

**Tab 1** **SPB 7074** by **RI**; Gaming Compact Between the Seminole Tribe of Florida and the State of Florida

668752	A	S	FAV	RI, Negron	Delete L.32 - 36:	02/18 03:39 PM
625860	AA	S	UNFAV	RI, Stargel	Delete L.13 - 16:	02/18 03:39 PM
<del>144750</del>	<del>A</del>	S	WD	RI, Negron	btw L.36 - 37:	02/18 03:39 PM
<del>209278</del>	<del>A</del>	S	WD	RI, Negron	Delete L.59:	02/18 03:39 PM

**Tab 3** **SPB 7072** by **RI**; Gaming

<del>843294</del>	<del>D</del>	S	WD	RI, Sachs	Delete everything after	02/19 03:29 PM
244100	A	S	OO	RI, Negron	Before L.208:	02/19 03:29 PM
354378	A	S	FAV	RI, Richter	Before L.208:	02/19 03:29 PM
<del>594538</del>	<del>A</del>	S	WD	RI, Negron	Delete L.473 - 520:	02/19 03:29 PM
897172	A	S	FAV	RI, Negron	Delete L.1105 - 2309:	02/19 03:29 PM
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<del>238012</del>	<del>AA</del>	S	WD	RI, Abruzzo	Delete L.568:	02/19 03:29 PM
898094	AA	S	UNFAV	RI, Stargel	Delete L.899:	02/19 03:29 PM
667902	A	S	UNFAV	RI, Margolis	Delete L.1934 - 1935:	02/19 03:29 PM
<del>283940</del>	<del>A</del>	S	WD	RI, Abruzzo	Delete L.2324 - 2333:	02/19 03:29 PM

**Tab 4** **SB 1558** by **Evers**; (Similar to H 1019) Exemption from the Cigarette Tax and Surcharge

**The Florida Senate**  
**COMMITTEE MEETING EXPANDED AGENDA**

**REGULATED INDUSTRIES**  
**Senator Bradley, Chair**  
**Senator Margolis, Vice Chair**

**MEETING DATE:** Wednesday, February 17, 2016  
**TIME:** 1:30—3:30 p.m.  
**PLACE:** *Toni Jennings Committee Room*, 110 Senate Office Building

**MEMBERS:** Senator Bradley, Chair; Senator Margolis, Vice Chair; Senators Abruzzo, Bean, Braynon, Diaz de la Portilla, Flores, Latvala, Negron, Richter, Sachs, and Stargel

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
Consideration of proposed bill:			
1	<b>SPB 7074</b>	Gaming Compact Between the Seminole Tribe of Florida and the State of Florida; Superseding the Gaming Compact; ratifying and approving a specified compact executed by the Governor and the Tribe; directing the Governor to cooperate with the Tribe in seeking approval of the compact from the United States Secretary of the Interior; expanding the games authorized to be conducted and the counties in which such games may be offered, etc.	Submitted as Committee Bill Yeas 8 Nays 4
Consideration of proposed bill:			
2			
3	<b>SPB 7072</b>	Gaming; Revising provisions for applications for pari-mutuel operating licenses; 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 circumstances, etc.	Submitted as Committee Bill Yeas 8 Nays 4
4	<b>SB 1558</b> Evers (Similar H 1019)	Exemption from the Cigarette Tax and Surcharge; Authorizing an Indian tribe to use certain excess Indian-tax-and-surcharge-exemption coupons for sales on the tribe's reservation to nontribal members under certain circumstances, etc.  RI 02/17/2016 Not Considered FT AP	Not Considered

Other Related Meeting Documents

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

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Prepared By: The Professional Staff of the Committee on Regulated Industries

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BILL: SPB 7074

INTRODUCER: Regulated Industries Committee

SUBJECT: Gaming Compact Between the Seminole Tribe of Florida and the State of Florida

DATE: February 18, 2016      REVISED: \_\_\_\_\_

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ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. <u>Oxamendi/Kraemer</u>	<u>Caldwell</u>	_____	<b>RI Submitted as Committee Bill</b>

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**I. Summary:**

SPB 7074 provides that the gaming compact between the Seminole Tribe of Florida and the State of Florida executed by the Tribe and the Governor on December 7, 2015, is deemed ratified and approved if the Compact is amended to include a provision that fantasy contests in accordance with ss. 546.11 – 546.20, F.S., are an authorized activity by the Compact and do not impact the agreement’s revenue-sharing payments. Sections 546.11 – 546.20, F.S., are created in CS/SB 832 by the Regulated Industries Committee and Senator Negron to provide for the licensing and regulation of operators of fantasy contests.

