

## ENROLLED

HB 181, Engrossed 1

2005 Legislature

1 A bill to be entitled

2 An act relating to pari-mutuel permitholders; amending s.  
3 550.002, F.S.; revising the definition of "full schedule  
4 of live racing or games" for certain jai alai  
5 permitholders; amending s. 550.09511, F.S.; providing for  
6 license fees and taxes for certain jai alai permitholders;  
7 amending s. 550.334, F.S.; revising permitting and  
8 operational requirements for quarter horse permitholders;  
9 deleting a provision to allow quarter horse racing by vote  
10 of the county commission in lieu of referendum approval of  
11 such racing within a county; providing that specified  
12 provisions relating to elections to ratify permits and  
13 elections to revoke permits shall apply to quarter horse  
14 racing; revising requirements for substitution of  
15 thoroughbred horse racing for quarter horse racing;  
16 removing certain restrictions on such substitutions and  
17 requiring written consent from other permitholders within  
18 a certain area; revising restrictions on intertrack  
19 wagering for quarter horse permitholders and requiring  
20 written consent from other permitholders within a certain  
21 area; amending s. 849.086, F.S.; removing a prohibition on  
22 transfer of cardroom licenses; providing for transfer of  
23 the cardroom license when a permit is relocated within a  
24 county under certain conditions; providing an effective  
25 date.

26  
27 Be It Enacted by the Legislature of the State of Florida:  
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29 Section 1. Subsection (11) of section 550.002, Florida  
30 Statutes, is amended to read:

31 550.002 Definitions.--As used in this chapter, the term:

32 (11) "Full schedule of live racing or games" means, for a  
33 greyhound or jai alai permitholder, the conduct of a combination  
34 of at least 100 live evening or matinee performances during the  
35 preceding year; for a permitholder who has a converted permit or  
36 filed an application on or before June 1, 1990, for a converted  
37 permit, the conduct of a combination of at least 100 live  
38 evening and matinee wagering performances during either of the 2  
39 preceding years; for a jai alai permitholder who does not  
40 operate slot machines in its pari-mutuel facility, who has  
41 conducted at least 100 live performances per year for at least  
42 10 years after December 31, 1992, and whose handle on live jai  
43 alai games conducted at its pari-mutuel facility has been less  
44 than \$4 million per state fiscal year for at least 2 consecutive  
45 years after June 30, 1992, the conduct of a combination of at  
46 least 40 live evening or matinee performances during the  
47 preceding year; for a jai alai permitholder who operates slot  
48 machines in its pari-mutuel facility, the conduct of a  
49 combination of at least 150 performances during the preceding  
50 year; for a harness permitholder, the conduct of at least 100  
51 live regular wagering performances during the preceding year;  
52 for a quarter horse permitholder, the conduct of at least 40  
53 live regular wagering performances during the preceding year;  
54 and for a thoroughbred permitholder, the conduct of at least 40  
55 live regular wagering performances during the preceding year.  
56 For a permitholder which is restricted by statute to certain

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57 | operating periods within the year when other members of its same  
58 | class of permit are authorized to operate throughout the year,  
59 | the specified number of live performances which constitute a  
60 | full schedule of live racing or games shall be adjusted pro rata  
61 | in accordance with the relationship between its authorized  
62 | operating period and the full calendar year and the resulting  
63 | specified number of live performances shall constitute the full  
64 | schedule of live games for such permitholder and all other  
65 | permitholders of the same class within 100 air miles of such  
66 | permitholder. A live performance must consist of no fewer than  
67 | eight races or games conducted live for each of a minimum of  
68 | three performances each week at the permitholder's licensed  
69 | facility under a single admission charge.

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

73 |       550.09511 Jai alai taxes; abandoned interest in a permit  
74 | for nonpayment of taxes.--

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

82 |       Section 3. Subsections (1), (4), (7), and (10) of section  
83 | 550.334, Florida Statutes, are amended to read:

