

2008604e2

1 A bill to be entitled
2 An act relating to pari-mutuel wagering; amending s.
3 550.002, F.S.; providing for a full schedule of racing for
4 quarter horse permitholders; amending s. 550.334, F.S.;
5 removing provisions requiring an application to the
6 Division of Pari-mutuel Wagering for a permit to conduct
7 quarter horse race meetings; removing provisions for
8 granting a license to conduct quarter horse racing;
9 removing a provision for governance and control of quarter
10 horse racing; removing a requirement for intertrack
11 wagering to be conducted by a quarter horse permitholder;
12 providing for a grandfather clause; amending s. 849.086,
13 F.S.; providing for a full schedule of races for a new
14 permitholder to be eligible to renew a cardroom license;
15 amending s. 550.26165, F.S.; authorizing the payment of
16 certain breeders' and stallion awards under certain
17 circumstances; amending s. 550.2625, F.S.; providing that
18 the provisions of statute governing certain owners' awards
19 shall govern in the absence of a written agreement;
20 amending s. 550.5251, F.S.; providing an exception to the
21 requirement that each thoroughbred permitholder run an
22 average of one race per racing day against horses bred in
23 this state that have preference over nonstate horses;
24 providing an effective date.

25
26 Be It Enacted by the Legislature of the State of Florida:

27
28 Section 1. Subsection (11) of section 550.002, Florida
29 Statutes, is amended to read:

2008604e2

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

(11) "Full schedule of live racing or games" means, for a greyhound or jai alai permitholder, the conduct of a combination of at least 100 live evening or matinee performances during the preceding year; for a permitholder who has a converted permit or filed an application on or before June 1, 1990, for a converted permit, the conduct of a combination of at least 100 live evening and matinee wagering performances during either of the 2 preceding years; for a jai alai permitholder who does not operate slot machines in its pari-mutuel facility, who has conducted at least 100 live performances per year for at least 10 years after December 31, 1992, and whose handle on live jai alai games conducted at its pari-mutuel facility has been less than \$4 million per state fiscal year for at least 2 consecutive years after June 30, 1992, the conduct of a combination of at least 40 live evening or matinee performances during the preceding year; for a jai alai permitholder who operates slot machines in its pari-mutuel facility, the conduct of a combination of at least 150 performances during the preceding year; for a harness permitholder, the conduct of at least 100 live regular wagering performances during the preceding year; for a quarter horse permitholder, at its facility unless an alternative schedule of at least 20 live regular wagering performances is agreed upon by the permitholder and the horsemen's association representing the majority of the quarter racehorse owners and trainers at the facility and filed with the division with its annual date application, in the year 2009, the conduct of at least 20 live regular wagering performances, in the years 2010 and 2011, the conduct of at least 30 live regular wagering performances, and

2008604e2

59 for every year after the year 2011, the conduct of at least 40
60 live regular wagering performances during the preceding year; for
61 a quarter horse permitholder leasing another licensed racetrack,
62 the conduct of 160 events at the leased facility; and for a
63 thoroughbred permitholder, the conduct of at least 40 live
64 regular wagering performances during the preceding year. For a
65 permitholder which is restricted by statute to certain operating
66 periods within the year when other members of its same class of
67 permit are authorized to operate throughout the year, the
68 specified number of live performances which constitute a full
69 schedule of live racing or games shall be adjusted pro rata in
70 accordance with the relationship between its authorized operating
71 period and the full calendar year and the resulting specified
72 number of live performances shall constitute the full schedule of
73 live games for such permitholder and all other permitholders of
74 the same class within 100 air miles of such permitholder. A live
75 performance must consist of no fewer than eight races or games
76 conducted live for each of a minimum of three performances each
77 week at the permitholder's licensed facility under a single
78 admission charge.