The compact permits the Tribe to conduct banked or banking card games at all seven of its facilities. It also permits the Tribe to conduct, at all of its facilities, dice games, such as craps and sic-bo, and wheel games, such as roulette and big six.

The compact provides for revenue sharing payments from the Tribe to the state. For the first seven years, the compact provides a \$3 billion payment guarantee. The compact provides specific amounts for the payments during each month of the first seven years, and then the payments will be based on a varying percentage rate that depends on the amount of net win.

The compact provides that, if banked card games are authorized in Broward and Miami-Dade Counties the revenue share payments cease until gaming activities are no longer authorized. However, the Legislature can add blackjack at the pari-mutuel facilities in Miami-Dade and Broward, subject to some limitations without an impact on the compact. After the first seven years, if the Tribe’s net win from all table games in Broward County is less than its net win from banked card games in Broward County during the current fiscal year, the Tribe may waive its exclusivity to allow up to 15 blackjack tables with \$15 bet limits for the existing permitholders in Broward and Miami-Dade Counties.

The compact also provides that, if Class III gaming is authorized at locations in Miami-Dade or Broward Counties at other than existing pari-mutuels, the payments will cease. However, there would be no effect on payments, if the Legislature permits one additional pari-mutuel location in

Miami-Dade County and one additional pari-mutuel location in Palm Beach County with each additional facility permitted to phase in during a three year period 750 slot machines and 750 video racing terminals with a \$5 bet limit.

The compact provides that the Legislature may take the following additional actions without violating exclusivity and impacting exclusivity payments:

- Lowering the tax rate for pari-mutuels to 25 percent of slot machine revenue;
- Expanding the hours of operation for pari-mutuel facilities;
- Permitting automated teller machines (ATM's) to be placed on the slot machine gaming floor authorizing pari-mutuel slot machine licensees;
- Allowing permitholders to convert or modify the pari-mutuel permit to allow the operation of a different type of pari-mutuel activity;
- Decoupling pari-mutuels by removing the requirement that permitholders must conduct performances of live races or games in order to conduct other authorized gaming activities, such as cardrooms or slot machines;
- Using payments received under the compact to fund a purse pool to be allocated to pari-mutuel permitholders;
- Authorizing one additional slot machine license in Miami-Dade County and one additional slot machine license in Palm Beach County;
- Authorizing the use of video racing terminals at the additional slot machine licensees facilities in Miami-Dade and Broward Counties;
- Authorizing blackjack for the existing pari-mutuels permitholders in Broward and Miami-Dade Counties with up to 15 blackjack tables per facility and \$15 bet limits per table; and
- Permitting pari-mutuel permitholders that are not licensed to operate slot machines to offer “designated player” games with some restrictions.

The bill provides that this act shall take effect upon becoming law if SB 7072 or similar legislation being adopted in the same legislative session, or an extension thereof, and becoming a law.

The effective date in the bill is for the Legislature’s approval and ratification of the proposed Compact. The 2015 Compact would become effective after it is approved by the United States Department of the Interior, as required under the Indian Gaming Regulatory Act of 1988, and notice of the approval is published in the Federal Register.

## **II. Present Situation:**

### **Gambling in Florida**

In general, gambling is illegal in Florida.<sup>1</sup> Chapter 849, F.S., prohibits keeping a gambling house,<sup>2</sup> running a lottery,<sup>3</sup> or the manufacture, sale, lease, play, or possession of slot machines.<sup>4</sup>

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<sup>1</sup> Section 849.08, F.S.

<sup>2</sup> Section 849.01, F.S.

<sup>3</sup> Section 849.09, F.S.

<sup>4</sup> Section 849.16, F.S., defines slot machines for purposes of ch. 849, F.S. Section 849.15(2), F.S., provides an exemption to the transportation of slot machines for the facilities that are authorized to conduct slot machine gaming under ch. 551, F.S.

