

# **Finance and Tax Committee**

Tuesday, April 21, 2015 8:00 a.m. – 10:00 a.m. Morris Hall

**MEETING PACKET** 

## The Florida House of Representatives

## **Finance and Tax Committee**



Steve Crisafulli Speaker

Matt Gaetz Chair

## **AGENDA**

April 21, 2015 8:00 a.m. – 10:00 a.m. Morris Hall

- I. Call to Order/Roll Call
- II. Chair's Opening Remarks
- III. Consideration of the following proposed committee substitute: PCS for CS/HB 1233 -- Gaming
- IV. Closing Remarks and Adjournment

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCS for CS/HB 1233 Gaming SPONSOR(S): Finance & Tax Committee TIED BILLS: IDEN./SIM. BILLS:

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Finance & Tax Committee		Pewitt (	Langston

#### **SUMMARY ANALYSIS**

The bill makes changes to the pari-mutuel wagering, slot machines and gambling chapters of the Florida Statutes, related to operating requirements for pari-mutuel wagering permitholders. Changes include:

- Permitting greyhound permitholders to conduct pari-mutuel wagering, cardrooms and slots without the requirement of live races;
- Providing for the revocation of dormant permits based on a permitholder's failure to conduct live races, obtain an operating license, or failing to pay taxes and fees for a period of more than two years;
- Prohibiting the issuance of new or additional permits, and the conversion or relocation of permits;
- Prohibiting the transfer or relocation of a pari-mutuel permit or license;
- Limiting the number of pari-mutuel wagering operating licenses to no more than 40;
- Prohibiting the issuance of additional summer jai alai permits;
- Removing tax credits for greyhound permitholders and revising the tax on handle for live greyhound racing and intertrack wagering from 5.5% to 1.28%;
- Removing provisions that allow for reissuance of permits after they escheat to the state;
- Revising purse requirements of a greyhound permitholder that conducts live racing;
- Repealing s. 550.1647, F.S., relating to tax credits for unclaimed greyhound racing wagers:
- Revising the requirements for a greyhound permitholder to provide a greyhound adoption booth at its facility and requiring sterilization of greyhounds before adoption;
- Creating s. 550.2416, F.S., requiring injuries to racing greyhounds be reported to the Division of Parimutuel Wagering in the Department of Business and Professional Regulation;
- Creating 550.3341, F.S., permitting certain quarter horse racing permitholders to substitute certain live nonwagering equine competitions in order to meet the requirement to run a full schedule of live racing;
- Requiring greyhound permitholders to offer certain simulcast signals if offering intertrack wagering;
- Revising the number of days from 15 to 8 that a limited thoroughbred horse sales permitholder is required to offer sales in order to obtain a limited intertrack wagering license;
- Extending weekday hours of operation for all slot machine and cardroom licensees from 18 to 24 hours;
- Streamlining the slot machines chapter and limiting the issuance of slot machine licenses:
- Conditionally allowing slot machines at pari-mutuel facilities that have conducted 250 performances per year for 25 years, if the Seminole Gaming Compact is amended to allow for such facilities to operate;
- Providing for a referendum or commission vote in Miami-Dade and Broward Counties to determine support for legislative approval of destination resort casinos in those areas.

The provisions of the bill related to greyhound decoupling are estimated to have a positive \$2.4 million annual impact to the General Revenue fund and a -\$0.3 million annual impact to the State Schools Trust Fund.

The bill is effective upon becoming a law.

#### **FULL ANALYSIS**

#### I. SUBSTANTIVE ANALYSIS

#### A. EFFECT OF PROPOSED CHANGES:

## General Overview of Gaming in Florida

Gambling is generally prohibited in Florida, unless specifically authorized. Section 7, Art. X, of the Florida Constitution prohibits lotteries, other than pari-mutuel pools, from being conducted in Florida. Chapter 849, F.S., includes prohibitions against slot machines, keeping a gambling house and running a lottery.

Section 7 of Article X of the 1968 State Constitution provides, "Lotteries, other than the types of parimutuel pools authorized by law as of the effective date of this constitution, are hereby prohibited in this state."

Section 15 of Article X of the State Constitution (adopted by the electors in 1986) provides for state operated lotteries:

Lotteries may be operated by the state.... On the effective date of this amendment, the lotteries shall be known as the Florida Education Lotteries. Net proceeds derived from the lotteries shall be deposited to a state trust fund, to be designated The State Education Lotteries Trust Fund, to be appropriated by the Legislature. The schedule may be amended by general law. <sup>2</sup>

Section 23 of Article X of the State Constitution (adopted by the electors in 2004) provides for slot machines in Miami-Dade and Broward Counties:

After voter approval of this constitutional amendment, the governing bodies of Miami-Dade and Broward Counties each may hold a county-wide referendum in their respective counties on whether to authorize slot machines within existing, licensed pari-mutuel facilities (thoroughbred and harness racing, greyhound racing, and jai-alai) that have conducted live racing or games in that county during each of the last two calendar years before the effective date of this amendment. If the voters of such county approve the referendum question by majority vote, slot machines shall be authorized in such pari-mutuel facilities. If the voters of such county by majority vote disapprove the referendum question, slot machines shall not be so authorized, and the question shall not be presented in another referendum in that county for at least two years.

#### Pari-mutuel wagering

Chapter 550, F.S., regulates the conduct of pari-mutuel wagering on horseracing, greyhound racing and jai alai and licensed pari-mutuel facilities. Section 849.086, F.S., authorizes cardrooms at such facilities and ch. 551, F.S., authorizes slot machines at such facilities, provided additional eligibility criteria are met. Such gaming is overseen by the Division of Pari-mutuel Wagering (DPMW) within the Department of Business and Professional Regulation (DBPR). Its purpose is to ensure the health, safety, and welfare of the public, racing animals, and licensees through efficient and fair regulation of the pari-mutuel industry in Florida.<sup>3</sup>

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<sup>&</sup>lt;sup>1</sup> The pari-mutuel pools that were authorized by law on the effective date of the Florida Constitution, as revised in 1968, include horseracing, greyhound racing, and jai alai games. The revision was ratified by the electorate on November 5, 1968.

<sup>&</sup>lt;sup>2</sup> The Department of the Lottery is authorized by s. 15, Art. X, Florida Constitution. Chapter 24, F.S., was enacted by ch. 87-65, L.O.F., to establish the state lottery. Section 24.102, F.S., creates the Department of the Lottery and states the Legislature's intent that it be self-supporting and revenue-producing and function as an entrepreneurial business enterprise.

<sup>&</sup>lt;sup>3</sup> From 1932 to 1969, Florida's pari-mutuel industry was regulated by the State Racing Commission. In 1970, the commission became a division within DBPR, and, in 1993, the Department of Business Regulation became the DBPR.

The DPMW collects revenue in the form of taxes and fees from permitholders for the conduct of gaming activities outlined above. Additionally, the DPMW is the State Compliance Agency for oversight of the gaming compact with the Seminole Tribe. As part of the DPMW's oversight duties, it collects and verifies payments by the Seminole Tribe made to the State of Florida under the terms outlined in the Compact.

The DPMW currently makes an annual report to the Governor showing its actions, money received under Chapter 550, F. S., the practical effects of Chapter 550, and any suggestions for more effective accomplishment of the goals of the chapter.<sup>4</sup>

## Miscellaneous Gaming

Chapter 849, F.S., contains other specific exceptions to the general gambling prohibition and authorizes certain gambling activities, such as cardrooms at pari-mutuel facilities, bingo, penny-ante poker, arcade amusement games, amusement games and machines, and game promotions. Such gaming is primarily enforced by local law enforcement, although the Department of Agriculture and Consumer Services (DACS) and the Department of Legal Affairs (DLA) has limited authority.

## Indian Gaming

Gambling on Indian lands is subject to federal law, with limited state involvement. Florida entered a compact governing such gambling with the Seminole Tribe of Florida in 2010 (Seminole Gaming Compact). Such gaming compacts are regulated by the federal Indian Gaming Regulatory Act, s, 25 U.S.C. 2701, et seq., and part II, ch. 285, F.S. The DPMW, as the State Compliance Agency under the Seminole Gaming Compact, has an oversight role in ensuring gaming at the Tribe's facilities is conducted in compliance with the compact.

The Seminole Gaming Compact permits the Tribe to offer slot machines, raffles and drawings, and any other game authorized for any person for any purpose, at all seven of its tribal casinos. It also permits the Tribe to conduct banked card games, including blackjack, chemin de fer, and baccarat, but the play of the banked card games is not allowed at the Brighton or Big Cypress facilities. If banked games are authorized for any other person for any other purpose, except for a compact with a qualifying Indian Tribe, the Tribe would be authorized to offer banked cards at all seven of its facilities.

The Seminole Gaming Compact has a term of 20 years, with the exception of the authorization for banked card games, which lasts five years (until July 31, 2015) unless renewed by an affirmative act of the Legislature.

In exchange for the Tribe's exclusive right to conduct slot machine gaming outside of Miami-Dade and Broward counties and the exclusive right to offer banked card games at the specified facilities, the compact provides for revenue sharing payments by the Tribe to the state as follows:

- During the initial period (first 24 months), the Tribe is required to pay \$12.5 million per month (\$150 million per year).
- After the initial period, the Tribe's guaranteed minimum revenue sharing payment is \$233 million for year three, \$233 million for year four, and \$234 million for year five.
- After the initial period, the Tribe pays the greater of the guaranteed minimum or payments based on a variable percentage of annual net win that ranges from 12 percent of net win up to \$2 billion, to 25 percent of the amount of any net win greater than \$4.5 billion.
- After the first five years, the Tribe will continue to make payments to the state based on the percentage of net win without a guaranteed minimum payment.

<sup>4</sup> s. 550.0251(1), F.S.

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If the Legislature does not extend the authorization for banked card games after the first five years, the net win calculations would exclude the net win from the Tribe's facilities in Broward County.

Revenues are deposited in the General Revenue Fund.

The compact provides consequences for the expansion of gaming in Miami-Dade and Broward counties:

- If new forms of Class III gaming and casino-style gaming are authorized for the eight licensed pari-mutuel facilities located in Miami-Dade and Broward counties (which may not relocate) and the net win from the Tribe's Broward facilities drops for the year after the new gaming begins, then the Tribe may reduce the payments from its Broward facilities by 50 percent of the amount of the reduction in net win.
- If new forms of Class III gaming and other casino-style gaming are authorized for other locations in Miami-Dade and Broward counties, then the Tribe may exclude the net win from their Broward facilities from their net win calculations when the new games begin to be played.<sup>5</sup>

#### Revenue sharing payments cease if:

- The state authorizes new forms of Class III gaming or other casino-style gaming after February 1, 2010, or authorizes Class III gaming or other casino-style gaming at any location outside of Miami-Dade and Broward counties that was not authorized for such games before February 1, 2010; and
- The new gaming begins to be offered for private or public use.

## Current Situation of Pari-Mutuel Wagering

'Pari-mutuel wagering' refers to a method of wagering in which winners divide the total amount bet in proportion to the sums they have wagered individually and with regard to the odds assigned to particular outcomes.<sup>6</sup> In Florida, pari-mutuel wagering is authorized on jai alai, greyhound racing and various forms of horseracing and overseen by the DPMW. Chapter 550, F.S., provides specific licensing requirements, taxation provisions, and regulations for the conduct of the industry.

Pari-mutuel wagering activities are limited to operators who have received a permit from the DPMW, which is then subject to ratification by county referendum. Permitholders apply for licenses annually to conduct pari-mutuel wagering activities, <sup>7</sup> cardrooms, <sup>8</sup> and slot machines. <sup>9</sup>

Horse racing was authorized in the State of Florida in 1931. The state authorizes three forms of horse racing classes for betting: thoroughbred, harness, and quarter horse racing. Thoroughbred racing involves only horses specially bred and registered by certain bloodlines. The thoroughbred industry is highly regulated and specifically overseen by national and international governing bodies. Harness racing uses standard bred horses, which are a "pacing or trotting horse...that has been registered as a standardbred by the United States Trotting Association" or by a foreign registry whose stud book is recognized by the USTA.<sup>10</sup> Quarter horse racing involves horses developed in the western United States which are capable of high speed for a short distance.<sup>11</sup> They are registered with the American Quarter Horse Association.

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<sup>&</sup>lt;sup>5</sup> The Tribe would automatically be authorized to conduct the same games authorized for any other person at any location.

<sup>&</sup>lt;sup>6</sup> s. 550.002(22), F.S.

<sup>&</sup>lt;sup>7</sup> s. 550.0115, F.S.

<sup>&</sup>lt;sup>8</sup> s. 849.086, F.S.

<sup>&</sup>lt;sup>9</sup> s. 551.104, F.S.

<sup>&</sup>lt;sup>10</sup> s. 550.002(33), F.S.

<sup>&</sup>lt;sup>11</sup> s. 550.002(28), F.S.

The DPMW approves pari-mutuel wagering permits. Generally, as long as the applicant meets statutory minimum requirements, the DPMW issues the permit. There is no application fee. While the DPMW is authorized to charge applicants for its investigation, it has not done so in recent years. It determines eligibility using existing resources.

The DPMW is also authorized to issue nonwagering permits to any applicant that is not prohibited from holding a pari-mutuel permit. Nonwagering permits allow the permitholder to hold horse racing meets for which no bets may be accepted.<sup>12</sup>

The DPMW has issued 50 pari-mutuel wagering permits, and 5 non-wagering permits. There are 35 pari-mutuel permitholders currently operating at 29 facilities throughout Florida. Currently, 24 parimutuel facilities are operating cardrooms. There are seven pari-mutuel facilities that have been licensed to operate slot machines. Several locations have multiple permits that operate at a single facility. The breakdown by permit type is as follows:

- 19 Greyhound permits
- 5 Thoroughbred permits
- 1 Harness permit
- 5 Quarter Horse permits
- 8 Jai-Alai permits
- 1 track offering limited intertrack wagering and horse sales

#### Permit revocation

Under certain circumstances in statute, a permitholder may lose his or her permit to conduct parimutuel wagering. If a permitholder has failed to complete construction of at least 50 percent of the facilities necessary to conduct pari-mutuel wagering within 12 months after approval by the voters of the permit, the DPMW shall revoke the permit after giving adequate notice to the permitholder. The DPMW may grant one extension of 12 months upon a showing of good cause by the permitholder.

If a permitholder fails to pay tax on handle for live thoroughbred horse performances for a full schedule of live races for two consecutive years, his or her permit is void and escheats back to the state, unless the failure of payment was due to events beyond the control of the permitholder. Financial hardship to the permitholder does not, in and of itself, constitute just cause for the failure to pay taxes in this section. There is a similar requirement for harness racing permitholders in s. 550.9512(3)(a), F.S. In the case of failure to pay taxes, the permit escheats to the state and may be reissued.

#### Relocation

Certain permitholders may relocate the location listed in their permit to a new location within 30 miles. Greyhound and jai alai permitholders operating in counties where they are the only permitholder of that class may relocate under s. 550.0555, F.S. Greyhound permitholders that converted their permit from a jai alai permit under s. 550.054, F.S., may relocate under that statute. A greyhound permitholder in a county where it is the only permitholder who operates at a leased facility may also relocate under s. 550.054, F.S.

In each of these cases, the relocation must not cross county boundaries and must be approved under the local zoning regulations. In relocation under s. 550.054, F.S., the DPMW is required to grant the

<sup>&</sup>lt;sup>12</sup> s. 550.505, F.S.

<sup>&</sup>lt;sup>13</sup> Florida Department of Business & Professional Regulation, Division of Pari-Mutuel Wagering, 83rd Annual Report Fiscal Year 2013-2014, <a href="http://www.myfloridalicense.com/dbpr/pmw/documents/AnnualReports/AnnualReport-2013-2014--83rd--20150114.pdf">http://www.myfloridalicense.com/dbpr/pmw/documents/AnnualReports/AnnualReport-2013-2014--83rd--20150114.pdf</a>
<sup>14</sup> s. 550.054(10), F.S.

<sup>&</sup>lt;sup>15</sup> s. 550.09515(3)(a), F.S.

application for relocation once the permitholder fulfills the requirements of the statute. Approval by the DPMW is required for relocations under s. 550.0555, F.S.

