

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Fiscal Policy

BILL: CS/SB 2

INTRODUCER: Fiscal Policy Committee and Senator Sobel and others

SUBJECT: Greyhound Racing Injuries

DATE: February 20, 2015

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Kraemer</u>	<u>Imhof</u>	<u>RI</u>	Favorable
2.	<u>Jones</u>	<u>Hrdlicka</u>	<u>FP</u>	Fav/CS

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 2 requires all injuries to racing greyhounds that occur in Florida be reported to the Division of Pari-mutuel Wagering (division) in the Department of Business and Professional Regulation (department). The division must adopt a form to report the injuries. If an injury to a racing greyhound occurs at a racetrack facility the racetrack veterinarian must report the injury. If an injury occurs at a location other than a racetrack, or during transportation, then the racing greyhound owner, trainer or kennel operator who has knowledge of the injury must report the injury. The form is to be completed and signed under oath or affirmation, under penalty of perjury, by the reporting person.

The injury must be reported within 7 days after the date the injury occurred or is believed to have occurred. The injury reports are public records that the division must maintain for at least 7 years. Licensees of the department who knowingly make a false statement concerning an injury or fail to report an injury are subject to disciplinary action under ch. 550, F.S., or chs. 455 and 474 F.S. The bill does not apply to injuries to a service animal, personal pet, or greyhound that has been adopted as a pet.

The fiscal impact of this bill for FY 2015-16 is one additional FTE and \$57,132 in recurring funds and \$5,385 in nonrecurring funds from the Pari-mutuel Wagering Trust Fund.

II. Present Situation:

According to Grey2K USA Worldwide, seven states have live greyhound racing. Those states are Alabama, Arizona, Arkansas, Florida, Iowa, Texas, and West Virginia.¹ Racing greyhounds are greyhounds that are registered with the National Greyhound Association and used in racing at a pari-mutuel facility, or have been used, bred, raised, or trained to be used for such racing.² Florida is the leader in greyhound racing in the United States.³

Regulation by Division of Pari-mutuel Wagering

Greyhound racing is regulated by the Division of Pari-mutuel Wagering (division) in the Department of Business and Professional Regulation (department).⁴ The division has regulatory oversight of permitted and licensed pari-mutuel wagering facilities, cardrooms located at pari-mutuel facilities, and slot machines at pari-mutuel facilities located in Miami-Dade and Broward counties.⁵

The division issues permits for pari-mutuel facilities and any person, persons, or entity with a permit is known as a “permitholder.”⁶ To conduct pari-mutuel operations a permitholder must apply for an annual operating license specifying the number, dates, and starting times of all performances to be conducted.⁷ A “performance” is defined as a series of events, races, or games performed consecutively under a single admission charge.⁸ Specifically, eight or more consecutive live races or games is considered a performance and at least three live performances must be held at the permitholder’s licensed facility each week. A greyhound permitholder must have conducted at least 100 live performances during the preceding year.⁹

If a permitholder does not conduct all of the performances specified in its operating license, the division must hold a hearing to determine whether to fine or suspend¹⁰ the permitholder’s license.¹¹ Currently, there are 19 greyhound racing permitholders with operating licenses.¹²

¹ Grey2K USA Worldwide, *Take Action: State by State*, available at <http://www.grey2kusa.org/action/states.html> (last visited Feb. 9, 2015). Grey2K USA Worldwide is a national organization that focuses on racing greyhound protection.

² Section 550.002(29), F.S.

³ Department of Business & Professional Regulation, *Division of Pari-Mutuel Wagering 83rd Annual Report Fiscal Year 2013-2014*, p. 25, available at <http://www.myfloridalicense.com/dbpr/pmw/documents/AnnualReports/AnnualReport-2013-2014--83rd--20150114.pdf>

(last visited Feb. 9, 2015).

⁴ Section 550.0251, F.S.

⁵ See the Division of Pari-mutuel Wagering available at <http://www.myfloridalicense.com/dbpr/pmw/index.html> (last visited Feb. 9, 2015).

⁶ Rule 61D-2.001(10), F.A.C.

⁷ Sections 550.0115 and 550.01215(1), F.S.

⁸ Section 550.002(25), F.S.

⁹ Section 550.002(11), F.S. The performances may be during the day or in the evenings.

¹⁰ After Jefferson County Kennel Club failed to conduct scheduled performances, its operating license was suspended on September 22, 2014 under a consent order. http://www.myfloridalicense.com/dbpr/pmw/documents/Licenses/PMW--ConsentOrder--JEFFERSON_COUNTY_KENNEL_CLUB_INC--146--2014-09-23--20141023.pdf (last visited Feb. 9, 2015).

¹¹ Section 550.01215(4), F.S. The division will not fine or suspend the permitholder’s license if the failure is due to fire, strike, war, or other disaster or event beyond the ability of the permitholder’s control.

