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CHAMBER ACTION

	CHAMBER ACTION <u>Senate</u> <u>House</u>
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11	The Committee on Regulated Industries (Jones) recommended the
12	following amendment:
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14	Senate Amendment (with title amendment)
15	Delete everything after the enacting clause
16	
17	and insert:
18	Section 1. Subsection (17) of section 550.002, Florida
19	Statutes is amended to read:
20	(17) "Intertrack wager" means a particular form of
21	pari-mutuel wagering in which wagers are accepted at a
22	permitted, in-state track, fronton, or pari-mutuel facility on
23	a race or game transmitted from and performed live at, or
24	simulcast signal rebroadcast from, another in-state or
25	out-of-state pari-mutuel facility.
26	Section 2. Subsection (3) of section 550.0951, Florida
27	Statutes, is amended to read:
28	(3) TAX ON HANDLEEach permitholder shall pay a tax
29	on contributions to pari-mutuel pools, the aggregate of which
30	is hereinafter referred to as "handle," on races or games
31	conducted by the permitholder. The tax is imposed daily and is
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based on the total contributions to all pari-mutuel pools conducted during the daily performance. If a permitholder conducts more than one performance daily, the tax is imposed on each performance separately.

- (a) The tax on handle for quarter horse racing is 1.0 percent of the handle.
- (b)1. The tax on handle for dogracing is 5.5 percent of the handle, except that for live charity performances held pursuant to s. 550.0351, and for intertrack wagering on such charity performances at a guest greyhound track within the market area of the host, the tax is 7.6 percent of the handle.
- 2. The tax on handle for jai alai is 7.1 percent of the handle.
- (c)1. The tax on handle for intertrack wagering is 2.0 percent of the handle if the host track is a horse track, 3.3 percent if the host track is a harness track, 5.5 percent if the host track is a dog track, and 7.1 percent if the host track is a jai alai fronton. The tax on handle for intertrack wagering is 0.5 percent if the host track and the guest track are thoroughbred permitholders or if the guest track is located outside the market area of the host track and within the market area of a thoroughbred permitholder currently conducting a live race meet. The tax on handle for intertrack wagering on rebroadcasts of simulcast thoroughbred horseraces is 2.4 percent of the handle and 1.5 percent of the handle for intertrack wagering on rebroadcasts of simulcast harness horseraces. The tax shall be deposited into the Pari-mutuel Wagering Trust Fund.
- 2. The tax on handle for intertrack wagers accepted by any dog track located in an area of the state in which there 31 are only three permitholders, all of which are greyhound

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permitholders, located in three contiguous counties, from any greyhound permitholder also located within such area or any dog track or jai alai fronton located as specified in s. 3 550.615(6) or (9), on races or games received from the same class of permitholder located within the same market area is 5 3.9 percent if the host facility is a greyhound permitholder 7 and, if the host facility is a jai alai permitholder, the rate shall be 6.1 percent except that it shall be 2.3 percent on 8 handle at such time as the total tax on intertrack handle paid 10 to the division by the permitholder during the current state 11 fiscal year exceeds the total tax on intertrack handle paid to the division by the permitholder during the 1992-1993 state 12 13 fiscal year. Section 3. Subsection (5) of section 550.09515, 14 15 FLorida Statutes, is amended to read: 16 (5) Notwithstanding the provisions of s. 550.0951(3)(c), the tax on handle for intertrack wagering on 17 rebroadcasts of simulcast horseraces conducted out of state is 18 2.0 2.4 percent of the handle; provided however, that if the 19 20 guest track is a thoroughbred track located more than 35 miles from the another throughbred track, host track, the guest host 21 22 track shall pay a tax of .3.5 percent of the handle, and additionally the host track shall pay to the guest track 1.7 23 2.4 1.9 percent of the handle to be used by the guest track solely for purses. The tax shall be deposited into the Pari-mutuel 25 Wagering Trust Fund. 26 Section 4. Section 550.3551, Florida Statutes is 27 amended to read: 28 29 1) 30 (a) It is unlawful for any person to transmit, by any

31 means, racing information to any person or to relay the same

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to any person by word of mouth, by signal, or by use of telephone, telegraph, radio, or any other means when the information is knowingly used or intended to be used for illegal gambling purposes or in furtherance of illegal gambling.

