

1 Florida-bred thoroughbred horse that
2 participates in a stakes race to receive a
3 stallion award up to a specified amount;
4 requiring the Florida Thoroughbred Breeders'
5 Association to establish eligibility
6 requirements for payment of stallion awards;
7 revising the eligibility requirements;
8 conforming to changes made by the act;
9 requiring the Florida Thoroughbred Breeders'
10 Association to adopt a plan that establishes a
11 uniform rate and procedure for the payment of
12 breeders' and stallion awards; deleting certain
13 requirements for the plan; requiring that
14 certain funds be used for payment of Florida
15 owners' awards in the absence of a written
16 agreement that establishes rate, procedure, and
17 eligibility requirements; providing
18 severability; providing effective dates.

19
20 Be It Enacted by the Legislature of the State of Florida:

21
22 Section 1. Subsections (1), (2), and (3) of section
23 550.26165, Florida Statutes, are amended to read:

24 550.26165 Breeders' awards.--

25 (1) The purpose of this section is to encourage the
26 agricultural activity of breeding and training racehorses in
27 this state. Moneys dedicated in this chapter for use as
28 breeders' awards and stallion awards are to be used for awards
29 to breeders of registered Florida-bred horses participating in
30 ~~winning~~ horseraces and for similar awards to the owners of
31 stallions who sired Florida-bred horses participating in

1 ~~winning~~ stakes races, if the stallions are registered as
2 Florida stallions standing in this state.

3 (a) Such awards shall be given at a uniform rates rate
4 to all winners of the awards and may, ~~shall~~ not be greater
5 than 20 percent of the announced gross purse, ~~and shall not be~~
6 ~~less than 15 percent of the announced gross purse if funds are~~
7 ~~available.~~ Such rates will be established in the annual plan
8 adopted pursuant to subsection (2) and may vary based upon the
9 place of the finish and class of race. ~~In addition,~~ No less
10 than 17 percent nor more than 40 percent, as determined by the
11 Florida Thoroughbred Breeders' Association, of the moneys
12 dedicated in this chapter for use as breeders' awards and
13 stallion awards for thoroughbreds shall be returned pro rata
14 to the permitholders that generated the moneys for special
15 racing awards to be distributed by the permitholders to owners
16 of thoroughbred horses participating in prescribed
17 thoroughbred stakes races, nonstakes races, or both, all in
18 accordance with a written agreement establishing the rate,
19 procedure, and eligibility requirements for such awards
20 entered into by the permitholder, the Florida Thoroughbred
21 Breeders' Association, and the Florida Horsemen's Benevolent
22 and Protective Association, Inc., except that the plan for the
23 distribution by any permitholder located in the area described
24 in s. 550.615(9) shall be agreed upon by that permitholder,
25 the Florida Thoroughbred Breeders' Association, and the
26 association representing a majority of the thoroughbred
27 racehorse owners and trainers at that location.

28 (b) Awards for thoroughbred races are to be paid
29 through the Florida Thoroughbred Breeders' Association, and
30 awards for standardbred races are to be paid through the
31 Florida Standardbred Breeders and Owners Association.

1 (c) Among other sources specified in this chapter,
2 moneys for thoroughbred breeders' awards will come from the
3 0.955 percent of handle for thoroughbred races conducted,
4 received, broadcast, or simulcast under this chapter as
5 provided in s. 550.2625(3). The moneys for quarter horse and
6 harness breeders' awards will come from the breaks and
7 uncashed tickets on live quarter horse and harness racing
8 performances and 1 percent of handle on intertrack wagering.
9 The funds for these breeders' awards shall be paid to the
10 respective breeders' associations by the permitholders
11 conducting the races.

12 (2) Each breeders' association shall develop a plan
13 each year that will provide for a uniform rate of payment and
14 procedure for breeders' and stallion awards. The plan for
15 payment of breeders' and stallion awards may set a cap on
16 winnings and may limit, exclude, or defer payment ~~payments~~ on
17 certain classes of races of stallion awards, breeders' awards,
18 or both., ~~such as the Florida stallion stakes races, in order~~
19 ~~to assure that there are adequate revenues to meet the~~
20 ~~proposed uniform rate. Priority shall be placed on imposing~~
21 ~~such restrictions in lieu of allowing the uniform rate for~~
22 ~~breeders' and stallion awards to be less than 15 percent of~~
23 ~~the total purse payment.~~ The plan must provide for the maximum
24 possible payments within revenues.

