

HB 1169

2012

1                   A bill to be entitled  
2           An act relating to pari-mutuels; amending s. 550.002,  
3           F.S.; redefining the term "full schedule of live  
4           racing or games" to increase the minimum number of  
5           performances required each week at a permitholder's  
6           facility under a single admission charge; repealing s.  
7           550.0745, F.S., relating to the conversion of a pari-  
8           mutuel permit to a summer jai alai permit; amending s.  
9           550.09512, F.S.; deleting provisions related to the  
10          voiding and reissue of a harness horse permit for  
11          failure to operate or pay tax on handle; deleting a  
12          severability clause; amending s. 550.09515, F.S.;  
13          deleting provisions related to the voiding and reissue  
14          of a thoroughbred horse permit for failure to operate  
15          or pay tax on handle; deleting a severability clause  
16          and an obsolete provision; amending s. 550.3345, F.S.;  
17          specifying a full schedule of live racing for a not-  
18          for-profit thoroughbred permitholder; amending s.  
19          550.375, F.S.; removing certain time restrictions for  
20          permits or licenses for harness racing following a  
21          transfer of location; amending s. 550.5251, F.S.;  
22          removing certain time restrictions for permits or  
23          licenses for thoroughbred racing; amending s.  
24          550.6308, F.S.; reducing the number of days of  
25          thoroughbred horse sales required for licensure for  
26          limited intertrack wagering at a permanent sales  
27          facility; removing a provision requiring that  
28          thoroughbred sales be conducted for 3 consecutive

HB 1169

2012

29 | years and nonwagering thoroughbred racing with a  
30 | certain purse amount be conducted for 2 consecutive  
31 | years at the permanent sales facility in order to  
32 | qualify for licensure; removing a provision allowing  
33 | only one such license to be issued and prohibiting  
34 | licenses from being issued within a specified  
35 | proximity of a thoroughbred permitholder's track;  
36 | removing provisions governing the selection of a  
37 | single licensee; amending s. 849.086, F.S.; removing a  
38 | provision allowing certain permitholders to amend  
39 | their annual applications for licensure to include  
40 | operation of a cardroom; requiring an applicant for  
41 | renewal of a cardroom license to conduct a certain  
42 | percentage of its total number of live performances  
43 | during the immediately prior state fiscal year and to  
44 | conduct at least a full schedule of live racing;  
45 | providing a statement of legislative intent; providing  
46 | a 6-month opportunity for the conversion of a quarter  
47 | horse permit to a thoroughbred permit and the  
48 | reissuance of a quarter horse permit; providing  
49 | criteria and limitations; authorizing a permitholder  
50 | that is converting its quarter horse permit to a  
51 | thoroughbred permit to apply for and receive another  
52 | quarter horse pari-mutuel permit for the same  
53 | location; providing for future expiration of such  
54 | provisions; providing an effective date.

55 |  
56 | Be It Enacted by the Legislature of the State of Florida:

Page 2 of 14

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

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

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 either the Florida Quarter Horse Racing Association or the horsemen's

HB 1169

2012

85 association representing the majority of the quarter horse  
86 owners and trainers at the facility and filed with the division  
87 along with its annual date application, in the 2010-2011 fiscal  
88 year, the conduct of at least 20 regular wagering performances,  
89 in the 2011-2012 and 2012-2013 fiscal years, the conduct of at  
90 least 30 live regular wagering performances, and for every  
91 fiscal year after the 2012-2013 fiscal year, the conduct of at  
92 least 40 live regular wagering performances; for a quarter horse  
93 permitholder leasing another licensed racetrack, the conduct of  
94 160 events at the leased facility; and for a thoroughbred  
95 permitholder, the conduct of at least 40 live regular wagering  
96 performances during the preceding year. For a permitholder which  
97 is restricted by statute to certain operating periods within the  
98 year when other members of its same class of permit are  
99 authorized to operate throughout the year, the specified number  
100 of live performances which constitute a full schedule of live  
101 racing or games shall be adjusted pro rata in accordance with  
102 the relationship between its authorized operating period and the  
103 full calendar year and the resulting specified number of live  
104 performances shall constitute the full schedule of live games  
105 for such permitholder and all other permitholders of the same  
106 class within 100 air miles of such permitholder. A live  
107 performance must consist of no fewer than eight races or games  
108 conducted live for each of a minimum of four ~~three~~ performances  
109 each week at the permitholder's licensed facility under a single  
110 admission charge.