- (b) Paragraph (a) shall be deemed an exercise of the police power of the state for the protection of the public welfare, health, peace, safety, and morals of the people of the state, and this section shall be liberally construed for the accomplishment of this purpose.
- (c) A person who violates paragraph (a) is guilty of a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.
- (2) Any horse track, dog track, or fronton licensed under this chapter may transmit broadcasts of races or games conducted at the enclosure of the licensee to locations outside this state.
- (a) All broadcasts of horseraces transmitted to locations outside this state must comply with the provisions of the Interstate Horseracing Act of 1978, 92 Stat. 1811, 15 U.S.C. ss. 3001 et seq.
- (b) Wagers accepted by any out-of-state pari-mutuel permitholder or licensed betting system on a race broadcasted under this subsection may be, but are not required to be, included in the pari-mutuel pools of the horse track in this state that broadcasts the race upon which wagers are accepted. The handle, as referred to in s. 550.0951(3), does not include any wagers accepted by an out-of-state pari-mutuel permitholder or licensed betting system, irrespective of whether such wagers are included in the pari-mutuel pools of the Florida permitholder as authorized by this subsection.

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- (3) Any horse track, dogtrack or fronton licensed under this chapter may receive broadcasts of horseraces conducted at other horse racetracks located outside this state at the racetrack or fronton enclosure of the licensee during its racing meet.
- (a) All broadcasts of horseraces received from locations outside this state must comply with the provisions of the Interstate Horseracing Act of 1978, 92 Stat. 1811, 15 U.S.C. ss. 3001 et seq.
- (b) Wagers accepted at the horse track or fronton in this state may be, but are not required to be, included in the pari-mutuel pools of the out-of-state horse track that broadcasts the race. Notwithstanding any contrary provisions of this chapter, if the horse track or fronton in this state elects to include wagers accepted on such races in the pari-mutuel pools of the out-of-state horse track that broadcasts the race, from the amount wagered by patrons at the horse track or fronton in this state and included in the pari-mutuel pools of the out-of-state horse track, the horse track or fronton in this state shall deduct as the takeout from the amount wagered by patrons at the horse track or fronton in this state and included in the pari-mutuel pools of the out-of-state horse track a percentage equal to the percentage deducted from the amount wagered at the out-of-state racetrack as is authorized by the laws of the jurisdiction exercising regulatory authority over the out-of-state horse track.
- (c) All forms of pari-mutuel wagering are allowed on races broadcast under this section, and all money wagered by patrons on such races shall be computed as part of the total 31 amount of money wagered at each racing performance for

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purposes of taxation under ss. 550.0951, 550.09512, and 550.09515. Section 550.2625(2)(a), (b), and (c) does not 2. apply to any money wagered on races broadcast under this 3 section. Similarly, the takeout shall be increased by breaks and uncashed tickets for wagers on races broadcast under this 5 section, notwithstanding any contrary provision of this 7 chapter. (d) Notwithstanding any provision of law to the 8

contrary, as a condition precedent to any permitholder receiving and wagering on broadcasts of horseraces conducted at horse tracks located outside the state, any permitholder eligible to conduct intertrack wagering, regardless of the permitholder's location, shall be entitled to receive on the same terms and conditions and to wager on such broadcasts. Any horsetrack permitholder by receiving a broadcast of an out of state horserace shall be deemed to have granted its approval to any permitholder eligible to conduct intertrack wagering, regardless of such permitholder's location, to receive and wager on broadcasts of horseraces conducted at horse tracks located outside of the state. No permitholder may take any action to prevent or restrain another permitholder, regardless of the permitholder's location, from receiving the signal or broadcast of horseraces conducted at horse tracks located outside the state.