Section 7 of Article X of the 1968 State Constitution provides, “Lotteries, other than the types of pari-mutuel pools authorized by law as of the effective date of this constitution, are hereby prohibited in this state.”<sup>5</sup>

Section 15 of Article X of the State Constitution (adopted by the voters 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.

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>6</sup>

Chapter 550, F.S., authorizes pari-mutuel wagering at licensed tracks and frontons and provides for state regulation.<sup>7</sup> Chapter 551, F.S., authorizes slot machine gaming at the location of certain licensed pari-mutuel locations in Miami-Dade County or Broward County and provides for state regulation.<sup>8</sup> Chapter 849, F.S., authorizes cardrooms at certain pari-mutuel facilities.<sup>9</sup> A license to offer pari-mutuel wagering, slot machine gambling, or a cardroom at a pari-mutuel facility is a privilege granted by the state.<sup>10</sup>

Chapter 849, F.S., also authorizes, with conditions, penny-ante games,<sup>11</sup> bingo,<sup>12</sup> charitable drawings, game promotions (sweepstakes),<sup>13</sup> bowling tournaments, and amusement games and machines.<sup>14</sup>

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<sup>5</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>6</sup> Chapter 24, F.S., was enacted by ch. 87-65, L.O.F., to establish the state lottery. Section 24.102, F.S., provides the legislative purpose and intent in regard to the lottery.

<sup>7</sup> See ch. 550, F.S., relating to the regulation of pari-mutuel activities.

<sup>8</sup> See ch. 551, F.S., relating to the regulation of slot machine gaming at pari-mutuel locations.

<sup>9</sup> Section 849.086(2)(c), F.S., defines “cardroom” to mean a facility where authorized card games are played for money or anything of value and to which the public is invited to participate in such games and charges a fee for participation by the operator of such facility.

<sup>10</sup> See s. 550.1625(1), F.S., “...legalized pari-mutuel betting at dog tracks is a privilege and is an operation that requires strict supervision and regulation in the best interests of the state.” See also *Solimena v. State*, 402 So.2d 1240, 1247 (Fla. 3d DCA 1981), review denied, 412 So.2d 470, which states “Florida courts have consistently emphasized the special nature of legalized racing, describing it as a privilege rather than as a vested right”, citing *State ex rel. Mason v. Rose*, 122 Fla. 413, 165 So. 347 (1936).

<sup>11</sup> Section 849.085, F.S.

<sup>12</sup> Section 849.0931, F.S.

<sup>13</sup> Section 849.094, F.S., authorizes game promotions in connection with the sale of consumer products or services.

<sup>14</sup> Section 849.161, F.S.

Section 23 of Article X of the State Constitution (adopted by the voters 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 parimutuel 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 parimutuel 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.

Both Miami-Dade and Broward Counties held referenda elections on March 8, 2005. The electors approved slot machines at the pari-mutuel facilities in Broward County. Under the provisions of Article X, Section 23 of the State Constitution, four pari-mutuel facilities are eligible to conduct slot machine gaming in Broward County:

- Gulfstream Park Racing Association, a thoroughbred permitholder;
- The Isle Casino and Racing at Pompano Park, a harness racing permitholder;
- Dania Jai Alai, a jai alai permitholder; and
- Mardi Gras Race Track and Gaming Center, a greyhound permitholder.

On January 29, 2008, a referendum approving slot machines in Miami-Dade County was approved. Under the provisions of Article X, Section 23 of the State Constitution, three pari-mutuel facilities are eligible to conduct slot machine gaming in Miami-Dade County:

- Miami Jai-Alai, a jai-alai permitholder;
- Flagler Greyhound Track, a greyhound permitholder; and,
- Calder Race Course, a thoroughbred permitholder.

Chapter 551, F.S., implements Article X, Section 23 of the State Constitution. The division is charged with regulating the operation of slot machines in the affected counties.

