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1 A bill to be entitled
2 An act relating to pari-mutuel permitholders; amending s.
3 550.0351, F.S.; authorizing a thoroughbred permitholder to
4 conduct one additional charity day to provide for the care
5 of retired thoroughbreds pursuant to an agreement on file
6 with the division entered into by certain parties;
7 amending s. 550.26165, F.S.; revising provisions for
8 breeders', stallion, and special racing awards; providing
9 for awards to breeders of registered Florida-bred horses
10 participating in horseraces and to the owners of stallions
11 who sired Florida-bred horses participating in stakes
12 races; providing that such awards may be paid on races
13 taking place in or out of this state pursuant to the
14 annual plan of the breeders' association approved by the
15 Division of Pari-mutuel Wagering within the Department of
16 Business and Professional Regulation; revising award rate
17 requirements; providing for award rates to be established
18 in the plan; requiring the agreement entered into by
19 certain parties that establishes the rate, procedure, and
20 eligibility requirements for certain awards to be on file
21 with the division; revising provisions for the breeders'
22 association plan that provides rates and procedures for
23 payment of breeders' and stallion awards; providing for
24 approval of the plan by the division; revising restriction
25 on amendments to the plan; amending s. 550.2625, F.S.;
26 revising provisions for payment by permitholders of
27 certain amounts for breeders', stallion, and special
28 racing awards; revising amount of the purse account used

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

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29 | for Florida owners' awards; providing that the purse
30 | account shall include all sources of purse funds; removing
31 | an exemption to owners' award provisions; revising
32 | provisions for payment of certain moneys for breeders',
33 | stallion, and special racing awards; providing for such
34 | awards to breeders and owners of sires of registered
35 | Florida-bred thoroughbred horses participating in certain
36 | races; authorizing the Florida Thoroughbred Breeders'
37 | Association to charge an additional fee for registration
38 | to provide for retired thoroughbreds; requiring use of the
39 | fee pursuant to the association's annual plan; revising
40 | provisions for certain awards; revising provisions for the
41 | association's annual plan; removing uniform rate
42 | requirements; providing that requirements, rates, and
43 | procedures for certain awards be part of the association's
44 | annual plan; requiring the association to maintain certain
45 | records; revising requirements that the association keep
46 | records of certain transactions; requiring the plan be
47 | approved by the division based upon a determination that
48 | the plan complies with specified requirements; revising
49 | provisions for funds dedicated to certain Florida owners'
50 | awards; providing for owners' awards in the absence of a
51 | written agreement on file with the division; amending s.
52 | 550.5251, F.S.; revising requirements for preference to
53 | Florida-bred horses in races held by thoroughbred
54 | permitholders; amending s. 849.086, F.S.; authorizing
55 | licensed horserace permitholders to operate a cardroom

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56 during certain hours; providing conditions for such
 57 operation; providing an effective date.
 58

59 Be It Enacted by the Legislature of the State of Florida:
 60

61 Section 1. Subsection (9) is added to section 550.0351,
 62 Florida Statutes, to read:

63 550.0351 Charity racing days.--

64 (2) The proceeds of charity performances shall be paid to
 65 qualified beneficiaries selected by the permitholders from an
 66 authorized list of charities on file with the division. Eligible
 67 charities include any charity that provides evidence of
 68 compliance with the provisions of chapter 496 and evidence of
 69 possession of a valid exemption from federal taxation issued by
 70 the Internal Revenue Service. In addition, the authorized list
 71 must include the Racing Scholarship Trust Fund, the Historical
 72 Resources Operating Trust Fund, major state and private
 73 institutions of higher learning, and Florida community colleges.

74 (9) In addition to the charity days authorized by this
 75 section, a thoroughbred permitholder is authorized to conduct
 76 one additional charity day to provide, at a facility or
 77 facilities in this state, for the care of thoroughbreds retired
 78 from racing. Notwithstanding subsection (2), the proceeds from
 79 such charity day performances shall be used for this designated
 80 purpose pursuant to a written agreement on file with the
 81 division entered into by the permitholder, the Florida
 82 Thoroughbred Breeders' Association, and the association

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83 representing a majority of the thoroughbred racehorse owners and
84 trainers at that location.

