

CHAMBER ACTION

1 The Commerce Council recommends the following:

2
3 **Council/Committee Substitute**

4 Remove the entire bill and insert:

5 A bill to be entitled

6 An act relating to pari-mutuel permitholders; amending s.
7 550.002, F.S.; revising the definition of "full schedule
8 of live racing or games" for certain jai alai
9 permitholders; amending s. 550.09511, F.S.; providing for
10 license fees and taxes for certain jai alai permitholders;
11 amending s. 550.334, F.S.; revising permitting and
12 operational requirements for quarter horse permitholders;
13 deleting a provision to allow quarter horse racing by vote
14 of the county commission in lieu of referendum approval of
15 such racing within a county; providing that specified
16 provisions relating to elections to ratify permits and
17 elections to revoke permits shall apply to quarter horse
18 racing; revising requirements for substitution of
19 thoroughbred horse racing for quarter horse racing;
20 removing certain restrictions on such substitutions and
21 requiring written consent from other permitholders within
22 a certain area; revising restrictions on intertrack
23 wagering for quarter horse permitholders and requiring

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24 written consent from other permitholders within a certain
 25 area; amending s. 849.086, F.S.; removing a prohibition on
 26 transfer of cardroom licenses; providing for transfer of
 27 the cardroom license when a permit is relocated within a
 28 county under certain conditions; providing an effective
 29 date.

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

32
 33 Section 1. Subsection (11) of section 550.002, Florida
 34 Statutes, is amended to read:

35 550.002 Definitions.--As used in this chapter, the term:

36 (11) "Full schedule of live racing or games" means, for a
 37 greyhound or jai alai permitholder, the conduct of a combination
 38 of at least 100 live evening or matinee performances during the
 39 preceding year; for a permitholder who has a converted permit or
 40 filed an application on or before June 1, 1990, for a converted
 41 permit, the conduct of a combination of at least 100 live
 42 evening and matinee wagering performances during either of the 2
 43 preceding years; for a jai alai permitholder who does not
 44 operate slot machines in its pari-mutuel facility, who has
 45 conducted at least 100 live performances per year for at least
 46 10 years after December 31, 1992, and whose handle on live jai
 47 alai games conducted at its pari-mutuel facility has been less
 48 than \$4 million per state fiscal year for at least 2 consecutive
 49 years after June 30, 1992, the conduct of a combination of at
 50 least 40 live evening or matinee performances during the
 51 preceding year; for a jai alai permitholder who operates slot

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52 | machines in its pari-mutuel facility, the conduct of a
53 | combination of at least 150 performances during the preceding
54 | year; for a harness permitholder, the conduct of at least 100
55 | live regular wagering performances during the preceding year;
56 | for a quarter horse permitholder, the conduct of at least 40
57 | live regular wagering performances during the preceding year;
58 | and for a thoroughbred permitholder, the conduct of at least 40
59 | live regular wagering performances during the preceding year.
60 | For a permitholder which is restricted by statute to certain
61 | operating periods within the year when other members of its same
62 | class of permit are authorized to operate throughout the year,
63 | the specified number of live performances which constitute a
64 | full schedule of live racing or games shall be adjusted pro rata
65 | in accordance with the relationship between its authorized
66 | operating period and the full calendar year and the resulting
67 | specified number of live performances shall constitute the full
68 | schedule of live games for such permitholder and all other
69 | permitholders of the same class within 100 air miles of such
70 | permitholder. A live performance must consist of no fewer than
71 | eight races or games conducted live for each of a minimum of
72 | three performances each week at the permitholder's licensed
73 | facility under a single admission charge.

74 | Section 2. Subsection (4) of section 550.09511, Florida
75 | Statutes, is renumbered as subsection (5) and a new subsection
76 | (4) is added to said section to read:

77 | 550.09511 Jai alai taxes; abandoned interest in a permit
78 | for nonpayment of taxes.--

79 (4) A jai alai permitholder conducting fewer than 100 live
 80 performances in any calendar year shall pay to the state the
 81 same aggregate amount of daily license fees on live jai alai
 82 games, admissions tax, and tax on live handle as that
 83 permitholder paid to the state during the most recent prior
 84 calendar year in which the jai alai permitholder conducted at
 85 least 100 live performances.

86 Section 3. Subsections (1), (4), (7), and (10) of section
 87 550.334, Florida Statutes, are amended to read:

88 550.334 Quarter horse racing; substitutions.--

89 (1) Subject to all the applicable provisions of this
 90 chapter, any person who possesses the qualifications prescribed
 91 in this chapter may apply to the division for a permit to
 92 conduct quarter horse race meetings and racing under this
 93 chapter. The applicant must demonstrate that the location or
 94 locations where the permit will be used are available for such
 95 use and that she or he has the financial ability to satisfy the
 96 reasonably anticipated operational expenses of the first racing
 97 year following final issuance of the permit. If the racing
 98 facility is already built, the application must contain a
 99 statement, with reasonable supporting evidence, that the permit
 100 will be used for quarter horse racing within 1 year after the
 101 date on which it is granted; if the facility is not already
 102 built, the application must contain a statement, with reasonable
 103 supporting evidence, that substantial construction will be
 104 started within 1 year after the issuance of the permit. After
 105 receipt of an application, the division shall convene to
 106 consider and act upon permits applied for. The division shall

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107 disapprove an application if it fails to meet the requirements
 108 of this chapter. Upon each application filed and approved, a
 109 permit shall be issued setting forth the name of the applicant
 110 and a statement showing qualifications of the applicant to
 111 conduct racing under this chapter. If a favorable referendum on
 112 a pari-mutuel facility has not been held previously within the
 113 county, then, before a quarter horse permit may be issued by the
 114 division, a referendum ratified by a majority of the electors in
 115 the county is required on the question of allowing quarter horse
 116 races within that county; ~~but if there is an extraordinary vote~~
 117 ~~of the board of county commissioners of that county to allow~~
 118 ~~quarter horse racing, the requirement for a referendum does not~~
 119 ~~apply.~~

120 (4) ~~Section Sections~~ 550.054 ~~is, 550.0651, and 550.175 are~~
 121 inapplicable to quarter horse racing as permitted under this
 122 section. All other provisions of this chapter apply to, govern,
 123 and control such racing, and the same must be conducted in
 124 compliance therewith.