(4) Any dog track or fronton licensed under this chapter may receive broadcasts of dograces or jai alai games conducted at other tracks or frontons located outside the state at the track enclosure of the licensee during its operational meeting. All forms of pari-mutuel wagering are allowed on dograces or jai alai games broadcast under this 31 subsection. All money wagered by patrons on dograces

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broadcast under this subsection shall be computed in the amount of money wagered each performance for purposes of taxation under ss. 550.0951 and 550.09511.

(5) A pari-mutuel permitholder licensed under this chapter may not receive broadcasts of races or games from outside this state except from an out-of-state pari-mutuel permitholder who holds the same type or class of pari-mutuel permit as the pari-mutuel permitholder licensed under this chapter who intends to receive the broadcast.

 $(\underline{56})$ (a) A maximum of 20 percent of the total number of races on which wagers are accepted by a greyhound permitholder not located as specified in s. 550.615(6) may be received from locations outside this state. A permitholder may not conduct fewer than eight live races or games on any authorized race day except as provided in this subsection. A thoroughbred permitholder may not conduct fewer than eight live races on any race day without the written approval of the Florida Thoroughbred Breeders' Association and the Florida Horsemen's Benevolent and Protective Association, Inc., unless it is determined by the department that another entity represents a majority of the thoroughbred racehorse owners and trainers in the state. A harness permitholder may conduct fewer than eight live races on any authorized race day, except that such permitholder must conduct a full schedule of live racing during its race meet consisting of at least eight live races per authorized race day for at least 100 days. Any harness horse permitholder that during the preceding racing season conducted a full schedule of live racing may, at any time during its current race meet, receive full-card broadcasts of harness horse races conducted at harness racetracks outside this state at the harness track of the permitholder and accept

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wagers on such harness races. With specific authorization from the division for special racing events, a permitholder may conduct fewer than eight live races or games when the permitholder also broadcasts out-of-state races or games. The division may not grant more than two such exceptions a year for a permitholder in any 12-month period, and those two exceptions may not be consecutive.

(b) Notwithstanding any other provision of this chapter, any harness horse permitholder accepting broadcasts of out-of-state harness horse races when such permitholder is not conducting live races must make the out-of-state signal available to all permitholders eligible to conduct intertrack wagering and shall pay to guest tracks located as specified in ss. 550.615(6) and 550.6305(9)(d) 50 percent of the net proceeds after taxes and fees to the out-of-state host track on harness race wagers which they accept. A harness horse permitholder shall be required to pay into its purse account 50 percent of the net income retained by the permitholder on account of wagering on the out-of-state broadcasts received pursuant to this subsection. Nine-tenths of a percent of all harness wagering proceeds on the broadcasts received pursuant to this subsection shall be paid to the Florida Standardbred Breeders and Owners Association under the provisions of s. 550.2625(4) for the purposes provided therein.

(<u>67</u>) A racetrack or fronton may not pay any patron for any pari-mutuel ticket purchased on any race or game transmitted pursuant to this section until the stewards, judges, or panel of judges or other similarly constituted body at the racetrack or fronton where the race or game originates has confirmed the race or game as official.

 $(\underline{78})$ The entry and participation for a purse or any 8 12:56 PM 04/15/05 80956.ri13.002

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other prize of any racing animal by the owner of the animal and the jockey or driver is tantamount to acceptance of such purse or prize as full and complete remuneration and payment for such entry and participation, including the broadcast of such event, except as otherwise provided in this section.

- $(\underline{89})$ To the extent that any rights, privileges, or immunities granted to pari-mutuel permitholders under this section conflict with any other law or affect any order or rule of the Florida Public Service Commission relating to the regulation of public utilities and the furnishing to others of any communication, wire service, or other similar service or equipment, the rights, privileges, or immunities granted under this section prevail over such conflicting provisions.
- (910) The division may adopt rules necessary to facilitate commingling of pari-mutuel pools, to ensure the proper calculation of payoffs in circumstances in which different commission percentages are applicable and to regulate the distribution of net proceeds between the horse track and, in this state, the horsemen's associations.
- $(\underline{1011})$ Greyhound tracks and jai alai frontons have the same privileges as provided in this section to horse tracks, as applicable, subject to rules adopted under subsection (10).
- $(\underline{1112})$ All permitholders licensed under this chapter have standing to enforce the provisions of subsections (2) and (3) in the courts of this state.
- (1213) This section does not prohibit the commingling of national pari-mutual pools by a totalisator company that is licensed under this chapter. Such commingling of national pools is subject to division review and approval and must be performed in accordance with rules adopted by the division to ensure accurate calculation and distribution of the pools.

