

FLORIDA HOUSE OF REPRESENTATIVES

BILL ANALYSIS

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BILL #: [CS/CS/HB 881](#)

TITLE: Pari-Mutuel Wagering

SPONSOR(S): Anderson

COMPANION BILL: [SB 1564](#) (DiCeglie)

LINKED BILLS: None

RELATED BILLS: None

Committee References

[Industries & Professional Activities](#)

10 Y, 5 N, As CS



[Commerce](#)

15 Y, 9 N, As CS

SUMMARY

Effect of the Bill:

The bill removes live racing requirements for thoroughbred permitholders, and allows certain thoroughbred permitholders that do not conduct live racing to retain the ability to continue to hold and/or apply for a slot machine and/or cardroom license. The bill exempts thoroughbred permitholders with a slot machine license from certain thoroughbred horse racing purses and awards requirements, and removes the authority of the Florida Gaming Control Commission to reissue escheated thoroughbred horse permits for failure of the permitholder to pay the required tax on handle for live performances.

Fiscal or Economic Impact:

The bill may have an indeterminate fiscal impact on state government and the private sector.

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ANALYSIS

EFFECT OF THE BILL:

Live Racing Requirements

The bill removes live racing requirements for thoroughbred permitholders. (Section [1](#))

The bill provides that a thoroughbred permitholder that does not conduct live racing:

- Retains its permit;
- Is a pari-mutuel facility;
- If such permitholder has been issued a slot machine license, the facility where such permit is located:
 - Remains an eligible slot machine facility;
 - Continues to be eligible for a slot machine license; and
 - Is exempt from thoroughbred horse racing purses and awards agreement requirements, and slot machine gaming area requirements;
- Is eligible, but not required, to be a guest track; and
- Remains eligible for a cardroom license. (Section [1](#))

Escheated Thoroughbred Horse Permits

The bill removes the authority of the Florida Gaming Control Commission (Commission) to reissue escheated thoroughbred horse permits for failure of the permitholder to pay the required tax on handle for live performances. (Section [2](#))

Thoroughbred Racing Applications

The bill clarifies that thoroughbred permitholders are only subject to the annual thoroughbred racing application requirements if they elect to conduct live racing. (Section [3](#))

Florida-Bred Horse Racing Preferences

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DATE: 2/3/2026

The bill clarifies that thoroughbred permitholders are only subject to the Florida-bred horse racing conditions if they elect to conduct live racing. (Section [3](#))

Slot Machine Licensing

The bill removes live racing requirements and makes conforming changes for thoroughbred permitholders with a slot machine license. (Section [4](#))

Cardroom Licensing

The bill removes live racing requirements and makes conforming changes for thoroughbred permitholders with a cardroom license. (Section [5](#))

Effective Date

The effective date of the bill is July 1, 2026. (Section [6](#))

FISCAL OR ECONOMIC IMPACT:

STATE GOVERNMENT:

The bill may have an insignificant impact on state government revenues. It is unknown how many thoroughbred permitholders will elect to terminate live racing.

PRIVATE SECTOR:

Individuals and businesses associated with thoroughbred horse racing will experience an indeterminate impact associated with the election by thoroughbred permitholders to conduct or not conduct live racing. Removing live race requirements for such permitholders may reduce certain expenditures related to these activities.

RELEVANT INFORMATION

SUBJECT OVERVIEW:

Gambling Overview

Gambling is generally prohibited in Florida, unless specifically authorized. Gambling is defined in Florida law as playing or engaging in any game at cards, keno, roulette, faro or other game of chance, at any place, by any device whatever, for money or other thing of value.¹ The standard jury instructions for criminal cases in Florida provide that in order to prove the crime of gambling, the state must prove the following three elements beyond a reasonable doubt:²

- Playing or engaging in a game of chance.
- Risking money or property on the outcome of the game.
- Expecting to gain or lose money or property as a result of the game.

Gambling in Florida is highly regulated, and wagers on games that are not specifically authorized by law are considered illegal.

Section 7, Art. X, of the Florida Constitution prohibits lotteries, other than pari-mutuel pools, from being conducted in Florida.

Slot machines that are not operated by a licensed pari-mutuel facility or in accordance with a tribal compact or specific law are illegal in Florida.