111 Section 2. Section 550.0745, Florida Statutes, is  
112 repealed.

HB 1169

2012

113 Section 3. Subsections (3) and (4) of section 550.09512,  
114 Florida Statutes, are amended to read:

115 550.09512 Harness horse taxes; abandoned interest in a  
116 permit for nonpayment of taxes.—

117 ~~(3)(a) The permit of a harness horse permitholder who does~~  
118 ~~not pay tax on handle for live harness horse performances for a~~  
119 ~~full schedule of live races during any 2 consecutive state~~  
120 ~~fiscal years shall be void and shall escheat to and become the~~  
121 ~~property of the state unless such failure to operate and pay tax~~  
122 ~~on handle was the direct result of fire, strike, war, or other~~  
123 ~~disaster or event beyond the ability of the permitholder to~~  
124 ~~control. Financial hardship to the permitholder shall not, in~~  
125 ~~and of itself, constitute just cause for failure to operate and~~  
126 ~~pay tax on handle.~~

127 ~~(b) In order to maximize the tax revenues to the state,~~  
128 ~~the division shall reissue an escheated harness horse permit to~~  
129 ~~a qualified applicant pursuant to the provisions of this chapter~~  
130 ~~as for the issuance of an initial permit. However, the~~  
131 ~~provisions of this chapter relating to referendum requirements~~  
132 ~~for a pari-mutuel permit shall not apply to the reissuance of an~~  
133 ~~escheated harness horse permit. As specified in the application~~  
134 ~~and upon approval by the division of an application for the~~  
135 ~~permit, the new permitholder shall be authorized to operate a~~  
136 ~~harness horse facility anywhere in the same county in which the~~  
137 ~~escheated permit was authorized to be operated, notwithstanding~~  
138 ~~the provisions of s. 550.054(2) relating to mileage limitations.~~

139 ~~(4) In the event that a court of competent jurisdiction~~  
140 ~~determines any of the provisions of this section to be~~

141 ~~unconstitutional, it is the intent of the Legislature that the~~  
 142 ~~provisions contained in this section shall be null and void and~~  
 143 ~~that the provisions of s. 550.0951 shall apply to all harness~~  
 144 ~~horse permit holders beginning on the date of such judicial~~  
 145 ~~determination. To this end, the Legislature declares that it~~  
 146 ~~would not have enacted any of the provisions of this section~~  
 147 ~~individually and, to that end, expressly finds them not to be~~  
 148 ~~severable.~~

149 Section 4. Subsections (3), (4), (5), (6), and (7) of  
 150 section 550.09515, Florida Statutes, are amended to read:

151 550.09515 Thoroughbred horse taxes; abandoned interest in  
 152 a permit for nonpayment of taxes.—

153 ~~(3)(a) The permit of a thoroughbred horse permit holder who~~  
 154 ~~does not pay tax on handle for live thoroughbred horse~~  
 155 ~~performances for a full schedule of live races during any 2~~  
 156 ~~consecutive state fiscal years shall be void and shall escheat~~  
 157 ~~to and become the property of the state unless such failure to~~  
 158 ~~operate and pay tax on handle was the direct result of fire,~~  
 159 ~~strike, war, or other disaster or event beyond the ability of~~  
 160 ~~the permit holder to control. Financial hardship to the~~  
 161 ~~permit holder shall not, in and of itself, constitute just cause~~  
 162 ~~for failure to operate and pay tax on handle.~~

163 ~~(b) In order to maximize the tax revenues to the state,~~  
 164 ~~the division shall reissue an escheated thoroughbred horse~~  
 165 ~~permit to a qualified applicant pursuant to the provisions of~~  
 166 ~~this chapter as for the issuance of an initial permit. However,~~  
 167 ~~the provisions of this chapter relating to referendum~~  
 168 ~~requirements for a pari-mutuel permit shall not apply to the~~

HB 1169

2012

169 ~~reissuance of an escheated thoroughbred horse permit. As~~  
170 ~~specified in the application and upon approval by the division~~  
171 ~~of an application for the permit, the new permit holder shall be~~  
172 ~~authorized to operate a thoroughbred horse facility anywhere in~~  
173 ~~the same county in which the escheated permit was authorized to~~  
174 ~~be operated, notwithstanding the provisions of s. 550.054(2)~~  
175 ~~relating to mileage limitations.~~