¹² Division of Pari-mutuel Wagering, Current Permitholders, (as of Oct. 23, 2014), available at <http://www.myfloridalicense.com/dbpr/pmw/documents/CurrentPermitholdersList.pdf> (last visited Feb. 9, 2015).

Greyhound Care

The division is authorized to supervise and regulate the welfare of racing animals at pari-mutuel facilities.¹³ In 2013 the division promulgated Rule 61D-2.023, F.A.C., which provides specific guidelines to ensure the health, safety, welfare of racing animals. For example, the rule specifies that only one greyhound can be housed in each crate within the kennel and that the crates must be sanitized daily.¹⁴ Greyhound trainers of record are responsible for physically inspecting the greyhounds in their care for sores, cuts, abrasions, muzzle burns, and fleas and ticks.¹⁵ The rule also requires the division to be notified within 18 hours of the death of a racing greyhound that occurred on the grounds of a greyhound track or kennel compound. The division may conduct a postmortem examination of an animal injured at a permitted racetrack that later dies or is euthanized.¹⁶

Of the seven states that have live greyhound racing, only Florida and Alabama do not require the reporting of injuries to racing greyhounds.¹⁷ Some greyhound racetracks in Florida do maintain injury records, however the contents of those reports vary.¹⁸ For example, the information provided in a 2011 Daytona Beach Kennel Club injury report (due no later than 24 hours after an injury occurs) includes:

- Injury type (e.g., fracture, dislocation, sprain, muscle tear/sore, laceration/cut);
- Area injured (e.g., left hind leg) and bone/joint injured (e.g., toe, shoulder);
- Treatment (e.g., x-rays, surgery, splint, rest, euthanized); and
- Location where injury occurred (e.g. track, kennel building).¹⁹

To contrast, the information provided in 2011 Flagler Greyhound Track report required a brief description of the injury, the location of where the injury occurred on the track, and whether the track was wet or dry.²⁰

Racing greyhounds are prone to stress fractures in their paws.²¹ Specifically, young or unfit dogs that start racing prematurely can be predisposed to these stress fractures.²² Fractures of the accessory carpal bone in the paw of a racing greyhound are also relatively common due to the

¹³ Section 550.0251(11), F.S.

¹⁴ Rule 61D-2.023(3), F.A.C.

¹⁵ Rule 61D-2.023(6), F.A.C.

¹⁶ Section 550.2415(9)(a), F.S., also provides that postmortem examinations may also be made of any animal that dies while housed at a permitted racetrack, association compound, or licensed kennel or farm.

¹⁷ Grey2K USA Worldwide, *Greyhound Injury Reporting (Senate Bill 2 and House Bill 129)*, available at <http://www.grey2kusa.org/pdf/FLInjury.pdf> (last visited Feb. 9, 2015).

¹⁸ Grey2K USA Worldwide, *Greyhound Racing in Florida (December 2011)*, p. 8, available at <http://www.grey2kusa.org/pdf/FLreport.pdf> (last visited Feb. 9, 2015).

¹⁹ *Id.* at page 30.

²⁰ *Id.* at pages 31-34.

²¹ Benjamin G. J. Wernham, BVSc and James K. Roush, DVM, MS, DACVS, *Metacarpal and Metatarsal Fractures in Dogs*, Compendium: Continuing Education for Veterinarians®, Vetlearn.com, (March 2010), available at https://s3.amazonaws.com/assets.prod.vetlearn.com/mmah/5f/e8eac1e38940cb8b9aab8e862fa06a/filePV0310_wernham_CE.pdf (last visited Feb. 10, 2015).

²² *Id.*

stresses of racing.²³ The injury, which more commonly affects the right leg, is due to hyperextension of the carpus (the ‘wrist’ of the leg) at speed.²⁴

According to Grey2K USA Worldwide, injury reporting leads to fewer greyhound deaths. For data collected by the organization about Massachusetts, the organization found that “the number of dogs euthanized declined by 43% in the first year after passage of an injury reporting bill. By the sixth year, the number of greyhounds euthanized had dropped by 88%.”²⁵

III. Effect of Proposed Changes:

CS/SB 2 requires all injuries to racing greyhounds that occur in Florida be reported to the division within 7 days after the injury occurred or is believed to have occurred. The division must adopt a form to report the injuries. The form is to be completed and signed under oath or affirmation, under penalty of perjury,²⁶ by the:

- Racetrack veterinarian, if the injury occurred at the racetrack facility; or
- Owner, trainer or kennel operator with knowledge of the injury, if the injury occurred at a location other than the racetrack facility, including during transportation.

The form must include:

- The greyhound’s registered name, right-ear and left-ear tattoo numbers, and, if any, the microchip manufacturer and number;
- The name, business address, and telephone number of the greyhound owner, trainer, and kennel operator;
- The color, weight, and sex of the greyhound; and
- The specific type and bodily location of the injury, the cause of the injury, and the estimated recovery time from the injury.

If the injury occurs when the greyhound was racing, form must also include:

- The racetrack where the injury occurred;
- The distance, grade, race, and post position of the greyhound when the injury occurred; and
- The weather conditions, time, and track conditions when the injury occurred.