79 Section 2. Section 550.334, Florida Statutes, is amended to
80 read:

81 550.334 Quarter horse racing; substitutions.--

82 ~~(1) Subject to all the applicable provisions of this~~
83 ~~chapter, any person who possesses the qualifications prescribed~~
84 ~~in this chapter may apply to the division for a permit to conduct~~
85 ~~quarter horse race meetings and racing under this chapter. The~~
86 ~~applicant must demonstrate that the location or locations where~~
87 ~~the permit will be used are available for such use and that she~~

2008604e2

88 ~~or he has the financial ability to satisfy the reasonably~~
89 ~~anticipated operational expenses of the first racing year~~
90 ~~following final issuance of the permit. If the racing facility is~~
91 ~~already built, the application must contain a statement, with~~
92 ~~reasonable supporting evidence, that the permit will be used for~~
93 ~~quarter horse racing within 1 year after the date on which it is~~
94 ~~granted; if the facility is not already built, the application~~
95 ~~must contain a statement, with reasonable supporting evidence,~~
96 ~~that substantial construction will be started within 1 year after~~
97 ~~the issuance of the permit. After receipt of an application, the~~
98 ~~division shall convene to consider and act upon permits applied~~
99 ~~for. The division shall disapprove an application if it fails to~~
100 ~~meet the requirements of this chapter. Upon each application~~
101 ~~filed and approved, a permit shall be issued setting forth the~~
102 ~~name of the applicant and a statement showing qualifications of~~
103 ~~the applicant to conduct racing under this chapter. If a~~
104 ~~favorable referendum on a pari-mutuel facility has not been held~~
105 ~~previously within the county, then, before a quarter horse permit~~
106 ~~may be issued by the division, a referendum ratified by a~~
107 ~~majority of the electors in the county is required on the~~
108 ~~question of allowing quarter horse races within that county.~~

109 ~~(2) After a quarter horse racing permit has been granted by~~
110 ~~the division, the department shall grant to the lawful holder of~~
111 ~~such permit, subject to the conditions of this section, a license~~
112 ~~to conduct quarter horse racing under this chapter; and the~~
113 ~~division shall fix annually the time when, place where, and~~
114 ~~number of days upon which racing may be conducted by such quarter~~
115 ~~horse racing permit holder. After the first license has been~~
116 ~~issued to the holder of a permit for quarter horse racing, all~~

2008604e2

117 ~~subsequent annual applications for a license by a permit holder~~
118 ~~must be accompanied by proof, in such form as the division~~
119 ~~requires, that the permit holder still possesses all the~~
120 ~~qualifications prescribed by this chapter. The division may~~
121 ~~revoke any permit or license issued under this section upon the~~
122 ~~willful violation by the licensee of any provision of this~~
123 ~~chapter or any rule adopted by the division under this chapter.~~
124 ~~The division shall revoke any quarter horse permit under which no~~
125 ~~live racing has ever been conducted before July 7, 1990, for~~
126 ~~failure to conduct a horse meet pursuant to the license issued~~
127 ~~where a full schedule of horseracing has not been conducted for a~~
128 ~~period of 18 months commencing on October 1, 1990, unless the~~
129 ~~permit holder has commenced construction on a facility at which a~~
130 ~~full schedule of live racing could be conducted as approved by~~
131 ~~the division. "Commenced construction" means initiation of and~~
132 ~~continuous activities beyond site preparation associated with~~
133 ~~erecting or modifying a horseracing facility, including~~
134 ~~procurement of a building permit applying the use of approved~~
135 ~~construction documents, proof of an executed owner/contractor~~
136 ~~agreement or an irrevocable or binding forced account, and actual~~
137 ~~undertaking of foundation forming with steel installation and~~
138 ~~concrete placing. The 18-month period shall be extended by the~~
139 ~~division, to the extent that the applicant demonstrates to the~~
140 ~~satisfaction of the division that good faith commencement of the~~
141 ~~construction of the facility is being delayed by litigation or by~~
142 ~~governmental action or inaction with respect to regulations or~~
143 ~~permitting precluding commencement of the construction of the~~
144 ~~facility.~~

2008604e2

145 (1)~~(3)~~ The operator of any licensed racetrack is authorized
146 to lease such track to any quarter horse racing permitholder for
147 the conduct of quarter horse racing under this chapter.

148 ~~(4) Section 550.054 is inapplicable to quarter horse racing~~
149 ~~as permitted under this section. All other provisions of this~~
150 ~~chapter apply to, govern, and control such racing, and the same~~
151 ~~must be conducted in compliance therewith.~~

152 (2)~~(5)~~ Quarter horses participating in such races must be
153 duly registered by the American Quarter Horse Association, and
154 before each race such horses must be examined and declared in fit
155 condition by a qualified person designated by the division.

156 (3)~~(6)~~ Any quarter horse racing days permitted under this
157 chapter are in addition to any other racing permitted under the
158 license issued the track where such quarter horse racing is
159 conducted.

