By Senator Jones

13-01023D-12 20121376 A bill to be entitled

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An act relating to pari-mutuel wagering; amending s. 550.002, F.S.; adding and revising definitions; repealing s. 550.0745, F.S., relating to the conversion of a pari-mutuel permit to a summer jai alai permit; amending s. 550.3345, F.S.; deleting provisions authorizing the relocation of a converted limited thoroughbred permit; amending s. 551.102, F.S.; redefining the term "eligible facility" as it relates to slot machine gaming; providing that a facility may become eligible for slot machine gaming only after a specifically authorized referendum has been conducted; providing that slot machine licenses may be issued only to certain pari-mutuel permitholders; prohibiting the transfer of a slot machine license; redefining the term "slot machine licensee" to conform to changes made by the act; amending s. 551.104, F.S.; authorizing the Division of Pari-mutuel Wagering to approve an application for a license to conduct slot machine gaming for a facility located in a county operating under a home rule charter; providing an effective date.

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

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Section 1. Section 550.002, Florida Statutes, is amended to read:

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

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(1) "Breaks" means the portion of a pari-mutuel pool which

13-01023D-12 20121376

is computed by rounding down to the nearest multiple of 10 cents and is not distributed to the contributors or withheld by the permitholder as takeout.

- (2) "Breeders' and stallions' awards" means financial incentives paid to encourage the agricultural industry of breeding racehorses in this state.
- (3) "Broadcast" means the broadcast, transmission, simulcast, or exhibition in any medium or manner by means that may include, but are not limited to, community antenna systems that receive and retransmit television or radio signals by wire, cable, or otherwise to television or radio sets, and cable origination networks or programmers that transmit programming to community antenna televisions or closed-circuit systems by wire, cable, satellite, or otherwise.
- (4) "Contributor" means a person who contributes to a parimutuel pool by engaging in any pari-mutuel wager pursuant to this chapter.
- (5) "Current meet" or "current race meet" means the conduct of racing or games pursuant to a current year's operating license issued by the division.
- (6) "Department" means the Department of Business and Professional Regulation.
- (7) "Division" means the Division of Pari-mutuel Wagering within the Department of Business and Professional Regulation.
- (8) "Event" means a single contest, race, or game within a performance.
- (9) "Exotic pools" means wagering pools, other than the traditional win, place, or show (1st, 2nd, or 3rd place) pools, into which a contributor can place a wager on more than one

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13-01023D-12 20121376

entry or on more than one race or game in the same bet and which includes, but is not limited to, daily doubles, perfectas, quinielas, quiniela daily doubles, exactas, trifectas, and Big Q pools.

- (10) "Fronton" means a building or enclosure that contains a playing court with three walls designed and constructed for playing the sport of jai alai or pelota.
- (11) "Full schedule of live racing or games" means, for a greyhound 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; for a jai alai permitholder 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 whose handle on live jai alai games conducted at its pari-mutuel facility has been less than \$4 million per state fiscal year for at least 2 consecutive years after June 30, 1992, the conduct of a combination of at least 40 live evening or matinee performances during the preceding year; for a jai alai permitholder who operates slot machines in its pari-mutuel facility, the conduct of a combination of at least 150 performances during the preceding year; for a harness permitholder, the conduct of at least 100 live regular wagering performances during the preceding year; for a quarter horse permitholder at its facility unless an alternative schedule of at least 20 live regular wagering

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13-01023D-12 20121376

performances is agreed upon by the permitholder and either the Florida Quarter Horse Racing Association or the horsemen's association representing the majority of the quarter horse owners and trainers at the facility and filed with the division along with its annual date application, in the 2010-2011 fiscal year, the conduct of at least 20 regular wagering performances, in the 2011-2012 and 2012-2013 fiscal years, the conduct of at least 30 live regular wagering performances, and for every fiscal year after the 2012-2013 fiscal year, the conduct of at least 40 live regular wagering performances; for a quarter horse permitholder leasing another licensed racetrack, the conduct of 160 events at the leased facility; and for a thoroughbred permitholder, the conduct of at least 40 live regular wagering performances during the preceding year. For a permitholder that 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 constitutes 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.

(12) "Greyhound racing" means the racing of greyhound dogs

13-01023D-12 20121376

on an oval track. The dogs must start in a staring box, chase a lure, and compete in an electronically timed race.

