

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 Regulated Industries

BILL: CS/SB 408

INTRODUCER: Regulated Industries Committee and Senator Burgess

SUBJECT: Thoroughbred Permitholders

DATE: April 1, 2025

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Baird	Imhof	RI	Fav/CS
2.			AEG	
3.			RC	

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 408 allows thoroughbred permitholders who operate a slot machine facility or cardroom to decouple from the live racing requirements after giving notice on or after July 1, 2028, which contains the date that live racing will end.

The live racing cannot end any earlier than 4 years after the date of the notice.

Additionally, the bill provides that the tax on handle for intertrack wagering is 0.5 percent if the host track and guest track are thoroughbred permitholders or if the guest track is located outside the market area of the host track and within the market area of a thoroughbred permitholder that conducted a full schedule of live racing the preceding fiscal year.

The bill provides that a thoroughbred permitholder, in order to continue to operate slot machines, must have on file with the Florida Gaming Control Commission (commission) a binding written agreement between the applicant and the Florida Horsemen's Benevolent and Protective Association, Inc., and with the Florida Thoroughbred Breeders' Association, Inc., until a thoroughbred permitholder is no longer conducting live racing pursuant to the new section of the bill.

Finally, the bill provides that thoroughbred permitholders are no longer required to conduct at least 90 percent of the live performances during the initial year of licensure. Further, this section provides that a thoroughbred permitholder, in order to continue to operate a cardroom facility,

must have on file with the commission a binding written agreement between the applicant and the Florida Horsemen's Benevolent and Protective Association, Inc., and with the Florida Thoroughbred Breeders' Association, Inc., until a thoroughbred permitholder is no longer conducting live racing pursuant to the new section of the bill.

The bill provides an effective date of July 1, 2025.

II. Present Situation:

Background

In general, gambling is illegal in Florida.¹ Chapter 849, F.S., prohibits keeping a gambling house,² running a lottery,³ or the manufacture, sale, lease, play, or possession of slot machines.⁴ However, the following gaming activities are authorized by law and regulated by the state:

- Pari-mutuel⁵ wagering at licensed greyhound and horse tracks and jai alai frontons;⁶
- Slot machine gaming at certain licensed pari-mutuel locations in Miami-Dade County and Broward County;⁷
- Cardrooms⁸ at certain pari-mutuel facilities;⁹
- The state lottery authorized by section 15 of Article X of the State Constitution and established under ch. 24, F.S.;¹⁰
- Skill-based amusement games and machines at specified locations as authorized by s. 546.10, F.S., the Family Amusement Games Act;¹¹ and

¹ See s. 849.08, F.S.

² See s. 849.01, F.S.

³ See s. 849.09, F.S.

⁴ See s. 849.16, F.S.

⁵ Section 550.002(22), F.S., defines "pari-mutuel" as "a system of betting on races or games in which the winners divide the total amount bet, after deducting management expenses and taxes, in proportion to the sums they have wagered individually and with regard to the odds assigned to particular outcomes.

⁶ See ch. 550, F.S., relating to the regulation of pari-mutuel activities.

⁷ See FLA. CONST., art. X, s. 23, and ch. 551, F.S.

⁸ Section 849.086(2)(c), F.S., defines "cardroom" to mean "a facility where authorized card games are played for money or anything of value and to which the public is invited to participate in such games and charged a fee for participation by the operator of such facility."

⁹ See Florida Gaming Control Commission, *Annual Report Fiscal Year 2022-2023* (Annual Report), at p. 15, at <https://flgaming.gov/pmaw/annual-reports/docs/2022-2023%20FGCC%20Annual%20Report.pdf> (last April 3, 2025), which states that of 29 licensed permitholders, 26 operated at a pari-mutuel facility.

¹⁰ Chapter 24, F.S., was enacted by ch. 87-65, Laws of Fla., to establish the state lottery; s. 24.102, F.S., states the legislative purpose and intent for the operations of the state lottery.

¹¹ See s. 546.10, F.S.

