ss.~~
14 ~~550.0951 and 550.09515~~, the permitholder conducting the
15 Breeders' Cup Meet shall pay no taxes on the handle included
16 within the pari-mutuel pools of said permitholder during the
17 Breeders' Cup Meet.

18 (5) The permitholder conducting the Breeders' Cup Meet
19 shall receive a credit against the taxes otherwise due and
20 payable to the state under s. 550.0951 ~~ss. 550.0951 and~~
21 ~~550.09515~~ generated during said permitholder's next ensuing
22 regular thoroughbred race meet. This credit shall be in an
23 amount not to exceed \$950,000 and shall be utilized by the
24 permitholder to pay the purses offered by the permitholder
25 during the Breeders' Cup Meet in excess of the purses which
26 the permitholder is otherwise required by law to pay. The
27 amount to be credited shall be determined by the division upon
28 application of the permitholder which is subject to audit by
29 the division.

30 (6) The permitholder conducting the Breeders' Cup Meet
31 shall receive a credit against the taxes otherwise due and

1 payable to the state under s. 550.0951 ~~ss. 550.0951 and~~
2 ~~550.09515~~ generated during said permitholder's next ensuing
3 regular thoroughbred race meet. This credit shall be in an
4 amount not to exceed \$950,000 and shall be utilized by the
5 permitholder for such capital improvements and extraordinary
6 expenses as may be necessary for operation of the Breeders'
7 Cup Meet. The amount to be credited shall be determined by
8 the division upon application of the permitholder which is
9 subject to audit by the division.

10 Section 8. Subsections (3), (4), and (5) of section
11 550.2704, Florida Statutes, are amended to read:

12 550.2704 Jai Alai Tournament of Champions Meet.--

13 (3) Notwithstanding any provision of this chapter,
14 each of the permitholders licensed to conduct performances
15 comprising the Jai Alai Tournament of Champions Meet shall pay
16 no taxes on handle under s. 550.0951 ~~or s. 550.09511~~ for any
17 performance conducted by such permitholder as part of the Jai
18 Alai Tournament of Champions Meet. The provisions of this
19 subsection shall apply to a maximum of four performances.

20 (4) The Jai Alai Tournament of Champions Meet
21 permitholders shall also receive a credit against the taxes,
22 otherwise due and payable under s. 550.0951 ~~or s. 550.09511~~,
23 generated during said permitholders' current regular meet.
24 This credit shall be in the aggregate amount of \$150,000,
25 shall be prorated equally between the permitholders, and shall
26 be utilized by the permitholders solely to supplement awards
27 for the performance conducted during the Jai Alai Tournament
28 of Champions Meet. All awards shall be paid to the
29 tournament's participating players no later than 30 days
30 following the conclusion of said Jai Alai Tournament of
31 Champions Meet.

1 (5) In addition to the credit authorized in subsection
2 (4), the Jai Alai Tournament of Champions Meet permitholders
3 shall receive a credit against the taxes, otherwise due and
4 payable under s. 550.0951 ~~or s. 550.0951~~, generated during
5 said permitholders' current regular meet, in an amount not to
6 exceed the aggregate amount of \$150,000, which shall be
7 prorated equally between the permitholders, and shall be
8 utilized by the permitholders for such capital improvements
9 and extraordinary expenses, including marketing expenses, as
10 may be necessary for the operation of the meet. The
11 determination of the amount to be credited shall be made by
12 the division upon application of said permitholders.

13 Section 9. Subsections (2), (3), (4), and (6) of
14 section 550.3551, Florida Statutes, are amended, and
15 subsection (15) is added to that section, to read:

16 550.3551 Transmission of racing and jai alai
17 information; commingling of pari-mutuel pools.--

18 (2) Any horse track, dog track, or fronton licensed
19 under this chapter may transmit broadcasts of races or games
20 conducted at the enclosure of the licensee to locations
21 outside this state.

22 (a) All broadcasts of horseraces transmitted to
23 locations outside this state must comply with the provisions
24 of the Interstate Horseracing Act of 1978, 92 Stat. 1811, 15
25 U.S.C. ss. 3001 et seq.

26 (b) Wagers accepted by any out-of-state pari-mutuel
27 permitholder or licensed betting system on a race broadcasted
28 under this subsection may be, but are not required to be,
29 included in the pari-mutuel pools of the horse track in this
30 state that broadcasts the race upon which wagers are accepted.
31 The handle, as referred to in s. 550.0951(2)~~s. 550.0951(3)~~,

1 does not include any wagers accepted by an out-of-state
2 pari-mutuel permitholder or licensed betting system,
3 irrespective of whether such wagers are included in the
4 pari-mutuel pools of the Florida permitholder as authorized by
5 this subsection.

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

10 (a) All broadcasts of horseraces received from
11 locations outside this state must comply with the provisions
12 of the Interstate Horseracing Act of 1978, 92 Stat. 1811, 15
13 U.S.C. ss. 3001 et seq., except that as a condition precedent
14 to receiving such broadcasts, an operating thoroughbred
15 permitholder shall provide its consent to all licensed
16 thoroughbred permitholders within its market area to receive
17 broadcasts of horseraces conducted live at its facility and
18 from locations outside this state.

