

HB 1397

2012

1 A bill to be entitled  
2 An act relating to pari-mutuel permitholders; amending  
3 s. 550.002, F.S.; revising the definition of the term  
4 "full schedule of live racing or games"; revising and  
5 providing definitions relating to various types of  
6 horseracing; repealing s. 550.09515(7), F.S.; removing  
7 expired provisions relating to tax on handle and  
8 failure by a thoroughbred permitholder to operate all  
9 performances; amending s. 550.3345, F.S.; providing  
10 for a full schedule of live racing for a quarter horse  
11 permit that is converted to a limited thoroughbred  
12 permit under specified provisions; creating s.  
13 550.3347, F.S.; providing criteria, procedures, and  
14 conditions for conversion of a quarter horse permit to  
15 a thoroughbred permit; specifying certain conditions  
16 for consideration in determining eligibility of the  
17 pari-mutuel facility for slot machine licensure;  
18 amending s. 550.375, F.S., relating to operation of  
19 certain harness tracks; removing provisions that  
20 restrict the hours that races may be conducted;  
21 removing exceptions to prohibitions on the location of  
22 certain harness tracks; amending s. 550.5251, F.S.;  
23 removing certain restrictions on when thoroughbred  
24 races and rebroadcasts of races are permitted;  
25 creating s. 550.5257, F.S.; providing for advance  
26 deposit wagering on thoroughbred races; defining the  
27 term "advance deposit wagering"; requiring payment of  
28 a certain percentage of off-site wagers to the Florida

HB 1397

2012

29 | Thoroughbred Breeders' and Owners' Association to be  
 30 | used for certain purposes; providing for sanctions for  
 31 | failure to remit the required funds; amending s.  
 32 | 550.6308, F.S.; revising criteria and conditions for  
 33 | issuance of an intertrack wagering license to a person  
 34 | licensed to conduct public thoroughbred horse sales;  
 35 | amending s. 849.086, F.S.; removing a provision that  
 36 | authorizes a pari-mutuel permitholder to amend its  
 37 | application for license renewal to include renewal of  
 38 | its cardroom license; revising criteria for renewal of  
 39 | a cardroom license; providing for retroactive  
 40 | application; providing an effective date.

41 |

42 | Be It Enacted by the Legislature of the State of Florida:

43 |

44 | Section 1. Subsections (11) and (14) of section 550.002,  
 45 | Florida Statutes, are amended to read:

46 | 550.002 Definitions.—As used in this chapter, the term:

47 | (11) "Full schedule of live racing or games" means, for a  
 48 | greyhound or jai alai permitholder, the conduct of a combination  
 49 | of at least 100 live evening or matinee performances during the  
 50 | preceding year; for a permitholder who has a converted permit or  
 51 | filed an application on or before June 1, 1990, for a converted  
 52 | permit, the conduct of a combination of at least 100 live  
 53 | evening and matinee wagering performances during either of the 2  
 54 | preceding years; for a jai alai permitholder who does not  
 55 | operate slot machines in its pari-mutuel facility, who has  
 56 | conducted at least 100 live performances per year for at least

HB 1397

2012

57 | 10 years after December 31, 1992, and whose handle on live jai  
58 | alai games conducted at its pari-mutuel facility has been less  
59 | than \$4 million per state fiscal year for at least 2 consecutive  
60 | years after June 30, 1992, the conduct of a combination of at  
61 | least 40 live evening or matinee performances during the  
62 | preceding year; for a jai alai permitholder who operates slot  
63 | machines in its pari-mutuel facility, the conduct of a  
64 | combination of at least 150 performances during the preceding  
65 | year; for a harness permitholder, the conduct of at least 100  
66 | live regular wagering performances during the preceding year;  
67 | for a quarter horse permitholder at its facility unless an  
68 | alternative schedule of at least 20 live regular wagering  
69 | performances is agreed upon by the permitholder and either the  
70 | Florida Quarter Horse Racing Association or the horsemen's  
71 | association representing the majority of the quarter horse  
72 | owners and trainers at the facility and filed with the division  
73 | along with its annual date application, in the 2010-2011 fiscal  
74 | year, the conduct of at least 20 regular wagering performances,  
75 | in the 2011-2012 and 2012-2013 fiscal years, the conduct of at  
76 | least 30 live regular wagering performances, and for every  
77 | fiscal year after the 2012-2013 fiscal year, the conduct of at  
78 | least 40 live regular wagering performances; for a quarter horse  
79 | permitholder leasing another licensed racetrack, the conduct of  
80 | 160 events at the leased facility; and for a thoroughbred  
81 | permitholder, the conduct of at least 40 live regular wagering  
82 | performances during the preceding year. For a permitholder which  
83 | is restricted by statute to certain operating periods within the  
84 | year when other members of its same class of permit are