- The following activities, if conducted as authorized under ch. 849, F.S., relating to Gambling, under specific and limited conditions:
 - Penny-ante games;¹²
 - Bingo;¹³
 - Charitable drawings;¹⁴
 - Game promotions (sweepstakes);¹⁵ and
 - Bowling tournaments.¹⁶

A license to offer pari-mutuel wagering, slot machine gambling, or a cardroom at a pari-mutuel facility is a privilege granted by the state.¹⁷

The 1968 State Constitution states that “[l]otteries, other than the types of pari-mutuel pools authorized by law as of the effective date of this constitution . . .” are prohibited.¹⁸ A constitutional amendment approved by the voters in 1986 authorized state-operated lotteries. Net proceeds of the lottery are deposited to the Educational Enhancement Trust Fund (EETF) and appropriated by the Legislature. Lottery operations are self-supporting and function as an entrepreneurial business enterprise.¹⁹

Pari-mutuel Wagering

Since approximately 1931, pari-mutuel wagering has been authorized in Florida for jai alai, greyhound racing, and horseracing. These activities are overseen and regulated²⁰ by the Division of Pari-Mutuel Wagering (division) at the commission, which is housed within the Department of Legal Affairs, Office of the Attorney General.²¹

Pari-mutuel Wagering Permitting and Licensure

The Florida Pari-mutuel Wagering Act (act)²² provides specific permitting and licensing requirements for the pari-mutuel industry.²³ Permitholders apply for an operating license

¹² See s. 849.085, F.S.

¹³ See s. 849.0931, F.S.

¹⁴ See s. 849.0935, F.S.

¹⁵ Section 849.094, F.S., authorizes game promotions in connection with the sale of consumer products or services.

¹⁶ See s. 849.141, F.S.

¹⁷ Section 550.1625(1), F.S., “...legalized pari-mutuel betting at dog tracks is a privilege and is an operation that requires strict supervision and regulation in the best interests of the state.” See also, *Solimena v. State*, 402 So.2d 1240, 1247 (Fla. 3d DCA 1981), *review denied*, 412 So.2d 470, which states “Florida courts have consistently emphasized the special nature of legalized racing, describing it as a privilege rather than as a vested right,” citing *State ex rel. Mason v. Rose*, 122 Fla. 413, 165 So. 347 (1936).

¹⁸ The pari-mutuel pools that were authorized by law on the effective date of the State Constitution, as revised in 1968, include horseracing, greyhound racing, and jai alai games. The revision was ratified by the electorate on November 5, 1968.

¹⁹ The Department of the Lottery is authorized by s. 15, Art. X of the State Constitution. Chapter 24, F.S., was enacted by ch. 87-65, Laws of Fla., to establish the state lottery. Section 24.102, F.S., states the legislative purpose and intent for the operations of the state lottery.

²⁰ From 1932 to 1969, Florida’s pari-mutuel industry was regulated by the State Racing Commission. In 1970, the State Racing Commission became a division within the Department of Business Regulation, which, in 1993, became the Department of Business and Professional Regulation (DBPR).

²¹ See ss. 16.71-16.716, F.S.

²² See ch. 550, F.S.

²³ Section 550.054(1), F.S.

annually to conduct pari-mutuel wagering activities.²⁴ Certain permitholders are also authorized to operate cardrooms²⁵ and slot machines at their facility.²⁶

Currently, there are three pari-mutuel operating licenses that were issued for fiscal year 2024-2025 to conduct live thoroughbred racing performances. These licenses and their locations include:²⁷

- Gulfstream Park Racing Association Inc., which operates at Gulfstream Park in Broward County.
- Gulfstream Park Thoroughbred After Racing Program, Inc., which operates at Gulfstream Park in Broward County.
- Tampa Bay Downs, Inc., which operates at Tampa Bay Downs in Hillsborough County.

Live Racing Requirements

Currently, only thoroughbred permitholders are required to conduct live racing in order to operate other pari-mutuel gaming activities. Greyhound permitholders are prohibited from conducting live racing, and jai alai permitholders, harness horse racing permitholders, and quarter horse racing permitholders have the option to conduct live racing or games.²⁸

A greyhound permitholder, jai alai permitholder, harness horse racing permitholder, or quarter horse racing permitholder that does not conduct live racing or games:²⁹

- Retains its permit.
- Is a pari-mutuel facility as defined in s. 550.002(23), F.S.
- Is eligible, but not required, to be a guest track, and if the permitholder is a harness horse racing permitholder, is eligible to be a host track for purposes of intertrack wagering and simulcasting pursuant to ss. 550.3551, 550.615, 550.625, and 550.6305, F.S.
- Remains eligible for a cardroom license.

Intertrack Wagering Tax on Handle

Current law requires each permitholder to pay a tax on contributions to pari-mutuel pools, known as “handle,” on races or games conducted by the permitholder. The tax is imposed daily and is based on the total contributions to all pari-mutuel pools conducted during the daily performance. If a permitholder conducts more than one performance daily, the tax is imposed on each performance separately.³⁰

The tax on handle for intertrack wagering is broken down into the following categories:³¹

- 2 percent of the handle if the host track is a horse track;

²⁴ Section 550.0115, F.S.