176 ~~(4) In the event that a court of competent jurisdiction~~  
177 ~~determines any of the provisions of this section to be~~  
178 ~~unconstitutional, it is the intent of the Legislature that the~~  
179 ~~provisions contained in this section shall be null and void and~~  
180 ~~that the provisions of s. 550.0951 shall apply to all~~  
181 ~~thoroughbred horse permit holders beginning on the date of such~~  
182 ~~judicial determination. To this end, the Legislature declares~~  
183 ~~that it would not have enacted any of the provisions of this~~  
184 ~~section individually and, to that end, expressly finds them not~~  
185 ~~to be severable.~~

186 (3)~~(5)~~ Notwithstanding the provisions of s.  
187 550.0951(3)(c), the tax on handle for intertrack wagering on  
188 rebroadcasts of simulcast horseraces is 2.4 percent of the  
189 handle; provided however, that if the guest track is a  
190 thoroughbred track located more than 35 miles from the host  
191 track, the host track shall pay a tax of .5 percent of the  
192 handle, and additionally the host track shall pay to the guest  
193 track 1.9 percent of the handle to be used by the guest track  
194 solely for purses. The tax shall be deposited into the Pari-  
195 mutuel Wagering Trust Fund.

196 (4)~~(6)~~ A credit equal to the amount of contributions made

197 by a thoroughbred permitholder during the taxable year directly  
 198 to the Jockeys' Guild or its health and welfare fund to be used  
 199 to provide health and welfare benefits for active, disabled, and  
 200 retired Florida jockeys and their dependents pursuant to  
 201 reasonable rules of eligibility established by the Jockeys'  
 202 Guild is allowed against taxes on live handle due for a taxable  
 203 year under this section. A thoroughbred permitholder may not  
 204 receive a credit greater than an amount equal to 1 percent of  
 205 its paid taxes for the previous taxable year.

206 ~~(7) If a thoroughbred permitholder fails to operate all~~  
 207 ~~performances on its 2001-2002 license, failure to pay tax on~~  
 208 ~~handle for a full schedule of live races for those performances~~  
 209 ~~in the 2001-2002 fiscal year does not constitute failure to pay~~  
 210 ~~taxes on handle for a full schedule of live races in a fiscal~~  
 211 ~~year for the purposes of subsection (3). This subsection may not~~  
 212 ~~be construed as forgiving a thoroughbred permitholder from~~  
 213 ~~paying taxes on performances conducted at its facility pursuant~~  
 214 ~~to its 2001-2002 license other than for failure to operate all~~  
 215 ~~performances on its 2001-2002 license. This subsection expires~~  
 216 ~~July 1, 2003.~~

217 Section 5. Subsection (3) of section 550.3345, Florida  
 218 Statutes, is amended to read:

219 550.3345 Conversion of quarter horse permit to a limited  
 220 thoroughbred permit.—

221 (3) Unless otherwise provided in this section, after  
 222 conversion, the permit and the not-for-profit corporation shall  
 223 be treated under the laws of this state as a thoroughbred permit  
 224 and as a thoroughbred permitholder, respectively, ~~with the~~



HB 1169

2012

225 ~~exception of s. 550.09515(3).~~ However, a full schedule of live  
 226 racing for a not-for-profit thoroughbred permitholder is five  
 227 live regular wagering performances.

228 Section 6. Subsection (2) of section 550.375, Florida  
 229 Statutes, is amended, and present subsections (3) through (6) of  
 230 that section are renumbered as subsections (2) through (5),  
 231 respectively, to read:

232 550.375 Operation of certain harness tracks.—

233 ~~(2) Any permittee or licensee authorized under this~~  
 234 ~~section to transfer the location of its permit may conduct~~  
 235 ~~harness racing only between the hours of 7 p.m. and 2 a.m. A~~  
 236 ~~permit so transferred applies only to the locations provided in~~  
 237 ~~this section. The provisions of this chapter which prohibit the~~  
 238 ~~location and operation of a licensed harness track permittee and~~  
 239 ~~licensee within 100 air miles of the location of a racetrack~~  
 240 ~~authorized to conduct racing under this chapter and which~~  
 241 ~~prohibit the division from granting any permit to a harness~~  
 242 ~~track at a location in the area in which there are three horse~~  
 243 ~~tracks located within 100 air miles thereof do not apply to a~~  
 244 ~~licensed harness track that is required by the terms of this~~  
 245 ~~section to race between the hours of 7 p.m. and 2 a.m.~~