- (13) "Guest track" means a track or fronton receiving or accepting an intertrack wager.
- $\underline{\text{(14)}}$ "Handle" means the aggregate contributions to pari-mutuel pools.
- (15) (14) "Harness racing" means a type of horseracing which is limited to two or more standardbred horses using a pacing or trotting gait in which each horse pulls a two-wheeled cart called a sulky guided by a race driver licensed by the state and the United States Trotting Association.
- (16) "Horserace" or "horseracing" means a head-to-head contest between two or more thoroughbred horses, quarter horses, or standardbred horses racing with each other in the same event on a flat oval track at least 1/2 mile in circumference, with banked turns and a connecting straight chute at least 440 yards in length, which does not require a horse to change its course in response to any obstacles on the racing surface. Horseracing does not include steeplechases, hurdle races, barrel racing, timed events, pole pending, or any other rodeo or gymkhana-style events.
- (17) (15) "Horserace permitholder" means any thoroughbred entity permitted under the provisions of this chapter to conduct pari-mutuel wagering meets of thoroughbred racing; any harness entity permitted under this chapter to conduct pari-mutuel wagering meets of harness racing; or any quarter horse entity permitted under this chapter to conduct pari-mutuel wagering meets of quarter horse racing.
 - (18) (18) (16) "Host track" means a track or fronton conducting a

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13-01023D-12 20121376

live or simulcast race or game that is the subject of an intertrack wager.

(19) (17) "Intertrack wager" means a particular form of pari-mutuel wagering in which wagers are accepted at a permitted, in-state track, fronton, or pari-mutuel facility on a race or game transmitted from and performed live at, or simulcast signal rebroadcast from, another in-state pari-mutuel facility.

(20) (18) "Jai alai" or "pelota" means a ball game that originated in Spain's Basque region and that is of Spanish origin played on a three-walled court, or cancha, with a hard rubber ball that is caught and thrown with a long, curved wicker basketlike glove, or cesta, which is strapped to one arm. The side wall of the court must be between 175 to 180 feet long and 40 to 50 feet high. The front wall must be made of granite and all other walls must be made of granite or gunite. The front wall must be at least 35 feet square with foul areas above, below, and to the right of the granite square. Foul areas must be painted red and made of a different construction. The numbers 1 through 14 must be painted on the walls and may be painted on the floor of the court. Jai Alai is played with a 125-gram ball, or pelota, and the ball is volleyed by players who wear a cesta that is approximately 63 to 70 centimeters long. Opposing players or teams alternate hurling the ball against the wall and catching it. Other games may not be substituted in lieu of the traditional game of jai alai, which must be played on the traditional court three walls.

(21) "Market area" means an area within 25 miles of a permitholder's track or fronton.

13-01023D-12 20121376

(22) "Meet" or "meeting" means the conduct of live racing or jai alai for any stake, purse, prize, or premium.

- (23) (21) "Operating day" means a continuous period of 24 hours starting with the beginning of the first performance of a race or game, even though the operating day may start during one calendar day and extend past midnight except that no greyhound race or jai alai game may commence after 1:30 a.m.
- (24) (22) "Pari-mutuel" means a system of betting on races or games in which the winners divide the total amount bet, after deducting management expenses and taxes, in proportion to the sums they have wagered individually and with regard to the odds assigned to particular outcomes.
- (25) "Pari-mutuel facility" means a racetrack, fronton, or other facility used by a permitholder for the conduct of pari-mutuel wagering.
- (26) "Pari-mutuel wagering pool" means the total amount wagered on a race or game for a single possible result.
- (27) (25) "Performance" means a series of events, races, or games performed consecutively under a single admission charge.
- (28) "Post time" means the time set for the arrival at the starting point of the horses or greyhounds in a race or the beginning of a game in jai alai.
- (29) "Purse" means the cash portion of the prize for which a race or game is contested.
- (30) (28) "Quarter horse" means a breed of horse developed in the western United States which is capable of high speed for a short distance and used in quarter horse racing registered with the American Quarter Horse Association.
 - (31) "Quarter horse racing" means horse racing by horses

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13-01023D-12 20121376

registered with the American Quarter Horse Association on a straight track of 400 meters, or 1/4 mile. Other distances between 220 meters and 870 meters may be conducted if the horses race on a straight path on a traditional oval or straight track. Quarter horse racing is flat racing where the horses must maintain original lane position as best as possible for the duration of the race. The horses must start in starting boxes, mounted by a jockey, and the event must be electronically timed. Other races or contests may not be substituted for the traditional flat race on a straight or oval track.

(32) (29) "Racing greyhound" means a greyhound that is or was used, or is being bred, raised, or trained to be used, in racing at a pari-mutuel facility and is registered with the National Greyhound Association.