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 s. 550.0951 ~~ss. 550.0951,~~
9 ~~550.09512, and 550.09515.~~ Section 550.2625(2)(a), (b), and
10 (c) does not apply to any money wagered on races broadcast
11 under this section. Similarly, the takeout shall be increased
12 by breaks and uncashed tickets for wagers on races broadcast
13 under this section, notwithstanding any contrary provision of
14 this chapter.

15 (d) Notwithstanding any contrary provision of this
16 chapter, a licensed thoroughbred permitholder may, at any time
17 on a day when the permitholder conducts live thoroughbred
18 racing at its pari-mutuel facility, offer to patrons at its
19 pari-mutuel facility wagering on broadcasts of horseraces
20 conducted at other horse racetracks located outside this
21 state. If a licensed thoroughbred permitholder conducted at
22 least 80 days of live thoroughbred racing at its pari-mutuel
23 facility during the preceding state fiscal year, the
24 permitholder may also, at any time on a day when the
25 permitholder does not conduct live thoroughbred racing at its
26 pari-mutuel facility, offer to patrons at its pari-mutuel
27 facility wagering on broadcasts of horseraces conducted at
28 other horse racetracks located outside this state. If a
29 licensed thoroughbred permitholder conducted fewer than 80
30 days of live thoroughbred racing at its pari-mutuel facility
31 during the preceding state fiscal year, a licensed

1 thoroughbred permitholder may, at any time on a day when the
2 permitholder does not conduct live thoroughbred racing at its
3 pari-mutuel facility, offer to patrons at its pari-mutuel
4 facility wagering on broadcasts of thoroughbred horseraces
5 conducted at thoroughbred racetracks located outside this
6 state only if the permitholder, the Florida Thoroughbred
7 Breeders' Association, and the association representing a
8 majority of the thoroughbred racehorse owners and trainers at
9 the permitholder's pari-mutuel facility enter into a prior
10 written agreement on file with the division allowing receipt
11 of such broadcast.

12 (e) From wagers accepted under this subsection by a
13 thoroughbred permitholder outside of its current race meet,
14 1.9 percent of the handle from such wagers shall be paid
15 monthly for purses to the thoroughbred permitholder within its
16 market area which is conducting live races. If there are no
17 operating thoroughbred permitholders within its market area,
18 the purse money shall be distributed equally to any
19 thoroughbred permitholders conducting live racing.

20 (4) Any dog track or fronton licensed under this
21 chapter may receive broadcasts of dograces or jai alai games
22 conducted at other tracks or frontons located outside the
23 state at the track enclosure of the licensee during its
24 operational meeting. All forms of pari-mutuel wagering are
25 allowed on dograces or jai alai games broadcast under this
26 subsection. All money wagered by patrons on dograces
27 broadcast under this subsection shall be computed in the
28 amount of money wagered each performance for purposes of
29 taxation under s. 550.0951 ~~ss. 550.0951 and 550.0951~~.

30 (6)(a) A maximum of 20 percent of the total number of
31 races on which wagers are accepted by a greyhound permitholder

1 not located as specified in s. 550.615(6) may be received from
2 locations outside this state. A permitholder may not conduct
3 fewer than eight live races or games on any authorized race
4 day except as provided in this subsection. A thoroughbred
5 permitholder may not conduct fewer than eight live races on
6 any race day without the written approval of the Florida
7 Thoroughbred Breeders' Association and the Florida Horsemen's
8 Benevolent and Protective Association, Inc., unless it is
9 determined by the department that another entity represents a
10 majority of the thoroughbred racehorse owners and trainers in
11 the state. A harness permitholder may conduct fewer than
12 eight live races on any authorized race day, except that such
13 permitholder must conduct a full schedule of live racing
14 during its race meet consisting of at least eight live races
15 per authorized race day for at least 100 days. Any harness
16 horse permitholder that during the preceding racing season
17 conducted a full schedule of live racing may, at any time
18 during its current race meet, receive full-card broadcasts of
19 harness horse races conducted at harness racetracks outside
20 this state at the harness track of the permitholder and accept
21 wagers on such harness races. With specific authorization from
22 the division for special racing events, a permitholder may
23 conduct fewer than eight live races or games when the
24 permitholder also broadcasts out-of-state races or games. The
25 division may not grant more than two such exceptions a year
26 for a permitholder in any 12-month period, and those two
27 exceptions may not be consecutive.