Section 551.102(4), F.S., defines the term “eligible facility” to permit slot machine gaming at pari-mutuel facilities that are not included in the authorization in Article X, Section 23 of the State Constitution. The other eligible facilities include:

- Any licensed pari-mutuel facility located within a county as defined in s. 125.011, F.S.,<sup>15</sup> provided such facility:
  - has conducted live racing for 2 consecutive calendar years immediately preceding its application for a slot machine license;

<sup>15</sup> As defined in s. 125.011(1), F.S., “county” means any county operating under a home rule charter adopted pursuant to ss. 10, 11, and 24, Art. VIII of the Constitution of 1885, as preserved by Art. VIII, s. 6(e) of the Constitution of 1968, which means that Miami-Dade, Hillsborough and Monroe Counties could potentially meet this statutory definition but only Miami-Dade County has adopted a home-rule charter.

- 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 the 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 provided the 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 complies with the other specified statutory requirements.

Under the definition of “eligible facility” in s. 551.102(4), F.S., Hialeah Park Racing and Casino is also eligible to conduct slot machine gaming.

### **The Indian Gaming Regulatory Act (IGRA)**

In 1988, Congress enacted the Indian Gaming Regulatory Act or “IGRA.”<sup>16</sup> The Act divides gaming into three classes:

- “Class I gaming” means social games for minimal value or traditional forms of Indian gaming engaged in by individuals for tribal ceremonies or celebrations.<sup>17</sup>
- “Class II gaming” includes bingo and pull-tabs, lotto, punch boards, tip jars, instant bingo, and other games similar to bingo.<sup>18</sup> Class II gaming may also include certain non-banked card games if permitted by state law or not explicitly prohibited by the laws of the state but the card games must be played in conformity with the laws of the state.<sup>19</sup> A tribe may conduct Class II gaming if:
  - the state in which the tribe is located permits such gaming for any purpose by any person, organization, or entity; and
  - the governing body of the tribe adopts a gaming ordinance which is approved by the Chairman of the National Indian Gaming Commission.<sup>20</sup>
- “Class III gaming” includes all forms of gaming that are not Class I or Class II, such as house-banked card games, casino games such as craps and roulette, electronic or electromechanical facsimiles of games of chance, and pari-mutuel wagering.<sup>21</sup>

Regulation under IGRA is dependent upon the type of gaming involved. Class I gaming is left to the tribes.<sup>22</sup> Class II gaming is regulated by the tribe with oversight by the National Indian Gaming Commission.<sup>23</sup> Class III gaming permits a regulatory role for the state by providing for a tribal-state compact.<sup>24</sup>

<sup>16</sup> Indian Gaming Regulatory Act of 1988, Pub. L. 100-497, 102 Stat. 2467, codified at 18 U.S.C. ss. 1166-1168 and 25 U.S.C. s. 2701 *et seq.*

<sup>17</sup> 25 U.S.C. s. 2703(6).

<sup>18</sup> 25 U.S.C. s. 2703(7).

<sup>19</sup> 25 U.S.C. s. 2703(7)(A)(ii).

<sup>20</sup> 25 U.S.C. s. 2710(b)(1).

<sup>21</sup> 25 U.S.C. s. 2703(8).

<sup>22</sup> 25 U.S.C. s. 2710(a)(1).

<sup>23</sup> 25 U.S.C. s. 2710(a)(2).

<sup>24</sup> 25 U.S.C. s. 2710(d).

IGRA provides that certain conditions must be met before an Indian tribe may lawfully conduct Class III gaming. First, the particular form of Class III gaming that the tribe wishes to conduct must be permitted in the state in which the tribe is located. Second, the tribe must have adopted a tribal gaming ordinance that has been approved by the Indian Gaming Commission or its chairman. Third, the tribe and the state must have negotiated a compact that has been approved by the Secretary of the United States Department of the Interior and is in effect.<sup>25</sup>

### **Compact Authorization**

Section 285.712, F.S., authorizes the Governor to enter into an Indian Gaming compact with the federally recognized Indian tribes within the State of Florida for the purpose of authorizing Class III gaming on the Indian lands.

Section 285.710(3), F.S., ratifies and approves the Gaming Compact between the Seminole Indian Tribe of Florida (Tribe) and the State of Florida that was executed by the Governor and the Tribe April 7, 2010.

Section 285.710(7), F.S., designates the Division of Pari-mutuel Wagering (division) within the Department of Business and Professional Regulation as the agency with the authority to monitor the Tribe's compliance with the compact.