HB 1397

2012

85 authorized to operate throughout the year, the specified number  
86 of live performances which constitute a full schedule of live  
87 racing or games shall be adjusted pro rata in accordance with  
88 the relationship between its authorized operating period and the  
89 full calendar year and the resulting specified number of live  
90 performances shall constitute the full schedule of live games  
91 for such permitholder and all other permitholders of the same  
92 class within 100 air miles of such permitholder. A live  
93 performance must consist of no fewer than eight races or games  
94 conducted live ~~for each of a minimum of three performances each~~  
95 ~~week~~ at the permitholder's licensed facility under a single  
96 admission charge, with performances conducted on at least 3 days  
97 during each week of the permitholder's meet.

98 (14) "Horserace" or "horseracing" means a head-to-head  
99 contest between two or more thoroughbred horses, quarter horses,  
100 or standardbred horses racing with each other in the same event  
101 on a flat oval track at least one-half mile in circumference,  
102 with banked turns and a connecting straight chute at least 440  
103 yards in length, which does not require a horse to change its  
104 course in response to any obstacles on the racing surface and is  
105 further defined as follows:

106 (a) "Harness race" or "harness racing" means a contest  
107 between two or more standardbred horses pulling a two-wheeled  
108 cart called a sulky dispatched from a regulation, moving barrier  
109 and guided by a standardbred race driver who is licensed by the  
110 state and the United States Trotting Association. Standardbred  
111 racing also includes monte racing, in which a standardbred monte  
112 race rider, who is licensed by the state and the United States

HB 1397

2012

113 Trotting Association, competes while astride the horse rather  
 114 than as a driver.

115 (b) "Quarter horse race" or "quarter horse racing" means a  
 116 contest between two or more quarter horses registered with the  
 117 American Quarter Horse Association, at distances and under  
 118 conditions that qualify those races for race recognition by the  
 119 American Quarter Horse Association, dispatched from a regulation  
 120 starting gate and mounted by jockeys who are licensed by the  
 121 state.

122 (c) "Thoroughbred race" or "thoroughbred racing" means a  
 123 contest on such a track at least 5 furlongs in circumference,  
 124 between two or more thoroughbreds dispatched from a regulation  
 125 starting gate and mounted by state-licensed jockeys.

126  
 127 The term "horseracing" does not include steeplechases or hurdle  
 128 racers, nor does it include barrel racing, timed events, pole  
 129 bending, or any other rodeo or gymkhana-style events ~~"Harness~~  
 130 ~~racers" means a type of horseracing which is limited to~~  
 131 ~~standardbred horses using a pacing or trotting gait in which~~  
 132 ~~each horse pulls a two-wheeled cart called a sulky guided by a~~  
 133 ~~driver.~~

134 Section 2. Subsection (7) of section 550.09515, Florida  
 135 Statutes, is repealed.

136 Section 3. Subsection (3) of section 550.3345, Florida  
 137 Statutes, is amended to read:

138 550.3345 Conversion of quarter horse permit to a limited  
 139 thoroughbred permit.—

140 (3) Unless otherwise provided in this section, after

141 conversion, the permit and the not-for-profit corporation shall  
 142 be treated under the laws of this state as a thoroughbred permit  
 143 and as a thoroughbred permitholder, respectively, with the  
 144 exception of s. 550.09515(3); however, notwithstanding s.  
 145 550.002(11), a full schedule of live racing for a thoroughbred  
 146 permitholder under this section means the conduct of at least  
 147 five live regular wagering performances during the preceding  
 148 year.