125 (7)(a) Any quarter horse racing permitholder operating
 126 under a valid permit issued by the division is authorized to
 127 substitute ~~other~~ races of other breeds of horses, except
 128 thoroughbreds, which are, respectively, registered with the
 129 American Paint Horse Association, Appaloosa Horse Club, Arabian
 130 Horse Registry of America, ~~Jockey Club~~, Palomino Horse Breeders
 131 of America, or United States Trotting Association, for no more
 132 than 50 percent of the quarter horse races daily, and may
 133 substitute races of thoroughbreds registered with the Jockey
 134 Club for no more than 50 percent of the quarter horse races

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135 daily with the written consent of all greyhound, harness, and
 136 thoroughbred permitholders whose pari-mutuel facilities are
 137 located within 50 air miles of such quarter horse racing
 138 permitholder's pari-mutuel facility.

139 (b) Any permittee operating within an area of 50 air miles
 140 of a licensed thoroughbred track may not substitute thoroughbred
 141 races under this section while a thoroughbred horse race meet is
 142 in progress within that 50 miles. Any permittee operating within
 143 an area of 125 air miles of a licensed thoroughbred track may
 144 not substitute live thoroughbred races under this section while
 145 a thoroughbred permittee who pays taxes under s. 550.09515(2)(a)
 146 is conducting a thoroughbred meet within that 125 miles. These
 147 mileage restrictions do not apply to any permittee that holds a
 148 nonwagering permit issued pursuant to s. 550.505. ~~Races~~
 149 ~~comprised of thoroughbred horses under this section registered~~
 150 ~~with the Jockey Club may not be permitted during the period~~
 151 ~~beginning September 1 and ending January 5 of each year in any~~
 152 ~~county where there are one or more licensed dog tracks~~
 153 ~~conducting race meets. This section does not affect the~~
 154 ~~competitive award of matinee performances to jai alai frontons~~
 155 ~~or dog tracks in opposition to races comprised of thoroughbred~~
 156 ~~horses registered with the Jockey Club under this section.~~

157 (10) Intertrack wagering shall not be authorized for any
 158 quarter horse permitholder without the written consent of all
 159 greyhound, harness, and thoroughbred permitholders whose pari-
 160 mutuel facilities are located within 50 air miles of such
 161 quarter horse permitholder's pari-mutuel facility ~~an existing~~
 162 ~~greyhound track unless such quarter horse permitholder has~~

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163 ~~incurred a minimum capital expenditure of at least \$7.5 million.~~
 164 ~~"Capital expenditure" means an expenditure, including an~~
 165 ~~expenditure for a construction project undertaken by a quarter~~
 166 ~~horse permitholder as its own contractor, which, under generally~~
 167 ~~accepted accounting principles, is not properly chargeable as an~~
 168 ~~expense of operation and maintenance; and includes the cost, in~~
 169 ~~current value, of the studies, surveys, designs, plans, working~~
 170 ~~drawings, specifications, refinancing costs, and other~~
 171 ~~activities essential to the acquisition, improvement, expansion,~~
 172 ~~or replacement of the plant and equipment.~~

173 Section 4. Paragraph (a) of subsection (5) and paragraph
 174 (a) of subsection (17) of section 849.086, Florida Statutes, are
 175 amended to read:

176 849.086 Cardrooms authorized.--

177 (5) LICENSE REQUIRED; APPLICATION; FEES.--No person may
 178 operate a cardroom in this state unless such person holds a
 179 valid cardroom license issued pursuant to this section.

180 (a) Only those persons holding a valid cardroom license
 181 issued by the division may operate a cardroom. A cardroom
 182 license may only be issued to a licensed pari-mutuel
 183 permitholder and an authorized cardroom may only be operated at
 184 the same facility at which the permitholder is authorized under
 185 its valid pari-mutuel wagering permit to conduct pari-mutuel
 186 wagering activities. ~~Cardroom licenses are not transferable.~~

187 (17) CHANGE OF LOCATION; REFERENDUM.--

188 (a) Notwithstanding any provisions of this section, no
 189 cardroom gaming license issued under this section shall be
 190 transferred, or reissued when such reissuance is in the nature

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191 of a transfer, so as to permit or authorize a licensee to change
192 the location of the cardroom except upon proof in such form as
193 the division may prescribe that a referendum election has been
194 held:

195 1. If the proposed new location is within the same county
196 as the already licensed location, in the county where the
197 licensee desires to conduct cardroom gaming and that a majority
198 of the electors voting on the question in such election voted in
199 favor of the transfer of such license. However, the division
200 shall transfer, without requirement of a referendum election,
201 the cardroom license of any permit holder that relocated its
202 permit pursuant to s. 550.0555.

203 2. If the proposed new location is not within the same
204 county as the already licensed location, in the county where the
205 licensee desires to conduct cardroom gaming and that a majority
206 of the electors voting on that question in each such election
207 voted in favor of the transfer of such license.

208 Section 5. This act shall take effect July 1, 2005.