Section 285.710(9), F.S., provides that money received by the state from the compact is to be deposited into the General Revenue Fund. It also provides for the distribution of 3 percent of the amount paid by the Tribe must be distributed to the specified local governments. The percentage of the local share distributed to the specified counties and municipalities is based on the net win per facility in each county and municipality.

### **Gaming Compact with the Seminole Tribe of Florida**

The current gaming compact with the Seminole Tribe of Florida (Tribe) dated April 7, 2010 (the 2010 gaming compact)<sup>26</sup> authorizes the Tribe to conduct slot machine gaming at seven facilities located in Broward, Collier, Glades, Hendry, and Hillsborough Counties. The compact authorizes banked card games, including blackjack, chemin de fer, and baccarat, but only at the five tribal casinos in Broward County, Collier County, and Hillsborough County.<sup>27</sup>

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<sup>25</sup> 25 U.S.C. s. 2710(d).

<sup>26</sup> The 2010 gaming compact was executed by the Governor and the Seminole Tribe on April 7, 2010, ratified by the Legislature, effective April 28, 2010, and approved by U.S. Secretary of the Interior, pursuant to the Indian Gaming Regulatory Act of 1988, on June 24, 2010. It took effect when published in the Federal Register on July 6, 2010. The 20-year term of the 2010 gaming compact expires July 31, 2030, unless renewed. Section 285.710(1)(f), F.S., designates the Division of Pari-mutuel Wagering of the Department of Business and Professional Regulation as the "state compliance agency" having authority to carry out the state's oversight responsibilities under the 2010 gaming compact *See* [http://www.flsenate.gov/PublishedContent/Committees/2014-2016/RI/Links/Gaming\\_Compact\\_between\\_The\\_Seminole\\_Tribe\\_of\\_Florida\\_and\\_the\\_State\\_of\\_Florida.pdf](http://www.flsenate.gov/PublishedContent/Committees/2014-2016/RI/Links/Gaming_Compact_between_The_Seminole_Tribe_of_Florida_and_the_State_of_Florida.pdf) (last accessed February 8, 2016).

<sup>27</sup> *See* s. 285.710(10), F.S. The seven tribal locations where gaming is authorized by the 2010 gaming compact are: (1) Seminole Hard Rock Hotel & Casino—Hollywood (Broward); (2) Seminole Indian Casino—Coconut Creek (Broward); (3) Seminole Indian Casino—Hollywood (Broward); (4) Seminole Hard Rock Hotel & Casino—Tampa (Hillsborough); (5) Seminole Indian Casino—Immokalee (Collier); (6) Seminole Indian Casino—Brighton (Glades); and (7) Seminole Indian Casino—Big Cypress (Hendry). Banked card games are not authorized at the Brighton and Big Cypress casinos.

The 2010 gaming compact also provides for revenue sharing payments from the Seminole Tribe to the state. For its exclusive authority during a five-year period<sup>28</sup> to offer banked card games on tribal lands at five locations, and to offer slot machine gaming during the 20-year term of the 2010 gaming compact, outside Miami-Dade and Broward Counties, the Seminole Tribe pays the State of Florida a share of “net win” (approximately \$240 million per year).<sup>29</sup>

On December 7, 2015, the Governor executed a gaming compact (proposed 2015 Compact or proposed Compact) with the Tribe with a new 20-year term. The proposed Compact authorizes the Tribe to conduct slot machine gaming at the same seven facilities. The proposed Compact permits the Tribe to offer live table games, such as craps and roulette, at all seven facilities. It also authorizes banked card games, including blackjack, chemin de fer, and baccarat, at all seven facilities.

The proposed Compact also provides for revenue sharing payments from the Tribe to the state. For the first seven-year period (Guarantee Period), the proposed Compact provides a \$3 billion payment guarantee. The compact provides specific amounts for the payments (Guaranteed Payments) during each year of the Guarantee Period. After the Guarantee Period, the Tribes payments will be based on a varying percentage rate that depends on the amount of net win (Revenue Share Payments).