85 Section 2. Subsections (1), (2), and (3) of section
86 550.26165, Florida Statutes, are amended to read:

87 550.26165 Breeders' awards.--

88 (1) The purpose of this section is to encourage the
89 agricultural activity of breeding and training racehorses in
90 this state. ~~Funds~~ ~~Moneys~~ dedicated in this chapter for use as
91 breeders' ~~awards~~ and stallion awards are to be used for awards
92 to breeders of registered Florida-bred horses participating in
93 winning horseraces, and for ~~similar~~ awards to the owners of
94 stallions who sired Florida-bred horses participating in winning
95 stakes races, if the stallions are registered as Florida
96 stallions standing in this state. Breeders' and stallion awards
97 may be paid on races taking place in this state and on races
98 taking place in other states or countries pursuant to the annual
99 plan approved by the division under subsection (3).

100 (a) Such awards shall be given ~~at a uniform rate~~ to all
101 winners of the awards at the rates established in the annual
102 plan approved by the division pursuant to subsection (3), ~~shall~~
103 ~~not be greater than 20 percent of the announced gross purse, and~~
104 ~~shall not be less than 15 percent of the announced gross purse~~
105 ~~if funds are available.~~ The rates for breeders' awards may vary
106 based upon the place of finish, class of race, the state or
107 country in which the race took place, and the state in which the
108 stallion siring the horse was standing when the horse was
109 conceived. The rates for stallion awards may vary based upon the

110 place of finish, class of race, and the state or country in
 111 which the race took place.

112 (b) ~~In addition,~~ No less than 17 percent nor more than 40
 113 percent, as determined by the Florida Thoroughbred Breeders'
 114 Association, of the funds ~~moneys~~ dedicated in this chapter for
 115 use as breeders' ~~awards~~ and stallion awards for thoroughbreds
 116 shall be returned pro rata to the permitholders that generated
 117 the moneys for special racing awards to be distributed by the
 118 permitholders to owners of thoroughbred horses participating in
 119 prescribed thoroughbred stakes races, nonstakes races, or both,
 120 all in accordance with a written agreement on file with the
 121 division establishing the rate, procedure, and eligibility
 122 requirements for such awards entered into by the permitholder,
 123 the Florida Thoroughbred Breeders' Association, and the Florida
 124 Horsemen's Benevolent and Protective Association, Inc., except
 125 that the plan for the distribution by any permitholder located
 126 in the area described in s. 550.615(9) shall be agreed upon by
 127 that permitholder, the Florida Thoroughbred Breeders'
 128 Association, and the association representing a majority of the
 129 thoroughbred racehorse owners and trainers at that location.

130 (c) Awards for thoroughbred races are to be paid through
 131 the Florida Thoroughbred Breeders' Association, and awards for
 132 standardbred races are to be paid through the Florida
 133 Standardbred Breeders and Owners Association.

134 (d) Among other sources specified in this chapter, funds
 135 ~~moneys~~ for thoroughbred breeders', stallion, and special racing
 136 awards will come from the 0.955 percent of handle for
 137 thoroughbred races conducted, received, broadcast, or simulcast

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138 under this chapter as provided in s. 550.2625(3). Funds ~~The~~
139 ~~moneys~~ for quarter horse and harness breeders' awards will come
140 from the breaks and uncashed tickets on live quarter horse and
141 harness racing performances and 1 percent of handle on
142 intertrack wagering. The funds for these breeders' awards shall
143 be paid to the respective breeders' associations by the
144 permitholders conducting the races.