If the injury occurs when the greyhound is not racing, the form must include the location where the injury occurred and the circumstances surrounding the injury. The form can also include any other information that the division determines necessary to identify injuries to racing greyhounds in Florida.

²³ See University of Pennsylvania School of Veterinary Medicine Computer Aided Learning Program course supplement, *Chapter 35: Fractures and Dislocations Associated with the Racing Greyhound*, available at http://cal.vet.upenn.edu/projects/saortho/chapter_35/35mast.htm (last visited Feb. 10, 2015).

²⁴ *Id.*

²⁵ Grey2K USA Worldwide, *Greyhound Injury Reporting (Senate Bill 2 and House Bill 129)*, available at <http://www.grey2kusa.org/pdf/FLInjury.pdf> (last visited Feb. 9, 2015).

²⁶ Section 837.012, F.S., provides that makers of false statements under oath in regard to any material matter (such as those made in an injury reporting form) which he or she does not believe to be true, are guilty of a first degree misdemeanor and may be sentenced to a term of imprisonment up to one year and required to pay a fine not to exceed \$1,000).

The injury form is a public record that the division must maintain for at least 7 years after the date it was received.

The bill authorizes the division to adopt rules relating to the reporting of injuries to racing greyhounds.

The form is to be completed and signed under oath or affirmation, under penalty of perjury. A licensee of the department who knowingly makes a false statement concerning an injury or fails to report an injury is subject to disciplinary action under ch. 550, F.S. (Pari-mutuel Wagering), or ch. 455, F.S. (Business and Professional Regulation: General Provisions) and ch. 474, F.S. (Veterinary Medical Practice).²⁷

The bill does not apply to injuries to a service animal, personal pet, or greyhound that has been adopted as a pet.

The bill provides an appropriation to the DBPR for FY 2015-16 of one additional FTE and \$57,132 in recurring funds and \$5,385 in nonrecurring funds from the Pari-mutuel Wagering Trust Fund.

The bill provides for an effective date of July 1, 2015.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

²⁷ Disciplinary actions under ch. 550, F.S., include suspension or revocation of any permit or license and a civil penalty not to exceed \$1,000 for each separate offense or count. s. 550.054(9)(b), F.S. Disciplinary actions under ch. 455, F.S., include refusal to certify an application for a license, suspension or permanent revocation of a license, issuance of a reprimand, placement of a licensee on probation, and a civil penalty not to exceed \$5,000 for each separate offense or count. s. 445.227, F.S. Additionally, under s. 455.2275, F.S., knowingly giving false information constitutes a third-degree felony. Disciplinary actions under ch. 474, F.S., include denial of licensure as a veterinarian, suspension or revocation of a license, issuance of a reprimand, placement of a licensee on probation, and a civil penalty not to exceed \$5,000 for each separate offense or count. s. 474.214, F.S.

B. Private Sector Impact:

Additional reporting will have an indeterminate impact on greyhound permit holders and operating racetracks. For example, if numerous injury reports are made for injuries occurring at a specific racetrack or kennel, actions could be taken to address the causes of the injuries, which may increase operational expenses for a greyhound permit holder or other licensee. Whereas, if transport of racing greyhounds results in numerous injuries, licensees may determine not to use the services of those haulers or drivers. Lastly, if the division determines that numerous injuries have occurred at a particular location, an investigation may be instituted.

C. Government Sector Impact:

The estimated FY 2015-16 state expenditures include one additional FTE and \$57,132 in recurring funds and \$5,385 in nonrecurring funds from the Pari-mutuel Wagering Trust Fund. According to the department, updates to the department's computer system, Versa: Regulation and OnBase, to add a new pseudo-license to track injured greyhounds and any other possible modifications to Versa: Online, will be made with existing department resources.

The department also estimates that it may see a minimal increase in revenues due to fees or fines.²⁸

VI. Technical Deficiencies:

None.

VII. Related Issues:

The bill authorizes the division to adopt rules relating to the reporting of injuries to racing greyhounds.

The bill does not define the term "injury," and with thousands of racing greyhounds in Florida, the division indicates that it may be difficult to enforce the provisions of the bill without a definition. The bill does permit the division to adopt rules to implement the bill.²⁹

VIII. Statutes Affected:

This bill creates section 550.2416 of the Florida Statutes.

²⁸ 2015 Department of Business and Professional Regulation Legislative Bill Analysis SB 2, January 15, 2015 (on file with Senate Committee on Regulated Industries).

²⁹ *Id.*

IX. Additional Information:

- A. **Committee Substitute – Statement of Substantial Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Fiscal Policy on February 19, 2015:

The CS provides an appropriation to the DBPR for FY 2015-16 of one additional FTE and \$57,132 in recurring funds and \$5,385 in nonrecurring funds from the Pari-mutuel Wagering Trust Fund.

- B. **Amendments:**

None.