(33) (30) "Regular wagering" means contributions to parimutuel pools involving wagering on a single entry in a single race, or a single jai alai player or team in a single game, such as the win pool, the place pool, or the show pool.

(34) (31) "Same class of races, games, or permit" means, with respect to a jai alai permitholder, jai alai games or other jai alai permitholders; with respect to a greyhound permitholder, greyhound races or other greyhound permitholders; with respect to a thoroughbred permitholder, thoroughbred races or other thoroughbred permitholders; with respect to a harness permitholder, harness races or other harness permitholders; with respect to a quarter horse permitholder, quarter horse races or other quarter horse permitholders.

 $\underline{(35)}$ "Simulcasting" means broadcasting events occurring live at an in-state location to an out-of-state location, or

13-01023D-12 20121376

receiving at an in-state location events occurring live at an out-of-state location, by the transmittal, retransmittal, reception, and rebroadcast of television or radio signals by wire, cable, satellite, microwave, or other electrical or electronic means for receiving or rebroadcasting the events.

- (36)(33) "Standardbred horse" means a pacing or trotting horse that is used in harness racing and 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 United States Trotting Association.
- (37) "Takeout" means the percentage of the pari-mutuel pools deducted by the permitholder <u>before</u> prior to the distribution of the pool.
- (38) (35) "Thoroughbred" means a purebred horse whose ancestry can be traced back to one of three foundation sires and whose pedigree is registered in the American Stud Book or in a foreign stud book that is recognized by the Jockey Club and the International Stud Book Committee.
- (39) "Thoroughbred racing" means horse racing by thoroughbred horses on an oval track at least 7/8 mile long and 70 feet wide, with racing distances ranging from 3/4 mile to 2 miles in length. The horses must start in a starting box, mounted by a jockey, and the event must be electronically timed. Other races or contests may not be substituted for the traditional flat race on an oval track.
- (40) (36) "Totalisator" means the computer system used to accumulate wagers, record sales, calculate payoffs, and display wagering data on a display device that is located at a parimutuel facility.

13-01023D-12 20121376

(41) (37) "Ultimate equitable owner" means a natural person who, directly or indirectly, owns or controls 5 percent or more of an ownership interest in a corporation, foreign corporation, or alien business organization, regardless of whether such person owns or controls such ownership through one or more natural persons or one or more proxies, powers of attorney, nominees, corporations, associations, partnerships, trusts, joint stock companies, or other entities or devices, or any combination thereof.

- (42) (38) "Year," for purposes of determining a full schedule of live racing, means the state fiscal year.
- $\underline{(43)}$ "Net pool pricing" means a method of calculating prices awarded to winning wagers relative to the contribution, net of takeouts, to a pool by each participating jurisdiction or, as applicable, site.
- Section 2. <u>Section 550.0745</u>, <u>Florida Statutes</u>, <u>is repealed</u>. Section 3. Paragraph (d) of subsection (2) of section 550.3345, Florida Statutes, is amended to read:
- 550.3345 Conversion of quarter horse permit to a limited thoroughbred permit.—
- (2) Notwithstanding any other provision of law, the holder of a quarter horse racing permit issued under s. 550.334 may, within 1 year after the effective date of this section, apply to the division for a transfer of the quarter horse racing 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

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13-01023D-12 20121376

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. 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 shall be subject to the following requirements:

(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.

Section 4. Subsections (4) and (11) of section 551.102,

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13-01023D-12 20121376

320 Florida Statutes, are amended to read:

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

(4) "Eligible facility" means 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 which 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 within a county as defined in s. 125.011, if 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 specific statutory or constitutional authorization that authorizes the county to conduct a slot machine referendum where the authorization is enacted after the effective date of this section for in the respective county, if 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 licensed fee, and meets the other requirements of this chapter. Slot machine gaming may take place only at an eligible facility and only at the location for which the original pari-mutuel permit was issued. If the underlying permit is moved, the new location is not eligible for a slot machine license. A slot machine license may not be

13-01023D-12 20121376

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(11) "Slot machine licensee" means a pari-mutuel permitholder who holds a 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 5. Subsection (2) of section 551.104, Florida Statutes, is amended to read:

551.104 License to conduct slot machine gaming.-

(2) The division may approve an application may be approved by the division only after the voters of the county where the applicant's facility is located have authorized by referendum slot machines within pari-mutuel facilities in that county as specified in s. 23, Art. X of the State Constitution or only for a facility that is located in a county as defined in s. 125.011.

Section 6. This act shall take effect July 1, 2012.