25 (3) Breeders' associations shall submit their plans to
26 the division at least 60 days before the beginning of the
27 payment year. The payment year may be a calendar year or any
28 12-month period, but once established, the yearly base may not
29 be changed except for compelling reasons. Once a plan is
30 approved, the division may not allow the plan to be amended
31 during the year unless such amendment is deemed by the

1 division to be in the best interests of the thoroughbred
2 breeding industry, except for the most compelling reasons.

3 Section 2. Effective July 1, 2007, paragraphs (a) and
4 (e) of subsection (2), paragraphs (a), (b), (c), (e), (f),
5 (g), and (h) of subsection (3), and subsection (6) of section
6 550.2625, Florida Statutes, are amended to read:

7 550.2625 Horseracing; minimum purse requirement,
8 Florida breeders' and owners' awards.--

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

13 (a) A permitholder conducting a thoroughbred horse
14 race meet under this chapter must pay from the takeout
15 withheld a sum not less than 7.75 percent of all contributions
16 to pari-mutuel pools conducted during the race meet as purses.
17 In addition to the 7.75 percent minimum purse payment,
18 permitholders conducting live thoroughbred performances shall
19 be required to pay as additional purses .625 percent of live
20 handle for performances conducted during the period beginning
21 on January 3 and ending March 16; .225 percent for
22 performances conducted during the period beginning March 17
23 and ending May 22; and .85 percent for performances conducted
24 during the period beginning May 23 and ending January 2.
25 Except that any thoroughbred permitholder whose total handle
26 on live performances during the 1991-1992 state fiscal year
27 was not greater than \$34 million is not subject to this
28 additional purse payment. A permitholder authorized to conduct
29 thoroughbred racing may withhold from the handle an additional
30 amount equal to 3 ~~1 percent on exotic wagering for use as~~
31 ~~owners' awards, and may withhold from the handle an amount~~

1 ~~equal to 2~~ percent on exotic wagering for use as overnight
2 purses. No permitholder may withhold in excess of 20 percent
3 from the handle without withholding the amounts set forth in
4 this subsection.

5 (e) An amount equal to 8.5 percent of the purse
6 account ~~generated through intertrack wagering and interstate~~
7 ~~simulcasting~~ will be used for Florida owners' awards ~~Owners'~~
8 ~~Awards~~ as set forth in subsection ~~(6)(3)~~. The purse account
9 shall include all sources of purse funds, including funds
10 derived from pari-mutuel wagering, cardrooms, slot machines,
11 and any other form of gaming. ~~Any thoroughbred permitholder~~
12 ~~with an average blended takeout which does not exceed 20~~
13 ~~percent and with an average daily purse distribution excluding~~
14 ~~sponsorship, entry fees, and nominations exceeding \$225,000 is~~
15 ~~exempt from the provisions of this paragraph.~~

16 (3) Each horseracing permitholder conducting any
17 thoroughbred race under this chapter, including any intertrack
18 race taken pursuant to ss. 550.615-550.6305 or any interstate
19 simulcast taken pursuant to s. 550.3551(3) shall pay a sum
20 equal to 0.955 percent on all pari-mutuel pools conducted
21 during any such race for the payment of breeders', stallion,
22 or special racing awards as authorized in this chapter. This
23 subsection also applies to all Breeder's Cup races conducted
24 outside this state taken pursuant to s. 550.3551(3). On any
25 race originating live in this state which is broadcast
26 out-of-state to any location at which wagers are accepted
27 pursuant to s. 550.3551(2), the host track is required to pay
28 3.475 percent of the gross revenue derived from such
29 out-of-state broadcasts as breeders', stallion, or special
30 racing awards. The Florida Thoroughbred Breeders' Association
31 is authorized to receive these payments from the permitholders

1 and make payments of awards earned. The Florida Thoroughbred
2 Breeders' Association has the right to withhold up to 10
3 percent of the permitholder's payments under this section as a
4 fee for administering the payments of awards and for general
5 promotion of the industry. The permitholder shall remit these
6 payments to the Florida Thoroughbred Breeders' Association by
7 the 5th day of each calendar month for such sums accruing
8 during the preceding calendar month and shall report such
9 payments to the division as prescribed by the division. With
10 the exception of the 10-percent fee, the moneys paid by the
11 permitholders shall be maintained in a separate,
12 interest-bearing account, and such payments together with any
13 interest earned shall be used exclusively for the payment of
14 breeders', stallion, or special racing awards in accordance
15 with the following provisions:

16 (a) The breeder of each Florida-bred thoroughbred
17 horse participating in ~~winning~~ a thoroughbred horse race may
18 receive ~~is entitled to~~ an award of up to, but not exceeding,
19 20 percent of the announced gross purse, including nomination
20 fees, eligibility fees, starting fees, supplementary fees, and
21 moneys added by the sponsor of the race.

