

CHAMBER ACTION

1 The Committee on Appropriations recommends the following:

2  
3 **Committee Substitute**

4 Remove the entire bill and insert:

5 A bill to be entitled

6 An act relating to pari-mutuel wagering; amending s.  
7 550.09515, F.S.; deleting provisions that require a  
8 thoroughbred horse permit to be voided and to escheat to  
9 the state for failure to operate performances; deleting  
10 provisions for the reissuance of such escheated permit;  
11 deleting obsolete provisions; amending s. 550.5251, F.S.;  
12 revising provisions for application and issuance of  
13 certain thoroughbred horse permits; providing penalties  
14 for failure to operate full schedule of performances by  
15 such permitholders; providing procedures for election not  
16 to operate live performances; providing that such election  
17 shall not affect the validity of a permit; exempting from  
18 penalties thoroughbred permitholders who failed to operate  
19 during specified racing seasons; providing for certain  
20 greyhound permitholders that have not produced pari-mutuel  
21 wagering tax revenues to conduct intertrack wagering under  
22 certain circumstances; authorizing such intertrack  
23 wagering to be conducted at a location other than the

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24 permit location; amending s. 849.086, F.S.; revising  
 25 conditions during which a cardroom may be operated by a  
 26 cardroom licensee; deleting requirement for a cardroom  
 27 application to be filed as part of the annual license  
 28 application; providing an effective date.

29

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

31

32 Section 1. Subsections (3) through (7) of section  
 33 550.09515, Florida Statutes, are amended to read:

34 550.09515 Thoroughbred horse taxes; abandoned interest in  
 35 a permit for nonpayment of taxes.--

36 ~~(3)(a) The permit of a thoroughbred horse permitholder who~~  
 37 ~~does not pay tax on handle for live thoroughbred horse~~  
 38 ~~performances for a full schedule of live races during any 2~~  
 39 ~~consecutive state fiscal years shall be void and shall escheat~~  
 40 ~~to and become the property of the state unless such failure to~~  
 41 ~~operate and pay tax on handle was the direct result of fire,~~  
 42 ~~strike, war, or other disaster or event beyond the ability of~~  
 43 ~~the permitholder to control. Financial hardship to the~~  
 44 ~~permitholder shall not, in and of itself, constitute just cause~~  
 45 ~~for failure to operate and pay tax on handle.~~

46 ~~(b) In order to maximize the tax revenues to the state,~~  
 47 ~~the division shall reissue an escheated thoroughbred horse~~  
 48 ~~permit to a qualified applicant pursuant to the provisions of~~  
 49 ~~this chapter as for the issuance of an initial permit. However,~~  
 50 ~~the provisions of this chapter relating to referendum~~  
 51 ~~requirements for a pari-mutuel permit shall not apply to the~~

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52 ~~reissuance of an escheated thoroughbred horse permit. As~~  
 53 ~~specified in the application and upon approval by the division~~  
 54 ~~of an application for the permit, the new permitholder shall be~~  
 55 ~~authorized to operate a thoroughbred horse facility anywhere in~~  
 56 ~~the same county in which the escheated permit was authorized to~~  
 57 ~~be operated, notwithstanding the provisions of s. 550.054(2)~~  
 58 ~~relating to mileage limitations.~~

59 (3)~~(4)~~ In the event that a court of competent jurisdiction  
 60 determines any of the provisions of this section to be  
 61 unconstitutional, it is the intent of the Legislature that the  
 62 provisions contained in this section shall be null and void and  
 63 that the provisions of s. 550.0951 shall apply to all  
 64 thoroughbred horse permitholders beginning on the date of such  
 65 judicial determination. To this end, the Legislature declares  
 66 that it would not have enacted any of the provisions of this  
 67 section individually and, to that end, expressly finds them not  
 68 to be severable.

69 (4)~~(5)~~ Notwithstanding the provisions of s.  
 70 550.0951(3)(c), the tax on handle for intertrack wagering on  
 71 rebroadcasts of simulcast horseraces is 2.4 percent of the  
 72 handle; provided however, that if the guest track is a  
 73 thoroughbred track located more than 35 miles from the host  
 74 track, the host track shall pay a tax of .5 percent of the  
 75 handle, and additionally the host track shall pay to the guest  
 76 track 1.9 percent of the handle to be used by the guest track  
 77 solely for purses. The tax shall be deposited into the Pari-  
 78 mutuel Wagering Trust Fund.

79           (5)~~(6)~~ A credit equal to the amount of contributions made  
 80 by a thoroughbred permitholder during the taxable year directly  
 81 to the Jockeys' Guild or its health and welfare fund to be used  
 82 to provide health and welfare benefits for active, disabled, and  
 83 retired Florida jockeys and their dependents pursuant to  
 84 reasonable rules of eligibility established by the Jockeys'  
 85 Guild is allowed against taxes on live handle due for a taxable  
 86 year under this section. A thoroughbred permitholder may not  
 87 receive a credit greater than an amount equal to 1 percent of  
 88 its paid taxes for the previous taxable year.