145 (2) Each breeders' association shall develop a plan each
146 year that will provide rates ~~for a uniform rate~~ of payment and
147 procedure for breeders' and stallion awards. The plan ~~for~~
148 ~~payment of breeders' and stallion awards~~ may set a cap on
149 winnings and may limit, exclude, or defer payment of breeders'
150 and stallion awards based upon any of the factors set forth in
151 paragraph (1) (a) payments on certain classes of races, such as
152 ~~the Florida stallion stakes races, in order to assure that there~~
153 ~~are adequate revenues to meet the proposed uniform rate.~~
154 ~~Priority shall be placed on imposing such restrictions in lieu~~
155 ~~of allowing the uniform rate for breeders' and stallion awards~~
156 ~~to be less than 15 percent of the total purse payment.~~ The plan
157 may reduce or eliminate stallion awards in order to enhance
158 breeders' awards. The plan must provide for the maximum possible
159 payments within revenues.

160 (3) Breeders' associations shall submit their plans to the
161 division for approval at least 60 days before the beginning of
162 the payment year. The payment year may be a calendar year or any
163 12-month period, but once established, the yearly base may not
164 be changed except for compelling reasons. The division shall
165 approve the plan if it complies with the requirements of this

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166 chapter. Once a plan is approved by the division, ~~the division~~
 167 ~~may not allow~~ the plan may not ~~to~~ be amended during the year
 168 unless such amendment is deemed by the division to be in the
 169 best interests of the respective breeding industry, ~~except for~~
 170 ~~the most compelling reasons.~~

171 Section 3. Subsections (1), (3), and (6) and paragraph (e)
 172 of subsection (2) of section 550.2625, Florida Statutes, are
 173 amended to read:

174 550.2625 Horseracing; minimum purse requirement, Florida
 175 breeders', ~~and owners',~~ and special racing awards.--

176 (1) The purse structure and the availability of breeders',
 177 stallion, and special racing ~~breeder~~ awards are important
 178 factors in encouraging the agricultural activity of breeding and
 179 training racehorses in this state, and in attracting the entry
 180 of well-bred horses in racing meets in this state which in turn
 181 helps to produce maximum racing revenues for the state and the
 182 counties.

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

186 (e) An amount equal to 7 ~~8.5~~ percent of the purse account
 187 ~~generated through intertrack wagering and interstate~~
 188 ~~simuleasting~~ will be used for Florida owners' awards as set
 189 forth in subsection (6) ~~(3)~~. The purse account shall include all
 190 sources of purse funds, including funds derived from pari-mutuel
 191 wagering, cardrooms, slot machines, and any other form of
 192 gaming. ~~Any thoroughbred permitholder with an average blended~~
 193 ~~takeout which does not exceed 20 percent and with an average~~

194 ~~daily purse distribution excluding sponsorship, entry fees, and~~
 195 ~~nominations exceeding \$225,000 is exempt from the provisions of~~
 196 ~~this paragraph.~~

197 (3) Each horseracing permitholder conducting any
 198 thoroughbred race under this chapter, including any intertrack
 199 race taken pursuant to ss. 550.615-550.6305 or any interstate
 200 simulcast taken pursuant to s. 550.3551(3), shall pay a sum
 201 equal to 0.955 percent on all pari-mutuel pools conducted during
 202 any such race for the payment of breeders', stallion, and ~~or~~
 203 special racing awards as authorized in this chapter. This
 204 subsection also applies to all Breeder's Cup races conducted
 205 outside this state taken pursuant to s. 550.3551(3). On any race
 206 originating live in this state which is broadcast out-of-state
 207 to any location at which wagers are accepted pursuant to s.
 208 550.3551(2), the host track is required to pay 3.475 percent of
 209 the gross revenue derived from such out-of-state broadcasts as
 210 breeders', stallion, or special racing awards. The Florida
 211 Thoroughbred Breeders' Association is authorized to receive
 212 these payments from the permitholders and make payments of
 213 awards earned. The Florida Thoroughbred Breeders' Association
 214 has the right to withhold up to 10 percent of the permitholder's
 215 payments under this section as a fee for administering the
 216 payments of awards and for general promotion of the industry.
 217 The permitholder shall remit these payments to the Florida
 218 Thoroughbred Breeders' Association by the 5th day of each
 219 calendar month for such sums accruing during the preceding
 220 calendar month and shall report such payments to the division as
 221 prescribed by the division. With the exception of the 10-percent