1	(1314) Notwithstanding the provisions of paragraph
2	(3)(b) pertaining to takeout, takeouts different from those of
3	the host track may be used when the totalisator is programmed
4	for net pool pricing and the host track elects to use net pool
5	pricing in the calculation of its pools. This provision shall
6	also apply to greyhound intertrack and simulcast wagers.
7	Section 5. Subsection (9) and (10) of Section
8	550.6305, Florida Statutes, is amended to read:
9	(9) A host track that has contracted with an
10	out-of-state horse track to broadcast live races conducted at
11	such out-of-state horse track pursuant to s. 550.3551(5) may
12	broadcast such out-of-state races to any guest track and
13	accept wagers thereon in the same manner as is provided in s.
14	550.3551.
15	(a) For purposes of this section, "net proceeds" means
16	the amount of takeout remaining after the payment of state
17	taxes, purses required pursuant to s. 550.0951(3)(c)1., the
18	cost to the permitholder required to be paid to the
19	out-of-state horse track, and breeders' awards paid to the
20	Florida Thoroughbred Breeders' Association and the Florida
21	Standardbred Breeders and Owners Association, to be used as
22	set forth in s. 550.625(2)(a) and (b).
23	(b) Notwithstanding the provisions of subsection (1)
24	and s. 550.625(1) and (2)(a), the distribution of the net
25	proceeds that are retained by a thoroughbred host track from
26	the takeout on an out-of-state race rebroadcast under this
27	subsection shall be as follows:
28	1. One-third of the remainder of such proceeds shall
29	be paid to the guest track;
30	2. One-third of the remainder of such proceeds shall
31	be retained by the host track; and
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1 One-third of the remainder of such proceeds shall 2 be paid by the host track as purses at the host track. 3 (c) All guest tracks other than thoroughbred 4 permitholders that are eliqible to receive wagers on out-of-state horseraces rebroadcast from a host track racing 5 under a thoroughbred horse permit shall be subject to the 7 distribution of the net proceeds as specified in paragraph (a) unless the host and guest permitholders and the recognized 8 horseman's group agree to a different distribution of their respective portions of the proceeds by contract. 10 11 (d) Any permitholder located in any area of the state 12 where there are only two permits, one for dogracing and one 13 for jai alai, may accept wagers on rebroadcasts of out-of-state thoroughbred horse races from an in-state 14 15 thoroughbred horse racing permitholder and shall not be 16 subject to the provisions of paragraph (b) if such thoroughbred horse racing permitholder located within the area 17 18 specified in this paragraph is both conducting live races and 19 accepting wagers on out-of-state horseraces. In such case, 20 the guest permitholder shall be entitled to 45 percent of the net proceeds on wagers accepted at the guest facility. The 21 22 remaining proceeds shall be distributed as follows: one-half shall be retained by the host facility and one-half shall be 23 2.4 paid by the host facility as purses at the host facility. 25 (e) Notwithstanding the provisions of subsection (1) 26 and s. 550.625(1) and (2)(b), the proceeds that are retained by a harness host facility from the takeout on a race 27 broadcast under this subsection shall be distributed as 28 29 follows: 1. Of the total intertrack handle on the broadcast, 1 30 31 percent shall be deducted from the proceeds and paid to the