Chapter 849, F.S., includes prohibitions against slot machines, keeping a gambling house, engaging in bookmaking, and running a lottery. However, a constitutional amendment approved by voters in 1986 authorized state-

¹ S. [849.08. F.S.](#)

² The Florida Bar, *Criminal Jury Instructions Chapter 22, 22.1 Gambling*, <https://www.floridabar.org/rules/florida-standard-jury-instructions/criminal-jury-instructions-home/criminal-jury-instructions/sji-criminal-chapter-22/> (last visited Jan. 30, 2026).

operated lotteries, and a constitutional amendment in 2004 authorized slot machines in Miami-Dade and Broward Counties.

The following gaming activities are also authorized by law and regulated by the state:

- Pari-mutuel³ wagering;⁴
- Gaming on tribal reservations in accordance with the federal Indian Gaming Regulatory Act and the 2021 Gaming Compact with the Seminole Tribe of Florida;
- Slot machine gaming at certain licensed pari-mutuel locations in Miami-Dade County and Broward County;⁵ and
- Cardrooms⁶ at certain pari-mutuel facilities.

Under the Florida Contraband Forfeiture Act,⁷ gambling proceeds, paraphernalia, and property may be seized as contraband. For example, a vehicle used for transporting an illegal slot machine is subject to seizure.⁸

Chapter 849, F.S., also authorizes, under specific and limited conditions, the conduct of penny-ante games,⁹ bingo,¹⁰ charitable drawings,¹¹ game promotions (sweepstakes),¹² bowling tournaments,¹³ and skill-based amusement games and machines at specified locations.¹⁴

Pari-mutuel Wagering Permitting and Licensure

The Florida Pari-mutuel Wagering Act (Act)¹⁵ provides specific permitting and licensing requirements for the conduct of the pari-mutuel industry.¹⁶ Pari-mutuel wagering activities are limited to operators who have received a permit from the Division, which is then subject to ratification by county referendum.¹⁷ Permitholders apply for an operating license annually to conduct pari-mutuel wagering activities.¹⁸ Certain permitholders are also authorized to operate cardrooms¹⁹ and slot machines at their facility.²⁰

The Act generally requires that any transfer or assignment of a permit receive prior approval²¹ by the Commission, which must determine the eligibility²² of persons and entities to hold a permit. Similarly, if a permit is held by a corporation or business entity other than an individual, the transfer of ten percent or more of the stock or other evidence of ownership or equity in the permitholder may not be made without the prior approval of the transferee by the Commission.²³

³ "Pari-mutuel" is defined in Florida law 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. *See s. 550.002(22), F.S.*

⁴ *See ch. 550, F.S., relating to the regulation of pari-mutuel activities.*

⁵ *See FLA. CONST., art. X, s. 23, and ch. 551, F.S.*

⁶ S. [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."

⁷ Ss. [932.701-932.706, F.S.](#) comprise the Florida Contraband Forfeiture Act.

⁸ S. [849.36, F.S.](#)

⁹ S. [849.085, F.S.](#)

¹⁰ S. [849.0931, F.S.](#)

¹¹ S. [849.0935, F.S.](#)

¹² S. [849.094, F.S.](#) authorizes game promotions in connection with the sale of consumer products or services.

¹³ S. [849.141, F.S.](#)

¹⁴ S. [546.10, F.S.](#)

¹⁵ Ch. [550, F.S.](#)

¹⁶ S. [550.054\(1\), F.S.](#)

¹⁷ S. [550.054\(2\), F.S.](#)

¹⁸ S. [550.0115, F.S.](#)

¹⁹ S. [849.086, F.S.](#)

²⁰ S. [551.104, F.S.](#)

²¹ There is one exception to the prior-approval requirement in s. [550.054\(11\)\(a\), F.S.](#), which is that the holder of a permit converted to a jai alai permit "may lease or build anywhere within the county in which its permit is located." As of 2021, such conversions are prohibited. *See s. 550.054(15)(d), F.S.*

²² *See s. 550.1815, F.S.*

²³ S. [550.054\(11\)\(b\), F.S.](#)

The Act restricts pari-mutuel permitholders **from being issued an operating license** to conduct pari-mutuel wagering, slot machine gaming, or the operation of a cardroom if the permitholder did not hold an operating license for the conduct of pari-mutuel wagering for Fiscal Year 2020-2021.²⁴