## Conversion

Certain permitholders may convert their permits. For instance, a permit for pari-mutuel wagering on jai alai may be converted to greyhound racing if the permitholder meets certain criteria. <sup>16</sup> In the past, quarter horse permits have been converted to limited thoroughbred permits, <sup>17</sup> jai alai to greyhound racing, <sup>18</sup> etc.

Permitholders may also convert to conduct summer jai alai, in certain circumstances. <sup>19</sup> This provision, enacted in 1980, has been subject to competing interpretations. The bill enacting the provision included in a whereas clause a finding that "it would be to the best interests of the state to permit summer jai alai so long as there is no increase in the number of permittees authorized to operate within any specified county." The DPMW issued one summer jai alai permit in Miami-Dade County in 2011 and has received numerous applications for Miami-Dade and Broward counties. The provision provides:

If a permitholder that is eligible under this section to convert a permit chooses not to convert, a new permit is made available in that permitholder's county to conduct summer jai alai games as provided by this section, notwithstanding mileage and permit ratification requirements. If a permitholder converts a quarter horse racing permit pursuant to this section, this section does not prohibit the permitholder from obtaining another quarter horse racing permit.

If the provision is interpreted to provide for the issuance of a new permit, it could be used to issue new permits as often as every two years.

## Intertrack wagering

Wagering on races hosted at remote tracks is called intertrack (when both tracks are in Florida) or simulcast (when one track is out of state) wagering. In-state 'host tracks' conduct live or receive broadcasts of simulcast races that are then broadcast to 'guest tracks,' which accept wagers on behalf of the host. To conduct intertrack or simulcast wagering, permitholders must conduct a full schedule of live racing and meet other requirements.<sup>20</sup>

A limited amount of intertrack wagering is also authorized by statute for one permanent thoroughbred sales facility. In order to qualify for a license, the facility must have at least 15 days of thoroughbred horse sales at a permanent sales facility in this state for at least three consecutive years. Additionally, the facility must have conducted at least 1 day of nonwagering thoroughbred racing in this state, with a purse structure of at least \$250,000 per year for 2 consecutive years before application for a license.

A limited intertrack wagering licensee is limited to conducting intertrack wagering during:

- The 21 days in connection with thoroughbred sales;
- Between November 1 and May 8;
- Between May 9 and October 31, if:
  - No permitholder within the county is conducting live events.

<sup>&</sup>lt;sup>16</sup> s. 550.054(14), F.S., ruled an unconstitutional act by *Debary Real Estate Holdings, LLC v. State, Dept. of Business and Professional Regulation, Div. of Pari-Mutuel Wagering*, 112 So.3d 157, 168 (Fla. 1st DCA 2013).

<sup>&</sup>lt;sup>17</sup> See s. 550.3345, F.S.

<sup>&</sup>lt;sup>18</sup> ch. 89-219, Laws of Fla.

<sup>&</sup>lt;sup>19</sup> s. 550.0745, F.S.

<sup>&</sup>lt;sup>20</sup> See s. 550.615, F.S.

<sup>&</sup>lt;sup>21</sup> s. 550.6308, F.S.

- o Permitholders operating live events within the county consent.
- For the weekend of the Kentucky Derby, the Preakness, the Belmont, and a Breeders' Cup Meet.

The licensee is further limited to intertrack wagering on thoroughbred racing, unless all permitholders in the same county consent. The licensee must pay 2.5 percent of total wagers on jai alai or greyhound racing to thoroughbred permitholders operating live races for purses.

#### Cardrooms

Cardrooms were authorized at pari-mutuel facilities in 1996.<sup>22</sup> Cardrooms can only be offered at a location where the permitholder is authorized to conduct pari-mutuel activities. To be eligible for a cardroom license, permitholders must conduct at least 90% of the performances conducted the year they applied for the initial cardroom license or the prior year, if the permitholder ran a full schedule of live performances.

The cardrooms may operate 18 hours per day on Monday through Friday and for 24 hours per day on Saturday and Sunday. No-limit poker games are permitted. Such games are played in a non-banking matter, i.e., the house has no stake in the outcome of the game. Cardrooms must be approved by an ordinance of the county commission where the pari-mutuel facility is located. Each cardroom operator must pay a tax of 10 percent of the cardroom operation's monthly gross receipts.

## Effect of Proposed Changes to Pari-Mutuel Wagering

The Division of Pari-mutuel Wagering within the Department of Business and Professional Regulation

The bill amends s. 550.0251, F.S., providing that the DPMW shall make an annual report to the President of the Senate, and the Speaker of the House of Representatives, in addition to current law that requires an annual report to the Governor. The report shall include, at a minimum:

- Recent events in the gaming industry, including pending litigation, pending facility license applications, and new and pending rules.
- Actions of DBPR relative to the implementation and administration of ch. 550, F.S.
- The state revenues and expenses associated with each form of authorized gaming. Revenues and expenses associated with pari-mutuel wagering shall be further delineated by the class of license.
- The performance of each pari-mutuel wagering licensee, cardroom licensee, and slot licensee.
- A summary of disciplinary actions taken by DBPR.
- Any suggestions to more effectively achieve the purposes of ch. 550, F.S.

## Permit applications

The bill provides that, effective upon becoming law, the DPMW may not approve or issue any new permit authorizing pari-mutuel wagering. The bill also limits the number of pari-mutuel wagering operating licenses that may be issued by the DPMW to permitholders to no more than 40.

#### Permit revocation

The bill provides additional basis for the division to revoke a permit:

- If a permitholder has failed to obtain an operating license to conduct live events for a period of more than 24 consecutive months.
- If a permitholder has failed to conduct live performances within the 24 months prior to the effective date of the bill.
- If a permitholder fails to pay taxes pursuant to s. 550.0951(5) for more than 24 consecutive months.

The bill specifies that permits revoked under these situations are void and may not be reissued.

The bill provides that approval may be obtained upon a request to place a permit in inactive status for up to 24 months. While in inactive status, the permitholder is ineligible for licensure for pari-mutuel wagering, cardrooms or slot machines.

#### Relocation

The bill repeals all relocation provisions, with the exception of allowing permitholders that converted their permit from a jai alai permit to a greyhound permit to relocate within 30 miles as long as they do not cross county lines and apply prior to July 31, 2015.

#### Conversion

The bill repeals all conversion provisions.

#### Intertrack wagering

The bill reduces requirements for a limited intertrack wagering license:

- The number of days for public sales of thoroughbred horses is reduced from 15 to 8.
- The requirement to conduct at least one day of nonwagering racing is removed.
- Some restrictions on the conduct of intertrack wagering are removed.
- The requirement to obtain consent of other county permitholders to accept intertrack wagers on non-thoroughbred events is removed.

## Greyhound racing

The bill removes the live racing requirement for greyhound racing permitholders and makes changes throughout ch. 550, F.S., related to a greyhound permitholders ability to operate pari-mutuel wagering, cardrooms, and slots without live racing. The greyhound permitholders are given the option to continue to conduct live performances or conduct no live performance.

The bill includes the following changes:

- Removes all tax credits for greyhound permitholders and revises the tax on handle for live greyhound racing and intertrack wagering from 5.5% to 1.28%;
- Repeals s. 550.0555, F.S., which allowed the relocation of greyhound racing permits;
- Repeals s. 550.1647, F.S., relating to tax credits for unclaimed tickets at greyhound facilities;
- Revises the requirements for a greyhound permitholder to provide a greyhound adoption booth at its facility, defines the term "bona fide organization that promotes or encourages the adoption of greyhounds," and requires sterilization of greyhounds before adoption;

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- Creates s. 550.2416, F.S., requiring injuries to racing greyhounds be reported on a form
  adopted by the DPMW within a certain timeframe and specifying information that must be
  included in the form. It requires the DPMW to maintain the forms as public records for a
  specified time and specifies disciplinary action that may be taken against a licensee of DBPR
  who fails to report an injury or who makes false statements on an injury form.
- Requires greyhound permitholders to offer certain simulcast signals if offering intertrack wagering.
- Requires certain greyhound permitholders to locate their slot machine gaming area in certain locations and extends the hours of operation for all slot machine licensees from 18 to 24 hours 7 days a week.
- Provides that a greyhound permitholder is not required to conduct a minimum number of live racing in order to receive, maintain, or renew a cardroom license and extends the hours of operation for all cardrooms from 18 to 24 hours 7 days a week.
- Requires a greyhound permitholder to conduct intertrack wagering on greyhound signals to operate a cardroom.

## Quarter Horse Racing

The bill allows quarter horse racing permitholders to apply to the DPWM to enter a partnership with a nonwagering permitholder. If approved for such a partnership, the quarter horse racing permitholder would be permitted, during its license application, to substitute certain live nonwagering equine competitions instead of live pari-mutuel quarter horse races. Such live nonwagering equine competitions, which may include barrel racing, pole bending, or other rodeo or gymkhana-style competitions, would count toward the performances necessary for the quarter horse racing permitholder to run a full schedule of live races.

The division would be required to approve one application annually. Quarter horse racing permitholders would be required to meet the following criteria in order to apply:

- Be located in a county with a population between 30,000 and 75,000;
- Be located in a community that is or was designated as a rural area of opportunity;
- Have the live nonwagering equine competitions conducted by the nonwagering permitholder at the quarter horse racing permitholder's pari-mutuel facility or a publicly owned agricultural arena adjacent to the pari-mutuel facility;
- Partner with a nonwagering permitholder which is the horsemen's association which represents the majority of the quarter horse owners and trainers at the quarter horse racing permitholder's pari-mutuel facility; and
- Conduct a full schedule of racing for the two years prior to the year for which a partnership application is submitted.

#### Current Situation on the Operation of Slot Machines in Florida

Racinos, pari-mutuel facilities that operate slot machine gaming, are governed by ch. 551, F.S. Eligible facilities are defined to include:

- Any licensed pari-mutuel facility located in Miami-Dade County or Broward County existing at the time of adoption of s. 23, Art. X of the State Constitution that has conducted live racing or games during calendar years 2002 and 2003 and has been approved by a majority of voters in a countywide referendum to have slot machines at such facility in the respective county;
- 2. Any licensed pari-mutuel facility located within a county as defined in s. 125.011, F.S., provided such facility has conducted live racing for 2 consecutive calendar years immediately preceding its application for a slot machine license, pays the required license fee, and meets the other requirements of this chapter; or

3. Any licensed pari-mutuel facility in any other county in which a majority of voters have approved slot machines at such facilities in a countywide referendum held pursuant to a statutory or constitutional authorization after the effective date of this section in the respective county, provided such facility has conducted a full schedule of live racing for 2 consecutive calendar years immediately preceding its application for a slot machine license, pays the required license fee, and meets the other requirements of this chapter.

Seven pari-mutuel facilities obtained eligibility through constitutional approval - the first clause. An additional pari-mutuel facility, Hialeah Park, was ineligible as it had not operated live racing or games during 2002 and 2003. It obtained eligibility through the second clause.

No facilities have obtained eligibility through the third clause; however, it has been subject to competing interpretations. Stakeholders and counties have argued that the phrase "after the effective date of this section" applies to "a countywide referendum held" - so any county could authorize slot machines relying on their general authority to hold referenda. Based on this interpretation, Brevard, Gadsden, Lee, Palm Beach, Hamilton and Washington counties, have approved slot machines at pari-mutuel facilities by referendum.

Were such gaming to occur outside of Miami-Dade or Broward counties, all revenue sharing under the Seminole Gaming Compact would end. The Seminole Gaming Compact was ratified in the same law that effectuated the third clause.

The Attorney General rejected this interpretation, arguing that the phrase "after the effective date of this section" modified the phrase "a statutory or constitutional authorization" - so, counties could not rely on their general authority to hold referenda, instead needing a specific authorization to hold a referendum on the question of slot machines. The DPMW announced that it would follow this guidance. <sup>24</sup>

Slot machine licensees are required to pay a license fee of \$2 million per fiscal year. In addition to the license fees, the tax rate on slot machine revenues at each facility is 35 percent. If, during any state fiscal year, the aggregate amount of tax paid to the state by all slot machine licensees in Broward and Miami-Dade counties is less than the aggregate amount of tax paid to the state by all slot machine licensees in the 2008-2009 fiscal year, each slot machine licensee must pay to the state, within 45 days after the end of the state fiscal year, a surcharge equal to its pro rata share of an amount equal to the difference between the aggregate amount of tax paid to the state by all slot machine licensees in the 2008-2009 fiscal year and the amount of tax paid during the fiscal year that resulted in the revenue shortfall.

To continue to offer slot machines, permitholders must conduct a full schedule of live racing. Additionally, thoroughbred permitholders must file an agreement between the track and the Florida Horsemen's Benevolent and Protective Association governing payment of purses on live thoroughbred races at the licensee's facility with the DPMW, as well as an agreement with the Florida Thoroughbred Breeders' Association on the payment of breeders', stallion, and special racing awards on those races. Similarly, quarter horse permitholders must file an agreement with the DPMW between the track and the Florida Quarter Horse Racing Association or the association representing a majority of the horse owners and trainers at the licensee's facility governing the payment of purses on live quarter horse races at the licensee's facility.

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<sup>&</sup>lt;sup>23</sup> 2012-01 Fla. Op. Att'y Gen. (2012).

<sup>&</sup>lt;sup>24</sup> Mary Ellen Klas, *Attorney General Opinion Puts Reins on Slots at Gretna Barrel Racing Track*, Miami Herald (Jan. 12, 2012), <a href="http://www.miamiherald.typepad.com/nakedpolitics/2012/01/attorney-general-opinion-puts-reins-on-gretna-barrel-racing-.html">http://www.miamiherald.typepad.com/nakedpolitics/2012/01/attorney-general-opinion-puts-reins-on-gretna-barrel-racing-.html</a>.

<sup>&</sup>lt;sup>25</sup> s. 551.104(1)(c), F.S.

<sup>&</sup>lt;sup>26</sup> s. 551.104(10)(a)1, F.S.

<sup>&</sup>lt;sup>27</sup> s. 551.104(10)(a)2, F.S.

## Effect of Proposed Changes to the Operation of Slot Machines

The bill moves the requirements for obtaining a license to conduct slot machines into the licensing provision and out of the definition and authorization provisions.

The bill continues to require that a slot machine license can only be issued as provided for in current law but removes the provision that caused litigation, discussed above, under which no license has been issued by the state. In order for a pari-mutuel permitholder to obtain slot machine licensure, the applicant must be:

- A licensed pari-mutuel facility where live racing or games were conducted during calendar years 2002 and 2003, located in Miami-Dade County or Broward County, and authorized for slot machine licensure pursuant to s. 23, Art. X of the State Constitution; or
- A licensed pari-mutuel facility where a full schedule of live horseracing has been conducted for 2 consecutive calendar years immediately preceding its application for a slot machine license and located within a county as defined in s. 125.011, F.S.; or
- A licensed pari-mutuel facility located in a county in which a majority of voters approved slots by referendum held concurrently with a Presidential Election that has conducted 250 live performances for the 25 consecutive years immediately preceding the application, but only if the Seminole Compact is amended to permit such activities at such locations.

The bill also provides the additional requirement that the issuance of the license must not trigger a reduction in revenue-sharing payments under the Gaming Compact between the Seminole Tribe of Florida and the State of Florida.

## Current Situation on the Authorization of Destination Resorts

Destination resort casinos are not authorized under current law. Destination resort casinos are commonly defined as freestanding, land-based structures that include a gaming facility located in a zoning district that allows mixed-use development, including but not limited to, restaurants, commercial and retail facilities, convention facilities, and buildings designed for permanent, seasonal, or transient housing such as hotels and condominiums.