The proposed Compact must be approved and ratified by the Legislature. The proposed Compact must then be approved by the United States Department of the Interior, as required under the Indian Gaming Regulatory Act of 1988, and notice of the approval published in the Federal Register.<sup>30</sup>

### **Compact Comparison**

The following table reflects the similarities and differences between the current 2010 Gaming Compact and the proposed 2015 Gaming Compact:

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<sup>28</sup> While the exclusive authorization to conduct banked card games expired July 31, 2015, and has not been renewed, according to staff at the department and the Legislature’s Office of Economic and Demographic Research, the Seminole Tribe has continued to transmit monthly payments to the state that include estimated table games revenue. The Seminole Tribe and the State of Florida are parties to litigation regarding the offering of table games by the Seminole Tribe after July 31, 2015. Those parties have negotiated a proposed gaming compact dated December 7, 2015 (the 2015 gaming compact), that the Governor, as the designated state officer responsible for negotiating and executing tribal-state gaming compacts with federally recognized Indian tribes, has transmitted to the President of the Senate and the Speaker of the House of Representatives for consideration, as required by s. 285.712, F.S. To be effective, the proposed 2015 gaming compact must be ratified by the Senate and by the House, by a majority vote of the members present. *See* s. 285.712(3), F.S.

<sup>29</sup> Subject to the outcome of the pending litigation between the state and the Seminole Tribe respecting continuation of the authorization to offer tables games, the 2010 gaming compact provides if (1) authorization for banked card games is not extended beyond July 31, 2015, or (2) the Legislature authorizes Class III (casino-style) games in Broward or Miami-Dade County other than at the eight existing state-licensed pari-mutuel locations, then the “net win” for revenue sharing will exclude amounts from the Seminole Tribe’s facilities in Broward County (i.e., payments will be reduced by approximately \$120 million per year). If the Legislature authorizes new Class III (casino-style) games outside Broward and Miami-Dade Counties, then all revenue sharing under the 2010 gaming compact is discontinued.

<sup>30</sup> 25 U.S.C. s. 2710(d)(8)

	<b>Proposed 2015 Compact</b>	<b>2010 Gaming Compact</b>
Guaranteed Payments	<p>Seven-year Guarantee Period of \$3 billion. (Starts 7/1/17)</p> <p>1- \$325 million 2- \$350 million 3- \$375 million 4- \$425 million 5- \$475 million 6- \$500 million 7- \$550 million</p> <p>The compact has a “true-up” at the end of the Guarantee Period in which the Tribe will pay more if the applicable revenue share percentages result in an amount greater than the guarantee.</p>	<p>Five-year guarantee of \$1 billion.</p> <p>1- \$150 million 2- \$150 million 3- \$233 million 4- \$233 million 5- \$234 million</p> <p>\$1 billion guarantee.</p>
Revenue Share Percentages	<p>\$0-2B: 13 percent; \$2-3B: 17.5 percent; \$3.5-4B: 20 percent; \$4-4.5B: 22.5 percent; and \$4.5B+: 25 percent.</p>	<p>\$0-2B: 12 percent; \$2-3B: 15 percent; \$3-3.5B: 17.5 percent; \$3.5-4B: 20 percent; \$4-4.5B: 22.5 percent; and \$4.5B+: 25 percent.</p>
Economic Recession	<p>If there is an economic recession during the seven-year Guarantee Period, the Tribe may for only one revenue share cycle pay based on Revenue Share percentages instead of the guarantee amount. However, at the end of that year’s Revenue Share Cycle, the Tribe must remit 50 percent of the difference between the percentage payment and Guarantee and pay the remaining amount during the following Revenue Sharing Cycle.</p>	<p>Not applicable.</p>