1	Florida Standardbred Breeders and Owners Association, Inc., to
2	be used as set forth in s. 550.625(2)(b);
3	2. One-third of the remainder of such proceeds shall
4	be paid to the guest facility;
5	3. One-third of the remainder of such proceeds shall
6	be retained by the host facility; and
7	4. One-third of the remainder of said proceeds shall
8	be paid by the host facility as purses at the host facility.
9	(f) Any permitholder located in any area of the state
10	where there are only two permits, one for dogracing and one
11	for jai alai, may accept wagers on rebroadcasts of
12	out-of-state harness horse races from an in-state harness
13	horse racing permitholder and shall not be subject to the
14	provisions of paragraph (b) if such harness horse racing
15	permitholder located within the area specified in this
16	paragraph is conducting live races. In such case, the guest
17	permitholder shall be entitled to 45 percent of the net
18	proceeds on wagers accepted at the guest facility. The
19	remaining proceeds shall be distributed as follows: one-half
20	shall be retained by the host facility and one-half shall be
21	paid by the host facility as purses at the host facility.
22	(g)1. Any thoroughbred permitholder which accepts
23	wagers on a simulcast signal must make the signal available to
24	any permitholder that is eligible to conduct intertrack
25	wagering under the provisions of ss. 550.615-550.6345.
26	2. Any thoroughbred permitholder which accepts wagers
27	on a simulcast signal received after 6 p.m. must make such
28	signal available to any permitholder that is eligible to
29	conduct intertrack wagering under the provisions of ss.
30	550.615-550.6345, including any permitholder located as
31	specified in s. 550.615(6). Such guest permitholders are 12

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authorized to accept wagers on such simulcast signal, 2 notwithstanding any other provision of this chapter to the contrary. 3 4 3. Any thoroughbred permitholder which accepts wagers 5 on a simulcast signal received after 6 p.m. must make such signal available to any permitholder that is eligible to 7 conduct intertrack wagering under the provisions of ss. 550.615-550.6345, including any permitholder located as 8 specified in s. 550.615(9). Such guest permitholders are 10 authorized to accept wagers on such simulcast signals for a 11 number of performances not to exceed that which constitutes a full schedule of live races for a quarter horse permitholder 12 13 pursuant to s. 550.002(11), notwithstanding any other 14 provision of this chapter to the contrary, except that the 15 restrictions provided in s. 550.615(9)(a) apply to wagers on 16 such simulcast signals. 17 18 No thoroughbred permitholder shall be required to continue to 19 rebroadcast a simulcast signal to any in-state permitholder if 20 the average per performance gross receipts returned to the host permitholder over the preceding 30-day period were less 21 22 than \$100. Subject to the provisions of s. 550.615(4), as a 23 condition of receiving rebroadcasts of thoroughbred simulcast 2.4 signals under this paragraph, a guest permitholder must accept intertrack wagers on all live races conducted by all 25 26 then-operating thoroughbred permitholders. (10) All races or games conducted at a permitholder's 27 facility, all broadcasts of such races or games, and all 28 29 broadcast rights relating thereto are owned by the permitholder at whose facility such races or games are 30 31 | conducted and constitute the permitholder's property as

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defined in s. 812.012(4). Transmission, reception of a transmission, exhibition, use, or other appropriation of such 2 races or games, broadcasts of such races or games, or 3 broadcast rights relating thereto without the written consent of the permitholder constitutes a theft of such property under 5 s. 812.014; and in addition to the penal sanctions contained 7 in s. 812.014, the permitholder has the right to avail itself of the civil remedies specified in ss. 772.104, 772.11, and 8 812.035 in addition to any other remedies available under 10 applicable state or federal law.

Section 6. Subsection (2) of section 550.6335, Florida Statutes is amended to read:

(2) A thoroughbred horse permitholder that accepts wagers on out-of-state races may impose a surcharge on each winning ticket, or interstate pool, on such out-of-state race in an amount not to exceed 5 percent of each winning pari-mutuel winning ticket cashed. If a permitholder rebroadcasts such signal and elects to impose a surcharge, the surcharge shall be imposed on any winning ticket at any guest facility at the same rate as the surcharge on wagers accepted at its own facility. The proceeds from the surcharge shall be distributed as follows: if the wager is made at the host facility, then one-half of the proceeds shall be retained by the host permitholder and one-half shall be paid as purses at the host facility; if the wager is made at a guest facility, then one-half shall be retained by the guest permitholder, one-quarter shall be paid to the host permitholder, and one-quarter shall be paid as purses at the host facility

Any surcharge taken under this section must be calculated after breakage is deducted from the wagering pool.