²⁵ Section 849.086, F.S.

²⁶ Section 551.104, F.S.

²⁷ Florida Gaming Control Commission, *Permit Holder Operating Licenses 2024-2025*, available at <https://flgaming.gov/pmw/tracks-frontons/permitholder-operating-licenses-2024-2025/> (last visited April 3, 2025).

²⁸ Section 550.01215, F.S.(1)(b)1., F.S.

²⁹ *Id.*

³⁰ Section 550.0951(3), F.S.

³¹ Section 550.0951(3)(c)1., F.S.

- 3.3 percent if the host track is a harness track;
- 5.5 percent if the host track is a dog track;
- 7.1 percent if the host track is a jai alai fronton;
- 0.5 percent if the host track and the guest track are thoroughbred permitholders or if the guest track is located outside the market area of the host track and within the market area of a thoroughbred permitholder currently conducting a live race meet.

The tax on handle for intertrack wagering on rebroadcasts of simulcast thoroughbred horse races is 2.4 percent of the handle and 1.5 percent of the handle for intertrack wagering on rebroadcasts of simulcast harness horseraces. The tax is deposited into the Pari-mutuel Wagering Trust Fund.³²

Slot Machine Licensing

An application for a license to conduct slot machine gaming may be approved by the commission only after the voters of the county where the applicant's facility is located have authorized by referendum slot machines within pari-mutuel facilities in that county as specified in s. 23, Art. X of the State Constitution.³³ Currently, slot machines are only authorized in eight licensed pari-mutuel facilities located in Miami-Dade and Broward counties and on tribal property.³⁴

Slot machine licenses are only allowed to be issued to licensed pari-mutuel permitholders, and slot machine gaming may be conducted only at the eligible facility at which the permitholder is authorized under its valid pari-mutuel wagering permit to conduct pari-mutuel wagering activities.³⁵

As a condition of licensure and to maintain continued authority for the conduct of slot machine gaming, slot machine licensees that hold a thoroughbred permit, may conduct no fewer than a full schedule of live racing or games as defined in s. 550.002(10), F.S. A permitholder's responsibility to conduct live races or games shall be reduced by the number of races or games that could not be conducted due to the direct result of fire, strike, war, hurricane, pandemic, or other disaster or event beyond the control of the permitholder.³⁶

Slot Machine Gaming Locations and Operations

Section 32 of Art. X of the State Constitution, adopted pursuant to a 2004 initiative petition, authorized slot machines in licensed pari-mutuel facilities in Broward and Miami-Dade counties, if approved by county referendum. The voters in Broward and Miami-Dade counties approved slot machine gaming. Slot machine gaming in the state, by authorized slot machine gaming licensees at specified pari-mutuel facility locations, is limited to Broward and Miami-Dade counties, and as authorized by federal law and the 2021 Gaming Compact, in the tribal gaming

³² *Id.*

³³ Section 551.104(2), F.S.

³⁴ Section 551.101, F.S.

³⁵ Section 551.104(3), F.S.

³⁶ Section 551.104(4)(c), F.S.

facilities of the Seminole Tribe currently operating in Broward County, Collier County, Okeechobee County, and Hillsborough County.

Cardroom Licensing

An application for a license to conduct cardroom gaming may be approved by the commission upon proof that the local government where the applicant for such license desires to conduct cardroom gaming has voted to approve such activity by a majority vote of the governing body of the municipality or the governing body of the county if the facility is not located in a municipality.³⁷

Municipalities are authorized to prohibit the establishment of a cardroom on or after July 1, 2021, within their jurisdiction. This does not apply to a licensed pari-mutuel permitholder who held an operating license for the conduct of pari-mutuel wagering for fiscal year 2020-2021 in the municipality's jurisdiction or to a cardroom that was previously approved by the municipality.³⁸

Only those persons holding a valid cardroom license issued by the commission may operate a cardroom. A cardroom license may only be issued to a licensed pari-mutuel permitholder, and an authorized cardroom may only be operated at the same facility at which the permitholder is authorized under its valid pari-mutuel wagering permit to conduct pari-mutuel wagering activities.³⁹

A pari-mutuel permitholder, other than a converted quarter horse to thoroughbred permitholder or a purchaser, transferee, or assignee holding a valid permit for the conduct of pari-mutuel wagering, may not be issued a license for the operation of a cardroom if the permitholder did not hold an operating license for the conduct of pari-mutuel wagering for fiscal year 2020-2021.⁴⁰

