

By Senator Latvala

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

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30 with a certain purse amount be conducted for 2
31 consecutive years at the permanent sales facility in
32 order to qualify for licensure; removing a provision
33 allowing only one such license to be issued and
34 prohibiting licenses from being issued within a
35 specified proximity of a thoroughbred permitholder's
36 track; removing provisions governing the selection of
37 a single licensee; amending s. 849.086, F.S.; removing
38 a 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:

57
58 Section 1. Subsection (11) of section 550.002, Florida

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59 Statutes, is amended to read:

60 550.002 Definitions.—As used in this chapter, the term:

61 (11) "Full schedule of live racing or games" means, for a
62 greyhound or jai alai permitholder, the conduct of a combination
63 of at least 100 live evening or matinee performances during the
64 preceding year; for a permitholder who has a converted permit or
65 filed an application on or before June 1, 1990, for a converted
66 permit, the conduct of a combination of at least 100 live
67 evening and matinee wagering performances during either of the 2
68 preceding years; for a jai alai permitholder who does not
69 operate slot machines in its pari-mutuel facility, who has
70 conducted at least 100 live performances per year for at least
71 10 years after December 31, 1992, and whose handle on live jai
72 alai games conducted at its pari-mutuel facility has been less
73 than \$4 million per state fiscal year for at least 2 consecutive
74 years after June 30, 1992, the conduct of a combination of at
75 least 40 live evening or matinee performances during the
76 preceding year; for a jai alai permitholder who operates slot
77 machines in its pari-mutuel facility, the conduct of a
78 combination of at least 150 performances during the preceding
79 year; for a harness permitholder, the conduct of at least 100
80 live regular wagering performances during the preceding year;
81 for a quarter horse permitholder at its facility unless an
82 alternative schedule of at least 20 live regular wagering
83 performances is agreed upon by the permitholder and either the
84 Florida Quarter Horse Racing Association or the horsemen's
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

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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 three performances each
109 week at the permitholder's licensed facility under a single
110 admission charge during the months of June through September.
111 For the months of October through May, a minimum of four
112 performances each week are required. For the purpose of this
113 subsection, the calculation of a week is the period beginning at
114 12 a.m. Monday and ending at 11:59 p.m. Sunday.

115 Section 2. Section 550.0745, Florida Statutes, is repealed.

116 Section 3. Subsections (3) and (4) of section 550.09512,

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117 Florida Statutes, are amended to read:

118 550.09512 Harness horse taxes; abandoned interest in a
119 permit for nonpayment of taxes.-

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

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

142 ~~(4) In the event that a court of competent jurisdiction~~
143 ~~determines any of the provisions of this section to be~~
144 ~~unconstitutional, it is the intent of the Legislature that the~~
145 ~~provisions contained in this section shall be null and void and~~

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146 ~~that the provisions of s. 550.0951 shall apply to all harness~~
147 ~~horse permitholders beginning on the date of such judicial~~
148 ~~determination. To this end, the Legislature declares that it~~
149 ~~would not have enacted any of the provisions of this section~~
150 ~~individually and, to that end, expressly finds them not to be~~
151 ~~severable.~~

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

154 550.09515 Thoroughbred horse taxes; abandoned interest in a
155 permit for nonpayment of taxes.-

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

166 ~~(b) In order to maximize the tax revenues to the state, the~~
167 ~~division shall reissue an escheated thoroughbred horse permit to~~
168 ~~a qualified applicant pursuant to the provisions of this chapter~~
169 ~~as for the issuance of an initial permit. However, the~~
170 ~~provisions of this chapter relating to referendum requirements~~
171 ~~for a pari-mutuel permit shall not apply to the reissuance of an~~
172 ~~escheated thoroughbred horse permit. As specified in the~~
173 ~~application and upon approval by the division of an application~~
174 ~~for the permit, the new permitholder shall be authorized to~~

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175 ~~operate a thoroughbred horse facility anywhere in the same~~
176 ~~county in which the escheated permit was authorized to be~~
177 ~~operated, notwithstanding the provisions of s. 550.054(2)~~
178 ~~relating to mileage limitations.~~

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

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

198 ~~(4)~~(6) A credit equal to the amount of contributions made
199 by a thoroughbred permitholder during the taxable year directly
200 to the Jockeys' Guild or its health and welfare fund to be used
201 to provide health and welfare benefits for active, disabled, and
202 retired Florida jockeys and their dependents pursuant to
203 reasonable rules of eligibility established by the Jockeys'

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204 Guild is allowed against taxes on live handle due for a taxable
205 year under this section. A thoroughbred permitholder may not
206 receive a credit greater than an amount equal to 1 percent of
207 its paid taxes for the previous taxable year.

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

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

221 550.3345 Conversion of quarter horse permit to a limited
222 thoroughbred permit.—

223 (3) Unless otherwise provided in this section, after
224 conversion, the permit and the not-for-profit corporation shall
225 be treated under the laws of this state as a thoroughbred permit
226 and as a thoroughbred permitholder, respectively, ~~with the~~
227 exception of s. 550.09515(3). However, a full schedule of live
228 racing for a not-for-profit thoroughbred permitholder is five
229 live regular wagering performances.