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Section 7. Subsection (3) of s. 550.3551, Florida Statutes, is amended and subsection (15) is added to that section to read:

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

- (3) Any horse track licensed under this chapter may receive broadcasts of horseraces conducted at other horse racetracks located outside this state at the racetrack enclosure of the licensee during its racing meet.
- (a) All broadcasts of horseraces received from locations outside this state must comply with the provisions of the Interstate Horseracing Act of 1978, 92 Stat. 1811, 15 U.S.C. ss. 3001 et seq., except that as a condition precedent to receiving such broadcasts an operating thoroughbred permitholder shall provide its consent to all licensed thoroughbred permitholders within its market area to receive broadcasts of horseraces from locations outside this state.
- (b) Wagers accepted at the horse track in this state may be, but are not required to be, included in the pari-mutuel pools of the out-of-state horse track that broadcasts the race. Notwithstanding any contrary provisions of this chapter, if the horse track in this state elects to include wagers accepted on such races in the pari-mutuel pools of the out-of-state horse track that broadcasts the race, from the amount wagered by patrons at the horse track in this state and included in the pari-mutuel pools of the out-of-state horse track, the horse track in this state shall deduct as the takeout from the amount wagered by patrons at the horse track in this state and included in the pari-mutuel pools of the out-of-state horse track a percentage equal to the percentage deducted from the amount wagered at the out-of-state racetrack

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as is authorized by the laws of the jurisdiction exercising regulatory authority over the out-of-state horse track.

- (c) All forms of pari-mutuel wagering are allowed on races broadcast under this section, and all money wagered by patrons on such races shall be computed as part of the total amount of money wagered at each racing performance for purposes of taxation under ss. 550.0951, 550.09512, and 550.09515. Section 550.2625(2)(a), (b), and (c) does not apply to any money wagered on races broadcast under this section. Similarly, the takeout shall be increased by breaks and uncashed tickets for wagers on races broadcast under this section, notwithstanding any contrary provision of this chapter.
- (15) Nothing in this chapter shall be construed as preventing a licensed horse track from receiving and engaging in pari-mutuel wagering on same class simulcast horseraces.

Section 8. Subsection (9) of s. 550.6305, Florida Statutes, is amended to read:

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

(9) A host track that has contracted with an out-of-state horse track to broadcast live races conducted at such out-of-state horse track pursuant to s. 550.3551(5) may broadcast <u>during its live meet</u> such out-of-state races to any guest track and accept wagers thereon in the same manner as is provided in s. 550.3551.

(g)

1. Any thoroughbred permitholder which accepts wagers on a simulcast signal must, during its live meet, make the signal available to any permitholder that is eligible to conduct intertrack wagering under the provisions of ss.

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550.615-550.6345.

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21 22 Bill No. SB 956

2. Any thoroughbred permitholder which accepts wagers on a simulcast signal received after 6 p.m. must, during its live meet, make such signal available to any permitholder that is eligible to conduct intertrack wagering under the provisions of ss. 550.615-550.6345, including any permitholder located as specified in s. 550.615(6). Such guest permitholders are authorized to accept wagers on such simulcast signal, notwithstanding any other provision of this chapter to the contrary.

