

By Senator Garcia

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1 A bill to be entitled
2 An act relating to thoroughbred horse Breeders' Cup
3 meets; creating s. 550.26357, F.S.; providing for the
4 creation of a special thoroughbred race meet
5 designated as the "Breeders' Cup Permanent Meet" which
6 shall be conducted annually at the facility of a
7 Florida horseracing permitholder; providing conditions
8 for the annual meet; providing a timeframe for the
9 meet; providing for issuance of a permit for the meet;
10 exempting the issuance of the permit from certain
11 provisions; authorizing pari-mutuel wagers on races at
12 the meet; prohibiting races at certain thoroughbred
13 facilities during the meet; providing a tax credit as
14 compensation for race days lost due to the
15 prohibition; providing that the permitholder
16 conducting the Breeders' Cup Permanent Meet is exempt
17 from paying taxes on the handle for Breeders' Cup
18 races under the permit; providing the permitholder
19 with certain tax credits to be used for certain
20 purposes; providing conditions to receive the credits;
21 exempting the permitholder from the payment of purses
22 and other payments to horsemen during the meet;
23 providing for broadcast of the races for wagering
24 purposes; providing for use of a totalisator outside
25 the state; requiring audits before tax credits may be
26 claimed; providing for the hearing of disputes between
27 the division and any permitholder regarding the tax
28 credits; authorizing the division to adopt and waive
29 rules for certain purposes; authorizing the

40-00967-12

20121016__

30 permitholder to receive a license to operate slot
31 machines at the facility identified in the Breeders'
32 Cup Permit under certain conditions; providing for
33 revocation, suspension, or escheatment of the permit;
34 providing for application; providing an effective
35 date.

36
37 Be It Enacted by the Legislature of the State of Florida:

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39 Section 1. Section 550.26357, Florida Statutes, is created
40 to read:

41 550.26357 Breeders' Cup Permanent Meet.—

42 (1) Notwithstanding any provision of law to the contrary,
43 upon designation by Breeders' Cup Limited of the facility of any
44 Florida horseracing permitholder to be the permanent home of the
45 Breeders' Cup series of horseraces or to be one of the sites
46 included in a rotation of designated sites for the Breeders' Cup
47 series of horseraces, there is created a special thoroughbred
48 race meet designated as the "Breeders' Cup Permanent Meet" which
49 shall be conducted annually at the facility of the Florida
50 permitholder so designated. Upon the designation of the facility
51 of a Florida horseracing permitholder as the location for the
52 Breeders' Cup Permanent Meet and the filing of the application
53 by the designated permitholder, the division shall issue a
54 thoroughbred racing permit to the designated permitholder to
55 operate the Breeders' Cup Permanent Meet, which permit shall be
56 known as the Breeders' Cup Permit.

57 (2) The Breeders' Cup Permanent Meet shall commence on the
58 day on which the Breeders' Cup races are first conducted and

40-00967-12

20121016

59 shall continue through the following November 30. In order to
60 provide for consistency and certainty in the annual racing
61 schedule, the Breeders' Cup Permanent Meet shall be conducted
62 annually at the facility of the designated permitholder
63 regardless of whether the annual Breeders' Cup series of
64 horseraces is conducted live at the facility of the Florida
65 permitholder that holds the Breeders' Cup Permit in any
66 particular year. The holder of the Breeders' Cup Permit shall
67 comply with the requirements of s. 550.01215 with regard to
68 application for an annual license to conduct the Breeders' Cup
69 Permanent Meet, which license shall be issued by the division as
70 otherwise provided in s. 550.01215. Notwithstanding any other
71 provision of law, the provisions of this chapter relating to
72 referendum requirements for the issuance of a pari-mutuel permit
73 or which otherwise impose mileage limitations on the location of
74 a new pari-mutuel permit do not apply to the permit created
75 under this section.

76 (3) The permitholder conducting the Breeders' Cup Permanent
77 Meet is specifically authorized to create pari-mutuel pools
78 during the Breeders' Cup Permanent Meet by accepting pari-mutuel
79 wagers on the horseraces run during the meet.