In order for an initial cardroom license to be issued to a converted quarter horse to thoroughbred permitholder, the applicant must have requested, as part of its pari-mutuel annual license application, to conduct at least a full schedule of live racing.⁴¹

In order for a cardroom license to be renewed by a thoroughbred permitholder, the applicant must have requested, as part of its pari-mutuel annual license application, to conduct at least 90 percent of the total number of live performances conducted by such permitholder during either the state fiscal year in which its initial cardroom license was issued or the state fiscal year immediately prior thereto if the permitholder ran at least a full schedule of live racing or games in the prior year.⁴²

³⁷ Section 849.086(16)(a), F.S.

³⁸ Section 849.086(16)(b), F.S.

³⁹ Section 849.086(5)(a), F.S.

⁴⁰ Section 849.086(5)(c), F.S.

⁴¹ *Id.*

⁴² *Id.*

Horse Breeding and Racing in Florida

The Florida horse industry generates an annual \$12.8 billion impact on the gross domestic product of Florida, along with providing nearly 112,000 jobs.⁴³ The Florida Thoroughbred industry has, in addition to the economic impact, produced one Triple Crown winner, six Kentucky Derby winners, seven Preakness winners, six Belmont Stakes winners, and 52 national champions. Marion County (Ocala) has more horses and ponies than any other county in the United States.⁴⁴

The Florida Thoroughbred Breeders' and Owners' Association Inc. (Breeders) is a not-for-profit that represents more than 1,300 Thoroughbred breeders and owners in Florida. The Breeders work with the DACS to promote and market the industry both nationally and internationally, as well as providing awards to promote Florida Thoroughbreds in the industry.

The Florida Horseman's Benevolent & Protective Association Inc. (Horsemen) is a not-for-profit representing more than 5,000 Thoroughbred horse owners and trainers who do business in Florida. The organization promotes relationships with racetracks, community, and government.

The Horsemen representing the majority of the thoroughbred racehorse owners and trainers at any particular facility received a 1% distribution from the purses at that facility for authorized uses. The awards for breeders, trainers, and owners are generally provided for in statute, although the specific awards, procedures, and payments may vary according to adopted plans.

Tampa Bay Downs is one of America's oldest and most well-maintained tracks, and is the only Thoroughbred racetrack on the west coast of Florida. It opened in 1926 and has been used for Thoroughbred racing for most of the intervening years, subject to economic downturns, wars, and natural disasters.⁴⁵

Gulfstream Park Racing, located between Fort Lauderdale and Miami, has been in operation since the 1940s, and is probably best known as the host of the G1 Florida Derby, a race that has produced the Kentucky Derby winner 25 times in 71 years, a record unequaled by any other Kentucky Derby prep race.⁴⁶

Thoroughbred Purses and Awards

Thoroughbred purses represent the prize money distributed to the owners, trainers, and jockeys of the horses that finish in the top positions in a race. Awards are honors given to recognize outstanding achievements by horses, jockeys, trainers, owners, and breeders, typically on an annual basis.

⁴³ American Horse Council, *2023 Economic Impact Study of the U.S. Horse Industry*, Graphic referencing Florida impact available at <https://nwdistrict.ifas.ufl.edu/phag/2024/04/12/economic-impact-study-indicates-the-florida-equine-industry-remains-strong/#:~:text=Contributes%20%2412.8%20billion%20to%20the,%E2%80%9393> (last visited April 3, 2025).

⁴⁴ *Id.*

⁴⁵ Tampa Bay Downs, *A Legacy in Thoroughbred Racing & More*, available at <https://www.tampabaydowns.com/visitor-info/history/> (last visited April 3, 2025).

⁴⁶ Kentucky Derby, *Florida Derby Race History*, available at <https://www.kentuckyderby.com/races/2025/03/florida-derby/> (last visited April 3, 2025).

A slot machine license may not be issued, or renewed, to an applicant holding a permit to conduct pari-mutuel wagering meets of thoroughbred racing unless the applicant has on file with the commission a binding written agreement between the applicant and the:⁴⁷

- Horsemen, governing the payment of purses on live thoroughbred races conducted at the licensee's pari-mutuel facility.
- Breeders, governing the payment of breeders', stallion, and special racing awards on live thoroughbred races conducted at the licensee's pari-mutuel facility.