22 (b) The owner or owners of the sire of a Florida-bred
23 thoroughbred horse that participates in ~~wins~~ a stakes race may
24 receive ~~is entitled to~~ a stallion award of up to, but not
25 exceeding, 20 percent of the announced gross purse, including
26 nomination fees, eligibility fees, starting fees,
27 supplementary fees, and moneys added by the sponsor of the
28 race.

29 (c) The owners of thoroughbred horses participating in
30 thoroughbred stakes races, nonstakes races, or both may
31 receive a special racing award in accordance with the

1 | agreement established pursuant to s. 550.26165(1)(b) ~~s.~~
2 | ~~550.26165(1)~~.

3 | (e) As part of its annual awards plan adopted pursuant
4 | to s. 550.26165, the Florida Thoroughbred Breeders'
5 | Association shall establish eligibility requirements for the
6 | payment of stallion awards. Such requirements shall include
7 | registration of the stallion and the Florida-bred thoroughbred
8 | horse participating in the stakes race with the Florida
9 | Thoroughbred Breeders' Association; may condition eligibility
10 | on the period of time during which the sire is standing in
11 | this state; and may except from such standing requirements
12 | stallions leaving the state exclusively for prescribed medical
13 | treatment. In order for an owner of the sire of a thoroughbred
14 | horse winning a stakes race to be eligible to receive a
15 | stallion award, the stallion must have been registered with
16 | the Florida Thoroughbred Breeders' Association, and the
17 | breeding of the registered Florida bred horse must have
18 | occurred in this state. The stallion must be standing
19 | permanently in this state during the period of time between
20 | February 1 and June 15 of each year or, if the stallion is
21 | dead, must have stood permanently in this state for a period
22 | of not less than 1 year immediately prior to its death. The
23 | removal of a stallion from this state during the period of
24 | time between February 1 and June 15 of any year for any
25 | reason, other than exclusively for prescribed medical
26 | treatment, as approved by the Florida Thoroughbred Breeders'
27 | Association, renders the owner or owners of the stallion
28 | ineligible to receive a stallion award under any circumstances
29 | for offspring sired prior to removal; however, if a removed
30 | stallion is returned to this state, all offspring sired
31 | subsequent to the return make the owner or owners of the

1 ~~stallion eligible for the stallion award but only for those~~
2 ~~offspring sired subsequent to such return to this state.~~ The
3 Florida Thoroughbred Breeders' Association shall maintain
4 complete records showing the date the stallion arrived in this
5 state for the first time, whether or not the stallion remained
6 in the state permanently, the location of the stallion, and
7 whether the stallion is still standing in this state and
8 complete records showing awards earned, received, and
9 distributed. The association may charge the owner, owners, or
10 breeder a reasonable fee for this service.

11 (f) A permitholder conducting a thoroughbred horse
12 race under the provisions of this chapter shall, within 30
13 days after the end of the race meet during which the race is
14 conducted, certify to the Florida Thoroughbred Breeders'
15 Association such information relating to the thoroughbred
16 horses participating in ~~winning~~ a stakes or other horserace at
17 the meet as may be required to determine the eligibility for
18 payment of breeders', stallion, and special racing awards.

19 (g) The Florida Thoroughbred Breeders' Association
20 shall maintain complete records showing the horses
21 participating ~~starters and winners~~ in all races conducted at
22 thoroughbred tracks in this state; shall maintain complete
23 records showing awards earned, received, and distributed; and
24 may charge the owner, owners, or breeder a reasonable fee for
25 this service.