84 |       550.334 Quarter horse racing; substitutions.--

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85           (1) Subject to all the applicable provisions of this  
86 chapter, any person who possesses the qualifications prescribed  
87 in this chapter may apply to the division for a permit to  
88 conduct quarter horse race meetings and racing under this  
89 chapter. The applicant must demonstrate that the location or  
90 locations where the permit will be used are available for such  
91 use and that she or he has the financial ability to satisfy the  
92 reasonably anticipated operational expenses of the first racing  
93 year following final issuance of the permit. If the racing  
94 facility is already built, the application must contain a  
95 statement, with reasonable supporting evidence, that the permit  
96 will be used for quarter horse racing within 1 year after the  
97 date on which it is granted; if the facility is not already  
98 built, the application must contain a statement, with reasonable  
99 supporting evidence, that substantial construction will be  
100 started within 1 year after the issuance of the permit. After  
101 receipt of an application, the division shall convene to  
102 consider and act upon permits applied for. The division shall  
103 disapprove an application if it fails to meet the requirements  
104 of this chapter. Upon each application filed and approved, a  
105 permit shall be issued setting forth the name of the applicant  
106 and a statement showing qualifications of the applicant to  
107 conduct racing under this chapter. If a favorable referendum on  
108 a pari-mutuel facility has not been held previously within the  
109 county, then, before a quarter horse permit may be issued by the  
110 division, a referendum ratified by a majority of the electors in  
111 the county is required on the question of allowing quarter horse  
112 races within that county; ~~but if there is an extraordinary vote~~

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113 ~~of the board of county commissioners of that county to allow~~  
 114 ~~quarter horse racing, the requirement for a referendum does not~~  
 115 ~~apply.~~

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

121 (7) (a) Any quarter horse racing permitholder operating  
 122 under a valid permit issued by the division is authorized to  
 123 substitute ~~other~~ races of other breeds of horses, except  
 124 thoroughbreds, which are, respectively, registered with the  
 125 American Paint Horse Association, Appaloosa Horse Club, Arabian  
 126 Horse Registry of America, ~~Jockey Club~~, Palomino Horse Breeders  
 127 of America, or United States Trotting Association, for no more  
 128 than 50 percent of the quarter horse races daily, and may  
 129 substitute races of thoroughbreds registered with the Jockey  
 130 Club for no more than 50 percent of the quarter horse races  
 131 daily with the written consent of all greyhound, harness, and  
 132 thoroughbred permitholders whose pari-mutuel facilities are  
 133 located within 50 air miles of such quarter horse racing  
 134 permitholder's pari-mutuel facility.

135 (b) Any permittee operating within an area of 50 air miles  
 136 of a licensed thoroughbred track may not substitute thoroughbred  
 137 races under this section while a thoroughbred horse race meet is  
 138 in progress within that 50 miles. Any permittee operating within  
 139 an area of 125 air miles of a licensed thoroughbred track may  
 140 not substitute live thoroughbred races under this section while

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

153 (10) Intertrack wagering shall not be authorized for any  
 154 quarter horse permitholder without the written consent of all  
 155 greyhound, harness, and thoroughbred permitholders whose pari-  
 156 mutuel facilities are located within 50 air miles of such  
 157 quarter horse permitholder's pari-mutuel facility ~~an existing~~  
 158 ~~greyhound track unless such quarter horse permitholder has~~  
 159 ~~incurred a minimum capital expenditure of at least \$7.5 million.~~  
 160 ~~"Capital expenditure" means an expenditure, including an~~  
 161 ~~expenditure for a construction project undertaken by a quarter~~  
 162 ~~horse permitholder as its own contractor, which, under generally~~  
 163 ~~accepted accounting principles, is not properly chargeable as an~~  
 164 ~~expense of operation and maintenance; and includes the cost, in~~  
 165 ~~current value, of the studies, surveys, designs, plans, working~~  
 166 ~~drawings, specifications, refinancing costs, and other~~  
 167 ~~activities essential to the acquisition, improvement, expansion,~~  
 168 ~~or replacement of the plant and equipment.~~

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169 Section 4. Paragraph (a) of subsection (5) and paragraph  
 170 (a) of subsection (17) of section 849.086, Florida Statutes, are  
 171 amended to read:

172 849.086 Cardrooms authorized.--

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

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

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

184 (a) Notwithstanding any provisions of this section, no  
 185 cardroom gaming license issued under this section shall be  
 186 transferred, or reissued when such reissuance is in the nature  
 187 of a transfer, so as to permit or authorize a licensee to change  
 188 the location of the cardroom except upon proof in such form as  
 189 the division may prescribe that a referendum election has been  
 190 held:

191 1. If the proposed new location is within the same county  
 192 as the already licensed location, in the county where the  
 193 licensee desires to conduct cardroom gaming and that a majority  
 194 of the electors voting on the question in such election voted in  
 195 favor of the transfer of such license. However, the division  
 196 shall transfer, without requirement of a referendum election,

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197 the cardroom license of any permitholder that relocated its  
198 permit pursuant to s. 550.0555.

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

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