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222 fee, the moneys paid by the permitholders shall be maintained in
223 a separate, interest-bearing account, and such payments together
224 with any interest earned shall be used exclusively for the
225 payment of breeders', stallion, and ~~or~~ special racing awards in
226 accordance with the following provisions:

227 (a) The breeder of each Florida-bred thoroughbred horse
228 participating in winning a thoroughbred horse race may receive a
229 breeders' ~~is entitled to an award of up to, but not exceeding,~~
230 ~~20 percent of the announced gross purse, including nomination~~
231 ~~fees, eligibility fees, starting fees, supplementary fees, and~~
232 ~~moneys added by the sponsor of the race.~~

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

239 (c) The owners of thoroughbred horses participating in
240 thoroughbred stakes races, nonstakes races, or both may receive
241 a special racing award in accordance with the agreement
242 established pursuant to s. 550.26165(1) (b).

243 (d) In order for a breeder of a Florida-bred thoroughbred
244 horse to be eligible to receive a breeders' ~~breeder's~~ award, the
245 horse must have been registered as a Florida-bred horse with the
246 Florida Thoroughbred Breeders' Association, and the Jockey Club
247 certificate for the horse must show that it has been duly
248 registered as a Florida-bred horse as evidenced by the seal and
249 proper serial number of the Florida Thoroughbred Breeders'

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250 Association registry. The Florida Thoroughbred Breeders'
251 Association shall be permitted to charge the registrant a
252 reasonable fee for this verification and registration and may
253 elect to charge the registrant an additional fee to provide for
254 the care of retired thoroughbreds as a condition of
255 registration. Any such additional fee shall be used for this
256 designated purpose pursuant to the annual plan of the Florida
257 Thoroughbred Breeders' Association approved by the division
258 under s. 550.26165.

259 (e) As part of its annual plan approved by the division,
260 the Florida Thoroughbred Breeders' Association shall establish
261 eligibility requirements for the payment of stallion awards if
262 the plan provides for payment of such awards. The eligibility
263 requirements must include registration with the Florida
264 Thoroughbred Breeders' Association of the stallion and of the
265 Florida-bred thoroughbred horse participating in the stakes race
266 and may condition eligibility on the period of time during which
267 the sire is standing in this state, except that the requirements
268 may exclude from the standing requirements those stallions
269 leaving the state exclusively for prescribed medical treatment.
270 ~~In order for an owner of the sire of a thoroughbred horse~~
271 ~~winning a stakes race to be eligible to receive a stallion~~
272 ~~award, the stallion must have been registered with the Florida~~
273 ~~Thoroughbred Breeders' Association, and the breeding of the~~
274 ~~registered Florida bred horse must have occurred in this state.~~
275 ~~The stallion must be standing permanently in this state during~~
276 ~~the period of time between February 1 and June 15 of each year~~
277 ~~or, if the stallion is dead, must have stood permanently in this~~

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278 ~~state for a period of not less than 1 year immediately prior to~~
279 ~~its death. The removal of a stallion from this state during the~~
280 ~~period of time between February 1 and June 15 of any year for~~
281 ~~any reason, other than exclusively for prescribed medical~~
282 ~~treatment, as approved by the Florida Thoroughbred Breeders'~~
283 ~~Association, renders the owner or owners of the stallion~~
284 ~~ineligible to receive a stallion award under any circumstances~~
285 ~~for offspring sired prior to removal; however, if a removed~~
286 ~~stallion is returned to this state, all offspring sired~~
287 ~~subsequent to the return make the owner or owners of the~~
288 ~~stallion eligible for the stallion award but only for those~~
289 ~~offspring sired subsequent to such return to this state. The~~
290 Florida Thoroughbred Breeders' Association shall maintain
291 complete records showing the date the stallion arrived in this
292 state for the first time, whether or not the stallion remained
293 in the state permanently, the location of the stallion, and
294 whether the stallion is still standing in this state and
295 complete records showing awards earned, received, and
296 distributed. The association may charge the owner, owners, or
297 breeder a reasonable fee for this service.