The Act restricts pari-mutuel permitholders **from holding a permit** to conduct pari-mutuel wagering and associated cardroom or slot machine licenses²⁵ unless the permitholder, other than a limited thoroughbred permitholder, held an operating license for the conduct of pari-mutuel wagering for Fiscal year 2020-2021.²⁶

The Act specifies that permits held on January 1, 2021 are deemed valid,²⁷ but new permits for pari-mutuel wagering may not be approved or issued.²⁸

The Commission is required to revoke the permit of any permitholder, other than a limited thoroughbred permitholder, who did not hold an operating license for the conduct of pari-mutuel wagering for fiscal year 2020-2021. A permit revoked under this provision is void and may not be reissued.²⁹

Live Racing Requirements

Currently, only thoroughbred permitholders are required to conduct live racing in order to operate other PMW activities.³⁰ For example, in order to hold a cardroom license, thoroughbred permitholders are required to run a certain number of live races each year.

The Act defines “full schedule of live racing or games” as follows:³¹

- **Jai alai permitholders:** the conduct of a combination of at least 100 live evening or matinee performances during the preceding year;
- **Converted permitholders:** the conduct of a combination of at least 100 live evening and matinee wagering performances during either of the 2 preceding years;
- **Jai alai permitholder who does not operate slot machines:** 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;
- **Jai alai permitholder who operates slot machines:** the conduct of a combination of at least 150 performances during the preceding year;
- **Harness permitholder:** the conduct of at least 100 live regular wagering performances during the preceding year;
- **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 association representing the majority of the quarter horse owners and trainers at the facility and filed with the commission along with its annual date application, in the 2010-2011 fiscal year, the conduct of at least 20 regular wagering performances, in the 2011-2012 and 2012-2013 fiscal years, the conduct of at least 30 live regular wagering performances, and for every fiscal year after the 2012-2013 fiscal year, the conduct of at least 40 live regular wagering performances;
- **Quarter horse permitholder leasing another licensed racetrack:** the conduct of 160 events at the leased facility; and for a thoroughbred permitholder, the conduct of at least 40 live regular wagering performances during the preceding year.

²⁴ S. [550.01215\(1\)\(d\), F.S.](#)

²⁵ Under s. [551.114\(4\), F.S.](#), designated slot machine gaming areas must be located at the address specified in the licensed permitholder's slot machine license issued for Fiscal Year 2020-2021.

²⁶ S. [550.054\(15\)\(a\), F.S.](#)

²⁷ S. [550.054\(15\)\(b\), F.S.](#)

²⁸ S. [550.054\(15\)\(c\), F.S.](#)

²⁹ S. [550.054\(9\)\(c\), F.S.](#)

³⁰ S. [550.01215\(1\)\(b\), F.S.](#)

³¹ S. [550.002\(10\), F.S.](#)

Greyhound permitholders are prohibited from conducting live racing.

Jai alai permitholders, harness horse racing permitholders, and quarter horse racing permitholders have the option to conduct live racing or games but are not required to do so.³²

A greyhound permitholder, jai alai permitholder, harness horse racing permitholder, or quarter horse racing permitholder that does not conduct live racing or games:³³

- 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; and
- If previously issued a slot machine license, remains eligible for such license.

Currently, there are three pari-mutuel operating licenses that were issued for fiscal year 2025-2026 to conduct live thoroughbred racing performances. These licenses and their locations include:³⁴

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

Escheated Thoroughbred Horse Permits

Currently, the tax on handle for thoroughbred horserace performances is 0.5 percent of handle per performance.³⁵ The permit of a thoroughbred permitholder who is conducting thoroughbred performances and who does not pay tax on handle for any such performances conducted during any 2 consecutive state fiscal years is void and may not be reissued unless such failure to operate and pay tax on handle was the direct result of fire, strike, war, hurricane, pandemic, or other disaster or event beyond the ability of the permitholder to control. Financial hardship does not constitute just cause for failure to operate and pay tax on handle.³⁶

The Commission is authorized to reissue an escheated thoroughbred horse permit to a qualified applicant for the issuance of an initial permit without having to satisfy the referendum requirements for a pari-mutuel permit. As specified in the application and upon approval by the Commission, the new permitholder is authorized to operate a thoroughbred horse facility anywhere in the same county in which the escheated permit was authorized to be operated, notwithstanding the provisions of [s. 550.054\(2\), F.S.](#), relating to mileage limitations.³⁷