The establishment of destination casino resorts in large counties such as Miami-Dade and Broward counties was evaluated in 2013 at the request of the Legislature by Spectrum Gaming Group (Spectrum). An evaluation was completed by creating a likely scenario, Scenario I, which was used by Spectrum for the evaluation in its Gambling Impact Study.<sup>28</sup>

Spectrum stated that destination casino resorts restricted to Miami-Dade and Broward counties "could provide a desirable combination of economic benefits via expansion while minimizing the negative consequences because gaming already is prominent in South Florida."<sup>29</sup> However, Spectrum also stated that the "location and breadth of non-gaming amenities... could pose threats to existing restaurant, hotels and entertainment options—particularly if the resorts failed to attract incremental out-of-market visitors" and cannibalize discretionary spending already destined for existing businesses.<sup>30</sup>

Spectrum concluded that there would "likely to be only mildly positive impacts on local employment and wages" in densely populated urban Florida counties, because casinos would not represent a large expansion of the local economies of those counties.

<sup>29</sup> *Id.* at page 101.

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<sup>&</sup>lt;sup>28</sup> Spectrum Gaming Group, *Gambling Impact Study*, Oct. 28, 2013, <a href="http://www.leg.state.fl.us/gamingstudy/docs/FGIS\_Spectrum\_28Oct2013.pdf">http://www.leg.state.fl.us/gamingstudy/docs/FGIS\_Spectrum\_28Oct2013.pdf</a>.

## Effect of Proposed Changes on the Authorization of Destination Resorts

The bill provides that any county that has an "eligible facility" may conduct a county-wide referendum of qualified electors or a majority-plus-one vote of the county commission to determine whether voters support the adoption of legislation authorizing destination resort casinos in that area. An "eligible facility" is a pari-mutuel facility authorized to offer slot machines in accordance with s. 551.102(4), F.S.

Currently, Miami-Dade and Broward Counties would meet the requirements and, thus, those county commissions would be permitted to conduct a county-wide referendum or a county commission vote on the question of whether "the operation of a destination resort, ..., [should] be authorized in the county subject to a minimum private capital investment of \$1.5 billion by the operators of the proposed Destination Resort."

If the county decides to conduct a referendum, it must be conducted during the general election held in November, 2016. If the county decides to conduct a commission vote, it must be completed no later than December 31, 2016. Once completed, the county must submit the results to the Governor, the President of the Senate and the Speaker of the House. However, the referendum would not be binding on any state government agency.

## **Effective Date**

The bill takes effect upon becoming a law.

## **B. SECTION DIRECTORY:**

- Section 1: amends s. 550.002, F.S., exempting a greyhound racing permitholder from a minimum number of required live performances;
- Section 2: amends s. 550.01215, F.S., revising provisions for applications for pari-mutuel operating licenses; authorizing a greyhound racing permitholder to receive an operating license at a leased facility; and removing a provision for conversion of certain permits to jai alai permits;
- Section 3: amends s. 550.0251, F.S., providing for an annual report by DBPR to the Speaker of the House and the President of the Senate;
- Section 4: amends s. 550.054, F.S., providing for revocation of a pari-mutuel permit under certain circumstances; prohibiting the transfer of a pari-mutuel permit or license; removing the provision for conversion of a permit from jai alai to greyhound; and prohibiting relocation;
- Section 5: repeals s. 550.0555, F.S., relating to relocation of greyhound racing permits;
- Section 6: amends s. 550.0745, F.S., repealing provisions for summer jai alai permits;
- Section 7: amends s. 550.0951, F.S., removing tax credits for greyhound permitholders; revising the tax on handle for live greyhound racing and intertrack wagering;
- Section 8: amends s. 550.09512, F.S., removing provisions relating to reissuance of escheated thoroughbred racing permits;
- Section 9: amends s. 550.09514, F.S., removing tax credits for greyhound permitholders; revising purse requirements of a greyhound permitholder that conducts live racing;
- Section 10: amends s. 550.09515, F.S., removing provisions relating to reissuance of escheated thoroughbred racing permits;

- amends s. 550.1625, F.S., removing the requirement that a greyhound permitholder pay Section 11: the breaks tax:
- Section 12: repeals s. 550.1647, F.S., relating to tax credits for unclaimed tickets and breaks for greyhound permitholders;
- Section 13: amends s. 550.1648, F.S., revising requirements for a greyhound permitholder to provide a greyhound adoption booth at its facility; and requiring sterilization of greyhounds before adoption;
- Section 14: creates s. 550.2416. F.S., requiring injuries to racing greyhounds to be reported; requiring the DPMW to maintain the forms as public records; and specifying disciplinary action; and requiring the DPMW to adopt rules;
- Section 15: amends s. 550.26165, F.S., conforming provisions to changes made by the act;
- Section 16: creates s. 550.3341, F.S., permitting quarter horse racing permitholders to apply to form a partnership with a nonwagering permitholder, and to substitute live nonwagering equine competitions instead of pari-mutuel performances in order to meet the requirements to run a full schedule of live races;
- Section 17: amends s. 550.3345, F.S., removing a provision that allowed conversion and relocation of a quarter horse permit;
- amends s. 550.3551, F.S., removing a provision that limits the number of out-of-state Section 18: races on which wagers are accepted by a greyhound permitholder;
- Section 19: amends s. 550.615, F.S., revising provisions relating to intertrack wagering on greyhound racing;
- Section 20: amends s. 550.6305, F.S., revising provisions requiring certain simulcast signals be made available to certain permitholders;
- Section 21: amends s. 550.6308, F.S., revising the number of days of thoroughbred horse sales that are required to obtain a limited intertrack wagering license;
- Section 22: amends s. 551.101, F.S., reorganizing provisions related to the authorization of the possession slot machines and the conduct of slot machine gaming;
- Section 23: amends s. 551.102, F.S., reorganizing the definitions section to remove licensing requirements, which are duplicated and placed in the licensing section;
- Section 24: amends s. 551.104, F.S., revising provisions for approval of a license to conduct slot machine gaming; providing for authorization of slot machines to certain permitholders in addition to those currently authorized; and specifying that a greyhound permitholder is not required to conduct a full schedule of live racing to maintain a license to conduct slot machine gaming;
- Section 25: amends s. 551.114, F.S., requiring certain greyhound permitholders to locate their slot machine gaming area in certain locations;
- Section 26: amends s. 551.116, F.S., revising the times that a slot machine gaming area may be open;

Section 27: amends s. 849.086, F.S., revising times a cardroom may operate; specifying that a greyhound permitholder is not required to conduct a minimum number of live racing in order to receive, maintain, or renew a cardroom license; requiring a greyhound permitholder to conduct intertrack wagering on greyhound signals to operate a cardroom:

Section 28: creates s. 849.095, F.S., allowing the county commissions in Miami-Dade and Broward Counties to conduct a county-wide referendum or a majority-plus-one vote of the county commission on whether destination resort casinos should be authorized with certain requirements; the outcome of which is not binding on any state government agency;

Section 29: provides for the revocation of certain permits based on the failure to conduct live racing;

Section 30: provides for the application of certain provisions if a provision is determined to be invalid; and

Section 31: provides for an effective date.

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

#### A. FISCAL IMPACT ON STATE GOVERNMENT:

#### 1. Revenues:

The Revenue Estimating Conference met on April 10, 2015, and adopted an estimate on the impact of the provisions of CS/HB 1233 related to greyhound decoupling. These provisions are estimated to have a positive \$2.4 million cash and recurring impact to the General Revenue fund, and a -\$0.3 million cash and recurring impact to the State Schools Trust Fund in the 2015-2016 fiscal year.

#### 2. Expenditures:

The impact of the bill on state expenditures is unknown at this time.

#### B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

#### 1. Revenues:

The bill does not appear to have an impact on local government revenues.

## 2. Expenditures:

The bill amends s. 551.104, F.S., creating an additional way for pari-mutuel permitholders to obtain a slot machine license if the county in which the permitholder is located has conducted a referendum during a Presidential Election approving the use of slot machines. This could have an indeterminate negative fiscal impact on Lee and Palm Beach Counties. However, the bill does not require that the referendum be conducted. Should the county commission decide to conduct the referendum, the fiscal impact will be limited to costs for increased ballot size and advertising costs because the majority of the cost would be included in the cost of the Presidential Election.

The bill creates s. 849.095, F.S., related to destination resort casinos, which allows the county commissions of Miami-Dade and Broward Counties to conduct a county-wide referendum of qualified electors or a majority-plus-one vote of the county commission but does not require the county commission to hold either one. Any negative fiscal impact depends on whether those counties choose to conduct a referendum. The costs for a county-wide referendum could be limited if it were held along with the scheduled 2016 Presidential Election. Costs could be further limited if

the county commissions decide to conduct a majority-plus-one vote of the county commission during a scheduled meeting.

## C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

To the extent that the bill reduces current requirements for pari-mutuel wagering licensees, such as reduced requirements for operation by a greyhound permitholder, and limited intertrack wagering licensees, it may reduce private sector costs through increased flexibility.

#### D. FISCAL COMMENTS:

None.

## **III. COMMENTS**

#### A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not Applicable. This bill does not appear to affect county or municipal governments.

#### 2. Other:

Retroactive Legislation

The bill directs the DPMW to revoke permits issued before January 1, 2012, that have not been used for the conduct of pari-mutuel wagering on horseracing, jai alai and greyhound racing, as defined by the bill. Such permitholders may claim that the retroactive application of this provision violates the Contract Clause of art. I, s. 10, U.S. Constitution, which prohibits states from passing laws which impair contract rights. However, the U.S. Supreme Court has found that "a lottery grant is not in any sense a contract, within the meaning of the constitution of the United States, but is simply a gratuity and license, which the state, under its police powers, and for the protection of the public morals, may at any time revoke, and forbid the further conduct of the lottery."

#### Compensation Claims

The bill directs the DPMW to revoke permits under specific situations. One of the provisions provides for the revocation of permits issued before January 1, 2012, that have not been used for the conduct of pari-mutuel wagering. Such permitholders may claim that such revocation constitutes a taking warranting compensation.

The Fifth Amendment of the U.S. Constitution provides that private property shall not be taken for public use without just compensation. "To have a property interest in a benefit, a person clearly must have more than an abstract need or desire for it. He must have more than a unilateral expectation of it. He must, instead, have a legitimate claim of entitlement to it." Thus, Florida courts have found no unconstitutional taking in the retroactive application of statutes requiring revocation of certain occupational licenses and licenses to carry concealed firearms if the licensee was a convicted felon because such licensure is a privilege, not a vested right. 33

As to pari-mutuel wagering, "Florida courts have consistently emphasized the special nature of legalized racing, describing it as a privilege rather than as a vested right." Likewise, the Florida

<sup>&</sup>lt;sup>31</sup> Douglas v. Commonwealth of Kentucky, 168 U.S. 488 (1897).

<sup>&</sup>lt;sup>32</sup> Board of Regents of State Colleges v. Roth, 408 U.S. 564, 577 (1972).

<sup>&</sup>lt;sup>33</sup> See, e.g., Crane v. Department of State, Div. of Licensing, 547 So.2d 266, 267 (Fla. 3rd DCA 1989), citing Mayo v. Market Fruit Co. of Sanford, 40 So.2d 555, 559 (Fla. 1949).

<sup>&</sup>lt;sup>34</sup> Solimena v. State, Dept. of Business Regulation, Division of Pari-Mutuel Wagering, 402 So.2d 1240 (Fla. 3rd DCA 1981). STORAGE NAME: pcs1233.FTC.DOCX

Supreme Court has found that "[a]uthorized gambling is a matter over which the state may exercise greater control and exercise its police power in a more arbitrary manner ... ."<sup>35</sup> Thus, the Florida Supreme Court found that, unlike permits to construct a building, "[i]t is doubtful if we can agree with counsel in concluding that a racing permit is a vested interest or right and after once granted cannot be changed."<sup>36</sup>

Furthermore, compensation may not be warranted if the Legislature is deemed to have exercised its police powers, rather than powers of eminent domain.<sup>37</sup> "[T]he Government as condemnor may not be required to compensate a condemnee for elements of value that the Government has created, or that it might have destroyed under the exercise of governmental authority other than the power of eminent domain."<sup>38</sup> Thus, the loss of licenses to sell alcoholic beverages, for example, is not compensable.<sup>39</sup>

Similar arguments have been made in states where pari-mutuel wagering has been prohibited after being licensed for many years. When Massachusetts banned greyhound racing by constitutional amendment in 2008, a licensed and operating dog track challenged the ban as a taking. The Supreme Judicial Court of Massachusetts rejected the argument, finding "[T]he plaintiffs here have no compensable property interest in their racing licenses."

If revoked permits are found to be a taking warranting compensation, just compensation equals the fair market value of the permit at the time of revocation. The fair market value of non-operating permits is uncertain. Such permits are a prerequisite to licensure for pari-mutuel wagering and, by themselves, do not appear to vest the holder with any rights. There are no application fees to receive a permit for pari-mutuel wagering and no fees to retain such a permit. Permits may not be transferred without state approval. While a pari-mutuel wagering permit is one pre-requisite to licensure to conduct cardrooms and slot machines, it is not the only pre-requisite. Not all permitholders may be able to obtain a license to conduct pari-mutuel wagering events, which would require adequate zoning and facilities.

#### B. RULE-MAKING AUTHORITY:

The bill gives the Department of Business and Professional Regulation authority to adopt rules to implement the provisions of newly created section 550.3341, F.S., relating to nonwagering quarter horse racing partnerships.

## C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

## IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

<sup>&</sup>lt;sup>35</sup> Hialeah Race Course v. Gulfstream Park Racing Ass'n, 37 So.2d 692, 694 (Fla. 1948).

<sup>&</sup>lt;sup>36</sup> State ex rel. Biscayne Kennel Club v. Stein, 130 Fla. 517, 520 (Fla. 1938).

<sup>&</sup>lt;sup>37</sup> City of Miami Springs v. J.J.T., 437 So.2d 200 (Fla. 3rd DCA 1983) ("even the complete prohibition of a previously lawful and existing business does not constitute a taking where the owner is not deprived of all reasonable use of his property, as long as the prohibition promotes the health, safety and welfare of the community and is thus a valid exercise of the police power.").

<sup>&</sup>lt;sup>38</sup> U. S. v. Fuller, 409 U.S. 488, 491-492, 93 S.Ct. 801, 804 (U.S. Ariz.1973).

<sup>&</sup>lt;sup>39</sup> See, e.g., Yates v. Mulrooney, 281 N.Y.S. 216, 219 (N.Y. App. Div. 1935); Mugler v. Kansas, 123 U.S. 623, 668-70 (1887).

<sup>&</sup>lt;sup>40</sup> Carney v. Attorney General, 451 Mass. 803 (2008).