26 (h) The Florida Thoroughbred Breeders' Association
27 shall annually adopt a plan pursuant to s. 550.26165
28 establishing ~~establish~~ a uniform rate and procedure for the
29 payment of breeders' and stallion awards and shall make
30 breeders' and stallion award payments in strict compliance
31 with the ~~established uniform rate and procedure plan.~~ The plan

1 ~~may set a cap on winnings and may limit, exclude, or defer~~
2 ~~payments to certain classes of races, such as the Florida~~
3 ~~stallion stakes races, in order to assure that there are~~
4 ~~adequate revenues to meet the proposed uniform rate.~~ Such plan
5 must include proposals for the general promotion of the
6 industry. ~~Priority shall be placed upon imposing such~~
7 ~~restrictions in lieu of allowing the uniform rate to be less~~
8 ~~than 15 percent of the total purse payment.~~ The uniform rate
9 ~~and procedure~~ plan must be approved by the division before
10 implementation. In the absence of an approved plan ~~and~~
11 ~~procedure~~, the authorized rate for breeders' and stallion
12 awards is 15 percent of the announced gross purse for each
13 race. Such purse must include nomination fees, eligibility
14 fees, starting fees, supplementary fees, and moneys added by
15 the sponsor of the race. If the funds in the account for
16 payment of breeders' and stallion awards are not sufficient to
17 meet all earned breeders' and stallion awards, those breeders
18 and stallion owners not receiving payments have first call on
19 any subsequent receipts in that or any subsequent year.

20 (6)(a) In the absence of a written agreement, on file
21 with the division, which establishes the rate, procedure, and
22 eligibility requirements for Florida owners' awards and which
23 is entered into by the permitholder, the association
24 representing a majority of the racehorse owners and trainers
25 at that location, and the breeders' association, the funds
26 described in paragraph (e) of subsection (2) shall ~~The takeout~~
27 ~~may~~ be used for the payment of Florida owners' awards to
28 owners of registered Florida-bred horses placing first in a
29 claiming race, an allowance race, a maiden special race, or a
30 stakes race in which the announced purse, exclusive of entry
31 and starting fees and added moneys, does not exceed \$40,000.

1 (b) The permitholder shall determine for each
2 qualified race the amount of the owners' award for which a
3 registered Florida-bred horse will be eligible. The amount of
4 the available owners' award shall be established in the same
5 manner in which purses are established and shall be published
6 in the condition book for the period during which the race is
7 to be conducted. No single award may exceed 50 percent of the
8 gross purse for the race won.

9 (c) If the moneys generated under paragraph (a) during
10 the meet exceed the owners' awards earned during the meet, the
11 excess funds shall be held in a separate interest-bearing
12 account, and the total interest and principal shall be used to
13 increase the owners' awards during the permitholder's next
14 meet.

15 (d) Breeders' awards authorized by subsections (3) and
16 (4) may not be paid on Florida owners' awards.

17 Section 3. If any provision of this act or its
18 application to any person or circumstance is held invalid, the
19 invalidity does not affect other provisions or applications of
20 the act which can be given effect without the invalid
21 provision or application, and to this end the provisions of
22 this act are severable.

23 Section 4. Except as otherwise expressly provided in
24 this act, this act shall take effect upon becoming a law.
25
26
27
28
29
30
31

SENATE SUMMARY

1
2
3 Provides that breeders' awards and stallion awards are
4 available to breeders of Florida-bred horses
5 participating in horseraces and stakes races. Revises the
6 requirements of such awards. Provides that a cap on
7 winnings may limit, exclude, or defer payment on certain
8 classes of races of stallion and breeders' awards.
9 Deletes the provision that gives priority to imposing
10 such restrictions related to the cap on winnings.
11 Provides that a breeders' associations' plan may be
12 amended under certain circumstances. Increases the
13 percentage amount that a certain permitholder may
14 withhold from the handle on exotic wagering for use as
15 overnight purses. Provides that a certain percentage
16 amount of the purse account, notwithstanding how it is
17 generated, be used for the Florida owners' awards.
18 Deletes the provision that exempts certain permitholders
19 from the requirement of using a percentage of purse
20 account for Florida owners' awards. Authorizes the
21 breeder of a Florida-bred thoroughbred horse that
22 participates in a horserace to receive an award up to a
23 specified amount. Authorizes the owner of the sire of a
24 Florida-bred thoroughbred horse that participates in a
25 stakes race to receive a stallion award up to a specified
26 amount. Requires the Florida Thoroughbred Breeders'
27 Association to establish eligibility requirements for
28 payment of stallion awards. Requires the Florida
29 Thoroughbred Breeders' Association to adopt a plan that
30 establishes a uniform rate and procedure for the payment
31 of breeders' and stallion awards. Requires that certain
funds be used for payment of Florida owners' awards in
the absence of a written agreement that establishes rate,
procedure, and eligibility requirements. (See bill for
details.)