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

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No thoroughbred permitholder shall be required to continue to rebroadcast a simulcast signal to any in-state permitholder if the average per performance gross receipts returned to the host permitholder over the preceding 30-day period were less than \$100. Subject to the provisions of s. 550.615(4), as a condition of receiving rebroadcasts of thoroughbred simulcast 31 signals under this paragraph, a guest permitholder must accept

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intertrack wagers on all live races conducted by all then-operating thoroughbred permitholders. 2 Section 9. Sections 550.375(2) and 550.5251(4), F.S., 3 4 are repealed. Section 10. Section 550.63055, Florida Statutes, is 5 created to read: 6 7 550.63055 Conversion of a quarter horse permit to a thoroughbred permit. --8 9 (1) In any county where there are only two pari-mutuel 10 permits, one for jai alai and one for quarter horse racing, 11 the owner of the quarter horse permit may apply to the division pursuant to this section to convert its quarter horse 12 13 permit to one for the conduct of thoroughbred racing. Such permitholder shall only be permitted to operate a thoroughbred 14 15 permit after its application has been submitted to the division and its converted permit has been issued. Following 16 the conversion of its permit, any license or permit issued to 17 the permitholder for the conduct of quarter horse racing shall 18 be null and void. 19 20 (a) The permitholder may apply for conversion of the permit at any time; however, the Division shall not issue its 21 22 initial license to conduct thoroughbred racing until the permitholder has incurred a minimum capital expenditure as 23 2.4 certified by the Division of at least \$40 million. "Capital expenditure" means an expenditure, including an expenditure 25 for a construction project undertaken by a quarter horse 26 27 permitholder as its own contractor, which, under generally accepted accounting principles, is not properly chargeable as 28 29 an expense of operation and maintenance; and includes the cost, in current value, of the studies, surveys, designs, 30 plans, working drawings, specifications, refinancing costs,

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and other activities essential to the acquisition, improvement, expansion, or replacement of the land, plant and 2 3 equipment. 4 (b) During the time that the permitholder is making the capital expenditure, the permitholder may submit monthly 5 6 for certification costs incurred related to the capital 7 expenditure certify the validity of the cost incurred and the official amount expended for the purposes of the capital 8 expenditure required under this section. 9 10 (2) Notwithstanding s. 550.0651, F.S., such 11 permitholder is entitled to a license for the operation of a thoroughbred racetrack following the issuance of its converted 12 13 permit and certification of the requisite capital expenditure. The license is renewable from year to year as provided by law 14 15 and authorizes the permitholder to operate at any thoroughbred racetrack it may lease or build within such county. The 16 provisions of this chapter that prohibit the location and 17 operation of thoroughbred racetracks within a specified 18 distance from the location of another permitholder and which 19 20 prohibit the division from granting any permit at a location within a certain designed area do not apply to the provisions 21 22 of this section and do not prevent the issuance of a license 23 under this section. 2.4 (3) Such permitholder shall pay the same taxes as are required to be paid under this chapter by all other 25 thoroughbred permitholders, and is further bound by all of the 26 27 provisions of this chapter that apply to the operation of throughbred permitholders and racetracks and any rules adopted 28 29 by the division thereunder. 30 Section 11. Subsection (3) of section 550.0951, 31 Florida Statutes is amended to read:

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550.0951 Payment of daily license fee and taxes; penalties.--

- (3) TAX ON HANDLE.--Each permitholder shall pay a tax on contributions to pari-mutuel pools, the aggregate of which is hereinafter referred to as "handle," on races or games conducted by the permitholder. The tax is imposed daily and is based on the total contributions to all pari-mutuel pools conducted during the daily performance. If a permitholder conducts more than one performance daily, the tax is imposed on each performance separately.
- (a) The tax on handle for quarter horse racing is 1.0 percent of the handle.
- (b)1. The tax on handle for dogracing is 5.5 percent of the handle, except that for live charity performances held pursuant to s. 550.0351, and for intertrack wagering on such charity performances at a quest greyhound track within the market area of the host, the tax is 7.6 percent of the handle.
- 2. The tax on handle for jai alai is 7.1 percent of the handle.
- (c)1. The tax on handle for intertrack wagering is 2.0 percent of the handle if the host track is a horse track, 3.3 percent if the host track is a harness track, 5.5 percent if the host track is a dog track, and 7.1 percent if the host track is a jai alai fronton. The tax on handle for intertrack wagering is 0.5 percent if the host track and the guest track are thoroughbred permitholders or if the guest track is located outside the market area of the host track and within the market area of a thoroughbred permitholder currently conducting a live race meet. The tax on handle for intertrack wagering on rebroadcasts of simulcast thoroughbred horseraces 31 | is 2.4 percent of the handle and 1.5 percent of the handle for

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intertrack wagering on rebroadcasts of simulcast harness horseraces. The tax shall be deposited into the Pari-mutuel Wagering Trust Fund.