28 (b) Notwithstanding any other provision of this
29 chapter, any harness horse permitholder accepting broadcasts
30 of out-of-state harness horse races when such permitholder is
31 not conducting live races must make the out-of-state signal

1 available to all permitholders eligible to conduct intertrack
2 wagering and shall pay to guest tracks located as specified in
3 ss. 550.615(6) and 550.6305(9)(d) 50 percent of the net
4 proceeds after taxes and fees to the out-of-state host track
5 on harness race wagers which they accept. A harness horse
6 permitholder shall be required to pay into its purse account
7 50 percent of the net income retained by the permitholder on
8 account of wagering on the out-of-state broadcasts received
9 pursuant to this subsection. Nine-tenths of a percent of all
10 harness wagering proceeds on the broadcasts received pursuant
11 to this subsection shall be paid to the Florida Standardbred
12 Breeders and Owners Association under the provisions of s.
13 550.2625(4) for the purposes provided therein.

14 (c) Notwithstanding any contrary provision of this
15 chapter, a thoroughbred permitholder that offers to its
16 patrons at its pari-mutuel facility wagering on broadcasts of
17 thoroughbred horseraces conducted at thoroughbred racetracks
18 located outside this state during the period outside of its
19 current racing meet shall pay into its purse account for use
20 as purses 50 percent of the net proceeds retained by the
21 thoroughbred permitholder on such wagers after payment of any
22 fees to the out-of-state thoroughbred track; amounts for
23 breeders' awards, stallion awards, and special racing awards
24 under s. 550.2625(3); and all taxes and other sums provided
25 for in this chapter.

26 (15) Nothing in this chapter shall be construed to
27 prevent a licensed horserace permitholder from receiving and
28 offering to its patrons the ability to wager on broadcasts of
29 horseraces conducted at locations outside this state.

30 Section 10. Section 550.475, Florida Statutes, is
31 amended to read:

1 550.475 Lease of pari-mutuel facilities by pari-mutuel
2 permitholders.--

3 (1) Holders of valid pari-mutuel permits for the
4 conduct of any jai alai games, dogracing, or thoroughbred and
5 standardbred horse racing in this state are entitled to lease
6 any and all of their facilities to any other holder of a same
7 class valid pari-mutuel permit for jai alai games, dogracing,
8 or thoroughbred or standardbred horse racing, when located
9 within a 35-mile radius of each other; and such lessee is
10 entitled to a permit and license to operate its race meet or
11 jai alai games at the leased premises.

12 (2) The operator of any licensed racetrack is
13 authorized to lease such track to any quarter horse racing
14 permitholder for the conduct of quarter horse racing under
15 this chapter.

16 Section 11. Subsection (6) of section 550.615, Florida
17 Statutes, is amended and subsection (11) is added to that
18 section, to read:

19 550.615 Intertrack wagering.--

20 (6) Notwithstanding the provisions of subsection (3),
21 in any area of the state where there are three or more
22 horserace permitholders within 25 miles of each other, a
23 harness permitholder may not accept intertrack wagers from any
24 greyhound permitholder or, except as authorized by s.
25 550.6305(9)(g)2., from any thoroughbred permitholder.
26 ~~intertrack wagering between permitholders in said area of the~~
27 ~~state shall only be authorized under the following conditions:~~
28 ~~Any permitholder, other than a thoroughbred permitholder, may~~
29 ~~accept intertrack wagers on races or games conducted live by a~~
30 ~~permitholder of the same class or any harness permitholder~~
31 ~~located within such area and any harness permitholder may~~

1 ~~accept wagers on games conducted live by any jai alai~~
2 ~~permitholder located within its market area and from a jai~~
3 ~~alai permitholder located within the area specified in this~~
4 ~~subsection when no jai alai permitholder located within its~~
5 ~~market area is conducting live jai alai performances; any~~
6 ~~greyhound or jai alai permitholder may receive broadcasts of~~
7 ~~and accept wagers on any permitholder of the other class~~
8 ~~provided that a permitholder, other than the host track, of~~
9 ~~such other class is not operating a contemporaneous live~~
10 ~~performance within the market area.~~

11 (11) Notwithstanding contrary provisions of law, a
12 permitholder may engage in intertrack wagering with any other
13 licensed permitholder to which it is affiliated by virtue of
14 common ownership and shall pay the tax on handle as if the
15 intertrack wager were placed on the live race or game
16 conducted at the affiliated host track.

17 Section 12. Subsections (1) and (9) of section
18 550.6305, Florida Statutes, are amended to read:

19 550.6305 Intertrack wagering; guest track payments;
20 accounting rules.--

21 (1) All guest tracks which are eligible to receive
22 broadcasts and accept wagers on horseraces from a host track
23 racing under either a thoroughbred or quarter horse permit
24 shall be entitled to payment of 7 percent of the total
25 contributions to the pari-mutuel pool on wagers accepted at
26 the guest track unless the host thoroughbred track and the
27 guest track are located as specified in s. 550.615(6), where
28 such guest track shall be entitled to a payment of 3 percent.
29 All guest tracks that are eligible to receive broadcasts and
30 accept wagers on greyhound races or jai alai games from a host
31 track other than a thoroughbred or harness permitholder shall