160 (4)~~(7)~~(a) Any quarter horse racing permitholder operating
161 under a valid permit issued by the division is authorized to
162 substitute races of other breeds of horses, except thoroughbreds,
163 which are, respectively, registered with the American Paint Horse
164 Association, Appaloosa Horse Club, Arabian Horse Registry of
165 America, Palomino Horse Breeders of America, or United States
166 Trotting Association, for no more than 50 percent of the quarter
167 horse races daily, and may substitute races of thoroughbreds
168 registered with the Jockey Club for no more than 50 percent of
169 the quarter horse races daily with the written consent of all
170 greyhound, harness, and thoroughbred permitholders whose pari-
171 mutuel facilities are located within 50 air miles of such quarter
172 horse racing permitholder's pari-mutuel facility.

2008604e2

173 (b) Any permittee operating within an area of 50 air miles
174 of a licensed thoroughbred track may not substitute thoroughbred
175 races under this section while a thoroughbred horse race meet is
176 in progress within that 50 miles. Any permittee operating within
177 an area of 125 air miles of a licensed thoroughbred track may not
178 substitute live thoroughbred races under this section while a
179 thoroughbred permittee who pays taxes under s. 550.09515(2)(a) is
180 conducting a thoroughbred meet within that 125 miles. These
181 mileage restrictions do not apply to any permittee that holds a
182 nonwagering permit issued pursuant to s. 550.505.

183 (5)~~(8)~~ A quarter horse permit issued pursuant to this
184 section is not eligible for transfer or conversion to another
185 type of pari-mutuel operation.

186 (6)~~(9)~~ Any nonprofit corporation, including, but not
187 limited to, an agricultural cooperative marketing association,
188 organized and incorporated under the laws of this state may apply
189 for a quarter horse racing permit and operate racing meets under
190 such permit, provided all pari-mutuel taxes and fees applicable
191 to such racing are paid by the corporation. However, insofar as
192 its pari-mutuel operations are concerned, the corporation shall
193 be considered to be a corporation for profit and is subject to
194 taxation on all property used and profits earned in connection
195 with its pari-mutuel operations.

196 ~~(10) Intertrack wagering shall not be authorized for any~~
197 ~~quarter horse permitholder without the written consent of all~~
198 ~~greyhound, harness, and thoroughbred permitholders whose pari-~~
199 ~~mutuel facilities are located within 50 air miles of such quarter~~
200 ~~horse permitholder's pari-mutuel facility.~~

2008604e2

201 Section 3. A person submitting a quarter horse permit
202 application to the Division of Pari-mutuel Wagering before March
203 30, 2008, is subject to the criteria for approval of a quarter
204 horse permit which was in existence before July 1, 2008.

205 Section 4. Paragraphs (a) and (b) of subsection (5) of
206 section 849.086, Florida Statutes, are amended to read:

207 849.086 Cardrooms authorized.--

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

211 (a) Only those persons holding a valid cardroom license
212 issued by the division may operate a cardroom. A cardroom license
213 may only be issued to a licensed pari-mutuel permitholder and an
214 authorized cardroom may only be operated at the same facility at
215 which the permitholder is authorized under its valid pari-mutuel
216 wagering permit to conduct pari-mutuel wagering activities. An
217 initial cardroom license shall only be issued to a pari-mutuel
218 permitholder if the permitholder is licensed to conduct a full
219 schedule of live races or games as defined in s. 550.002(11)
220 during the state fiscal year in which the initial cardroom
221 license is issued.

222 (b) After the initial cardroom license is granted, the
223 application for the annual license renewal shall be made in
224 conjunction with the applicant's annual application for its pari-
225 mutuel license. If a permitholder has operated a cardroom during
226 any of the 3 previous fiscal years and fails to include a renewal
227 request for the operation of the cardroom in its annual
228 application for license renewal, the permitholder may amend its
229 annual application to include operation of the cardroom. In order

2008604e2

230 for a cardroom license to be renewed the applicant must have
231 requested, as part of its pari-mutuel annual license application,
232 to conduct at least 90 percent of the total number of live
233 performances conducted by such permitholder during either the
234 state fiscal year in which its initial cardroom license was
235 issued, or the state fiscal year immediately prior thereto if the
236 permitholder ran at least a full schedule of live races or games
237 in that prior year. If the application is for a harness
238 permitholder cardroom, the applicant must have requested
239 authorization to conduct a minimum of 140 live performances
240 during the state fiscal year immediately prior thereto. If more
241 than one permitholder is operating at a facility, each
242 permitholder must have applied for a license to conduct a full
243 schedule of live racing.