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An act relating to gaming; amending s. 550.002, F.S.; revising the definition of the term "full schedule of live racing or games"; amending s. 550.01215, F.S.; revising provisions for applications for pari-mutuel operating licenses; authorizing a greyhound racing permitholder to indicate on the application that it will operate less than a full schedule of live performances; limiting the number of pari-mutuel wagering operating licenses that may be issued each year; authorizing a greyhound racing permitholder to receive an operating license to conduct pari-mutuel wagering activities at another permitholder's greyhound racing facility; authorizing the Division of Pari-mutuel Wagering of the Department of Business and Professional Regulation to approve changes in racing dates for greyhound racing permitholders under certain conditions; removing a provision for conversion of certain converted permits to jai alai permits; providing requirements for licensure of certain jai alai permitholders; amending s. 550.0251, F.S.; requiring an annual report be made by the division to the Governor and the Legislature; specifying content required for the report; amending s. 550.054, F.S.; providing for revocation of a pari-mutuel permit under certain circumstances; prohibiting transfer of a pari-

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An act relating to gaming; amending s. 550.002, F.S.; revising the definition of the term "full schedule of live racing or games"; amending s. 550.01215, F.S.; revising provisions for applications for pari-mutuel operating licenses; authorizing a greyhound racing permitholder to indicate on the application that it will operate less than a full schedule of live performances; limiting the number of pari-mutuel wagering operating licenses that may be issued each year; authorizing a greyhound racing permitholder to receive an operating license to conduct pari-mutuel wagering activities at another permitholder's greyhound racing facility; authorizing the Division of Pari-mutuel Wagering of the Department of Business and Professional Regulation to approve changes in racing dates for greyhound racing permitholders under certain conditions; removing a provision for conversion of certain converted permits to jai alai permits; providing requirements for licensure of certain jai alai permitholders; amending s. 550.0251, F.S.; requiring an annual report be made by the division to the Governor and the Legislature; specifying content required for the report; amending s. 550.054, F.S.; providing for revocation of a pari-mutuel permit under certain circumstances; prohibiting transfer of a pari-

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mutuel permit or license; revising provisions for conversion of a permit from jai alai to greyhound racing; prohibiting relocation of pari-mutuel facilities and conversion of pari-mutuel permits; repealing s. 550.0555, F.S., relating to the relocation of greyhound racing permits; repealing s. 550.0745, F.S., relating to the conversion of parimutuel permits to summer jai alai permits; amending s. 550.0951, F.S.; removing provisions for certain credits for a greyhound racing permitholder; revising the tax on handle for live greyhound racing and intertrack wagering if the host track is a dog track; providing for use of fees collected; amending s. 550.09512, F.S.; providing for the revocation of certain harness racing permits; specifying that a revoked permit may not be reissued; amending s. 550.09514, F.S.; removing certain provisions that prohibit tax on handle until a specified amount of tax savings have resulted; revising purse requirements of a greyhound racing permitholder that conducts live racing; amending s. 550.09515, F.S.; providing for the revocation of certain thoroughbred racing permits; specifying that a revoked permit may not be reissued; amending s. 550.1625, F.S.; removing the requirement that a greyhound racing permitholder pay the breaks tax; repealing s. 550.1647, F.S., relating to

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unclaimed tickets and breaks held by greyhound racing permitholders; amending s. 550.1648, F.S.; revising requirements for a greyhound racing permitholder to provide a greyhound adoption booth at its facility; defining the term "bona fide organization that promotes or encourages the adoption of greyhounds"; requiring sterilization of greyhounds before adoption; creating s. 550.2416, F.S.; requiring injuries to racing greyhounds to be reported on a form adopted by the division within a certain timeframe; specifying information that must be included in the form; requiring the division to maintain the forms as public records for a specified time; specifying disciplinary action that may be taken against a licensee of the Department of Business and Professional Regulation who fails to report an injury or who makes false statements on an injury form; exempting injuries to certain animals from reporting requirements; requiring the division to adopt rules; amending s. 550.26165, F.S.; conforming provisions to changes made by the act; creating s. 550.3341, F.S.; permitting certain quarter horse racng permitholders to substitute certain live nonwagering equine competitions in order to meet the requirements to run a full schedule of live racing; providing requirements for payment of purses for nonwagering equine competitions; limiting

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79 the number of partnerships between quarter horse racing permitholders and nowagering permitholders to 80 one; providing rulemaking authority; amending s. 81 550.3345, F.S.; revising provisions for a permit 82 previously converted from a quarter horse racing 83 permit to a thoroughbred racing permit; amending s. 84 550.3551, F.S.; removing a provision that limits the 85 number of out-of-state races on which wagers are 86 accepted by a greyhound racing permitholder; removing 87 greyhound racing permitholders from a live racing 88 89 requirement; amending s. 550.615, F.S.; revising provisions relating to intertrack wagering; amending 90 91 s. 550.6305, F.S.; revising provisions requiring certain simulcast signals be made available to certain 92 93 permitholders; amending s. 550.6308, F.S.; revising the number of days of thoroughbred horse sales 94 required to obtain a limited intertrack wagering 95 96 license; revising provisions for such wagering; 97 amending s. 551.101, F.S.; revising provisions that authorize slot machine gaming at certain facilities; 98 amending s. 551.102, F.S.; revising the definition of 99 the terms "eligible facility" and "slot machine 100 licensee" for purposes of provisions relating to slot 101 102 machines; amending s. 551.104, F.S.; revising 103 provisions for approval of a license to conduct slot 104 machine gaming; specifying that a greyhound racing

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105 permitholder is not required to conduct a full 106 schedule of live racing to receive and maintain a 107 license to conduct slot machine gaming; amending s. 108 551.114, F.S.; requiring certain greyhound racing 109 permitholders to locate their slot machine gaming area 110 in certain locations; amending s. 551.116, F.S.; 111 revising the times that a slot machine gaming area may 112 be open; amending s. 849.086, F.S.; revising times 113 that a cardroom may operate; exempting a greyhound 114 racing permitholder from a requirement to conduct a 115 minimum number of live racing in order to receive, 116 maintain, or renew a cardroom license under certain 117 conditions; requiring a greyhound racing permitholder to conduct intertrack wagering on greyhound signals to 118 119 operate a cardroom; creating s. 849.095, F.S., 120 relating to destination resort referendums; 121 authorizing the board of county commissioners of 122 certain counties to vote whether to authorize 123 destination resorts within the county or to conduct a 124 countywide referendum to authorize such resorts; 125 specifying that the referendum is not binding on state 126 agencies; providing a ballot statement; requiring that 127 the results be reported to the Governor and the 128 Legislature; directing the division to revoke certain 129 pari-mutuel permits; specifying that the revoked permits may not be reissued; providing severability; 130

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providing an effective date.

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

Section 1. Subsection (11) of section 550.002, Florida Statutes, is amended to read:

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

(11)(a) "Full schedule of live racing or games" means:7

- 1. For a greyhound racing permitholder or jai alai permitholder, the conduct of a combination of at least 100 live evening or matinee performances during the preceding year.; for a permitholder who has a converted permit or filed an application on or before June 1, 1990, for a converted permit, the conduct of a combination of at least 100 live evening and matinee wagering performances during either of the 2 preceding years;
- 2. For a jai alai permitholder that who does not operate slot machines in its pari-mutuel facility, who has conducted at least 100 live performances per year for at least 10 years after December 31, 1992, and has had whose handle on live jai alai games conducted at its pari-mutuel facility which was 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.;
  - <u>3.</u> For a jai alai permitholder <u>that</u> who operates slot

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machines in its pari-mutuel facility, the conduct of a

combination of at least 150 performances during the preceding

year.+

- 4. For a summer jai alai permitholder, the conduct of at least 58 live performances during the preceding year, unless the permitholder meets the requirements of subparagraph 2.
- 5. For a harness horse racing permitholder, the conduct of at least 100 live regular wagering performances during the preceding year.
- 6. For a quarter horse racing permitholder at its facility, unless an alternative schedule of at least 20 live regular wagering performances each year is agreed upon by the permitholder and either the Florida Quarter Horse Racing Association or the horsemen horsemen's association representing the majority of the quarter horse owners and trainers at the facility and filed with the division along with its annual operating license date application:7
- <u>a.</u> In the 2010-2011 fiscal year, the conduct of at least 20 regular wagering performances.  $\tau$
- <u>b.</u> In the 2011-2012 and 2012-2013 fiscal years, the conduct of at least 30 live regular wagering performances., and
- $\underline{\text{c.}}$  For every fiscal year after the 2012-2013 fiscal year, the conduct of at least 40 live regular wagering performances.
- 7. For a quarter horse <u>racing</u> permitholder leasing another licensed racetrack, the conduct of 160 events at the leased facility during the preceding year. 7 and

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8. For a thoroughbred <u>racing</u> permitholder, the conduct of at least 40 live regular wagering performances during the preceding year.

- (b) For a permitholder which is restricted by statute to certain operating periods within the year when other members of its same class of permit are authorized to operate throughout the year, the specified number of live performances which constitute a full schedule of live racing or games shall be adjusted pro rata in accordance with the relationship between its authorized operating period and the full calendar year and the resulting specified number of live performances shall constitute the full schedule of live games for such permitholder and all other permitholders of the same class within 100 air miles of such permitholder. A live performance must consist of no fewer than eight races or games conducted live for each of a minimum of three performances each week at the permitholder's licensed facility under a single admission charge.
- Section 2. Subsections (1), (3), and (6) of section 550.01215, Florida Statutes, are amended, subsections (3) through (6) are renumbered as subsections (4) through (7), respectively, and a new subsection (3) is added to that section, to read:
- 550.01215 License application; periods of operation; bond, conversion of permit.—
- (1) Each permitholder shall annually, during the period between December 15 and January 4, file in writing with the

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division its application for <u>an operating</u> a license to <u>conduct</u> performances during the next state fiscal year. Each application <u>for live performances</u> shall specify the number, dates, and starting times of all <u>live performances that which</u> the permitholder intends to conduct. It shall also specify which performances will be conducted as charity or scholarship performances.

(a) In addition, each application for an operating a license shall include:

- <u>1.</u> For each permitholder that which elects to accept wagers on broadcast events, the dates for all such events.
- 2. For each permitholder that elects to operate a cardroom, the dates and periods of operation the permitholder intends to operate the cardroom. or,
- 3. For each thoroughbred <u>racing</u> permitholder <u>that which</u> elects to receive or rebroadcast out-of-state races after 7 p.m., the dates for all performances which the permitholder intends to conduct.
- (b) A greyhound racing permitholder that conducted a full schedule of live racing for a period of at least 10 consecutive state fiscal years after the 1996-1997 state fiscal year or that converted its permit to a permit to conduct greyhound racing after that fiscal year may specify in its application for an operating license that it intends to conduct no live racing or less than a full schedule of live racing in the next state fiscal year. A greyhound racing permitholder may receive an

operating license to conduct pari-mutuel wagering activities at another permitholder's greyhound racing facility pursuant to s. 550.475.

(c) Permitholders <u>may shall be entitled to</u> amend their applications through February 28.

- (3) Notwithstanding any other provision of law, no more than 40 pari-mutuel wagering operating licenses may be issued each year. If more than 40 permitholders are eligible for licensure, the division shall issue operating licenses first to those permitholders who conducted pari-mutuel wagering under an operating license in the previous year.
- (4)(3) The division shall issue each license no later than March 15. Each permitholder shall operate all performances at the date and time specified on its license. The division shall have the authority to approve minor changes in racing dates after a license has been issued. The division may approve changes in racing dates after a license has been issued when there is no objection from any operating permitholder located within 50 miles of the permitholder requesting the changes in operating dates. In the event of an objection, the division shall approve or disapprove the change in operating dates based upon the impact on operating permitholders located within 50 miles of the permitholder requesting the change in operating dates. In making the determination to change racing dates, the division shall take into consideration the impact of such changes on state revenues. Notwithstanding any other provision

of law, and for the 2015-2016 fiscal year only, the division may approve any changes in racing dates for greyhound permitholders if the request for such changes is received before August 31, 2015.

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(7) <del>(6)</del> A summer jai alai permitholder may apply for an operating license to operate a jai alai fronton only during the summer season beginning May 1 and ending November 30 of each year on such dates as may be selected by the permitholder. Such permitholder is subject to the same taxes and rules and provisions of this chapter which apply to the operation of winter jai alai frontons. A summer jai alai permitholder is not eligible for licensure to conduct a cardroom or a slot machine facility. A summer jai alai permitholder and a winter jai alai permitholder may not operate on the same days or in competition with each other. This subsection does not prevent a summer jai alai licensee from leasing the facilities of a winter jai alai licensee for the operation of a summer meet. Any permit which was converted from a jai alai permit to a greyhound permit may be converted to a jai alai permit at any time if the permitholder never conducted greyhound racing or if the permitholder has not conducted greyhound racing for a period of 12 consecutive months.

Section 3. Subsection (1) of section 550.0251, Florida Statutes, is amended to read:

550.0251 The powers and duties of the Division of Parimutuel Wagering of the Department of Business and Professional

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CODING: Words stricken are deletions; words underlined are additions.

Regulation.—The division shall administer this chapter and regulate the pari-mutuel industry under this chapter and the rules adopted pursuant thereto, and:

- (1) The division shall make an annual report to the Governor, the President of the Senate, and the Speaker of the House of Representatives. The report shall include, at a minimum:
- (a) Recent events in the gaming industry, including pending litigation, pending facility license applications, and new and pending rules.
- (b) Actions of the department relative to the implementation and administration of this chapter.
- (c) The state revenues and expenses associated with each form of authorized gaming. Revenues and expenses associated with pari-mutuel wagering shall be further delineated by the class of license.
- (d) The performance of each pari-mutuel wagering licensee, cardroom licensee, and slot licensee.
- (e) A summary of disciplinary actions taken by the department.
- (f) Any suggestions to more effectively achieve showing its own actions, receipts derived under the provisions of this chapter, the practical effects of the application of this chapter, and any suggestions it may approve for the more effectual accomplishments of the purposes of this chapter.
  - Section 4. Paragraph (b) of subsection (9), paragraph (a)

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of subsection (11), and subsections (13) and (14) of section 550.054, Florida Statutes, are amended, and paragraphs (c) through (g) are added to subsection (9) of that section, to read:

550.054 Application for permit to conduct pari-mutuel wagering.—

(9)

- (b) The division may revoke or suspend any permit or license issued under this chapter upon the willful violation by the permitholder or licensee of any provision of this chapter or of any rule adopted under this chapter. In lieu of suspending or revoking a permit or license, the division may impose a civil penalty against the permitholder or licensee for a violation of this chapter or any rule adopted by the division, except as provided for in subparagraphs (c)-(h). The penalty so imposed may not exceed \$1,000 for each count or separate offense. All penalties imposed and collected must be deposited with the Chief Financial Officer to the credit of the General Revenue Fund.
- (c) The division shall revoke the permit of any permitholder that has not obtained an operating license in accordance with s. 550.01215 for a period of more than 24 consecutive months after June 30, 2012. The division shall revoke the permit upon adequate notice to the permitholder unless such failure was the direct result of fire, strike, war, or other disaster or event beyond the permitholder's control. Financial hardship to the permitholder does not, in and of

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itself, constitute just cause for failure to operate.

- (d) The division shall revoke the permit of any permitholder that fails to make payments pursuant to s.

  550.0951(5) for more than 24 consecutive months unless such failure to pay tax on handle was the direct result of fire, strike, war, or other disaster or event beyond the permitholder's control. Financial hardship to the permitholder does not, in and of itself, constitute just cause for failure to pay tax on handle.
- (e) Notwithstanding any other provision of law, a new permit to conduct pari-mutuel wagering may not be approved or issued after July 1, 2015.
- (f) A permit revoked under this subsection is void and may not be reissued.
- (g) A permitholder may apply to the division to place the permit into inactive status for a period of 12 months pursuant to the rules adopted under this chapter. The division, upon good cause shown by the permitholder, may renew inactive status for up to 12 months. A permit may not be in inactive status for a period of more than 24 consecutive months. Holders of permits in inactive status are not eligible for licensure for pari-mutuel wagering, slot machines, or cardrooms.
- (11)(a) A permit granted under this chapter may not be transferred or assigned except upon written approval by the division pursuant to s. 550.1815, except that the holder of any permit that has been converted to a jai alai permit may lease or

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build anywhere within the county in which its permit is located.

- (13) (a) Notwithstanding any provisions of this chapter, a pari-mutuel no thoroughbred horse racing permit or license issued under this chapter may not shall be transferred, or reissued when such reissuance is in the nature of a transfer so as to permit or authorize a licensee to change the location of a pari-mutuel facility, cardroom, or slot machine facility. thoroughbred horse racetrack except upon proof in such form as the division may prescribe that a referendum election has been held:
- 1. If the proposed new location is within the same county as the already licensed location, in the county where the licensee desires to conduct the race meeting and that a majority of the electors voting on that question in such election voted in favor of the transfer of such license.
- 2. If the proposed new location is not within the same county as the already licensed location, in the county where the licensee desires to conduct the race meeting and in the county where the licensee is already licensed to conduct the race meeting and that a majority of the electors voting on that question in each such election voted in favor of the transfer of such license.
- (b) Each referendum held under the provisions of this subsection shall be held in accordance with the electoral procedures for ratification of permits, as provided in s.

  550.0651. The expense of each such referendum shall be borne by

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the licensee requesting the transfer.