1 be entitled to payments of not less than 5 percent of the
2 total contributions to the daily pari-mutuel pool on wagers
3 accepted at the guest track. All guest tracks that are
4 eligible to receive broadcasts and accept wagers on horseraces
5 from a host track racing under a harness horse permit shall be
6 entitled to a payment of 5 percent of the total contributions
7 to the daily pari-mutuel pool on wagers accepted at the guest
8 track. ~~However, if a guest track is a horserace permitholder~~
9 ~~that accepts intertrack wagers during its current race meet,~~
10 ~~one-half of the payment provided in this subsection and s.~~
11 ~~550.6345 shall be paid as purses during its current race meet.~~

12 (a) ~~However, if the host track is a thoroughbred~~
13 ~~permitholder, and the guest track is also a thoroughbred~~
14 ~~permitholder and accepts intertrack wagers on thoroughbred~~
15 ~~racess during its current race meet, one-third of the payment~~
16 ~~provided in this subsection shall be paid as purses during its~~
17 ~~current race meet. In addition, an amount equal to 2 percent~~
18 ~~of the intertrack handle at the thoroughbred guest track shall~~
19 ~~be remitted by the host track to the guest thoroughbred track,~~
20 ~~which amount shall be deducted from the purses required to be~~
21 ~~paid by the host track. Such amount shall be paid by the guest~~
22 ~~thoroughbred track as purses during its current race meet.~~

23 (b) ~~If thoroughbred intertrack wagering is taken at~~
24 ~~any guest track, including a thoroughbred guest track, which~~
25 ~~is located within 25 miles of any thoroughbred permitholder~~
26 ~~that is not conducting live racing, the host track shall pay~~
27 ~~to such thoroughbred permitholder an amount equal to 2 percent~~
28 ~~of the intertrack handle at all such guest tracks, including~~
29 ~~the guest thoroughbred track, which amount shall be deducted~~
30 ~~from the purses otherwise required to be paid by the host~~

31

1 ~~track. This amount shall be used by the thoroughbred~~
2 ~~permitholder to pay purses during its next race meet.~~

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 during its current meet, broadcast such out-of-state races to
7 any guest track and accept wagers thereon in the same manner
8 as is 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 under this chapter ~~pursuant to s.~~
12 ~~550.0951(3)(c)1.~~, the cost to the permitholder required to be
13 paid to the out-of-state horse track, and breeders' awards
14 paid to the Florida Thoroughbred Breeders' Association and the
15 Florida Standardbred Breeders and Owners Association, to be
16 used as 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)1. Any permitholder located in a county ~~any area of~~
6 ~~the state~~ where there are only two permits, one for dogracing
7 and one 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 located within 60 miles
10 of its facility and shall not be subject to the provisions of
11 paragraph (b) if such thoroughbred ~~horse racing~~ permitholder
12 ~~located within the area specified in this paragraph~~ is both
13 conducting live races and accepting wagers on out-of-state
14 horseraces. In such case, the guest permitholder shall be
15 entitled to 50 ~~45~~ percent of the net proceeds on wagers
16 accepted at the guest facility. The remaining proceeds shall
17 be distributed as follows: 21.5 percent ~~one-half~~ shall be
18 retained by the host facility and 28.5 ~~one-half~~ shall be paid
19 by the host facility as purses at the host facility.

20 2. Any permitholder located as specified in s.
21 550.615(8) may accept wagers on rebroadcasts of out-of-state
22 thoroughbred horse races from an in-state thoroughbred
23 permitholder and shall not be subject to the provisions of
24 paragraph (b) if such thoroughbred permitholder is located
25 outside of its market area and both conducting live races and
26 accepting wagers on out-of-state horseraces. In such case, the
27 guest permitholder shall be entitled to 50 percent of the net
28 proceeds on wagers accepted at the guest facility. The
29 remaining proceeds shall be distributed as follows: 21.5
30 percent shall be retained by the host facility and 28.5

31

1 percent shall be paid by the host facility as purses at the
2 host facility.

3 (e) Notwithstanding the provisions of subsection (1)
4 and s. 550.625(1) and (2)(b), the proceeds that are retained
5 by a harness host facility from the takeout on a race
6 broadcast under this subsection shall be distributed as
7 follows:

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

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

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

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

18 (f) Any permitholder located in any area of the state
19 where there are only two permits, one for dogracing and one
20 for jai alai, may accept wagers on rebroadcasts of
21 out-of-state harness horse races from an in-state harness
22 horse racing permitholder and shall not be subject to the
23 provisions of paragraph (b) if such harness horse racing
24 permitholder located within the area specified in this
25 paragraph is conducting live races. In such case, the guest
26 permitholder shall be entitled to 45 percent of the net
27 proceeds on wagers accepted at the guest facility. The
28 remaining proceeds shall be distributed as follows: one-half
29 shall be retained by the host facility and one-half shall be
30 paid by the host facility as purses at the host facility.

31

1 (g)1. Any thoroughbred permitholder that ~~which~~ accepts
2 wagers on a simulcast signal must, during its current meet,
3 make the signal available to any permitholder that is eligible
4 to conduct intertrack wagering under the provisions of ss.
5 550.615-550.6345, and located outside of its market area.