246 Section 7. Subsection (2) of section 550.5251, Florida  
 247 Statutes, is amended to read:

248 550.5251 Florida thoroughbred racing; certain permits;  
 249 operating days.—

250 (2) ~~A thoroughbred racing permitholder may not begin any~~  
 251 ~~race later than 7 p.m.~~ Any thoroughbred permitholder in a county  
 252 in which the authority for cardrooms has been approved by the

253 board of county commissioners may operate a cardroom and, when  
 254 conducting live races during its current race meet, may receive  
 255 and rebroadcast out-of-state races ~~after the hour of 7 p.m. on~~  
 256 ~~any day during which the permitholder conducts live races.~~

257 Section 8. Section 550.6308, Florida Statutes, is amended  
 258 to read:

259 550.6308 Limited intertrack wagering license.—In  
 260 recognition of the economic importance of the thoroughbred  
 261 breeding industry to this state, its positive impact on tourism,  
 262 and of the importance of a permanent thoroughbred sales facility  
 263 as a key focal point for the activities of the industry, a  
 264 limited license to conduct intertrack wagering is established to  
 265 ensure the continued viability and public interest in  
 266 thoroughbred breeding in Florida.

267 (1) Upon application to the division on or before January  
 268 31 of each year, any person that is licensed to conduct public  
 269 sales of thoroughbred horses pursuant to s. 535.01, that has  
 270 conducted at least 8 ~~15~~ days of thoroughbred horse sales at a  
 271 permanent sales facility in this state ~~for at least 3~~  
 272 ~~consecutive years, and that has conducted at least 1 day of~~  
 273 ~~nonwagering thoroughbred racing in this state, with a purse~~  
 274 ~~structure of at least \$250,000 per year for 2 consecutive years~~  
 275 ~~before such application,~~ shall be issued a license, subject to  
 276 the conditions set forth in this section, to conduct intertrack  
 277 wagering at such a permanent sales facility during the following  
 278 periods:

- 279 (a) Up to 21 days in connection with thoroughbred sales;
- 280 (b) Between November 1 and May 8;

HB 1169

2012

281 (c) Between May 9 and October 31 at such times and on such  
 282 days as any thoroughbred, jai alai, or a greyhound permitholder  
 283 in the same county is not conducting live performances; provided  
 284 that any such permitholder may waive this requirement, in whole  
 285 or in part, and allow the licensee under this section to conduct  
 286 intertrack wagering during one or more of the permitholder's  
 287 live performances; and

288 (d) During the weekend of the Kentucky Derby, the  
 289 Preakness, the Belmont, and a Breeders' Cup Meet that is  
 290 conducted before November 1 and after May 8.

291  
 292 ~~No more than one such license may be issued, and no such license~~  
 293 ~~may be issued for a facility located within 50 miles of any~~  
 294 ~~thoroughbred permitholder's track.~~

295 ~~(2) If more than one application is submitted for such~~  
 296 ~~license, the division shall determine which applicant shall be~~  
 297 ~~granted the license. In making its determination, the division~~  
 298 ~~shall grant the license to the applicant demonstrating superior~~  
 299 ~~capabilities, as measured by the length of time the applicant~~  
 300 ~~has been conducting thoroughbred sales within this state or~~  
 301 ~~elsewhere, the applicant's total volume of thoroughbred horse~~  
 302 ~~sales, within this state or elsewhere, the length of time the~~  
 303 ~~applicant has maintained a permanent thoroughbred sales facility~~  
 304 ~~in this state, and the quality of the facility.~~

305 (2)~~(3)~~ The applicant must comply with the provisions of  
 306 ss. 550.125 and 550.1815.

307 (3)~~(4)~~ Intertrack wagering under this section may be  
 308 conducted only on thoroughbred horse racing, except that

HB 1169

2012

309 intertrack wagering may be conducted on any class of pari-mutuel  
 310 race or game conducted by any class of permitholders licensed  
 311 under this chapter if all thoroughbred, jai alai, and greyhound  
 312 permitholders in the same county as the licensee under this  
 313 section give their consent.