244 Section 5. Subsection (5) is added to section 550.26165,
245 Florida Statutes, to read:

246 550.26165 Breeders' awards.--

247 (5) The Legislature recognizes that this state is competing
248 with other states to attract thoroughbred breeding and training
249 operations. The awards programs created in this chapter are
250 intended to encourage such operations to locate in this state and
251 must be responsive to rapidly changing programs in other states.
252 Therefore the Legislature finds that it is appropriate to provide
253 greater flexibility to thoroughbred industry participants in this
254 state so that they may design an awards program that is
255 competitive nationally. To achieve that end notwithstanding any
256 other provision of law:

257 (a) The Florida Thoroughbred Breeders' Association may
258 elect, as part of its annual plan, to pay breeders' awards on

2008604e2

259 horses finishing in first, second, or third place in thoroughbred
260 horse races; to pay breeders' awards that are greater than 20
261 percent and less than 15 percent of the announced gross purse;
262 and to vary the rates for breeders' awards based upon the place
263 of finish, class of race, the state or country in which the race
264 took place, and the state in which the stallion siring the horse
265 was standing when the horse was conceived.

266 (b) The Florida Thoroughbred Breeders' Association may
267 elect, as part of its annual plan, to pay stallion awards on
268 horses finishing in first, second, or third place in thoroughbred
269 horse races; to pay stallion awards that are greater than 20
270 percent and less than 15 percent of the announced gross purse; to
271 reduce or eliminate stallion awards in order to enhance breeders'
272 awards or awards under paragraph (c); and to vary the rates for
273 stallion awards based upon the place of finish, class of race,
274 and the state or country in which the race took place.

275 (c) From the funds dedicated in this chapter for use as
276 breeders' awards and stallion awards, the Florida Thoroughbred
277 Breeders' Association may elect, as part of its annual plan, to
278 pay awards to owners of registered Florida-bred horses finishing
279 in first, second, or third place in thoroughbred horse races in
280 this state without regard to awards that may be paid pursuant to
281 s. 550.2625(6).

282 (d) A breeders' award or stallion award under this chapter
283 may not be paid on thoroughbred horse races taking place in other
284 states or countries unless agreed to in writing by all
285 thoroughbred permitholders in this state, the Florida
286 Thoroughbred Breeders' Association, and the Florida Horsemen's
287 Benevolent and Protective Association.

2008604e2

288 Section 6. Paragraph (e) is added to subsection (6) of
289 section 550.2625, Florida Statutes, to read:

290 550.2625 Horseracing; minimum purse requirement, Florida
291 breeders' and owners' awards.--

292 (6)

293 (e) The provisions of this subsection govern owners' awards
294 paid on thoroughbred horse races in this state in the absence of
295 a written agreement on file with the division establishing the
296 rate, procedure, and eligibility requirements for owners' awards,
297 including place of finish, class of race, maximum purse, and
298 maximum award entered into by the permitholder, the Florida
299 Thoroughbred Breeders' Association, and the association
300 representing a majority of the racehorse owners and trainers at
301 the permitholder's location.

302 Section 7. Paragraph (a) of subsection (5) of section
303 550.5251, Florida Statutes, is amended to read:

304 550.5251 Florida thoroughbred racing; certain permits;
305 operating days.--

306 (5) (a) Each licensed thoroughbred permitholder in this
307 state must run an average of one race per racing day in which
308 horses bred in this state and duly registered with the Florida
309 Thoroughbred Breeders' Association have preference as entries
310 over non-Florida-bred horses unless otherwise agreed to in
311 writing by the permitholder, the Florida Thoroughbred Breeders'
312 Association, and the association representing a majority of the
313 thoroughbred racehorse owners and trainers at that location. All
314 licensed thoroughbred racetracks shall write the conditions for
315 such races ~~in which Florida-bred horses are preferred~~ so as to
316 assure that all Florida-bred horses available for racing at such

2008604e2

317 tracks are given full opportunity to run in the class of races
318 for which they are qualified. The opportunity of running must be
319 afforded to each class of horses in the proportion that the
320 number of horses in this class bears to the total number of
321 Florida-bred horses available. A track is not required to write
322 conditions for a race to accommodate a class of horses for which
323 a race would otherwise not be run at the track during its
324 meeting.

325 Section 8. This act shall take effect July 1, 2008.