6 2. Any thoroughbred permitholder that ~~which~~ accepts
7 wagers on a simulcast signal received after the latter of
8 either the completion of its live racing performance or 6 p.m.
9 must make such signal available to any permitholder that is
10 eligible to conduct intertrack wagering under the provisions
11 of ss. 550.615-550.6345 and located within its market area,
12 ~~including any permitholder located as specified in s.~~
13 ~~550.615(6).~~ Such guest permitholders are authorized to accept
14 wagers on such simulcast signal, notwithstanding any other
15 provision of this chapter to the contrary.

16 ~~3. Any thoroughbred permitholder which accepts wagers~~
17 ~~on a simulcast signal received after 6 p.m. must make such~~
18 ~~signal available to any permitholder that is eligible to~~
19 ~~conduct intertrack wagering under the provisions of ss.~~
20 ~~550.615-550.6345, including any permitholder located as~~
21 ~~specified in s. 550.615(9). Such guest permitholders are~~
22 ~~authorized to accept wagers on such simulcast signals for a~~
23 ~~number of performances not to exceed that which constitutes a~~
24 ~~full schedule of live races for a quarter horse permitholder~~
25 ~~pursuant to s. 550.002(11), notwithstanding any other~~
26 ~~provision of this chapter to the contrary, except that the~~
27 ~~restrictions provided in s. 550.615(9)(a) apply to wagers on~~
28 ~~such simulcast signals.~~

29
30 No thoroughbred permitholder shall be required to continue to
31 rebroadcast a simulcast signal to any in-state permitholder if

1 the average per performance gross receipts returned to the
2 host permitholder over the preceding 30-day period were less
3 than \$100. Subject to the provisions of s. 550.615(4), as a
4 condition of receiving rebroadcasts of thoroughbred simulcast
5 signals under this paragraph, a guest permitholder must accept
6 intertrack wagers on all live races conducted by all
7 then-operating thoroughbred permitholders.

8 Section 13. Conditions on horseracing; Florida bred;
9 additional breed racing.--

10 (1) Each licensed horserace permitholder in the state
11 must schedule an average of one race per racing day in which
12 horses bred in this state and duly registered with the
13 appropriate breeders' organization have preference as entries
14 over non-Florida-bred horses. All licensed horserace
15 permitholders must write the conditions for such races in
16 which Florida-bred horses are preferred so as to assure that
17 all Florida-bred horses available for racing at such tracks
18 are given full opportunity to perform in the class races for
19 which they are qualified, and the opportunity of performing
20 must be afforded to each class of horses in the proportion
21 that the number of horses in this class bears to the total
22 number of Florida-bred horses available. However, a track is
23 not required to write conditions for a race to accommodate a
24 class of horses for which a race would otherwise not be
25 scheduled at such track during its meeting.

26 (2) Any quarter horse racing permitholder operating
27 under a valid permit issued by the division is authorized to
28 substitute other races of other breeds of horses which are,
29 respectively, registered with the American Paint Horse
30 Association, Appaloosa Horse Club, Arabian Horse Registry of
31 America, Jockey Club, Palomino Horse Breeders of America, or

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

3 (3) Each licensed thoroughbred permitholder in this
4 state may run one additional race per racing day composed
5 exclusively of Arabian horses registered with the Arabian
6 Horse Registry of America. Any licensed thoroughbred
7 permitholder that elects to run one additional race per racing
8 day composed exclusively of Arabian horses registered with the
9 Arabian Horse Registry of America is not required to provide
10 stables for the Arabian horses racing under this paragraph.

11 (4) Each licensed thoroughbred permitholder in this
12 state may run up to three additional races per racing day
13 composed exclusively of quarter horses registered with the
14 American Quarter Horse Association.

15 (5) Any licensed harness permitholder may make
16 application for, and shall be issued by the division, a
17 license to operate not more than 50 quarter horse racing days
18 during the summer season, which shall extend from June 1 until
19 September 1 of each year.

20 Section 14. Conversion of a quarter horse permit to a
21 thoroughbred permit.--

22 (1) In any county where there are only two pari-mutuel
23 permits, one for jai alai and one for quarter horse racing,
24 the owner of the quarter horse permit may apply to the
25 division pursuant to this section to convert its quarter horse
26 permit to one for the conduct of thoroughbred racing. Such
27 permitholder shall only be permitted to operate a thoroughbred
28 permit after its application has been submitted to the
29 division and its converted permit has been issued. Following
30 the conversion of its permit, any license or permit issued to
31

1 the permitholder for the conduct of quarter horse racing shall
2 be null and void.