	<b>Proposed 2015 Compact</b>	<b>2010 Gaming Compact</b>
Authorized Games (Covered Games)	At all seven facilities without exception: 1. Slot Machines; 2. Banked card games, including blackjack; 3. Raffles and drawings; 4. Any new game authorized for any person except banked card games authorized for another Indian Tribe; and 5. Live Table Games, including craps and roulette.	At all seven facilities with one exception: 1. Slot Machines; 2. Banked Card Games, including blackjack (at all facilities except Big Cypress & Brighton) for the first five years of the Compact 3. Raffles and Drawings; 4. Any new game authorized for any person except banked card games authorized for another Indian Tribe.
Caps on the Number of Authorized Games	The Tribe may average 3,500 slot machines for each of the seven facilities but may not have more than 6,000 slot machines in a facility.  The Tribe may average 150 banked or banking card games and live table games for each of the seven facilities but may not have more than 300 banked or banking card games and live table games at a facility.	Requires the conversion of all Class II bingo video terminals to Class III slot machines, but does not place limits on the number of slot machines or banked or banking card games.
Exclusivity Given to the Tribe in Exchange for Revenue Share Payments	<u>Statewide:</u> 1. Banked card games; and 2. Live Table Games.  <u>Outside Miami-Dade/Broward:</u> Slot Machines	<u>Statewide:</u> Banked Card Games.  <u>Outside Miami-Dade/Broward:</u> Slot Machines
Change in Facilities	The Tribe may expand or replace existing facilities and expressly places limits on additional gaming positions at the Tribe’s facilities.	The Tribe may expand or replace existing facilities, and does not limit gaming positions at the Tribe’s facilities.
State Oversight	State Compliance Agency is allowed 16 hours for inspections over the course of two days per facility, per month. Total inspection time is capped at 1,600 hours annually.  The Tribe is required to pay an annual oversight payment of \$400,000, which may be increased for inflation.	State Compliance Agency is allowed 10 hours for inspection over the course of two days per facility, per month. The total inspection time is capped at 1,200 hours annually.  The Tribe is required to pay and annual oversight payment of \$250,000, which may be increased for inflation.

	<b>Proposed 2015 Compact</b>	<b>2010 Gaming Compact</b>
<p>Exclusivity Violation:</p> <p>If Banked Games are Authorized in Broward and Miami-Dade Counties</p>	<p>Revenue Share Payments cease until gaming activities are no longer authorized.</p> <p>However, the Legislature can add blackjack at the Pari-mutuels in Miami-Dade and Broward, subject to some limitations, without an impact on the compact.</p> <p>After the Guarantee Period, if the Tribe’s net win from all table games in Broward County is less than its net win from banked card games in Broward County during the current fiscal year, the Tribe may waive its exclusivity to allow up to 15 blackjack tables with \$15 bet limits for the existing permitholders in Broward and Miami-Dade Counties.</p>	<p>If the Tribe's annual net win from Broward facilities for the 12 months after the authorization is less than net win from preceding 12 months, the guaranteed minimum payments cease, and the revenue share payments are calculated by reducing net win from the Broward facilities by 50 percent.</p> <p>The Revenue Share Payments may resume without any reduction when the net win for the Broward facilities is greater than when the banked card games were offered.</p>
<p>Exclusivity Violation:</p> <p>If Class III Gaming is authorized at locations in Miami-Dade or Broward at other than existing pari-mutuels</p>	<p>The Guaranteed Minimum Payments will cease, and all Revenue Share Payments cease.</p> <p>However, there would be no effect on payments, if the Legislature permits one additional pari-mutuel location in Miami-Dade with 750 Slot machines and 750 Video Racing Terminals that have a \$5 bet limit phased in over a three year period with no effect on the 2015 Compact.</p>	<p>Guaranteed Minimum Payments cease, but the Revenue Share Payments are calculated by excluding the net win from the Broward facilities.</p>
<p>Exclusivity Violation:</p> <p>If Class III Gaming is authorized at locations outside of Miami-Dade or Broward</p>	<p>The Guaranteed Minimum Payments will cease, and all Revenue Share Payments cease.</p> <p>However, there would be no effect on payment if the Legislature permits one additional pari-mutuel location in Palm Beach County with 750 Slot machines and 750 Video Racing Terminals that have a \$5 bet limit phased in over three year period with no effect on the Compact.</p>	<p>All payments under the Compact cease.</p>

	<b>Proposed 2015 Compact</b>	<b>2010 Gaming Compact</b>
Exclusivity Violation: If Internet Gaming is Authorized	The Guaranteed Minimum Payments cease, but the Revenue Share Payments continue.  If the Tribe offers internet gaming to players in Florida, then the Guaranteed Payments will continue.	If the Tribe's net win from all its facilities drops by more than 5 percent below the net win from the previous year, the Guaranteed Payments cease, but the Revenue Share Payments continue  If Tribe offers internet gaming then Guaranteed Minimum Payments continue.
Compulsive Gambling	The Tribe must make an annual \$1,750,000 donation to the Florida Council on Compulsive Gambling and maintain a voluntary exclusion list.	The Tribe must will make an annual \$250,000 donation per facility (\$1,750,000 total) to the Florida Council on Compulsive Gambling and maintain a voluntary exclusion list.