Thoroughbred Racing Applications

Currently, each thoroughbred permitholder must annually file with the Commission, during the period commencing January 15 of each year and ending February 4 of the following year, an application to conduct one or more thoroughbred racing meetings that take place during the thoroughbred racing season commencing on the following July 1, as follows:³⁸

- **Operating days:** Each application must specify the number and dates of all performances that the permitholder intends to conduct during that thoroughbred racing season.
- **Operating license:** On or before April 15 of each year, the Commission must issue a license authorizing each permitholder to conduct performances on the dates specified in its application.
- **Changes in application:** Up to March 28 of each year, each permitholder may request and must be granted changes in its application to conduct performances; but thereafter, as a condition precedent to the validity

³² S. [550.01215\(1\)\(b\)1., F.S.](#)

³³ *Id.*

³⁴ Florida Gaming Control Commission, *Tracks and Frontons*, <https://flgaming.gov/pmw/tracks-frontons/> (last visited Jan. 30, 2026).

³⁵ S. [550.09515\(2\)\(a\), F.S.](#)

³⁶ S. [550.09515\(3\)\(a\), F.S.](#)

³⁷ S. [550.09515\(3\)\(b\), F.S.](#)

³⁸ S. [550.5251\(1\), F.S.](#)

of its license and its right to retain its permit, each permitholder must operate the full number of days authorized on each of the dates set forth in its license.

Florida-Bred Horse Racing Preferences

Currently, Florida-bred-and-registered horses are afforded certain racing preferences. Each licensed thoroughbred permitholder in this state must run an average of one race per racing day in which horses bred in this state and duly registered with the Florida Thoroughbred Breeders' Association have preference as entries over non-Florida-bred horses, unless otherwise agreed to in writing by all of the following entities:³⁹

- Permitholder;
- Florida Thoroughbred Breeders' Association; and
- Association representing a majority of the thoroughbred racehorse owners and trainers at that location.

The conditions for such races must be written by licensed thoroughbred racetracks to assure that all such horses available for racing at such tracks are given full opportunity to run in the class of races for which they are qualified.⁴⁰

The opportunity of running must be afforded to each class of horses in the proportion that the number of horses in this class bears to the total number of Florida-bred horses available. A track is not required to write conditions for a race to accommodate a class of horses for which a race would otherwise not be run at the track during its meet.⁴¹

DACS Distribution of Funds for Florida Thoroughbred Breeding and Racing

Current law relating to the promotion of Florida thoroughbred breeding and racing at Florida thoroughbred tracks, outlines the distribution of funds to encourage these activities. The law encourages the agricultural activity of breeding thoroughbred racehorses in Florida and thoroughbred racing at Florida tracks.⁴²

DACS is responsible for distributing funds from the Florida Agricultural Promotional Campaign Trust Fund to achieve these goals. The law provides:⁴³

- Purses or purse supplements for Florida-bred or Florida-sired horses registered with the association that participate in Florida thoroughbred races.
- Stallion Awards to the owners of thoroughbred stallions appropriately registered with the association and siring association for registered Florida-breds that finish first in a listed stakes race at a Florida thoroughbred track.

Recipients of such funds must submit a report to DACS detailing how all funds were used in the prior fiscal year.⁴⁴

Slot Machine Licensing

In order to apply to conduct slot machine gaming a permitholder must first obtain permission from the voters of the county where the applicant's facility is located by referendum as specified in s. [23, Art. X of the State Constitution](#).⁴⁵ Currently, slot machines are only authorized in eight licensed PMW facilities⁴⁶ located in Miami-Dade and Broward counties, and are also authorized by Compact on the Seminole Tribe of Florida's tribal property.⁴⁷

Thoroughbred permitholders are required to conduct a full schedule of live racing, as defined in s. [550.002\(10\), F.S.](#) in order to maintain their slot machine license.⁴⁸

³⁹ [S. 550.5251\(2\)\(a\), F.S.](#)

⁴⁰ *Id.*

⁴¹ *Id.*

⁴² See [s. 571.265, F.S.](#)

⁴³ S. [571.265\(3\), F.S.](#)