3 (a) The permitholder may apply for conversion of the
4 permit at any time; however, the division may not issue its
5 initial license to conduct thoroughbred racing until the
6 permitholder has incurred a minimum capital expenditure as
7 certified by the division of at least \$50 million. "Capital
8 expenditure" means an expenditure, including an expenditure
9 for a construction project undertaken by a quarter horse
10 permitholder as its own contractor, which, under generally
11 accepted accounting principles, is not properly chargeable as
12 an expense of operation and maintenance, and includes the
13 cost, in current value, of the studies, surveys, designs,
14 plans, working drawings, specifications, refinancing costs,
15 and other activities essential to the acquisition,
16 improvement, expansion, or replacement of the land, plant, and
17 equipment.

18 (b) During the time that the permitholder is making
19 the capital expenditure, the permitholder may submit monthly
20 for certification costs incurred related to the overall
21 capital expenditure. The division shall within 30 days after
22 the receipt of the information related to the capital
23 expenditure certify the validity of the cost incurred and the
24 official amount expended for the purposes of the capital
25 expenditure required under this section.

26 (2) Notwithstanding section 550.0651, Florida
27 Statutes, such permitholder is entitled to a license for the
28 operation of a thoroughbred racetrack following the issuance
29 of its converted permit and certification of the requisite
30 capital expenditure. The license is renewable from year to
31 year as provided by law and authorizes the permitholder to

1 operate at any thoroughbred racetrack it may lease or build
2 within such county. The provisions of this chapter that
3 prohibit the location and operation of thoroughbred racetracks
4 within a specified distance from the location of another
5 permitholder and which prohibit the division from granting any
6 permit at a location within a certain designed area do not
7 apply to the provisions of this section and do not prevent the
8 issuance of a license under this section.

9 (3) Such permitholder shall pay the same taxes as are
10 required to be paid under this chapter by all other
11 thoroughbred permitholders, and is further bound by all of the
12 provisions of this chapter that apply to the operation of
13 thoroughbred permitholders and racetracks and any rules
14 adopted by the division thereunder.

15 Section 15. Section 550.09516, Florida Statutes, is
16 created to read:

17 550.09516 Annual fee for dormant permits;
18 revocation.--The Legislature has previously found that
19 pari-mutuel wagering provides substantial revenues to the
20 state. It further finds that the revenue-producing capability
21 is an integral reason for the issuance of a pari-mutuel permit
22 and that the failure to operate a pari-mutuel permit has
23 adverse impacts on the State Treasury. It is therefore
24 declared that pari-mutuel permitholders that do not conduct
25 live racing are nonetheless engaging in a taxable activity by
26 virtue of holding a pari-mutuel permit. This enactment is made
27 pursuant to, and for the purpose of, implementing such
28 findings.

29 (1) Any permitholder that does not hold a current
30 license to conduct pari-mutuel wagering shall pay an annual
31 permit fee of \$350,000 for the privilege of holding such

1 permit. Such annual fee shall be paid to the division not
2 later than March 31 and shall be accompanied by information
3 required by the division under s. 550.01215(2).

4 (2) The permit of a permitholder who does not comply
5 with subsection (1) by March 31 shall be void and shall
6 escheat to and become the property of the state. The
7 department shall give the permitholder notice of its intent to
8 revoke the permit in writing to the address listed on the
9 permitholder's last application for licensure or, in the event
10 a license was not issued to the permitholder, to the address
11 listed on its application for a pari-mutuel permit. The
12 permitholder may within 30 days after the mailing of the
13 notice by the division comply with subsection (1), pay a late
14 fee of \$50,000, and retain its permit. After the 30 days'
15 notice period has expired, the division shall revoke the
16 permit and issue a notice of revocation to the permitholder.

17 (3) The division shall deposit these sums with the
18 Chief Financial Officer to the credit of the Pari-mutuel
19 Wagering Trust Fund.

20 Section 16. Sections 550.0745, 550.09511, 550.09512,
21 550.09515, 550.1625, 550.3355, 550.334, 550.375, 550.5251, and
22 550.71, Florida Statutes, are repealed.

23 Section 17. On the date when the Division of
24 Pari-mutuel Wagering has certified the expenditure by a
25 pari-mutuel permitholder and its affiliated companies of \$100
26 million on capital improvements to its racing facility,
27 section 550.5251, Florida Statutes, is repealed, and section 2
28 of this act shall become law. In determining the expenditures,
29 the division shall include, in addition to actual costs of
30 material, labor, and machinery related to the capital
31 improvements, those costs incurred on or after January 1,

1 2004, related to the design, planning, and permitting for the
2 capital expenditures.

3 Section 18. Any thoroughbred permitholder that either
4 failed to operate all performances that it was authorized to
5 operate under the license or licenses issued to it by the
6 division for either or both the 2001-2002 or 2002-2003 Florida
7 Thoroughbred Racing Seasons or which failed to operate any
8 performance during the 2003-2004 Florida Thoroughbred Racing
9 Season shall be excused from discipline by the division for
10 its failure to operate such performances, and its permit shall
11 be deemed valid and in good standing. Any thoroughbred
12 permitholder that violated the provisions of section
13 550.615(6), Florida Statutes, during the 2001-2002 Florida
14 Thoroughbred Racing Season shall be excused from discipline by
15 the division.