- 2. A horserace permitholder may deduct up to 50 percent from taxes due under paragraph (c)1 and shall pay said amount as purses during its live racing meet.
- 7 3.2. The tax on handle for intertrack wagers accepted by any dog track located in an area of the state in which 8 there are only three permitholders, all of which are greyhound 9 10 permitholders, located in three contiguous counties, from any 11 greyhound permitholder also located within such area or any dog track or jai alai fronton located as specified in s. 12 13 550.615(6) or (9), on races or games received from the same class of permitholder located within the same market area is 14 15 3.9 percent if the host facility is a greyhound permitholder and, if the host facility is a jai alai permitholder, the rate 16 shall be 6.1 percent except that it shall be 2.3 percent on 17 handle at such time as the total tax on intertrack handle paid 18 19 to the division by the permitholder during the current state 20 fiscal year exceeds the total tax on intertrack handle paid to the division by the permitholder during the 1992-1993 state 21 22 fiscal year.

Section 12. Paragraph (a) of subsection (9) of section 550.6305, Florida Statutes is amended to read:

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

(9) A host track that has contracted with an out-of-state horse track to broadcast live races conducted at such out-of-state horse track pursuant to s. 550.3551(5) may broadcast such out-of-state races to any guest track and 31 accept wagers thereon in the same manner as is provided in s.

1	550.3551.
2	(a) For purposes of this section, "net proceeds" means
3	the amount of takeout remaining after the payment of state
4	taxes pursuant to s. $550.0951(3)(c)$ 1 and 2, purses required
5	pursuant to s. 550.0951(3)(c)1., the cost to the permitholder
6	required to be paid to the out-of-state horse track, and
7	breeders' awards paid to the Florida Thoroughbred Breeders'
8	Association and the Florida Standardbred Breeders and Owners
9	Association, to be used as set forth in s. 550.625(2)(a) and
10	(b).
11	Section 13. This section shall take effect upon Senate
12	Bill 1174 or similar legislation becoming a law.
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15	======== T I T L E A M E N D M E N T =========
16	And the title is amended as follows:
17	Delete everything before the enacting clause
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19	and insert:
20	A bill to be entitled An act relating to
21	parimutel industry; amending s. 550.002, F.S.;
22	amending the definition of intertrack wager;
23	amending s. 550.0951, F.S.; to delete tax
24	provision on simulcast rebroadcasts of
25	horseraces; amending s. 550.09515, F.S.;
26	providing for tax rate for out of state
27	simulcast horseraces; amending s. 550.3551,
28	F.S.; providing for wagers on out of state
29	horseraces at tracks and frontons; providing
30	for eligibility of permitholders to conduct
31	intertrack wagering and receive signals or 22

1	broadcasts from out of state horseraces,
2	deleting restrictions on intertrack wagering;
3	amending s. 550.6305, F.S.; deleting
4	distribution of net proceeds from out of state
5	horseraces; amending s. 550.6335, F.S.;
6	deleting surcharge at guest facilities;
7	amending s. 550.3551, F.S.; providing for
8	consent for broadcasts; providing for receiving
9	same class of simulcast horseraces; amending s.
10	550.6305, F.S.; providing for out of state
11	broadcasts during live meets; deleting
12	restrictions for out of state broadcasts after
13	6 p.m.; repealing s. 550.375(2) and 550.5251,
14	F.S.; creating s. 550.63055, F.S.; providing
15	for conversion of quarter horse permit to a
16	thoroughbred permit; providing an effective
17	date.
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