298 (f) A permitholder conducting a thoroughbred horse race
299 under the provisions of this chapter shall, within 30 days after
300 the end of the race meet during which the race is conducted,
301 certify to the Florida Thoroughbred Breeders' Association such
302 information relating to the thoroughbred horses participating in
303 ~~winning~~ a stakes or other horserace at the meet as may be
304 required to determine the eligibility for payment of breeders',
305 stallion, and special racing awards.

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306 (g) The Florida Thoroughbred Breeders' Association shall
307 maintain complete records showing the horses participating
308 ~~starters and winners~~ in all races taking place ~~conducted~~ at
309 thoroughbred tracks in this state and in those races taking
310 place in another state or country which may create eligibility
311 for an award pursuant to the approved annual plan; shall
312 maintain complete records showing awards earned, received, and
313 distributed; and may charge the owner, owners, or breeder a
314 reasonable fee for this service.

315 (h) The Florida Thoroughbred Breeders' Association shall
316 annually adopt a plan pursuant to s. 550.26165 establishing the
317 ~~establish a uniform~~ rate and procedure for the payment of
318 breeders' and stallion awards and shall pay such awards ~~make~~
319 ~~breeders' and stallion award payments~~ in strict compliance with
320 the ~~established uniform rate and procedure~~ plan. The ~~plan may~~
321 ~~set a cap on winnings and may limit, exclude, or defer payments~~
322 ~~to certain classes of races, such as the Florida stallion stakes~~
323 ~~rates, in order to assure that there are adequate revenues to~~
324 ~~meet the proposed uniform rate.~~ Such plan must include proposals
325 for the general promotion of the industry. ~~Priority shall be~~
326 ~~placed upon imposing such restrictions in lieu of allowing the~~
327 ~~uniform rate to be less than 15 percent of the total purse~~
328 ~~payment.~~ Before implementation, the uniform rate and procedure
329 plan must be approved by the division based upon a determination
330 that the plan complies with the requirements of this chapter
331 ~~before implementation.~~ In the absence of an approved plan ~~and~~
332 ~~procedure~~, the authorized rate for breeders' and stallion awards
333 is 15 percent of the announced gross purse for each race. Such

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334 | purse must include nomination fees, eligibility fees, starting
335 | fees, supplementary fees, and moneys added by the sponsor of the
336 | race. If the funds in the account for payment of breeders' and
337 | stallion awards are not sufficient to meet all earned breeders'
338 | and stallion awards, those breeders and stallion owners not
339 | receiving payments have first call on any subsequent receipts in
340 | that or any subsequent year.

341 | (i) The Florida Thoroughbred Breeders' Association shall
342 | keep accurate records showing receipts and disbursements of such
343 | payments and shall annually file a full and complete report to
344 | the division showing such receipts and disbursements and the
345 | sums withheld by the association under this subsection ~~for~~
346 | ~~administration~~. The division may audit the records and accounts
347 | of the Florida Thoroughbred Breeders' Association to determine
348 | that payments have been made to eligible breeders and stallion
349 | owners in accordance with this section.