149 Section 4. Section 550.3347, Florida Statutes, is created  
 150 to read:

151 550.3347 Conversion of quarter horse permit to a  
 152 thoroughbred permit.—

153 (1) In recognition of the important and long-standing  
 154 economic contribution of the thoroughbred horse breeding  
 155 industry to this state and the state's vested interest in  
 156 promoting the continued viability of this agricultural activity,  
 157 the state intends to provide a limited opportunity for the  
 158 conversion of a quarter horse racing permit to a permit  
 159 authorizing the holder to conduct pari-mutuel wagering meets of  
 160 thoroughbred racing.

161 (2) Notwithstanding any other provision of law, the holder  
 162 of a quarter horse racing permit issued under this chapter to  
 163 conduct pari-mutuel wagering, whose pari-mutuel facility is  
 164 located in a county with a population of at least 2 million, may  
 165 apply to the division to convert the quarter horse racing permit  
 166 to a permit authorizing the holder to conduct pari-mutuel  
 167 wagering meets of thoroughbred racing. The conversion to a  
 168 thoroughbred racing permit is not subject to the mileage

HB 1397

2012

169 limitation under s. 550.054(2) or the ratification election  
 170 under s. 550.0651. Upon receipt of the request for such  
 171 conversion, the division shall timely issue a converted permit.

172 (3) Racing under the permit may take place only at the  
 173 location for which the original quarter horse racing permit was  
 174 issued. After conversion, the permit and its holder shall be  
 175 treated under the laws of this state as a thoroughbred permit  
 176 and a thoroughbred permitholder, respectively. Live racing  
 177 conducted at the pari-mutuel facility under the quarter horse  
 178 racing permit and the converted permit shall be considered  
 179 together when determining the eligibility of the facility for  
 180 slot machine licensure under chapter 551.

181 Section 5. Section 550.375, Florida Statutes, is amended  
 182 to read:

183 550.375 Operation of certain harness tracks.—

184 (1) The Legislature finds that the operation of harness  
 185 tracks and legalized pari-mutuel and mutuel betting at harness  
 186 tracks in this state will become a substantial business  
 187 compatible with the best interests of the state, and the taxes  
 188 derived therefrom will constitute an important and integral part  
 189 of the tax structure of the state and counties. The Legislature  
 190 further finds that the operation of harness tracks within the  
 191 state will establish and encourage the acquisition and  
 192 maintenance of breeding farms for the breeding of standardbred  
 193 horses used in harness races, and that this exhibition sport  
 194 will attract a large tourist business to the state.

195 ~~(2) Any permittee or licensee authorized under this~~  
 196 ~~section to transfer the location of its permit may conduct~~

197 ~~harness racing only between the hours of 7 p.m. and 2 a.m. A~~  
 198 ~~permit so transferred applies only to the locations provided in~~  
 199 ~~this section. The provisions of this chapter which prohibit the~~  
 200 ~~location and operation of a licensed harness track permittee and~~  
 201 ~~licensee within 100 air miles of the location of a racetrack~~  
 202 ~~authorized to conduct racing under this chapter and which~~  
 203 ~~prohibit the division from granting any permit to a harness~~  
 204 ~~track at a location in the area in which there are three horse~~  
 205 ~~tracks located within 100 air miles thereof do not apply to a~~  
 206 ~~licensed harness track that is required by the terms of this~~  
 207 ~~section to race between the hours of 7 p.m. and 2 a.m.~~

208 (2)~~(3)~~ A permit may not be issued by the division for the  
 209 operation of a harness track within 75 air miles of a location  
 210 of a harness track licensed and operating under this chapter.