80 (4) A permitholder located within 35 miles of the
81 permitholder conducting the Breeders' Cup Permanent Meet may not
82 conduct a thoroughbred race meet on any of the days of the
83 Breeders' Cup Permanent Meet; however, as compensation for the
84 loss of racing days, any such operating permitholder shall
85 receive a credit against the taxes otherwise due and payable to
86 the state under ss. 550.0951 and 550.09515. The credit shall be
87 in an amount equal to the actual operating loss determined to

40-00967-12

20121016

88 have been suffered by the operating permitholder as a result of
89 not operating on the prohibited racing days, not to exceed
90 \$950,000 in any one year. The determination of the amount to be
91 credited shall be made by the division upon application by the
92 operating permitholder. The tax credits provided under this
93 subsection shall be available to an operating permitholder who
94 is required to close a bona fide meet consisting in part of no
95 fewer than 10 scheduled performances in the 15 days immediately
96 preceding the Breeders' Cup Permanent Meet and who does not
97 conduct additional thoroughbred racing performances during the
98 remainder of the calendar year after the conclusion of the
99 Breeders' Cup Permanent Meet. Such tax credit shall be in lieu
100 of any other compensation or consideration for the loss of
101 racing days. There shall be no replacement or makeup of any lost
102 racing days.

103 (5) Notwithstanding any provision of ss. 550.0951 and
104 550.09515, the permitholder conducting the Breeders' Cup
105 Permanent Meet is exempt from paying taxes on the handle
106 included within the pari-mutuel pools of the permitholder for
107 the day or the days on which the races sponsored by Breeders'
108 Cup Limited are conducted live at the facility of the Florida
109 permitholder that holds the Breeders' Cup Permit.

110 (6) The permitholder conducting the Breeders' Cup Permanent
111 Meet shall receive a credit against the taxes otherwise due and
112 payable to the state under ss. 550.0951 and 550.09515 generated
113 during the Breeders' Cup Permanent Meet. This credit shall be in
114 an amount not to exceed \$950,000 and shall be used by the
115 permitholder to pay the purses offered by the permitholder
116 during the Breeders' Cup Permanent Meet in excess of the purses

40-00967-12

20121016

117 that the permitholder is otherwise required by law to pay. The
118 amount to be credited shall be determined by the division upon
119 application of the permitholder that is subject to audit by the
120 division.

121 (7) In addition to the credit received under subsection
122 (6), the permitholder conducting the Breeders' Cup Permanent
123 Meet shall receive a credit against the taxes otherwise due and
124 payable to the state under ss. 550.0951 and 550.09515 generated
125 during the Breeders' Cup Permanent Meet. This credit shall be in
126 an amount not to exceed \$950,000 and shall be used by the
127 permitholder for such capital improvements and extraordinary
128 expenses as may be necessary for operation of the Breeders' Cup
129 Permanent Meet. The amount to be credited shall be determined by
130 the division upon application of the permitholder that is
131 subject to audit by the division.

132 (8) The permitholder conducting the Breeders' Cup Permanent
133 Meet is exempt from the payment of purses and all other payments
134 to horsemen on all on-track, intertrack, interstate, and
135 international wagers or rights fees or payments arising
136 therefrom for the day or the days upon which the races sponsored
137 by Breeders' Cup Limited are conducted live at the facility of
138 the Florida permitholder that holds the Breeders' Cup Permit.

139 (9) (a) Pursuant to s. 550.3551(2), the permitholder
140 conducting the Breeders' Cup Permanent Meet may transmit
141 broadcasts of the live races conducted during the Breeders' Cup
142 Permanent Meet to locations outside this state for wagering
143 purposes. The division may approve broadcasts to pari-mutuel
144 permitholders and other betting systems authorized under the
145 laws of any other state or country. Wagers accepted by any out-