- (14) (a) Notwithstanding any other provision of law, no pari-mutuel facility, cardroom, or slot machine facility may be relocated, except as provided in paragraph (b), and no parimutuel permit may be converted to another class of permit.
- (b) The division, upon application from a holder of a permit converted pursuant to s. 550.054(14), Florida Statutes 2014, as created by s. 6 of chapter 2009-170, Laws of Florida, may approve the relocation of such permit to another location within a 30-mile radius of the location fixed in the permit, provided the application is received by July 31, 2015, the move does not cross the county boundary, and the new location is approved under the zoning regulations of the county or municipality in which the permit is located.
- (a) Any holder of a permit to conduct jai alai may apply to the division to convert such permit to a permit to conduct greyhound racing in lieu of jai alai if:
- 1. Such permit is located in a county in which the division has issued only two pari mutuel permits pursuant to this section;
- 2. Such permit was not previously converted from any other class of permit; and
- 3. The holder of the permit has not conducted jai alai games during a period of 10 years immediately preceding his or her application for conversion under this subsection.
  - (b) The division, upon application from the holder of a

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jai alai permit meeting all conditions of this section, shall convert the permit and shall issue to the permitholder a permit to conduct greyhound racing. A permitholder of a permit converted under this section shall be required to apply for and conduct a full schedule of live racing each fiscal year to be eligible for any tax credit provided by this chapter. The holder of a permit converted pursuant to this subsection or any holder of a permit to conduct greyhound racing located in a county in which it is the only permit issued pursuant to this section who operates at a leased facility pursuant to s. 550.475 may move the location for which the permit has been issued to another location within a 30 mile radius of the location fixed in the permit issued in that county, provided the move does not cross the county boundary and such location is approved under the zoning regulations of the county or municipality in which the permit is located, and upon such relocation may use the permit for the conduct of pari-mutuel wagering and the operation of a cardroom. The provisions of s. 550.6305(9)(d) and (f) shall apply to any permit converted under this subsection and shall continue to apply to any permit which was previously included under and subject to such provisions before a conversion pursuant to this section occurred. Section 5. Section 550.0555, Florida Statutes, is repealed. Section 6. Section 550.0745, Florida Statutes, is repealed.

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CODING: Words stricken are deletions; words underlined are additions.

Section 7. Section 550.0951, Florida Statutes, is amended to read:

550.0951 Payment of daily license fee and taxes; penalties.—

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(1) (a) DAILY LICENSE FEE.—Each person engaged in the business of conducting race meetings or jai alai games under this chapter, hereinafter referred to as the "permitholder," "licensee," or "permittee," shall pay to the division, for the use of the division, a daily license fee on each live or simulcast pari-mutuel event of \$100 for each horserace and \$80 for each greyhound race dograce and \$40 for each jai alai game conducted at a racetrack or fronton licensed under this chapter. A In addition to the tax exemption specified in s. 550.09514(1) of \$360,000 or \$500,000 per greyhound permitholder per state fiscal year, each greyhound permitholder shall receive in the current state fiscal year a tax credit equal to the number of live greyhound races conducted in the previous state fiscal year times the daily license fee specified for each dograce in this subsection applicable for the previous state fiscal year. This tax credit and the exemption in s. 550.09514(1) shall be applicable to any tax imposed by this chapter or the daily license fees imposed by this chapter except during any charity or scholarship performances conducted pursuant to s. 550.0351. Each permitholder may not be required to shall pay daily license fees in excess of not to exceed \$500 per day on any simulcast races or games on which such permitholder accepts wagers

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regardless of the number of out-of-state events taken or the number of out-of-state locations from which such events are taken. This license fee shall be deposited with the Chief Financial Officer to the credit of the Pari-mutuel Wagering Trust Fund.

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(b) Each permitholder that cannot utilize the full amount of the exemption of \$360,000 or \$500,000 provided in s. 550.09514(1) or the daily license fee credit provided in this section may, after notifying the division in writing, elect once per state fiscal year on a form provided by the division to transfer such exemption or credit or any portion thereof to any greyhound permitholder which acts as a host track to such permitholder for the purpose of intertrack wagering. Once an election to transfer such exemption or credit is filed with the division, it shall not be rescinded. The division shall disapprove the transfer when the amount of the exemption or credit or portion thereof is unavailable to the transferring permitholder or when the permitholder who is entitled to transfer the exemption or credit or who is entitled to receive the exemption or credit owes taxes to the state pursuant to a deficiency letter or administrative complaint issued by the division. Upon approval of the transfer by the division, the transferred tax exemption or credit shall be effective for the first performance of the next payment period as specified in subsection (5). The exemption or credit transferred to such host track may be applied by such host track against any taxes

imposed by this chapter or daily license fees imposed by this chapter. The greyhound permitholder host track to which such exemption or credit is transferred shall reimburse such permitholder the exact monetary value of such transferred exemption or credit as actually applied against the taxes and daily license fees of the host track. The division shall ensure that all transfers of exemption or credit are made in accordance with this subsection and shall have the authority to adopt rules to ensure the implementation of this section.

(2) ADMISSION TAX.-

- (a) An admission tax equal to 15 percent of the admission charge for entrance to the permitholder's facility and grandstand area, or 10 cents, whichever is greater, is imposed on each person attending a horserace, greyhound race dograce, or jai alai game. The permitholder shall be responsible for collecting the admission tax.
- (b) No admission tax under this chapter or chapter 212 shall be imposed on any free passes or complimentary cards issued to persons for which there is no cost to the person for admission to pari-mutuel events.
- (c) A permitholder may issue tax-free passes to its officers, officials, and employees or other persons actually engaged in working at the racetrack, including accredited press representatives such as reporters and editors, and may also issue tax-free passes to other permitholders for the use of their officers and officials. The permitholder shall file with

the division a list of all persons to whom tax-free passes are issued under this paragraph.

- (3) TAX ON HANDLE.—Each permitholder shall pay a tax on contributions to pari-mutuel pools, the aggregate of which is hereinafter referred to 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.
- (a) The tax on handle for quarter horse racing is 1.0 percent of the handle.
- (b)1. The tax on handle for greyhound racing dogracing is 1.28 5.5 percent of the handle, except that for live charity performances held pursuant to s. 550.0351, and for intertrack wagering on such charity performances at a guest greyhound track within the market area of the host, the tax is 7.6 percent of the handle.
- 2. The tax on handle for jai alai is 7.1 percent of the handle.
  - (c)1.a. The tax on handle for intertrack wagering is:
- (I) If the host track is a horse track, 2.0 percent of the handle.
- (II) If the host track is a <u>harness track</u> horse track, 3.3 percent of the handle.
  - (III) If the host track is a dog track harness track, 1.28

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5.5 percent of the handle to be remitted by the guest track. if the host track is a dog track, and

- (IV) If the host track is a jai alai fronton, 7.1 percent if the host track is a jai alai fronton.
- <u>b.</u> The tax on handle for intertrack wagering is 0.5 percent if the host track and the guest track are thoroughbred racing permitholders or if the guest track is located outside the market area of a nongreyhound the host track and within the market area of a thoroughbred racing permitholder currently conducting a live race meet.
- <u>c.</u> The tax on handle for intertrack wagering on rebroadcasts of simulcast thoroughbred horseraces is 2.4 percent of the handle and 1.5 percent of the handle for intertrack wagering on rebroadcasts of simulcast harness horseraces.
- 2. The tax <u>under subparagraph 1.</u> shall be deposited into the Pari-mutuel Wagering Trust Fund.
- 3.2. The tax on handle for intertrack wagers accepted by any dog track located in an area of the state in which there are only three permitholders, all of which are greyhound permitholders, located in three contiguous counties, from any greyhound permitholder also located within such area or any dog track or jai alai fronton located as specified in s. 550.615(7) 550.615(6) or (9), on races or games received from any jai alai the same class of permitholder located within the same market area is 3.9 percent if the host facility is a greyhound permitholder and, if the host facility is a jai alai

permitholder, the rate shall be 6.1 percent except that it shall be 2.3 percent on handle at such time as the total tax on intertrack handle paid to the division by the permitholder during the current state fiscal year exceeds the total tax on intertrack handle paid to the division by the permitholder during the 1992-1993 state fiscal year.

- (d) Notwithstanding any other provision of this chapter, in order to protect the Florida jai alai industry, effective July 1, 2000, a jai alai permitholder may not be taxed on live handle at a rate higher than 2 percent.
- (4) BREAKS TAX.—Effective October 1, 1996, each permitholder conducting jai alai performances shall pay a tax equal to the breaks. The "breaks" represents that portion of each pari-mutuel pool which is not redistributed to the contributors or withheld by the permitholder as commission.
- imposed by this section shall be paid to the division. The division shall deposit these sums with the Chief Financial Officer, to the credit of the Pari-mutuel Wagering Trust Fund, hereby established. The permitholder shall remit to the division payment for the daily license fee, the admission tax, the tax on handle, and the breaks tax. Such payments shall be remitted by 3 p.m. Wednesday of each week for taxes imposed and collected for the preceding week ending on Sunday. Beginning on July 1, 2012, such payments shall be remitted by 3 p.m. on the 5th day of each calendar month for taxes imposed and collected for the preceding

calendar month. If the 5th day of the calendar month falls on a weekend, payments shall be remitted by 3 p.m. the first Monday following the weekend. Permitholders shall file a report under oath by the 5th day of each calendar month for all taxes remitted during the preceding calendar month. Such payments shall be accompanied by a report under oath showing the total of all admissions, the pari-mutuel wagering activities for the preceding calendar month, and such other information as may be prescribed by the division.

(6) PENALTIES.-

- (a) The failure of any permitholder to make payments as prescribed in subsection (5) is a violation of this section, and the permitholder may be subjected by the division to a civil penalty of up to \$1,000 for each day the tax payment is not remitted. All penalties imposed and collected shall be deposited in the General Revenue Fund. If a permitholder fails to pay penalties imposed by order of the division under this subsection, the division may suspend or revoke the license of the permitholder, cancel the permit of the permitholder, or deny issuance of any further license or permit to the permitholder.
- (b) In addition to the civil penalty prescribed in paragraph (a), any willful or wanton failure by any permitholder to make payments of the daily license fee, admission tax, tax on handle, or breaks tax constitutes sufficient grounds for the division to suspend or revoke the license of the permitholder, to cancel the permit of the permitholder, or to deny issuance of

any further license or permit to the permitholder.

 Section 8. Subsection (3) of section 550.09512, Florida Statutes, is amended to read:

550.09512 Harness <u>racing</u> horse taxes; abandoned interest in a permit for nonpayment of taxes.—

- horse permitholder who does not pay tax on handle for live harness horse performances for a full schedule of live races for more than 24 consecutive months during any 2 consecutive state fiscal years shall be void and shall escheat to and become the property of the state unless such failure to operate and pay tax on handle was the direct result of fire, strike, war, or other disaster or event beyond the ability of the permitholder to control. Financial hardship to the permitholder does shall not, in and of itself, constitute just cause for failure to operate and pay tax on handle. A permit revoked under this subsection is void and may not be reissued.
- (b) In order to maximize the tax revenues to the state, the division shall reissue an escheated harness horse permit to a qualified applicant pursuant to the provisions of this chapter as for the issuance of an initial permit. However, the provisions of this chapter relating to referendum requirements for a pari mutuel permit shall not apply to the reissuance of an escheated harness horse permit. As specified in the application and upon approval by the division of an application for the permit, the new permitholder shall be authorized to operate a

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harness 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) relating to mileage limitations.

Section 9. Section 550.09514, Florida Statutes, is amended to read:

550.09514 Greyhound <u>racing</u> <del>dogracing</del> taxes; purse requirements.—

(1) Wagering on greyhound racing is subject to a tax on handle for live greyhound racing as specified in s. 550.0951(3). However, each permitholder shall pay no tax on handle until such time as this subsection has resulted in a tax savings per state fiscal year of \$360,000. Thereafter, each permitholder shall pay the tax as specified in s. 550.0951(3) on all handle for the remainder of the permitholder's current race meet. For the three permitholders that conducted a full schedule of live racing in 1995, and are closest to another state that authorizes greyhound pari mutuel wagering, the maximum tax savings per state fiscal year shall be \$500,000. The provisions of this subsection relating to tax exemptions shall not apply to any charity or scholarship performances conducted pursuant to s. 550.0351.

(1)(2)(a) The division shall determine for each greyhound racing permitholder the annual purse percentage rate of live handle for the state fiscal year 1993-1994 by dividing total purses paid on live handle by the permitholder, exclusive of payments made from outside sources, during the 1993-1994 state fiscal year by the permitholder's live handle for the 1993-1994

state fiscal year. A greyhound Each permitholder conducting live racing during a fiscal year shall pay as purses for such live races conducted during its current race meet a percentage of its live handle not less than the percentage determined under this paragraph, exclusive of payments made by outside sources, for its 1993-1994 state fiscal year.

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Except as otherwise set forth herein, in addition to the minimum purse percentage required by paragraph (a), each greyhound racing permitholder conducting live racing during a fiscal year shall pay as purses an annual amount of \$60 for each live race conducted equal to 75 percent of the daily license fees paid by the greyhound each permitholder in for the preceding 1994 1995 fiscal year. This purse supplement shall be disbursed weekly during the permitholder's race meet in an amount determined by dividing the annual purse supplement by the number of performances approved for the permitholder pursuant to its annual license and multiplying that amount by the number of performances conducted each week. For the greyhound permitholders in the county where there are two greyhound permitholders located as specified in s. 550.615(6), such permitholders shall pay in the aggregate an amount equal to 75 percent of the daily license fees paid by such permitholders for the 1994-1995 fiscal year. These permitholders shall be jointly and severally liable for such purse payments. The additional purses provided by this paragraph must be used exclusively for purses other than stakes and shall be disbursed weekly during

the permitholder's race meet. The division shall conduct audits necessary to ensure compliance with this section.

- (c)1. Each greyhound <u>racing</u> permitholder, when conducting at least three live performances during any week, shall pay purses in that week on wagers it accepts as a guest track on intertrack and simulcast greyhound races at the same rate as it pays on live races. Each greyhound <u>racing</u> permitholder, when conducting at least three live performances during any week, shall pay purses in that week, at the same rate as it pays on live races, on wagers accepted on greyhound races at a guest track which is not conducting live racing and is located within the same market area as the greyhound <u>racing</u> permitholder conducting at least three live performances during any week.
- 2. Each host greyhound <u>racing</u> permitholder shall pay purses on its simulcast and intertrack broadcasts of greyhound races to guest facilities that are located outside its market area in an amount equal to one quarter of an amount determined by subtracting the transmission costs of sending the simulcast or intertrack broadcasts from an amount determined by adding the fees received for greyhound simulcast races plus 3 percent of the greyhound intertrack handle at guest facilities that are located outside the market area of the host and that paid contractual fees to the host for such broadcasts of greyhound races.
- (d) The division shall require sufficient documentation from each greyhound racing permitholder regarding purses paid on

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753 754 live racing to assure that the annual purse percentage rates paid by each greyhound racing permitholder conducting on the live races are not reduced below those paid during the 1993-1994 state fiscal year. The division shall require sufficient documentation from each greyhound racing permitholder to assure that the purses paid by each permitholder on the greyhound intertrack and simulcast broadcasts are in compliance with the requirements of paragraph (c).

In addition to the purse requirements of paragraphs (a)-(c), each greyhound racing permitholder conducting live races shall pay as purses an amount equal to one-third of the amount of the tax reduction on live and simulcast handle applicable to such permitholder as a result of the reductions in tax rates provided by s. 6 of chapter 2000-354, Laws of Florida this act through the amendments to s. 550.0951(3). With respect to intertrack wagering when the host and guest tracks are greyhound racing permitholders not within the same market area, an amount equal to the tax reduction applicable to the guest track handle as a result of the reduction in tax rate provided by s. 6 of chapter 2000-354, Laws of Florida, this act through the amendment to s. 550.0951(3) shall be distributed to the quest track, one-third of which amount shall be paid as purses at the quest track. However, if the quest track is a greyhound racing permitholder within the market area of the host or if the quest track is not a greyhound racing permitholder, an amount equal to such tax reduction applicable to the quest track handle

shall be retained by the host track, one-third of which amount shall be paid as purses at the host track. These purse funds shall be disbursed in the week received if the permitholder conducts at least one live performance during that week. If the permitholder does not conduct at least one live performance during the week in which the purse funds are received, the purse funds shall be disbursed weekly during the permitholder's next race meet in an amount determined by dividing the purse amount by the number of performances approved for the permitholder pursuant to its annual license, and multiplying that amount by the number of performances conducted each week. The division shall conduct audits necessary to ensure compliance with this paragraph.