89           ~~(7) If a thoroughbred permitholder fails to operate all~~  
 90 ~~performances on its 2001-2002 license, failure to pay tax on~~  
 91 ~~handle for a full schedule of live races for those performances~~  
 92 ~~in the 2001-2002 fiscal year does not constitute failure to pay~~  
 93 ~~taxes on handle for a full schedule of live races in a fiscal~~  
 94 ~~year for the purposes of subsection (3). This subsection may not~~  
 95 ~~be construed as forgiving a thoroughbred permitholder from~~  
 96 ~~paying taxes on performances conducted at its facility pursuant~~  
 97 ~~to its 2001-2002 license other than for failure to operate all~~  
 98 ~~performances on its 2001-2002 license. This subsection expires~~  
 99 ~~July 1, 2003.~~

100           Section 2. Subsection (2) of section 550.5251, Florida  
 101 Statutes, is amended to read:

102           550.5251 Florida thoroughbred racing; certain permits;  
 103 operating days.--

104           (2) Each permitholder referred to in subsection (1) shall  
 105 annually, during the period commencing December 15 of each year  
 106 and ending January 4 of the following year, file in writing with

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107 the division its application to conduct one or more thoroughbred  
108 racing meetings during the thoroughbred racing season commencing  
109 on the following June 1. Each application shall specify the  
110 number and dates of all performances that the permitholder  
111 intends to conduct during that thoroughbred racing season. ~~On or~~  
112 ~~before February 15 of each year, the division shall issue a~~  
113 ~~license authorizing each permitholder to conduct performances on~~  
114 ~~the dates specified in its application.~~ Up to March 31 of each  
115 year, each permitholder may request and shall be granted changes  
116 in its authorized performances, and the division shall issue a  
117 license on or before April 30 of each year authorizing each  
118 permitholder to conduct performances on the dates specified in  
119 its application; but thereafter, as a condition precedent to the  
120 validity of its license and its right to retain its permit, each  
121 permitholder must operate the full number of days authorized on  
122 each of the dates set forth in its license or be subject to  
123 discipline pursuant to ss. 550.01215(4) and 550.0251(10). On or  
124 before February 15 of each year, a permitholder may elect not to  
125 operate live performances during the ensuing thoroughbred racing  
126 season by filing an amendment to its application indicating its  
127 irrevocable election not to operate, and the division shall not  
128 issue a license to such permitholder. An election not to operate  
129 shall not affect the continuing validity of the permit of such  
130 permitholder. For the 2004-2005 Florida Thoroughbred Racing  
131 Season only, an election not to operate will be effective if  
132 delivered to the division on or before July 1, 2004. Any  
133 thoroughbred permitholder who either failed to operate all  
134 performances that it was authorized to operate under the license

135 or licenses issued to it by the division for either or both the  
 136 2001-2002 or 2002-2003 Florida Thoroughbred Racing Seasons or  
 137 who failed to operate any performance during the 2003-2004  
 138 Florida Thoroughbred Racing Season shall be excused from  
 139 discipline by the division for its failure to operate such  
 140 performances, and its permit shall be deemed valid and in good  
 141 standing.

142 Section 3. A greyhound permitholder in any county of this  
 143 state which permitholder has not produced pari-mutuel wagering  
 144 tax revenues for the preceding 5 state fiscal years and which  
 145 county is contiguous to a county with one or more pari-mutuel  
 146 permitholders that have produced pari-mutuel wagering tax  
 147 revenues during the preceding 5 state fiscal years may, at any  
 148 time during which live pari-mutuel racing or games are being  
 149 conducted in the contiguous county, conduct intertrack wagering  
 150 at the location fixed in the permit or at another location to  
 151 which the permitholder shall be entitled hereunder to move the  
 152 permit provided such location is within the same county and  
 153 within 30 miles of the location fixed in the permit.

154 Section 4. Paragraph (b) of subsection (7) of section  
 155 849.086, Florida Statutes, is amended to read:

156 849.086 Cardrooms authorized.--

157 (7) CONDITIONS FOR OPERATING A CARDROOM.--

158 (b) A cardroom may be operated at the facility only when  
 159 the facility is authorized to accept wagers on pari-mutuel  
 160 events during its authorized meet. A cardroom may operate  
 161 between the hours of 12 noon and 12 midnight on any day a pari-  
 162 mutuel event is conducted live as a part of its authorized meet.

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163 However, a permitholder who holds a valid cardroom license may  
164 operate a cardroom between the hours of 12 noon and 12 midnight  
165 on any day that live racing of the same class of permit is  
166 occurring within 35 miles of its facility if no other holder of  
167 that same class of permit within 35 miles is operating a  
168 cardroom at such time or ~~and~~ if all holders of the same class of  
169 permit within the 35-mile area have given their permission in  
170 writing to the permitholder to operate the cardroom during the  
171 designated period. ~~Application to operate a cardroom under this~~  
172 ~~paragraph must be made to the division as part of the annual~~  
173 ~~license application.~~

174 Section 5. This act shall take effect upon becoming a law.