40-00967-12

20121016

146 of-state pari-mutuel permitholder or betting system on any races
147 broadcast under this section may be, but are not required to be,
148 commingled with the pari-mutuel pools of the permitholder
149 conducting the Breeders' Cup Permanent Meet. The calculation of
150 any payoff on national pari-mutuel pools with commingled wagers
151 may be performed by the permitholder's totalisator contractor at
152 a location outside this state. Pool amounts from wagers placed
153 at pari-mutuel facilities or other betting systems in foreign
154 countries before being commingled with the pari-mutuel pool of
155 the Florida permitholder conducting the Breeders' Cup Permanent
156 Meet shall be calculated by the totalisator contractor and
157 transferred to the commingled pool in United States currency in
158 cycles customarily used by the permitholder. Pool amounts from
159 wagers placed at any foreign pari-mutuel facility or other
160 betting system may not be commingled with a Florida pool until a
161 determination is made by the division that the technology used
162 by the totalisator contractor is adequate to ensure commingled
163 pools will result in the calculation of accurate payoffs to
164 Florida bettors. Any totalisator contractor at a location
165 outside this state must comply with the totalisator licensing
166 requirements in s. 550.495.

167 (b) The permitholder conducting the Breeders' Cup Permanent
168 Meet may transmit broadcasts of the live races conducted during
169 the Breeders' Cup Permanent Meet to other pari-mutuel facilities
170 located in this state for wagering purposes. However, the
171 permitholder conducting the Breeders' Cup Permanent Meet is not
172 required to transmit broadcasts to any pari-mutuel facility
173 located within 25 miles of the facility at which the Breeders'
174 Cup Permanent Meet is conducted.

40-00967-12

20121016

175 (10) The exemption from the tax credits provided in
176 subsections (4), (6), and (7) may not be granted and may not be
177 claimed by any permitholder until an audit is completed by the
178 division. The division is required to complete the audit within
179 30 days after receipt of the necessary documentation from the
180 permitholder to verify the permitholder's claim for tax credits.
181 If the documentation submitted by the permitholder is incomplete
182 or is insufficient to document the permitholder's claim for tax
183 credits, the division may request such additional documentation
184 as is necessary to complete the audit. Upon receipt of the
185 division's written request for additional documentation, the 30-
186 day time limitation shall commence anew. Any dispute between the
187 division and any permitholder regarding the tax credits
188 authorized under subsection (4), subsection (6), or subsection
189 (7) shall be determined by a hearing officer of the Division of
190 Administrative Hearings under s. 120.57(1).

191 (11) The division may adopt such rules as are necessary to
192 facilitate the conduct of the Breeders' Cup Permanent Meet as
193 authorized in this section. The division may also adopt or waive
194 rules relating to the overall conduct of racing during the
195 Breeders' Cup Permanent Meet to ensure the integrity of the
196 races, licensing for all participants, special stabling and
197 training requirements for foreign horses, commingling of pari-
198 mutuel pools, and audit requirements for tax credits and other
199 benefits.

200 (12) Notwithstanding any provision of law to the contrary,
201 if at the time of the issuance of the Breeders' Cup Permit the
202 facility identified in the Breeders' Cup Permit is located in a
203 county in which slot machines are authorized and slot machines

40-00967-12

20121016

204 are not authorized at the facility identified in the Breeders'
205 Cup Permit, the facility identified in the Breeders' Cup Permit
206 shall be deemed an eligible facility for the purposes of slot
207 machine activities and licensure under chapter 551; and, upon
208 submission of the necessary applications for licensure under
209 chapter 551, the division shall issue a slot machine license for
210 the facility identified in the Breeders' Cup Permit. For the
211 purposes of s. 551.104(10) and notwithstanding any provision
212 therein to the contrary, the horsemen's association with which
213 the holder of the Breeders' Cup Permit must be under contract
214 shall be the association that represents the majority of
215 horsemen that race at the facility under all of the permits
216 operated at the facility annually.

217 (13) The Breeders' Cup Permit issued under this section is
218 not subject to revocation, suspension, or escheatment, except as
219 otherwise provided in this chapter for the revocation,
220 suspension, or escheatment of thoroughbred permits generally.

221 (14) The provisions of this section shall prevail over any
222 conflicting provisions of this chapter.

223 Section 2. This act shall take effect July 1, 2012.