- racing shall, during the permitholder's race meet, supply kennel operators and the Division of Pari-Mutuel Wagering with a weekly report showing purses paid on live greyhound races and all greyhound intertrack and simulcast broadcasts, including both as a guest and a host together with the handle or commission calculations on which such purses were paid and the transmission costs of sending the simulcast or intertrack broadcasts, so that the kennel operators may determine statutory and contractual compliance.
- (g) Each greyhound <u>racing</u> permitholder <u>conducting live</u>

  <u>racing</u> shall make direct payment of purses to the greyhound

  owners who have filed with such permitholder appropriate federal

taxpayer identification information based on the percentage amount agreed upon between the kennel operator and the greyhound owner.

- (h) At the request of a majority of kennel operators under contract with a greyhound racing permitholder conducting live racing, the permitholder shall make deductions from purses paid to each kennel operator electing such deduction and shall make a direct payment of such deductions to the local association of greyhound kennel operators formed by a majority of kennel operators under contract with the permitholder. The amount of the deduction shall be at least 1 percent of purses, as determined by the local association of greyhound kennel operators. No Deductions may not be taken pursuant to this paragraph without a kennel operator's specific approval before or after the effective date of this act.
- (2)(3) For the purpose of this section, the term "live handle" means the handle from wagers placed at the permitholder's establishment on the live greyhound races conducted at the permitholder's establishment.

Section 10. Paragraph (b) of subsection (3) of section 550.09515, Florida Statutes, is amended to read:

- 550.09515 Thoroughbred <u>racing</u> horse taxes; abandoned interest in a permit for nonpayment of taxes.—
- (3) (a) The <u>division shall revoke the</u> permit of a thoroughbred horse permitholder <u>that</u> who does not pay tax on handle for live thoroughbred horse performances for a full

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schedule of live races for more than 24 consecutive months during any 2 consecutive state fiscal years shall be void and shall escheat to and become the property of the state unless such failure to operate and pay tax on handle was the direct result of fire, strike, war, or other disaster or event beyond the ability of the permitholder to control. Financial hardship to the permitholder does shall not, in and of itself, constitute just cause for failure to operate and pay tax on handle. A permit revoked under this subsection is void and may not be reissued.

(b) In order to maximize the tax revenues to the state, the division shall reissue an escheated thoroughbred horse permit to a qualified applicant pursuant to the provisions of this chapter as for the issuance of an initial permit. However, the provisions of this chapter relating to referendum requirements for a pari mutuel permit shall not apply to the reissuance of an escheated thoroughbred horse permit. As specified in the application and upon approval by the division of an application for the permit, the new permitholder shall be 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) relating to mileage limitations.

Section 11. Subsection (2) of section 550.1625, Florida Statutes, is amended to read:

550.1625 Greyhound racing dogracing; taxes.-

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(2) A permitholder that conducts a greyhound race dograce meet under this chapter must pay the daily license fee, the admission tax, the breaks tax, and the tax on pari-mutuel handle as provided in s. 550.0951 and is subject to all penalties and sanctions provided in s. 550.0951(6).

Section 12. <u>Section 550.1647</u>, Florida Statutes, is repealed.

Section 13. Section 550.1648, Florida Statutes, is amended to read:

550.1648 Greyhound adoptions.

- (1) A greyhound racing Each dogracing permitholder conducting live racing at operating a greyhound racing dogracing facility in this state shall provide for a greyhound adoption booth to be located at the facility.
- (1) (a) The greyhound adoption booth must be operated on weekends by personnel or volunteers from a bona fide organization that promotes or encourages the adoption of greyhounds pursuant to s. 550.1647. Such bona fide organization, as a condition of adoption, must provide sterilization of greyhounds by a licensed veterinarian before relinquishing custody of the greyhound to the adopter. The fee for sterilization may be included in the cost of adoption. As used in this section, the term "weekend" includes the hours during which live greyhound racing is conducted on Friday, Saturday, or Sunday, and the term "bona fide organization that promotes or encourages the adoption of greyhounds" means an organization

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that provides evidence of compliance with chapter 496 and possesses a valid exemption from federal taxation issued by the <a href="Internal Revenue Service">Internal Revenue Service</a>. Information pamphlets and application forms shall be provided to the public upon request.

- (b) In addition, The kennel operator or owner shall notify the permitholder that a greyhound is available for adoption and the permitholder shall provide information concerning the adoption of a greyhound in each race program and shall post adoption information at conspicuous locations throughout the greyhound racing dogracing facility. Any greyhound that is participating in a race and that will be available for future adoption must be noted in the race program. The permitholder shall allow greyhounds to be walked through the track facility to publicize the greyhound adoption program.
- (2) In addition to the charity days authorized under s. 550.0351, a greyhound <u>racing</u> permitholder may fund the greyhound adoption program by holding a charity racing day designated as "Greyhound Adopt-A-Pet Day." All profits derived from the operation of the charity day must be placed into a fund used to support activities at the racing facility which promote the adoption of greyhounds. The division may adopt rules for administering the fund. Proceeds from the charity day authorized in this subsection may not be used as a source of funds for the purposes set forth in s. 550.1647.
- (3) (a) Upon a violation of this section by a permitholder or licensee, the division may impose a penalty as provided in s.

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550.0251(10) and require the permitholder to take corrective 885 886 action.

- A penalty imposed under s. 550.0251(10) does not exclude a prosecution for cruelty to animals or for any other criminal act.
- Section 14. Section 550.2416, Florida Statutes, is created to read:
  - 550.2416 Reporting of racing greyhound injuries.-
- (1) An injury to a racing greyhound which occurs while the greyhound is located in this state must be reported on a form adopted by the division within 7 days after the date on which the injury occurred or is believed to have occurred.
- (2) The form shall be completed and signed under oath or affirmation under penalty of perjury by the:
- Racetrack veterinarian, if the injury occurred at the (a) racetrack facility; or
- Owner, trainer, or kennel operator who had knowledge of the injury, if the injury occurred at a location other than the racetrack facility, including during transportation.
  - The form must include all of the following: (3)
- The greyhound's registered name, right-ear and leftear tattoo numbers, and, if any, the microchip manufacturer and number.
- The name, business address, and telephone number of (b) the greyhound owner, the trainer, and the kennel operator.
  - The color, weight, and sex of the greyhound. (C)

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CODING: Words stricken are deletions; words underlined are additions.

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(d) The specific type and bodily location of the injury, the cause of the injury, and the estimated recovery time from the injury.

- (e) If the injury occurred when the greyhound was racing:
- 1. The racetrack where the injury occurred;

- 2. The distance, grade, race, and post position of the greyhound when the injury occurred; and
- 3. The weather conditions, time, and track conditions when the injury occurred.
- (f) If the injury occurred when the greyhound was not racing:
  - 1. The location where the injury occurred; and
  - 2. The circumstances surrounding the injury.
- (g) Other information that the division determines is necessary to identify injuries to racing greyhounds in this state.
- (4) An injury form created pursuant to this section shall be maintained as a public record by the division for at least 7 years after the date it was received.
- (5) 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 this chapter or chapters 455 and 474.
- (6) This section does not apply to injuries to a service animal, personal pet, or greyhound that has been adopted as a pet.

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(7) The division shall adopt rules to implement this section.

Section 15. Subsection (1) of section 550.26165, Florida Statutes, is amended to read:

550.26165 Breeders' awards.-

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The purpose of this section is to encourage the agricultural activity of breeding and training racehorses in this state. Moneys dedicated in this chapter for use as breeders' awards and stallion awards are to be used for awards to breeders of registered Florida-bred horses winning horseraces and for similar awards to the owners of stallions who sired Florida-bred horses winning stakes races, if the stallions are registered as Florida stallions standing in this state. Such awards shall be given at a uniform rate to all winners of the awards, shall not be greater than 20 percent of the announced gross purse, and shall not be less than 15 percent of the announced gross purse if funds are available. In addition, no less than 17 percent nor more than 40 percent, as determined by the Florida Thoroughbred Breeders' Association, of the moneys dedicated in this chapter for use as breeders' awards and stallion awards for thoroughbreds shall be returned pro rata to the permitholders that generated the moneys for special racing awards to be distributed by the permitholders to owners of thoroughbred horses participating in prescribed thoroughbred stakes races, nonstakes races, or both, all in accordance with a written agreement establishing the rate, procedure, and

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eliqibility requirements for such awards entered into by the permitholder, the Florida Thoroughbred Breeders' Association, and the Florida Horsemen's Benevolent and Protective Association, Inc., except that the plan for the distribution by any permitholder located in the area described in s. 550.615(7) s. 550.615(9) shall be agreed upon by that permitholder, the Florida Thoroughbred Breeders' Association, and the association representing a majority of the thoroughbred racehorse owners and trainers at that location. Awards for thoroughbred races are to be paid through the Florida Thoroughbred Breeders' Association, and awards for standardbred races are to be paid through the Florida Standardbred Breeders and Owners Association. Among other sources specified in this chapter, moneys for thoroughbred breeders' awards will come from the 0.955 percent of handle for thoroughbred races conducted, received, broadcast, or simulcast under this chapter as provided in s. 550.2625(3). The moneys for quarter horse and harness breeders' awards will come from the breaks and uncashed tickets on live quarter horse and harness racing performances and 1 percent of handle on intertrack wagering. The funds for these breeders' awards shall be paid to the respective breeders' associations by the permitholders conducting the races.

Section 16. Section 550.3341, Florida Statutes, is created to read:

550.3341 Nonwagering quarter horse racing partnerships.-In recognition of the economic and cultural importance of

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nonwagering equine competitions to this state's growing rural communities, the importance of agricultural arenas as a key focal point for nonwagering equine competitions, and to recognize the differences between nonwagering equine competitions and traditional quarter horse racing, if a qualifying application is received under this section, the division shall annually approve one partnership between a quarter horse racing permitholder and a licensed nonwagering permitholder under s. 550.505 in order to promote the continued development of nonwagering equine competitions in growing rural communities.

- (1) As part of its license application under s. 550.01215, a quarter horse racing permitholder may apply to fully or partially substitute live nonwagering equine competitions for its live pari-mutuel quarter horse races, pursuant to a written agreement with a licensed nonwagering permitholder under s. 550.505, provided that:
- (a) The quarter horse racing permitholder's facility is located in a county with a population of between 30,000 and 75,000 according to the most recent decennial census.
- (b) The quarter horse racing permitholder's facility is located in a community that is, or was previously, included within a rural area of opportunity as designated by the Governor pursuant to s. 288.0656.
- (c) The live nonwagering equine competitions are conducted by the licensed nonwagering permitholder, pursuant to lease

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agreements, at the quarter horse racing permitholder's parimutuel facility or at a publicly owned agricultural arena located adjacent to the quarter horse racing permitholder's pari-mutuel facility.

- (d) The nonwagering permit and license are held by the horsemen's association representing the majority of the quarter horse owners and trainers at the quarter horse racing permitholder's pari-mutuel facility, and the horsemen's association has been issued a nonwagering license for the previous two calendar years.
- (e) The quarter horse racing permitholder has conducted a full schedule of live races as defined in s. 550.002(11), either with or without the use of qualifying nonwagering equine competitions described in this section, for the previous two state fiscal years.
- (2) The live nonwagering equine competitions shall consist of barrel racing, pole bending, or other rodeo or gymkhana-style competitions.
- (3) Twenty live equine competitions, conducted pursuant to an agreement approved under this section, shall be considered a full schedule of live racing in satisfaction of the requirements of ss. 550.002(11) and 550.334(8).
- (4) Payment of purses and breeders awards from quarter

  horse racing permitholders who qualify to conduct live

  nonwagering equine competitions in accordance with this section

  shall be governed by a binding written agreement between the

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permitholder and the association representing a majority of the horse owners and trainers at the permitholder's pari-mutuel facility.

- (5) If more than one quarter horse racing permitholder applies for division approval of a partnership with a licensed non-wagering permitholder under this section, the division must approve the partnership it determines will best promote the continued development of nonwagering equine competitions in this state and will make the most significant contribution to the rural communities in which the competitions take place.
- (6) Quarter horse racing permitholders who qualify to conduct live nonwagering equine competitions in accordance with this section are entitled to amend licenses for the 2015-2016 fiscal year through August 31, 2015.
- (7) The department may adopt rules as necessary to administer this section.
- Section 17. Subsections (2) and (3) of section 550.3345, Florida Statutes, are amended to read:
- 550.3345 Conversion of quarter horse permit to a Limited thoroughbred racing permit.—
- (2) A limited thoroughbred racing permit previously converted from Notwithstanding any other provision of law, the holder of a quarter horse racing permit pursuant to chapter 2010-29, Laws of Florida, issued under s. 550.334 may only be held by, within 1 year after the effective date of this section, apply to the division for a transfer of the quarter horse racing

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permit to a not-for-profit corporation formed under state law to serve the purposes of the state as provided in subsection (1). The board of directors of the not-for-profit corporation must be comprised of 11 members, 4 of whom shall be designated by the applicant, 4 of whom shall be designated by the Florida Thoroughbred Breeders' Association, and 3 of whom shall be designated by the other 8 directors, with at least 1 of these 3 members being an authorized representative of another thoroughbred permitholder in this state. A limited thoroughbred racing The not-for-profit corporation shall submit an application to the division for review and approval of the transfer in accordance with s. 550.054. Upon approval of the transfer by the division, and notwithstanding any other provision of law to the contrary, the not-for-profit corporation may, within 1 year after its receipt of the permit, request that the division convert the quarter horse racing permit to a permit authorizing the holder to conduct pari mutuel wagering meets of thoroughbred racing. Neither the transfer of the quarter horse racing permit nor its conversion to a limited thoroughbred permit shall be subject to the mileage limitation or the ratification election as set forth under s. 550.054(2) or s. 550.0651. Upon receipt of the request for such conversion, the division shall timely issue a converted permit. The converted permit and the not-for-profit corporation are shall be subject to the following requirements:

a) All net revenues derived by the not-for-profit

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corporation under the thoroughbred horse racing permit, after the funding of operating expenses and capital improvements, shall be dedicated to the enhancement of thoroughbred purses and breeders', stallion, and special racing awards under this chapter; the general promotion of the thoroughbred horse breeding industry; and the care in this state of thoroughbred horses retired from racing.

- (b) From December 1 through April 30, no live thoroughbred racing may be conducted under the permit on any day during which another thoroughbred permitholder is conducting live thoroughbred racing within 125 air miles of the not-for-profit corporation's pari-mutuel facility unless the other thoroughbred permitholder gives its written consent.
- (c) After the conversion of the quarter horse racing permit and the issuance of its initial license to conduct parimutuel wagering meets of thoroughbred racing, the not-for-profit corporation shall annually apply to the division for a license pursuant to s. 550.5251.
- (d) Racing under the permit may take place only at the location for which the original quarter horse racing permit was issued, which may be leased by the not-for-profit corporation for that purpose; however, the not-for-profit corporation may, without the conduct of any ratification election pursuant to s. 550.054(13) or s. 550.0651, move the location of the permit to another location in the same county provided that such relocation is approved under the zoning and land use regulations

of the applicable county or municipality.