The agreements may direct the payment of such purses and awards from revenues generated by any wagering or gaming the applicant is authorized to conduct under Florida law. All purses and awards are subject to the terms of ch. 550, F.S. All sums for breeders', stallion, and special racing awards are remitted monthly to the Breeders, for the payment of awards subject to the administrative fee authorized in s. 550.2625(3), F.S.⁴⁸

“Purse” means the cash portion of the prize for which a race or game is contested.⁴⁹ “Breeders’ and stallions awards” means financial incentives paid to encourage the agricultural industry of breeding racehorses in this state.⁵⁰ Current law provides that “the purse structure and the availability of breeder awards are important factors in attracting the entry of well-bred horses in racing meets in this state which in turn helps to produce maximum racing revenues for the state and the counties.”⁵¹

Each permitholder conducting a horserace meet is required to pay from the takeout withheld on pari-mutuel pools a sum for purses in accordance with the type of race performed.⁵² Each horseracing permitholder conducting any thoroughbred race is required to pay a sum on all pari-mutuel pools conducted during any such race for the payment of breeders', stallion, or special racing awards.⁵³

Florida Agricultural Promotional Campaign

In 1990, the Legislature created the Florida Agricultural Promotional Campaign Trust Fund to support the Florida Agricultural Promotional Campaign.⁵⁴ The goal of the campaign was to “increase consumer awareness and expand the market for Florida’s agricultural products.”⁵⁵ The Trust Fund, within the Department of Agriculture and Consumer Services (DACs), holds funding for implementing the Florida Agricultural Promotional Campaign.⁵⁶ The campaign is probably best known for the “Fresh From Florida” marketing campaign and related logos.⁵⁷

⁴⁷ Section 551.104(10)(a)1., F.S.

⁴⁸ *Id.*

⁴⁹ Section 550.002(28), F.S.

⁵⁰ Section 550.002(2), F.S.

⁵¹ Section 550.2625(1), F.S.

⁵² *See* s. 550.2625(2)(a), F.S.

⁵³ *See* s. 550.2625(3), F.S.

⁵⁴ Chapter 90-323, Laws of Fla., s. 16.

⁵⁵ Section 571.22, F.S.

⁵⁶ Section 571.26, F.S.

⁵⁷ More information about “Fresh From Florida” is available on the Department of Agriculture and Consumer Services website at <https://www.fdaacs.gov/Agriculture-Industry/Fresh-From-Florida-Industry-Membership> (last visited April 3, 2025).

In 2023, the Legislature amended s. 212.20, F.S., to distribute \$27.5 million to the Florida Agricultural Promotional Campaign Trust Fund to be used by the DACS to “encourage breeding thoroughbred racehorses and the conducting of thoroughbred racing at thoroughbred tracks in Florida.”⁵⁸

Section 571.265, F.S., requires that the funds be distributed as follows:

- \$5 million to the Breeders, to be used for:
 - Purses or purse supplements for Florida-bred or Florida-sired horses that participate in Florida thoroughbred races.
 - Awards to breeders of Florida-bred horses that win, place, or show in Florida thoroughbred races.
 - Awards to owners of stallions who sired Florida-bred horses that win Florida thoroughbred stakes races, if the stallions are registered with the Breeders as Florida stallions.
 - Other racing incentives connected to Florida-bred or Florida-sired horses registered with the association that participate in thoroughbred races in Florida.
 - Awards administration.
 - Promotion of the Florida thoroughbred breeding industry.
- \$5 million to Tampa Bay Downs, Inc., to be used as purses in thoroughbred races conducted at its pari-mutuel facilities and for the maintenance and operation of that facility, pursuant to an agreement with its local majority horsemen’s group.
- \$15 million to Gulfstream Park Racing Association, Inc., to be used as purses in thoroughbred races conducted at its pari-mutuel facility and for the maintenance and operation of its facilities, pursuant to an agreement with the Horsemen.
- \$2.5 million dollars to be distributed as follows:
 - \$2 million dollars to Gulfstream Park Racing Association, Inc., to be used as purses and purse supplements for Florida-bred or Florida-sired horses registered with the Breeders that participate in thoroughbred races at the permitholder’s pari-mutuel facility, pursuant to a written agreement filed with the DACS establishing the rates, procedures, and eligibility requirements entered into by the permitholder, the Breeders, and the Horsemen.
 - \$500,000 to Tampa Bay Downs, Inc., to be used as purses and purse supplements for Florida-bred or Florida-sired horses registered with the association that participate in thoroughbred races at the permitholder’s pari-mutuel facility, pursuant to a written agreement filed with the DACS establishing the rates, procedures, and eligibility requirements entered into by the permitholder, the association, and the local majority horsemen’s group at the permitholder’s pari-mutuel facility.