16 Section 19. Section 849.161, Florida Statutes, is
17 amended to read:

18 849.161 Amusement arcades ~~games or machines~~; when
19 chapter inapplicable.--

20 (1)(a)1. Nothing contained in this chapter shall be
21 taken or construed as applicable to an arcade amusement center
22 having amusement games or machines not proscribed by s.
23 849.15, which operate by means of the insertion of a coin and
24 which by application of skill may entitle the person playing
25 or operating the game or machine to receive points or coupons
26 which may be exchanged for merchandise only, excluding cash,
27 ~~and~~ alcoholic beverages, tobacco products, and coupons
28 redeemable for cash, provided the cost value of the
29 merchandise or prize awarded in exchange for such points or
30 coupons does not exceed 75 cents on any game played.
31 Merchandise or a prize awarded may not exceed a value of \$10.

1 All points or coupons received by a player may be exchanged
2 for the specific product only at the same business location
3 where the game or machine operated by the player is located.
4 Points or coupons received by a player may not be exchanged
5 for any gift certificate, mail order certificate, or similar
6 conveyance that is redeemable at another business location or
7 deliverable from a location other than where the arcade is
8 located.

9 2. Any applicant for a license to operate an arcade
10 amusement center shall reveal all ownership interests,
11 including, but not limited to, any individual or corporate
12 silent partner, whether or not the applicant is acting on
13 behalf of a third party in making solicitation for license,
14 the ownership of the games or machines if other than the
15 applicant, and a copy of any lease or purchase agreement
16 relating to acquisition of the games or machines.

17 3. Any applicant for a license to operate an arcade
18 amusement center shall provide a list of the games or machines
19 to be installed which shall include the name, model, serial
20 number, and date of manufacture of each machine. If games or
21 machines are added or exchanged subsequent to the opening of
22 the business, the original list shall be supplemented to
23 reflect these additions or exchanges, including ownership of
24 the games or machines and a copy of any lease or purchase
25 agreement relating to the acquisition of the games or
26 machines.

27 4. Prior to issuance of license for an amusement
28 arcade center the licensing agency shall, at its option, have
29 the right to inspect and operate the games or machines to
30 determine if they comply with the provisions of this section.

31

1 The licensing agency may designate a law enforcement agency or
2 other expert to perform this inspection.

3 5. The operator of an arcade amusement center shall
4 allow law enforcement officers or experts assisting law
5 enforcement full and unfettered access to the business
6 premises and the games and machines in order to inspect and
7 test them to ensure compliance with the requirements of this
8 section. This reasonable access shall occur during normal
9 operating hours of the arcade amusement center.

10 ~~2. Nothing contained in this chapter shall be taken or~~
11 ~~construed as applicable to any retail dealer who operates as a~~
12 ~~truck stop, as defined in chapter 336 and which operates a~~
13 ~~minimum of 6 functional diesel fuel pumps, having amusement~~
14 ~~games or machines which operate by means of the insertion of a~~
15 ~~coin or other currency and which by application of skill may~~
16 ~~entitle the person playing or operating the game or machine to~~
17 ~~receive points or coupons which may be exchanged for~~
18 ~~merchandise limited to noncash prizes, toys, novelties, and~~
19 ~~Florida Lottery products, excluding alcoholic beverages,~~
20 ~~provided the cost value of the merchandise or prize awarded in~~
21 ~~exchange for such points or coupons does not exceed 75 cents~~
22 ~~on any game played. This subparagraph applies only to games~~
23 ~~and machines which are operated for the entertainment of the~~
24 ~~general public and tourists as bona fide amusement games or~~
25 ~~machines. This subsection shall not apply, however, to any~~
26 ~~game or device defined as a gambling device in 24 U.S.C. s.~~
27 ~~1171, which requires identification of each device by~~
28 ~~permanently affixing serial numbering and name, trade name,~~
29 ~~and date of manufacture under s. 1173, and registration with~~
30 ~~the United States Attorney General, unless excluded from~~
31 ~~applicability of the chapter under s. 1178. This subsection~~

1 ~~shall not be construed to authorize video poker games or any~~
2 ~~other game or machine that may be construed as a gambling~~
3 ~~device under Florida law.~~

4 (b) Nothing in this subsection shall be taken or
5 construed as applicable to a coin-operated game or device
6 designed and manufactured only for bona fide amusement
7 purposes and not proscribed by s. 849.15, which game or device
8 may, solely by application of skill, entitle the player to
9 replay the game or device at no additional cost, if the game
10 or device: can accumulate and react to no more than 15 free
11 replays; can be discharged of accumulated free replays only by
12 reactivating the game or device for one additional play for
13 such accumulated free replay; can make no permanent record,
14 directly or indirectly, of free replays; and is not classified
15 by the United States as a gambling device in chapter 24 of
16 Title 15 U.S.C. under s. 1171 ~~24 U.S.C. s. 1171~~, which
17 requires identification of each device by permanently affixing
18 seriatim numbering and name, trade name, and date of
19 manufacture under s. 1173, and registration with the United
20 States Attorney General, unless excluded from applicability of
21 the chapter under s. 1178. This subsection shall not be
22 construed to authorize video poker games, or any other game or
23 machine that may be construed as a gambling device under
24 Florida law.