- (e) <u>A limited thoroughbred racing</u> No permit <del>converted</del> under this section is <u>not</u> eligible for transfer to another person or entity.
- (3) Unless otherwise provided in this section, after conversion, the permit and the not-for-profit corporation shall be treated under the laws of this state as a thoroughbred racing permit and as a thoroughbred racing permitholder, respectively, with the exception of ss. 550.054(9)(c) and (d) and s. 550.09515(3).
- Section 18. Paragraph (a) of subsection (6) of section 550.3551, Florida Statutes, is amended to read:
- 550.3551 Transmission of racing and jai alai information; commingling of pari-mutuel pools.—
- (6) (a) A maximum of 20 percent of the total number of races on which wagers are accepted by a greyhound permitholder not located as specified in s. 550.615(6) may be received from locations outside this state. A horseracing or a jai alai permitholder may not conduct fewer than eight live races or games on any authorized race day except as provided in this subsection. A thoroughbred racing permitholder may not conduct fewer than eight live races on any race day without the written approval of the Florida Thoroughbred Breeders' Association and the Florida Horsemen's Benevolent and Protective Association, Inc., unless it is determined by the department that another entity represents a majority of the thoroughbred racehorse

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owners and trainers in the state. A harness permitholder may conduct fewer than eight live races on any authorized race day, except that such permitholder must conduct a full schedule of live racing during its race meet consisting of at least eight live races per authorized race day for at least 100 days. Any harness horse permitholder that during the preceding racing season conducted a full schedule of live racing may, at any time during its current race meet, receive full-card broadcasts of harness horse races conducted at harness racetracks outside this state at the harness track of the permitholder and accept wagers on such harness races. With specific authorization from the division for special racing events, a permitholder may conduct fewer than eight live races or games when the permitholder also broadcasts out-of-state races or games. The division may not grant more than two such exceptions a year for a permitholder in any 12-month period, and those two exceptions may not be consecutive.

Section 19. Subsections (2), (4), (6), and (7) of section 550.615, Florida Statutes, are amended, subsections (8), (9), and (10) are renumbered as subsections (6), (7), and (8), respectively, and amended, and a new subsection (9) is added to that section, to read:

550.615 Intertrack wagering.-

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(2) A Any track or fronton licensed under this chapter which conducted a full schedule of live racing or games in the preceding year and any greyhound racing permitholder that

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conducted a full schedule of live racing for a period of at least 10 consecutive state fiscal years after the 1996-1997 state fiscal year or that converted its permit to a permit to conduct greyhound racing after that fiscal year is qualified to, at any time, receive broadcasts of any class of pari-mutuel race or game and accept wagers on such races or games conducted by any class of permitholders licensed under this chapter.

- (4) In no event shall any intertrack wager be accepted on the same class of live races or games of any permitholder without the written consent of such operating permitholders conducting the same class of live races or games if the guest track is within the market area of such operating permitholder. A greyhound racing permitholder licensed under this chapter which accepts intertrack wagers on live greyhound signals is not required to obtain the written consent required by this subsection from any operating greyhound racing permitholder within its market area.
- (6) Notwithstanding the provisions of subsection (3), in any area of the state where there are three or more horserace permitholders within 25 miles of each other, intertrack wagering between permitholders in said area of the state shall only be authorized under the following conditions: Any permitholder, other than a thoroughbred permitholder, may accept intertrack wagers on races or games conducted live by a permitholder of the same class or any harness permitholder located within such area and any harness permitholder may accept wagers on games

conducted live by any jai alai permitholder located within its market area and from a jai alai permitholder located within the area specified in this subsection when no jai alai permitholder located within its market area is conducting live jai alai performances; any greyhound or jai alai permitholder may receive broadcasts of and accept wagers on any permitholder of the other class provided that a permitholder, other than the host track, of such other class is not operating a contemporaneous live performance within the market area.

(7) In any county of the state where there are only two permits, one for dogracing and one for jai alai, no intertrack wager may be taken during the period of time when a permitholder is not licensed to conduct live races or games without the written consent of the other permitholder that is conducting live races or games. However, if neither permitholder is conducting live races or games, either permitholder may accept intertrack wagers on horseraces or on the same class of races or games, or on both horseraces and the same class of races or games as is authorized by its permit.

(6)(8) In any three contiguous counties of the state where there are only three permitholders, all of which are greyhound permitholders, if a greyhound racing any permitholder leases the facility of another greyhound racing permitholder for the purpose of conducting all or any portion of the conduct of its live race meet pursuant to s. 550.475, such lessee may conduct intertrack wagering at its pre-lease permitted facility

throughout the entire year, including while its live <u>race</u> meet is being conducted at the leased facility, <u>if such permitholder</u> has conducted a full schedule of live racing during the preceding fiscal year at its pre-lease permitted facility or at a leased facility, or combination thereof.

- (7)(9) In any two contiguous counties of the state in which there are located only four active permits, one for thoroughbred horse racing, two for greyhound racing dogracing, and one for jai alai games, no intertrack wager may be accepted on the same class of live races or games of any permitholder without the written consent of such operating permitholders conducting the same class of live races or games if the guest track is within the market area of such operating permitholder.
- (8) (10) All costs of receiving the transmission of the broadcasts shall be borne by the guest track; and all costs of sending the broadcasts shall be borne by the host track.
- (9) A greyhound racing permitholder, identified in subsection (2), operating pursuant to a current year's operating license that specifies no live performances or less than a full schedule of live performances is qualified to:
- (a) Receive broadcasts at any time of any class of parimutuel race or game and accept wagers on such races or games conducted by any class of permitholder licensed under this chapter; and
- (b) Accept wagers on live races conducted at out-of-state greyhound tracks only on the days when such permitholder

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receives all live races that any greyhound host track in this state makes available.

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Section 20. Paragraphs (d), (f), and (g) of subsection (9) of section 550.6305, Florida Statutes, are amended to read:

550.6305 Intertrack wagering; guest track payments; accounting rules.—

- (9) A host track that has contracted with an out-of-state horse track to broadcast live races conducted at such out-of-state horse track pursuant to s. 550.3551(5) may broadcast such out-of-state races to any guest track and accept wagers thereon in the same manner as is provided in s. 550.3551.
- (d) Any permitholder located in any area of the state where there are only two permits, one for dogracing and one for jai alai, and any permitholder that converted its permit to conduct jai alai to a permit to conduct greyhound racing in lieu of jai alai under s. 550.054(14), Florida Statutes 2014, as created by s. 6 of chapter 2009-170, Laws of Florida, may accept wagers on rebroadcasts of out-of-state thoroughbred horse races from an in-state thoroughbred horse racing permitholder and shall not be subject to the provisions of paragraph (b) if such thoroughbred horse racing permitholder located within the area specified in this paragraph is both conducting live races and accepting wagers on out-of-state horseraces. In such case, the guest permitholder shall be entitled to 45 percent of the net proceeds on wagers accepted at the quest facility. The remaining proceeds shall be distributed as follows: one-half shall be

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retained by the host facility and one-half shall be paid by the host facility as purses at the host facility.

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- Any permitholder located in any area of the state where there are only two permits, one for dogracing and one for jai alai, and any permitholder that converted its permit to conduct jai alai to a permit to conduct greyhound racing in lieu of jai alai under s. 550.054(14), Florida Statutes 2014, as created by s. 6 of chapter 2009-170, Laws of Florida, may accept wagers on rebroadcasts of out-of-state harness horse races from an in-state harness horse racing permitholder and shall not be subject to the provisions of paragraph (b) if such harness horse racing permitholder located within the area specified in this paragraph is conducting live races. In such case, the guest permitholder shall be entitled to 45 percent of the net proceeds on wagers accepted at the guest facility. The remaining proceeds shall be distributed as follows: one-half shall be retained by the host facility and one-half shall be paid by the host facility as purses at the host facility.
- (g)1.a. Any thoroughbred racing permitholder that which accepts wagers on a simulcast signal must make the signal available to any permitholder that is eligible to conduct intertrack wagering under the provisions of ss. 550.615-550.6345.
- <u>b.2.</u> Any thoroughbred <u>racing</u> permitholder <u>that</u> which accepts wagers on a simulcast signal received after 6 p.m. must make such signal available to any permitholder that is eligible

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to conduct intertrack wagering under the provisions of ss. 550.615-550.6345, including any permitholder located as specified in s. 550.615(6). Such guest permitholders are authorized to accept wagers on such simulcast signal, notwithstanding any other provision of this chapter to the contrary.

- c.3. Any thoroughbred racing permitholder that which accepts wagers on a simulcast signal received after 6 p.m. must make such signal available to any permitholder that is eligible to conduct intertrack wagering under the provisions of ss. 550.615-550.6345, including any permitholder located as specified in s. 550.615(9). Such guest permitholders are authorized to accept wagers on such simulcast signals for a number of performances not to exceed that which constitutes a full schedule of live races for a quarter horse permitholder pursuant to s. 550.002(11), notwithstanding any other provision of this chapter to the contrary, except that the restrictions provided in s. 550.615(9)(a) apply to wagers on such simulcast signals.
- 2. A Ne thoroughbred racing permitholder may not shall be required to continue to rebroadcast a simulcast signal to any in-state permitholder if the average per performance gross receipts returned to the host permitholder over the preceding 30-day period were less than \$100. Subject to the provisions of s. 550.615(4), as a condition of receiving rebroadcasts of thoroughbred simulcast signals under this paragraph, a guest

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permitholder must accept intertrack wagers on all live races conducted by all then-operating thoroughbred <u>racing</u> permitholders.

Section 21. Section 550.6308, Florida Statutes, is amended to read:

550.6308 Limited intertrack wagering license.—In recognition of the economic importance of the thoroughbred breeding industry to this state, its positive impact on tourism, and of the importance of a permanent thoroughbred sales facility as a key focal point for the activities of the industry, a limited license to conduct intertrack wagering is established to ensure the continued viability and public interest in thoroughbred breeding in Florida.

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

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

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1353 2. (b) Between November 1 and May 8;

- 3.(c) Between May 9 and October 31 at such times and on such days as any thoroughbred, jai alai, or a greyhound racing permitholder in the same county is not conducting live performances; provided that any such permitholder may waive this requirement, in whole or in part, and allow the licensee under this section to conduct intertrack wagering during one or more of the permitholder's live performances; and
- $\frac{4 \cdot (d)}{d}$  During the weekend of the Kentucky Derby, the Preakness, the Belmont, and a Breeders' Cup Meet that is conducted before November 1 and after May 8.
- (b) Only No more than one such license may be issued, and the no such license may not be issued for a facility located within 50 miles of any for-profit thoroughbred racing permitholder's licensed track.
- (2) If more than one application is submitted for such license, the division shall determine which applicant shall be granted the license. In making its determination, the division shall grant the license to the applicant demonstrating superior capabilities, as measured by the length of time the applicant has been conducting thoroughbred sales within this state or elsewhere, the applicant's total volume of thoroughbred horse sales, within this state or elsewhere, the length of time the applicant has maintained a permanent thoroughbred sales facility in this state, and the quality of the facility.
  - (3) The applicant must comply with the provisions of ss.

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1379 550.125 and 550.1815.

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

(4) (5) The licensee shall be considered a guest track under this chapter. The licensee shall pay 2.5 percent of the total contributions to the daily pari-mutuel pool on wagers accepted at the licensee's facility on greyhound races or jai alai games to the thoroughbred racing permitholder that is conducting live races for purses to be paid during its current racing meet. If more than one thoroughbred racing permitholder is conducting live races on a day during which the licensee is conducting intertrack wagering on greyhound races or jai alai games, the licensee shall allocate these funds between the operating thoroughbred racing permitholders on a pro rata basis based on the total live handle at the operating permitholders' facilities.

Section 22. Section 551.101, Florida Statutes, is amended to read:

551.101 Slot machine gaming authorized.—Possession of slot machines and conduct of slot machine gaming is only allowed at licensed eligible facilities pursuant to this part and

Page 54 of 66

department rule. Any licensed pari-mutuel facility located in Miami Dade County or Broward County existing at the time of adoption of s. 23, Art. X of the State Constitution that has conducted live racing or games during calendar years 2002 and 2003 may possess slot machines and conduct slot machine gaming at the location where the pari-mutuel permitholder is authorized to conduct pari-mutuel wagering activities pursuant to such permitholder's valid pari-mutuel permit provided that a majority of voters in a countywide referendum have approved slot machines at such facility in the respective county. Notwithstanding any other provision of law, it is not a crime for a person to participate in slot machine gaming at a pari-mutuel facility licensed to possess slot machines and conduct slot machine gaming or to participate in slot machine gaming described in this chapter.

Section 23. Subsections (4) and (11) of section 551.102, Florida Statutes, are amended to read:

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

(4) "Eligible facility" means a any licensed pari-mutuel facility that meets the requirements of s. 551.104(2) located in Miami-Dade County or Broward County existing at the time of adoption of s. 23, Art. X of the State Constitution that has conducted live racing or games during calendar years 2002 and 2003 and has been approved by a majority of voters in a countywide referendum to have slot machines at such facility in the respective county; any licensed pari mutuel facility located

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within a county as defined in s. 125.011, provided such facility has conducted live racing for 2 consecutive calendar years immediately preceding its application for a slot machine license, pays the required license fee, and meets the other requirements of this chapter; or any licensed pari-mutuel facility in any other county in which a majority of voters have approved slot machines at such facilities in a countywide referendum held pursuant to a statutory or constitutional authorization after the effective date of this section in the respective county, provided such facility has conducted a full schedule of live racing for 2 consecutive calendar years immediately preceding its application for a slot machine license, pays the required license licensed fee, and meets the other requirements of this chapter.

(11) "Slot machine licensee" means a pari-mutuel permitholder that who holds a slot machine license issued by the division pursuant to this chapter that authorizes such person to possess a slot machine within facilities specified in s. 23, Art. X of the State Constitution and allows slot machine gaming.

Section 24. Subsection (2) and paragraph (c) of subsection (4) of section 551.104, Florida Statutes, are amended, and subsection (3) of that section is republished, to read:

551.104 License to conduct slot machine gaming.—

- (2) An application may be approved by the division only if:
  - (a) The facility at which the applicant seeks to operate

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## slot machines is:

- 1. A licensed pari-mutuel facility where live racing or games were conducted during calendar years 2002 and 2003, located in Miami-Dade County or Broward County, and authorized for slot machine licensure pursuant to s. 23, Art. X of the State Constitution;
- 2. A licensed pari-mutuel facility where a full schedule of live horseracing has been conducted for 2 consecutive calendar years immediately preceding its application for a slot machine license and located within a county as defined in s. 125.011; or
- 3. A licensed pari-mutuel facility located in a county in which a majority of voters have approved slot machines at eligible facilities in a countywide referendum held concurrently with a general election in which the offices of President and Vice President of the United States were on the ballot, if the permitholder has conducted at least 250 live performances at the facility in accordance with that permitholder's annual operating license for 25 consecutive years immediately preceding its initial application for a slot machine license, pays the required license fee, and meets the other requirements of this chapter. However, a license to conduct slot machine gaming may not be granted by the division pursuant to this subparagraph unless the Gaming Compact between the Seminole Tribe of Florida and the State of Florida authorized pursuant to s. 285.710 is amended to exempt the slot machine gaming conducted by such slot

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machine licensees from the Seminole Tribe of Florida's exclusive gaming rights.

- (b) 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.
- (c) Issuance of the license would not trigger a reduction in revenue-sharing payments under the Gaming Compact between the Seminole Tribe of Florida and the State of Florida.
- (3) A slot machine license may be issued only to a licensed pari-mutuel permitholder, 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.
- (4) As a condition of licensure and to maintain continued authority for the conduct of slot machine gaming, the slot machine licensee shall:
- or games as defined in s. 550.002(11). A permitholder's responsibility to conduct such number of 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, war, hurricane, or other disaster or event beyond the control of the permitholder. A greyhound racing permitholder is exempt from the live racing requirement of this paragraph if the permitholder conducted a full schedule of live racing for a period of at

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least 10 consecutive state fiscal years after the 2002-2003 state fiscal year.

Section 25. Subsections (2) and (4) of section 551.114, Florida Statutes, are amended to read:

551.114 Slot machine gaming areas.—

- (2) The slot machine licensee shall display pari-mutuel races or games within the designated slot machine gaming areas and offer patrons within the designated slot machine gaming areas the ability to engage in pari-mutuel wagering on any live, intertrack, and simulcast races conducted or offered to patrons of the licensed facility.
- within the current live gaming facility or in an existing building that must be contiguous and connected to the live gaming facility. If a designated slot machine gaming area is to be located in a building that is to be constructed, that new building must be contiguous and connected to the live gaming facility. For a greyhound racing permitholder licensed to conduct pari-mutuel activities pursuant to a current year's operating license that does not require live performances, designated slot machine gaming areas may be located only within the eligible facility for which the initial annual slot machine license was issued.