On or before the first day of the August following each fiscal year in which a recipient under this section received or used funds pursuant to this section, each such recipient must submit a report to the DACS detailing how all funds were used in the prior fiscal year.

⁵⁸ Chapter 2023-157, Laws of Fla., s. 42.

III. Effect of Proposed Changes:

Section 1 of the bill allows thoroughbred permitholders who operate a slot machine facility or cardroom to decouple from the live racing requirements after giving notice on or after July 1, 2028, which contains the date that live racing will end. The live racing cannot end any earlier than 4 years after the date of the notice.

Section 2 of the bill provides that the tax on handle for intertrack wagering is 0.5 percent if the host track and guest track are thoroughbred permitholders or if the guest track is located outside the market area of the host track and within the market area of a thoroughbred permitholder that conducted a full schedule of live racing the preceding fiscal year.

Section 3 of the bill provides that a thoroughbred permitholder, in order to continue to operate slot machines, must have on file with the commission a binding written agreement between the applicant and the Florida Horsemen's Benevolent and Protective Association, Inc., and with the Florida Thoroughbred Breeders' Association, Inc., until a thoroughbred permitholder is no longer conducting live racing pursuant to the new section of the bill.

Section 4 of the bill provides that thoroughbred permitholders are no longer required to conduct at least 90 percent of the live performances during the initial state fiscal year of licensure or the state fiscal year immediately preceding the initial year. Further, this section provides that a thoroughbred permitholder, in order to continue to operate a cardroom facility, must have on file with the commission a binding written agreement between the applicant and the Florida Horsemen's Benevolent and Protective Association, Inc., and with the Florida Thoroughbred Breeders' Association, Inc., until a thoroughbred permitholder is no longer conducting live racing pursuant to the new section of the bill.

Sections 5-9 of the bill are reenacted for the purpose of incorporating the amendments being made by the bill.

Section 10 provides an effective date of July 1, 2025.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Decoupling may displace families, eliminate jobs, and jeopardize 110,000 acres of horse farms. This could further degrade the horse breeding industry and thoroughbred racing in Florida.⁵⁹

C. Government Sector Impact:

In Fiscal Year 2023-24 the commission expended approximately \$640,000 in OPS dollars associated with occupational licensing and post-race specimen collection for the detection of impermissible substances in thoroughbred racing animals. The amount the commission would realize in the reduction of OPS expenditures would be dependent on the number of live racing performances reduced or eliminated by Florida Thoroughbred licensees.⁶⁰

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends sections 550.01215, 550.0951, 551.104, and 849.086 of the Florida Statutes.

⁵⁹ Florida Gaming Control Commission, *2025 Agency Analysis Legislative Bill Analysis* (February 6, 2025), available at <https://abar.laspbs.state.fl.us/ABAR/Attachment.aspx?ID=36208> (last visited March 31, 2025).

⁶⁰ *Id.*

IX. Additional Information:**A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Regulated Industries on April 1, 2025:

The committee substitute:

- Allows thoroughbred permitholders who operate a slot machine facility or cardroom to decouple from the live racing requirements after giving notice on or after July 1, 2028, which contains the date that live racing will end, which cannot be earlier than 4 years after the date of the notice.
- Clarifies that the tax on handle for intertrack wagering is 0.5 percent if the host track and guest track are thoroughbred permitholders or if the guest track is located outside the market area of the host track and within the market area of a thoroughbred permitholder that conducted a full schedule of live racing the preceding fiscal year.
- Clarifies that a thoroughbred permitholder, in order to continue to operate slot machines, must have on file with the commission a binding written agreement between the applicant and the Florida Horsemen’s Benevolent and Protective Association, Inc., and with the Florida Thoroughbred Breeders’ Association, Inc., until a thoroughbred permitholder is no longer conducting live racing pursuant to the new section of the bill.
- Provides that thoroughbred permitholders are no longer required to conduct at least 90 percent of the live performances during the initial year of licensure.
- Provides that a thoroughbred permitholder, in order to continue to operate a cardroom facility, must have on file with the commission a binding written agreement between the applicant and the Florida Horsemen’s Benevolent and Protective Association, Inc., and with the Florida Thoroughbred Breeders’ Association, Inc., until a thoroughbred permitholder is no longer conducting live racing pursuant to the new section of the bill.

B. Amendments:

None.