25 (c) Nothing in this subsection with respect to arcade
26 amusement centers shall be taken or construed to abrogate or
27 limit the power of a local government to establish or amend
28 the zoning map designation of a parcel or parcels of land or
29 change the actual list of permitted, conditional, or
30 prohibited uses within a zoning category, and any local
31 government may exercise such power as provided by law.

1 (2) The legislative and governing body of a county or
2 municipality shall have the power and authority to limit the
3 number of hours of operation of arcade amusement centers and
4 may also limit the number of machines allowed in such centers.

5 ~~(3)~~(2) The term "arcade amusement center" as used in
6 this section means a place of business having at least 50
7 coin-operated amusement games or machines on premises which
8 are operated for the entertainment of the general public and
9 tourists as a bona fide amusement facility.

10 (4) A game or machine that may be construed as a
11 gambling device under state law, including video poker games
12 or a game or device that resembles a gambling device as
13 defined in chapter 24 of Title 15 U.S.C. under s. 1171, is
14 prohibited at arcade amusement centers.

15 Section 20. Section 849.1615, Florida Statutes, is
16 created to read

17 849.1615 Truck stops; when chapter inapplicable.--
18 Nothing contained in this chapter shall be taken or construed
19 as applicable to any retail dealer that operates as a truck
20 stop, as defined in chapter 336, and that operates a minimum
21 of six functional diesel fuel pumps, having amusement games or
22 machines which operate by means of the insertion of a coin or
23 other currency and which by application of skill may entitle
24 the person playing or operating the game or machine to receive
25 points or coupons that may be exchanged for merchandise
26 limited to noncash prizes, toys, novelties, and Florida
27 Lottery products, excluding alcoholic beverages, provided the
28 cost value of the merchandise or prize awarded in exchange for
29 such points or coupons does not exceed 75 cents on any game
30 played. All points or coupons received by a player may be
31 exchanged for the specific product only at the same business

1 location where the game or machine operated by the player is
2 located. Points or coupons received by a player may not be
3 exchanged for any gift certificate, mail order certificate, or
4 similar conveyance that is redeemable at another business
5 location or deliverable from a location other than where the
6 arcade is located. This section applies only to games and
7 machines that are operated for the entertainment of the
8 general public and tourists as bona fide amusement games or
9 machines. This section does not apply, however, to any game or
10 device defined as a gambling device in chapter 24 of Title 15
11 U.S.C. under s. 1171, which requires identification of each
12 device by permanently affixing seriatim numbering and name,
13 trade name, and date of manufacture under s. 1173, and
14 registration with the United States Attorney General, unless
15 excluded from applicability of the chapter under s. 1178. This
16 section may not be construed to authorize video poker games or
17 any other game or machine that may be construed as a gambling
18 device under federal law.

19 Section 21. Paragraph (d) of subsection (3) of section
20 849.085, Florida Statutes, is amended to read:

21 849.085 Certain penny-ante games not crimes;
22 restrictions.--

23 (3) A penny-ante game is subject to the following
24 restrictions:

25 (d) A person may not solicit participants by means of
26 advertising in any form, advertise the time or place of any
27 penny-ante game, except for posting a notice at the dwelling
28 or distributing notice to residents or members of the entity
29 owning the dwelling, or advertise the fact that he or she will
30 be a participant in any penny-ante game.

31

1 Section 22. This act shall take effect upon becoming a
2 law.

3
4 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
5 COMMITTEE SUBSTITUTE FOR
6 CS/SB 2474

- 7 - Reduces the number of live games required for jai alai to
8 40 days;
- 9 - Creates a 100-mile restriction on the location of new
10 quarter horse tracks near existing pari-mutuel
11 facilities;
- 12 - Restructures taxation for pari-mutuels;
- 13 - Creates a minimum level of taxation for all pari-mutuels
14 of \$350,000;
- 15 - Institutes breeder awards at Gulfstream Park;
- 16 - Removes simulcasting restrictions which exist in South
17 Florida and allows for year-round simulcasting import at
18 Florida's thoroughbred tracks;
- 19 - Creates a number of purse incentives for Florida Horsemen
20 from the new simulcasting provisions;
- 21 - Includes restrictions regarding adult amusement arcades;
- 22 - Includes language to protect the Hialeah permit and
23 excuses discipline for violation of intertrack wagering
24 provisions; and
- 25 - Ties the conversion of the quarter horse permit held by
26 Ocala Breeders Sales to a thoroughbred permit in Ocala,
27 provided a capital investment is made of more than \$50
28 million on a new track. It further ties the elimination
29 of the current 7 pm curfew on live thoroughbred racing to
30 a new investment of more than \$100/million by a
31 permitholder on their facility.