⁴⁴ S. [571.265\(4\), F.S.](#)

⁴⁵ S. [551.104\(2\), F.S.](#)

⁴⁶ S. [551.104\(3\), F.S.](#)

⁴⁷ S. [551.101, F.S.](#)

⁴⁸ S. [551.104\(4\)\(c\), F.S.](#)

Since July 1, 2025, thoroughbred permitholders are not required to pay an annual license fee to the commission as a condition of renewal.⁴⁹ The current annual fee is \$2 million.⁵⁰

In order for a thoroughbred permitholder or a quarter horse permitholder to obtain or renew a slot machine license, the applicant is required to file with the Commission a binding written agreement between the applicant and certain horse racing associations.⁵¹

The Commission is required to suspend⁵² a slot machine license if:⁵³

- One or more of the agreements are terminated or otherwise cease to operate; or
- If the Commission determines that the licensee is materially failing to comply with the terms of such an agreement.

If an agreement cannot be reached prior to the issuance or renewal of the license, either party is authorized to request arbitration and follow the arbitration process to resolve the dispute so that the license may be issued or renewed.⁵⁴

Cardroom Licensing

On order to apply for a cardroom license an applicant must first obtain a majority vote of the governing body of the municipality or county the facility is located in.⁵⁵

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.⁵⁶

A cardroom license may only be issued to a licensed pari-mutuel wagering permitholder, and operated at the same facility at which the permitholder is authorized to conduct pari-mutuel wagering activities.⁵⁷

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 2020-2021.⁵⁸

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.⁵⁹

Currently, in order for a cardroom license to be renewed by a thoroughbred permitholder, it must 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.⁶⁰

⁴⁹ *Id.*

⁵⁰ See [S. 551.106\(1\), F.S.](#)

⁵¹ See [S. 551.104\(10\)\(a\), F.S.](#)

⁵² Any such suspension shall take place in accordance with chapter 120, F.S.

⁵³ [S. 551.104\(10\)\(b\), F.S.](#)

⁵⁴ [S. 551.104\(10\)\(c\), F.S.](#)

⁵⁵ S. [849.086\(16\)\(a\), F.S.](#)

⁵⁶ S. [849.086\(16\)\(b\), F.S.](#)

⁵⁷ S. [849.086\(5\)\(a\), F.S.](#)

⁵⁸ S. [849.086\(5\)\(c\), F.S.](#)

⁵⁹ *Id.*

⁶⁰ *Id.*

Each thoroughbred permitholder or harness horse racing permitholder that conducts live performances and operates a cardroom facility must use at least 50 percent of such permitholder's cardroom monthly net proceeds as follows:⁶¹

- 47 percent to supplement purses; and
- 3 percent to supplement breeders' awards during the permitholder's next ensuing racing meet.

RECENT LEGISLATION:

YEAR	BILL #	HOUSE SPONSOR(S)	SENATE SPONSOR	OTHER INFORMATION
2021A	CS/CS/HB 7A - Gaming	Latvala, Robinson, W./ <i>Hutson</i>		The bill became law on May 25, 2021.
2025	CS/HB 1467 - Gambling	Snyder, Anderson/ <i>Burgess</i>		The bill passed the House, but died in the Senate.

OTHER RESOURCES:

[Florida Gaming Control Commission](#)

[Florida Thoroughbred Horsemen's Association](#)

[Florida Thoroughbred Breeders' and Owners' Association](#)

[Gulfstream Park](#)

[Tampa Bay Downs](#)

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Industries & Professional Activities Subcommittee	10 Y, 5 N, As CS	1/14/2026		
THE CHANGES ADOPTED BY THE COMMITTEE:	Removed the provision that exempts certain permitholders from cardroom licensure, fees, and other tax requirements.			
Commerce Committee	15 Y, 9 N, As CS	2/3/2026	Hamon	Thompson
THE CHANGES ADOPTED BY THE COMMITTEE:	<ul style="list-style-type: none">• Removed provisions related to thoroughbred training centers.• Removed provisions that governed purses and awards.• Made conforming changes.			

THIS BILL ANALYSIS HAS BEEN UPDATED TO INCORPORATE ALL OF THE CHANGES DESCRIBED ABOVE.

⁶¹ S. [849.086\(13\)\(d\)2.](#), F.S.