350 | (j) If the division finds that the Florida Thoroughbred
351 | Breeders' Association has not complied with any provision of
352 | this section, the division may order the association to cease
353 | and desist from receiving funds and administering funds received
354 | under this section. If the division enters such an order, the
355 | permitholder shall make the payments authorized in this section
356 | to the division for deposit into the Pari-mutuel Wagering Trust
357 | Fund; and any funds in the Florida Thoroughbred Breeders'
358 | Association account shall be immediately paid to the Division of
359 | Pari-mutuel Wagering for deposit to the Pari-mutuel Wagering
360 | Trust Fund. The division shall authorize payment from these
361 | funds to any breeder or stallion owner entitled to an award that

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362 has not been previously paid by the Florida Thoroughbred
 363 Breeders' Association in accordance with the applicable rate.

364 (6) (a) Funds dedicated to Florida owners' awards in
 365 paragraph (2) (e) shall ~~The takeout may~~ be used for the payment
 366 of awards to owners of registered Florida-bred horses placing
 367 first in a claiming race, an allowance race, a maiden special
 368 race, or a stakes race in which the announced purse, exclusive
 369 of entry and starting fees and added moneys, does not exceed
 370 \$40,000.

371 (b) The permitholder shall determine for each qualified
 372 race the amount of the Florida owners' award for which a
 373 registered Florida-bred horse will be eligible. The amount of
 374 the available owners' award shall be established in the same
 375 manner in which purses are established and shall be published in
 376 the condition book for the period during which the race is to be
 377 conducted. No single award may exceed 50 percent of the gross
 378 purse for the race won.

379 (c) If the moneys generated under paragraph (a) during the
 380 meet exceed the Florida owners' awards earned during the meet,
 381 the excess funds shall be held in a separate interest-bearing
 382 account, and the total interest and principal shall be used to
 383 increase the owners' awards during the permitholder's next meet.

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

386 (e) The provisions of this subsection shall govern Florida
 387 owners' awards in the absence of a written agreement on file
 388 with the division establishing the rate, procedure, and
 389 eligibility requirements for Florida owners' awards, including

390 place of finish, class of race, and maximum award, entered into
 391 by the permitholder, the breeders' association, and the
 392 association representing a majority of the racehorse owners and
 393 trainers at that location.

394 Section 4. Paragraph (a) subsection (5) of section
 395 550.5251, Florida Statutes, is amended to read:

396 550.5251 Florida thoroughbred racing; certain permits;
 397 operating days.--

398 (5) (a) Each licensed thoroughbred permitholder in this
 399 state must run no less than ~~an average of~~ one race per racing
 400 day restricted to ~~in which~~ horses bred in this state and duly
 401 registered with the Florida Thoroughbred Breeders' Association,
 402 unless otherwise agreed to in writing by the permitholder, the
 403 Florida Thoroughbred Breeders' Association, and the association
 404 representing a majority of the thoroughbred racehorse owners and
 405 trainers at that location ~~have preference as entries over non-~~
 406 ~~Florida bred horses.~~ All licensed thoroughbred racetracks shall
 407 write the conditions for such restricted races ~~in which Florida-~~
 408 ~~bred horses are preferred~~ so as to assure that all Florida-bred
 409 horses available for racing at such tracks are given full
 410 opportunity to run in the class of races for which they are
 411 qualified. The opportunity of running must be afforded to each
 412 class of horses in the proportion that the number of horses in
 413 this class bears to the total number of Florida-bred horses
 414 available. A track is not required to write conditions for a
 415 race to accommodate a class of horses for which a race would
 416 otherwise not be run at the track during its meet ~~meeting~~.

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417 Section 5. Paragraphs (c), (d), (e), and (f) of subsection
 418 (7) of section 849.086, Florida Statutes, are redesignated as
 419 paragraphs (d), (e), (f), and (g), respectively, and a new
 420 paragraph (c) is added to that subsection, to read:

421 849.086 Cardrooms authorized.--

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

423 (c) Notwithstanding paragraph (b), any horserace
 424 permitholder licensed under this section may operate a cardroom
 425 at the pari-mutuel facility on any day between the hours of 12
 426 noon and 12 midnight if the permitholder conducted a full
 427 schedule of live racing or games during the preceding year.

428 Section 6. This act shall take effect upon becoming a law.