Section 26. Section 551.116, Florida Statutes, is amended to read:

551.116 Days and hours of operation.—Slot machine gaming

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areas may be open daily throughout the year. The slot machine gaming areas may be open a cumulative amount of 18 hours per day on Monday through Friday and 24 hours per day on Saturday and Sunday and on those holidays specified in s. 110.117(1).

Section 27. Paragraph (b) of subsection (5), paragraph (b) of subsection (7), paragraph (d) of subsection (13), and subsections (16) and (17) of section 849.086, Florida Statutes, are amended, paragraphs (c) and (d) of subsection (5) are redesignated as paragraphs (d) and (e), respectively, and a new paragraph (c) is added to that subsection, to read:

849.086 Cardrooms authorized.-

- (5) LICENSE REQUIRED; APPLICATION; FEES.—No person may operate a cardroom in this state unless such person holds a valid cardroom license issued pursuant to this section.
- (b) After the initial cardroom license is granted, the application for the annual license renewal shall be made in conjunction with the applicant's annual application for its pari-mutuel license. If a permitholder has operated a cardroom during any of the 3 previous fiscal years and fails to include a renewal request for the operation of the cardroom in its annual application for license renewal, the permitholder may amend its annual application to include operation of the cardroom. In order for a cardroom license to be renewed 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. If the application is for a harness permitholder cardroom, the applicant must have requested authorization to conduct a minimum of 140 live performances during the state fiscal year immediately prior thereto. If more than one permitholder is operating at a facility, each permitholder must have applied for a license to conduct a full schedule of live racing.

- (c) A greyhound racing permitholder is exempt from the live racing requirements of this section if it conducted a full schedule of live racing for a period of at least 10 consecutive state fiscal years after the 1996-1997 state fiscal year or if it converted its permit to a permit to conduct greyhound racing after that fiscal year. However, as a condition of cardroom licensure, greyhound racing permitholders who are not conducting a full schedule of live racing must conduct intertrack wagering on greyhound signals, to the extent available, on each day of cardroom operation.
  - (7) CONDITIONS FOR OPERATING A CARDROOM.-
- (b) Any cardroom operator may operate a cardroom at the pari-mutuel facility daily throughout the year, if the permitholder meets the requirements under paragraph (5)(b). The cardroom may be open a cumulative amount of 18 hours per day on Monday through Friday and 24 hours per day on Saturday and

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Sunday and on the holidays specified in s. 110.117(1).

(13) TAXES AND OTHER PAYMENTS.-

- (d)1. Each greyhound racing permitholder conducting live racing and jai alai permitholder that operates a cardroom facility shall use at least 4 percent of such permitholder's cardroom monthly gross receipts to supplement greyhound purses or jai alai prize money, respectively, during the permitholder's current or next ensuing pari-mutuel meet.
- 2. Each thoroughbred and harness horse racing permitholder that operates a cardroom facility shall use at least 50 percent of such permitholder's cardroom monthly net proceeds as follows: 47 percent to supplement purses and 3 percent to supplement breeders' awards during the permitholder's next ensuing racing meet.
- 3. A No cardroom license or renewal thereof may not shall be issued to an applicant holding a permit under chapter 550 to conduct pari-mutuel wagering meets of quarter horse racing unless the applicant has on file with the division a binding written agreement between the applicant and the Florida Quarter Horse Racing Association or the association representing a majority of the horse owners and trainers at the applicant's eligible facility, governing the payment of purses on live quarter horse races conducted at the licensee's pari-mutuel facility. The agreement governing purses may direct the payment of such purses from revenues generated by any wagering or gaming the applicant is authorized to conduct under Florida law. All

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purses shall be subject to the terms of chapter 550.

- (16) LOCAL GOVERNMENT APPROVAL.—The Division of Parimutuel Wagering may shall not issue any initial license under this section except upon proof in such form as the division may prescribe 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.
  - (17) CHANGE OF LOCATION; REFERENDUM.
- (a) Notwithstanding any provisions of this section, no cardroom gaming license issued under this section shall be transferred, or reissued when such reissuance is in the nature of a transfer, so as to permit or authorize a licensee to change the location of the cardroom. except upon proof in such form as the division may prescribe that a referendum election has been held:
- 1. If the proposed new location is within the same county as the already licensed location, in the county where the licensee desires to conduct cardroom gaming and that a majority of the electors voting on the question in such election voted in favor of the transfer of such license. However, the division shall transfer, without requirement of a referendum election, the cardroom license of any permitholder that relocated its permit pursuant to s. 550.0555.
  - 2. If the proposed new location is not within the same

Page 63 of 66

county as the already licensed location, in the county where the licensee desires to conduct cardroom gaming and that a majority of the electors voting on that question in each such election voted in favor of the transfer of such license.

(b) The expense of each referendum held under the provisions of this subsection shall be borne by the licensee requesting the transfer.

Section 28. Section 849.095, Florida Statutes, is created to read:

## 849.095 Destination resorts referendums.-

 (1) The board of county commissioners in a county where an eligible facility as defined in s. 551.102(4) is located may conduct a countywide referendum of qualified electors or a majority-plus-one vote of the board of county commissioners on whether to permit the location of a destination resort in that county. The outcome of the referendum does not bind any state government agency. The ballot question shall be stated as follows:

A destination resort is defined as a free-standing land-based structure in which class III casino gaming may be operated and which also consists of a combination of various tourism amenities and facilities, including, but not limited to, hotels, villas, restaurants, gaming facilities, convention and meeting facilities, entertainment facilities, attractions, service centers, and shopping centers.

Page 64 of 66

1665 Examples of class III casino games include slot 1666 machines, poker, banked card games, roulette, craps, and banked games using a wheel, dice, tiles, or other 1667 1668 equipment. Should the operation of a destination resort, as 1669 defined above, be authorized in .... County, subject 1670 1671 to a minimum private capital investment of \$1.5 billion by the operators of the proposed destination 1672 1673 resort? 1674 ... YES 1675 ... NO

A referendum of the electors under this section shall take place, if held, during the general election held during November, 2016. A vote of the board of county commissioners shall take place, if held, no later than December 31, 2016.

(2) No later than 30 days after conducting a referendum or vote pursuant to subsection (1), the results of such referendum or vote of the board of county commissioners shall be reported in writing by the board of county commissioners to the Governor, the President of the Senate, and the Speaker of the House of Representatives.

Section 29. The Division of Pari-mutuel Wagering of the

Department of Business and Professional Regulation shall revoke
any permit to conduct pari-mutuel wagering when a permitholder
has not conducted live events within the 24 months preceding the

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effective date of this act, unless the permit was issued under s. 550.3345. A permit revoked under this section may not be reissued.

Section 30. If any provision of this act or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of this act which can be given effect without the invalid provision or application, and to this end the provisions of this act are severable.

Section 31. This act shall take effect upon becoming a law.

### Amendment No. 1

ADOPTED	(Y/N)
ADOPTED AS AMENDED	(Y/N)
ADOPTED W/O OBJECTION	(Y/N)
FAILED TO ADOPT	(Y/N)
WITHDRAWN	(Y/N)
OTHER	

## Amendment (with title amendment)

Remove line 238 and insert:

- (c) Notwithstanding any other law or regulation, if any greyhound racing permitholder with a slot machine license discontinues the operation of live racing, all pari-mutuel permitholders with slot machine licenses may also discontinue the operation of live racing or games, shall have the same related rights and exemptions provided to such greyhound racing permitholder, and are entitled, but not required, to be a guest track for purposes of intertrack wagering and interstate simulcast and to obtain a cardroom license.
  - (d) Permitholders may shall be entitled to amend their

# COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. PCS for CS/HB 1233 (2015)

Amendment No. 1

Remove line 9 and insert:

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## TITLE AMENDMENT

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performances; providing circumstances for certain permitholders to discontinue live racing or games while continuing intertrack wagering and maintaining slot machines or cardrooms; limiting the number of pari-mutuel

### Amendment No. 2

COM	MITTEE/SUBCOMMITT	EΕ	ACTION
ADOPTED			(Y/N)
ADOPTED	AS AMENDED		(Y/N)
ADOPTED	W/O OBJECTION		(Y/N)
FAILED T	O ADOPT		(Y/N)
WITHDRAW	IN _		(Y/N)
OTHER	-		

Committee/Subcommittee hearing bill: Finance & Tax Committee
Representative Workman offered the following:

Amendment (with title amendment)

Remove line 238 and insert:

(c) As a condition precedent on the validity of its permit, any greyhound permitholder which does not apply to conduct a full schedule of live racing following the passage of this act shall contribute an amount equal to thirty percent of the operating loss declared from its pari-mutuel operations on its most recent uniform annual report filed with the Division prior to the passage of this act. The contribution shall be made annually prior to the issuance of its annual operating license by the division. Failure to conduct a full schedule of live racing pursuant to its annual operating license shall obligate the permitholder to make the contribution required by this paragraph for the previous year prior to the issuance of any

### Amendment No. 2

future license to conduct wagering or gaming activities. The division shall aggregate these contributions into a purse pool from which permitholders conducting live races or games may apply and receive subsidies for wagering and non-wagering purses and players awards paid by the permitholders conducting live races or games in the upcoming state fiscal year. In the event there is more than one application submitted by a pari-mutuel permitholder conducting live races or games, the division shall divide the purse pool pro rata based upon the total amount of live wagering handle and non-wagering purses conducted or offered by the permitholders conducting live races or games in the prior state fiscal year.

 $\underline{\text{(d)}}$  Permitholders  $\underline{\text{may}}$  shall be entitled to amend their

## TITLE AMENDMENT

Remove line 6 and insert:

operating licenses; requiring greyhound racing permitholders that do not conduct a full schedule of live racing to contribute funds to a pool of money that will be distributed by the division to pari-mutuel permitholders that conduct live racing or games; authorizing a greyhound racing

## COMMITTEE/SUBCOMMITTEE AMENDMENT

## Bill No. PCS for CS/HB 1233 (2015)

## Amendment No. 3

	COMMITTEE/SUBCOMMIT	TTEE ACTION
	ADOPTED	(Y/N)
	ADOPTED AS AMENDED	(Y/N)
	ADOPTED W/O OBJECTION	(Y/N)
	FAILED TO ADOPT	(Y/N)
	WITHDRAWN	(Y/N)
	OTHER	
	***************************************	
1	Committee/Subcommittee h	nearing bill: Finance & Tax Committee
2	Representative Workman	offered the following:
3		
4	Amendment	
5	Remove line 401 and	d insert:
6	provided the application	n is received by July 31, 2018, the move

### Amendment No. 4

	COMMITTEE/SUBCOMMIT	TEE	ACTION					
ADO:	PTED	_	(Y/N)					
ADO:	PTED AS AMENDED	_	(Y/N)					
ADO:	PTED W/O OBJECTION		(Y/N)					
FAI	LED TO ADOPT	_	(Y/N)					
WIT	HDRAWN	_	(Y/N)					
OTH	ER							

Committee/Subcommittee hearing bill: Finance & Tax Committee Representative Workman offered the following:

### Amendment

Remove lines 896-904 and insert:

the injury occurred or is believed to have occurred. The

Division is authorized to adopt rules defining the term

"injury."

- (2) The form shall be completed and signed under oath or affirmation by the:
- (a) Racetrack veterinarian or director of racing, if the injury occurred at the racetrack facility; or
- (b) Owner, trainer, or kennel operator who had knowledge of the injury, if the injury occurred at a location other than the racetrack facility, including during transportation.

## COMMITTEE/SUBCOMMITTEE AMENDMENT

## Bill No. PCS for CS/HB 1233 (2015)

## Amendment No. 4

19

16	(3) The Division is authorized to fine, suspend, or revoke
17	the license of any individual who knowingly violates the
18	provisions of this section.

(4) The form must include all of the following:

#### Amendment No. 5

COMMITTEE/SUBCOMM	ITTEE ACTION
ADOPTED	(Y/N)
ADOPTED AS AMENDED	(Y/N)
ADOPTED W/O OBJECTION	(Y/N)
FAILED TO ADOPT	(Y/N)
WITHDRAWN	(Y/N)
OTHER	

Committee/Subcommittee hearing bill: Finance & Tax Committee Representative Workman offered the following:

## Amendment (with title amendment)

Between lines 1510 and 1511, insert:

Section 25. Subsection (3) of section 551.106, Florida Statutes, is amended to read:

551.106 License fee; tax rate; penalties.-

- (3) PAYMENT AND DISPOSITION OF TAXES.—
- (a) Payment for the tax on slot machine revenues imposed by this section shall be paid to the division. The division shall deposit these sums with the Chief Financial Officer, to the credit of the Pari-mutuel Wagering Trust Fund. The slot machine licensee shall remit to the division payment for the tax on slot machine revenues. Such payments shall be remitted by 3 p.m. Wednesday of each week for taxes imposed and collected for the preceding week ending on Sunday. Beginning on July 1, 2012,

### Amendment No. 5

2.7

the slot machine licensee shall remit to the division payment for the tax on slot machine revenues by 3 p.m. on the 5th day of each calendar month for taxes imposed and collected for the preceding calendar month. If the 5th day of the calendar month falls on a weekend, payments shall be remitted by 3 p.m. the first Monday following the weekend. The slot machine licensee shall file a report under oath by the 5th day of each calendar month for all taxes remitted during the preceding calendar month. Such payments shall be accompanied by a report under oath showing all slot machine gaming activities for the preceding calendar month and such other information as may be prescribed by the division.

(b) Upon issuance of a license pursuant to s.

551.104(2)(a)3. and the payment of slot machine revenue taxes by such licensees in accordance with s. 551.106(2), the division shall allocate 10 percent of such slot machine revenue tax payments to any thoroughbred permitholder that has conducted a full schedule of live races for fifteen consecutive years, that has never held a slot machine license, and that is located in a county in which Class III gaming is conducted on Indian Lands. The permitholder must use the allocation for thoroughbred racing purses and the operations of the permitholder's thoroughbred racing facility. If more than one permitholder is eligible for such an allocation, the division shall equally allocate such funds between eligible permitholders. The allocation or allocations made by the division for payment in accordance with

## Amendment No. 5

this provision shall be deposited into the Pari-mutuel Wa	agering
Trust Fund for immediate transfer by the Chief Financial	Officer
to any qualifying permitholders within 30 days after the	
conclusion of the state's fiscal year.	

TITLE AMENDMENT

Between lines 107 and 108, insert:

551.106, F.S.; requiring the division to allocate ten percent of slot machine tax revenues received from certain permitholders to certain other permitholders for the purpose of funding purses and facility operations; amending s.

## Amendment No. 6

COMMITTEE/SUBCOMMIT	TEE ACTION
ADOPTED	(Y/N)
ADOPTED AS AMENDED	(Y/N)
ADOPTED W/O OBJECTION	(Y/N)
FAILED TO ADOPT	(Y/N)
WITHDRAWN	(Y/N)
OTHER	

Committee/Subcommittee hearing bill: Finance & Tax Committee Representative Artiles offered the following:

## Amendment

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Remove lines 178-179 and insert:

<u>c.</u> For every fiscal year after the 2012-2013 fiscal year, the conduct of <u>no less than 5 and no more than</u> at least 40 live regular wagering performances.;

## Amendment No. 7

	COMMITTEE/SUBCOMMITTEE ACTION
	ADOPTED (Y/N)
	ADOPTED AS AMENDED (Y/N)
	ADOPTED W/O OBJECTION (Y/N)
	FAILED TO ADOPT (Y/N)
	WITHDRAWN (Y/N)
	OTHER
1	Committee/Subcommittee hearing bill: Finance & Tax Committee
2	Representative Artiles offered the following:
3	
4	Amendment (with title amendment)
5	Remove line 1567 and insert:
6	during the state fiscal year immediately prior thereto. <u>If the</u>
7	application is for a quarter horse racing permitholder cardroom,
8	the applicant must have requested, as part of its pari-mutuel
9	annual license application, to conduct a full schedule of live
10	racing. If more
11	
12	
13	TITLE AMENDMENT
14	Remove line 113 and insert:
15	that a cardroom may operate; requiring a quarter horse racing
16	permitholder to conduct a full schedule of live racing in order

Amendment No. 7

- 17 to receive, maintain, or renew a cardroom license; exempting a
- 18 greyhound