211 (3)~~(4)~~ The permitholder conducting a harness horse race  
 212 meet must pay the daily license fee, the admission tax, the tax  
 213 on breaks, and the tax on pari-mutuel handle provided in s.  
 214 550.0951 and is subject to all penalties and sanctions provided  
 215 in s. 550.0951(6).

216 (4)~~(5)~~ Each licensed harness track in the state must  
 217 schedule an average of one race per racing day in which horses  
 218 bred in this state and duly registered as standardbred harness  
 219 horses have preference as entries over non-Florida-bred horses.  
 220 All licensed harness tracks must write the conditions for such  
 221 races in which Florida-bred horses are preferred so as to assure  
 222 that all Florida-bred horses available for racing at such tracks  
 223 are given full opportunity to perform in the class races for  
 224 which they are qualified, and the opportunity of performing must



HB 1397

2012

225 be afforded to each class of horses in the proportion that the  
 226 number of horses in this class bears to the total number of  
 227 Florida-bred horses available. However, a track is not required  
 228 to write conditions for a race to accommodate a class of horses  
 229 for which a race would otherwise not be scheduled at such track  
 230 during its meeting.

231 (5)~~(6)~~ If a permit has been transferred from a county  
 232 under this section, no other transfer is permitted from such  
 233 county.

234 Section 6. Subsection (2) of section 550.5251, Florida  
 235 Statutes, is amended to read:

236 550.5251 Florida thoroughbred racing; certain permits;  
 237 operating days.—

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

245 Section 7. Section 550.5257, Florida Statutes, is created  
 246 to read:

247 550.5257 Advance deposit wagering on thoroughbred races.—

248 (1) For purposes of this section, the term "advance  
 249 deposit wagering" means a betting system in which a person may  
 250 establish an account and place a pari-mutuel wager on a  
 251 thoroughbred race using the funds deposited in or credited to  
 252 that account.

253 (2) If a particular advance deposit wagering system allows  
 254 a person physically located in this state to initiate a pari-  
 255 mutuel wager on any in-state or out-of-state thoroughbred race,  
 256 using a telephone, the Internet, or other means, a permitholder  
 257 may make broadcasts of thoroughbred races conducted at its  
 258 facility available on that system only if the permitholder and  
 259 the system provider agree to be jointly and severally  
 260 responsible for remitting, subject to audit by the division,  
 261 0.955 percent of every such pari-mutuel wager initiated by a  
 262 person physically located in this state on any in-state or out-  
 263 of-state thoroughbred race for the purpose of paying breeders',  
 264 stallion, and special racing awards. Within 30 days after the  
 265 wager, such funds shall be remitted to the Florida Thoroughbred  
 266 Breeders' and Owners' Association for the payment of awards,  
 267 subject to ss. 550.26165 and 550.2625.

268 (3) If the permitholder or system provider fails to remit  
 269 the required funds or to comply with its other obligations under  
 270 this section, the permitholder must immediately terminate all  
 271 broadcasts of its thoroughbred races on the provider's system.  
 272 The division may also impose on the permitholder any of the  
 273 sanctions described in s. 550.0251(10).

274 Section 8. Subsection (1) of section 550.6308, Florida  
 275 Statutes, is amended to read:

276 550.6308 Limited intertrack wagering license.—In  
 277 recognition of the economic importance of the thoroughbred  
 278 breeding industry to this state, its positive impact on tourism,  
 279 and of the importance of a permanent thoroughbred sales facility  
 280 as a key focal point for the activities of the industry, a

281 | limited license to conduct intertrack wagering is established to  
 282 | ensure the continued viability and public interest in  
 283 | thoroughbred breeding in Florida.