230 Section 6. Subsection (2) of section 550.375, Florida
231 Statutes, is amended, and present subsections (3) through (6) of
232 that section are renumbered as subsections (2) through (5),

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233 respectively, to read:

234 550.375 Operation of certain harness tracks.—

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

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

250 550.5251 Florida thoroughbred racing; certain permits;
251 operating days.—

252 ~~(2) A thoroughbred racing permitholder may not begin any~~
253 ~~race later than 7 p.m. Any thoroughbred permitholder in a county~~
254 ~~in which the authority for cardrooms has been approved by the~~
255 ~~board of county commissioners may operate a cardroom and, when~~
256 ~~conducting live races during its current race meet, may receive~~
257 ~~and rebroadcast out-of-state races after the hour of 7 p.m. on~~
258 ~~any day during which the permitholder conducts live races.~~

259 Section 8. Section 550.6308, Florida Statutes, is amended
260 to read:

261 550.6308 Limited intertrack wagering license.—In

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

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

281 (a) Up to 21 days in connection with thoroughbred sales;

282 (b) Between November 1 and May 8;

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

290 (d) During the weekend of the Kentucky Derby, the

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291 Preakness, the Belmont, and a Breeders' Cup Meet that is
292 conducted before November 1 and after May 8.

293

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

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

307 (2)~~(3)~~ The applicant must comply with the provisions of ss.
308 550.125 and 550.1815.

309 (3)~~(4)~~ Intertrack wagering under this section may be
310 conducted only on thoroughbred horse racing, except that
311 intertrack wagering may be conducted on any class of pari-mutuel
312 race or game conducted by any class of permitholders licensed
313 under this chapter if all thoroughbred, jai alai, and greyhound
314 permitholders in the same county as the licensee under this
315 section give their consent.

316 (4)~~(5)~~ The licensee shall be considered a guest track under
317 this chapter. The licensee shall pay 2.5 percent of the total
318 contributions to the daily pari-mutuel pool on wagers accepted
319 at the licensee's facility on greyhound races or jai alai games

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320 to the thoroughbred permitholder that is conducting live races
321 for purses to be paid during its current racing meet. If more
322 than one thoroughbred permitholder is conducting live races on a
323 day during which the licensee is conducting intertrack wagering
324 on greyhound races or jai alai games, the licensee shall
325 allocate these funds between the operating thoroughbred
326 permitholders on a pro rata basis based on the total live handle
327 at the operating permitholders' facilities.

328 Section 9. Paragraph (b) of subsection (5) of section
329 849.086, Florida Statutes, is amended to read:

330 849.086 Cardrooms authorized.—

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

334 (b) After the initial cardroom license is granted, the
335 application for the annual license renewal shall be made in
336 conjunction with the applicant's annual application for its
337 pari-mutuel license. ~~If a permitholder has operated a cardroom
338 during any of the 3 previous fiscal years and fails to include a
339 renewal request for the operation of the cardroom in its annual
340 application for license renewal, the permitholder may amend its
341 annual application to include operation of the cardroom.~~ In
342 order for a cardroom license to be renewed the applicant must
343 have requested, as part of its pari-mutuel annual license
344 application, to conduct at least 80 ~~90~~ percent of the total
345 number of live performances conducted by such permitholder
346 during ~~either the state fiscal year in which its initial
347 cardroom license was issued or the state fiscal year immediately
348 prior thereto~~ and conduct no less than ~~if the permitholder ran~~

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349 ~~at least a full schedule of live racing or games in the prior~~
350 ~~year. If the application is for a harness permitholder cardroom,~~
351 ~~the applicant must have requested authorization to conduct a~~
352 ~~minimum of 140 live performances during the state fiscal year~~
353 ~~immediately prior thereto. If more than one permitholder is~~
354 ~~operating at a facility, each permitholder must have applied for~~
355 ~~a license to conduct a full schedule of live racing.~~

356 Section 10. Conversion of quarter horse permit to a
357 thoroughbred permit; reissuance of quarter horse permit.-

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

365 (2) Notwithstanding any other provision of law, the holder
366 of both a quarter horse racing permit and a license to conduct
367 quarter horse racing issued under chapter 550, Florida Statutes,
368 may, by January 1, 2013, apply to the Division of Pari-mutuel
369 Wagering of the Department of Business and Professional
370 Regulation to convert the quarter horse racing permit to a
371 permit authorizing the holder to conduct pari-mutuel wagering
372 meets of thoroughbred racing. The conversion to a thoroughbred
373 pari-mutuel permit is not subject to the mileage limitation or
374 the ratification election as set forth under s. 550.054(2) or s.
375 550.0651, Florida Statutes. Upon receipt of the request for such
376 conversion, the division shall timely issue a converted permit.

377 (3) Racing under the permit may take place only at the

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378 location for which the original quarter horse racing permit was
379 issued and is subject to all other laws and rules governing
380 thoroughbred racing.

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

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

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