314 (4)~~(5)~~ The licensee shall be considered a guest track  
 315 under this chapter. The licensee shall pay 2.5 percent of the  
 316 total contributions to the daily pari-mutuel pool on wagers  
 317 accepted at the licensee's facility on greyhound races or jai  
 318 alai games to the thoroughbred permitholder that is conducting  
 319 live races for purses to be paid during its current racing meet.  
 320 If more than one thoroughbred permitholder is conducting live  
 321 races on a day during which the licensee is conducting  
 322 intertrack wagering on greyhound races or jai alai games, the  
 323 licensee shall allocate these funds between the operating  
 324 thoroughbred permitholders on a pro rata basis based on the  
 325 total live handle at the operating permitholders' facilities.

326 Section 9. Paragraph (b) of subsection (5) of section  
 327 849.086, Florida Statutes, is amended to read:

328 849.086 Cardrooms authorized.—

329 (5) LICENSE REQUIRED; APPLICATION; FEES.—No person may  
 330 operate a cardroom in this state unless such person holds a  
 331 valid cardroom license issued pursuant to this section.

332 (b) After the initial cardroom license is granted, the  
 333 application for the annual license renewal shall be made in  
 334 conjunction with the applicant's annual application for its  
 335 pari-mutuel license. ~~If a permitholder has operated a cardroom~~  
 336 ~~during any of the 3 previous fiscal years and fails to include a~~

337 ~~renewal request for the operation of the cardroom in its annual~~  
 338 ~~application for license renewal, the permitholder may amend its~~  
 339 ~~annual application to include operation of the cardroom. In~~  
 340 order for a cardroom license to be renewed the applicant must  
 341 have requested, as part of its pari-mutuel annual license  
 342 application, to conduct at least 80 ~~90~~ percent of the total  
 343 number of live performances conducted by such permitholder  
 344 during ~~either the state fiscal year in which its initial~~  
 345 ~~cardroom license was issued or~~ the state fiscal year immediately  
 346 prior thereto and conduct no less than if the permitholder ran  
 347 ~~at least a full schedule of live racing or games in the prior~~  
 348 ~~year. If the application is for a harness permitholder cardroom,~~  
 349 ~~the applicant must have requested authorization to conduct a~~  
 350 ~~minimum of 140 live performances during the state fiscal year~~  
 351 ~~immediately prior thereto. If more than one permitholder is~~  
 352 ~~operating at a facility, each permitholder must have applied for~~  
 353 ~~a license to conduct a full schedule of live racing.~~

354 Section 10. Conversion of quarter horse permit to a  
 355 thoroughbred permit; reissuance of quarter horse permit.-

356 (1) In recognition of the important and long-standing  
 357 economic contribution of the thoroughbred horse breeding  
 358 industry to this state and the state's vested interest in  
 359 promoting the continued viability of this agricultural activity,  
 360 the Legislature intends to provide a limited opportunity for the  
 361 conversion of a quarter horse pari-mutuel permit to a permit  
 362 authorizing the conducting of live thoroughbred horse racing.

363 (2) Notwithstanding any other provision of law, the holder  
 364 of both a quarter horse racing permit and a license to conduct

HB 1169

2012

365 quarter horse racing issued under chapter 550, Florida Statutes,  
366 may, by January 1, 2013, apply to the Division of Pari-mutuel  
367 Wagering of the Department of Business and Professional  
368 Regulation to convert the quarter horse racing permit to a  
369 permit authorizing the holder to conduct pari-mutuel wagering  
370 meets of thoroughbred racing. The conversion to a thoroughbred  
371 pari-mutuel permit is not subject to the mileage limitation or  
372 the ratification election as set forth under s. 550.054(2) or s.  
373 550.0651, Florida Statutes. Upon receipt of the request for such  
374 conversion, the division shall timely issue a converted permit.

375 (3) Racing under the permit may take place only at the  
376 location for which the original quarter horse racing permit was  
377 issued and is subject to all other laws and rules governing  
378 thoroughbred racing.

379 (4) The permitholder converting its quarter horse permit  
380 may also apply for and receive another quarter horse pari-mutuel  
381 permit for the same location, notwithstanding any contrary  
382 provision of law. Upon issuance by the division of this quarter  
383 horse permit, such permit is subject to all laws and rules  
384 governing quarter horse racing.

385 (5) This section expires July 1, 2013.

386 Section 11. This act shall take effect July 1, 2012.