284 |       (1) Upon application to the division on or before January  
 285 | 31 of each year, any person that is licensed to conduct public  
 286 | sales of thoroughbred horses pursuant to s. 535.01, that has  
 287 | conducted at least 8 ~~15~~ days of thoroughbred horse sales at a  
 288 | permanent sales facility in this state for at least 3  
 289 | consecutive years, and that has conducted at least 1 day of  
 290 | nonwagering thoroughbred racing in this state, with a purse  
 291 | structure of at least \$250,000 per year for 2 consecutive years  
 292 | before such application, shall be issued a license, subject to  
 293 | the conditions set forth in this section, to conduct intertrack  
 294 | wagering at such a permanent sales facility during the following  
 295 | periods:

- 296 |       (a) Up to 21 days in connection with thoroughbred sales;
- 297 |       (b) Between November 1 and May 8;
- 298 |       (c) Between May 9 and October 31 at such times and on such  
 299 | days as any thoroughbred, jai alai, or a greyhound permitholder  
 300 | in the same county is not conducting live performances; provided  
 301 | that any such permitholder may waive this requirement, in whole  
 302 | or in part, and allow the licensee under this section to conduct  
 303 | intertrack wagering during one or more of the permitholder's  
 304 | live performances; and
- 305 |       (d) During the weekend of the Kentucky Derby, the  
 306 | Preakness, the Belmont, and a Breeders' Cup Meet that is  
 307 | conducted before November 1 and after May 8.

308 |

HB 1397

2012

309 No more than one such license may be issued, and no such license  
 310 may be issued for a facility located within 50 miles of any  
 311 track for which a thoroughbred permitholder has submitted a  
 312 timely and valid application for a license to conduct live pari-  
 313 mutuel performances during the subject year, unless that  
 314 permitholder consents to issuance of the license under this  
 315 section ~~thoroughbred permitholder's track.~~

316 Section 9. Paragraph (b) of subsection (5) of section  
 317 849.086, Florida Statutes, is amended to read:

318 849.086 Cardrooms authorized.—

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

322 (b) After the initial cardroom license is granted, the  
 323 application for the annual license renewal shall be made in  
 324 conjunction with the applicant's annual application for its  
 325 pari-mutuel license. ~~If a permitholder has operated a cardroom~~  
 326 ~~during any of the 3 previous fiscal years and fails to include a~~  
 327 ~~renewal request for the operation of the cardroom in its annual~~  
 328 ~~application for license renewal, the permitholder may amend its~~  
 329 ~~annual application to include operation of the cardroom.~~ In  
 330 order for a cardroom license to be renewed, the applicant must  
 331 be licensed to conduct a full schedule of live racing or games  
 332 in the year in which the renewal application is filed and must  
 333 ~~have requested, as part of its accompanying pari-mutuel annual~~  
 334 license application:

335 1. Request, ~~to conduct~~ at least 90 percent of the total  
 336 number of live performances the ~~conducted by~~ such permitholder

337 is licensed to conduct in the year in which the renewal  
 338 application is filed;

339 2. For a thoroughbred permitholder whose pari-mutuel  
 340 facility is located more than 35 miles from any other  
 341 thoroughbred permitholder's pari-mutuel facility, request at  
 342 least 80 percent of the total number of live performances the  
 343 permitholder is licensed to conduct in the year in which the  
 344 renewal application is filed; however, a permitholder electing  
 345 this option must, in the subject year and all subsequent years,  
 346 request a minimum of 60 live performances conducted on at least  
 347 4 days during each week of the permitholder's meet; or during  
 348 ~~either the state fiscal year in which its initial cardroom~~  
 349 ~~license was issued or the state fiscal year immediately prior~~  
 350 ~~thereto if the permitholder ran at least a full schedule of live~~  
 351 ~~racing or games in the prior year.~~

352 3. If the application is For a harness race permitholder  
 353 cardroom, request ~~the applicant must have requested~~  
 354 ~~authorization to conduct~~ a minimum of 140 live performances  
 355 ~~during the state fiscal year immediately prior thereto.~~

356  
 357 If more than one permitholder is operating at a facility, each  
 358 permitholder must comply with the requirements of this paragraph  
 359 ~~have applied for a license to conduct a full schedule of live~~  
 360 ~~racing.~~

361 Section 10. This act shall take effect upon becoming a law  
 362 and shall apply to all pari-mutuel wagering permits and  
 363 licenses, and to all nonwagering permits and licenses, issued  
 364 before, on, or after the date this act becomes a law.