The proposed compact provides that the Legislature may take the following additional actions without violating exclusivity and impacting exclusivity payments:

- Lowering the tax rate for pari-mutuels to 25 percent of slot machine revenue;
- Expanding the hours of operation for pari-mutuel facilities;<sup>31</sup>
- Permitting automated teller machines (ATM's) to be placed on the slot machine gaming floor of pari-mutuel slot machine licensees;<sup>32</sup>
- Permitting permitholders to convert or modify the pari-mutuel permit to allow the operation of a different type of pari-mutuel activity;
- Decoupling pari-mutuels by removing the requirement that permitholders must conduct performances of live races or games in order to conduct other authorized gaming activities, such as cardrooms or slot machines;
- Using payments received under the compact to fund a purse pool to be allocated to pari-mutuel permitholders;
- Authorizing one additional slot machine license in Miami-Dade County and one additional slot machine license in Palm Beach County;
- Authorizing the use of video racing terminals<sup>33</sup> at the additional slot machine licensees in Miami-Dade and Broward Counties;

<sup>31</sup> Section 551.116, F.S., provides that the slot machine gaming areas may be open daily throughout the year, and 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 holidays.

<sup>32</sup> Section 551.121(3), prohibits automated teller machines or similar devices that are designed to provide credit or dispense cash to be located within the designated slot machine gaming areas of a facility of a slot machine licensee.

<sup>33</sup> Part III, section KK. of the proposed 2015 Compact defines the term to mean “an individual race terminal linked to a central server as part of a network-based video game, where the terminals allow pari-mutuel wagering by players on the results of previously conducted horse races, but only if the game is certified in advance by an independent testing laboratory licensed or contracted by the Division of Pari-Mutuel Wagering as complying with all of the” requirement specified in the proposed Compact. The proposed Compact’s requirements include that the race must have been recorded in the United States after January 1, 2005, the video must show at least the final eight seconds of the race, the terminal may contain no more than

- Authorizing blackjack for the existing pari-mutuels in Broward and Miami-Dade Counties with up to 15 blackjack tables per facility and \$15 bet limits per table; and
- Permitting pari-mutuels that are not licensed to operate slot machines to offer “designated player”<sup>34</sup> games with some restrictions.<sup>35</sup>

### III. Effect of Proposed Changes:

The bill provides that the gaming compact between the Seminole Tribe of Florida and the State of Florida executed by the Tribe and the Governor on December 7, 2015 is deemed ratified and approved if the Compact is amended to include a provision that fantasy contests in accordance with ss. 546.11 – 546.20, F.S., are authorized activity by the Compact and do not impact the agreement’s revenue-sharing payments. Sections 546.11 – 546.20, F.S., are created in CS/SB 832 by the Regulated Industries Committee and Senator Negron to provide for the licensing and regulation of operators of fantasy contests.

The bill provides that the ratified and approved 2015 Gaming Compact supersedes the 2010 Gaming Compact.

The bill also amends s. 285.710(13), F.S., to remove the provision that limits the Tribe to conducting banked or banking card games at its Broward, Collier, and Hillsborough County facilities. It also provide that the Tribe may conduct the following games at all of its facilities:

- Dice games, such as craps and sic-bo; and
- Wheel games, such as roulette and big six.

The bill provides that this act shall take effect upon becoming law if SB 7072 or similar legislation being adopted in the same legislative session, or an extension thereof, and becoming a law.

The effective date in the bill is for the Legislature’s approval and ratification of the proposed Compact. The 2015 Compact would become effective after it is approved by the United States Department of the Interior and notice of the approval is published in the Federal Register.<sup>36</sup>

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one player position for placing wagers, the terminal may not dispense coins, currency, or tokens, and no additional element of chance may be present.

<sup>34</sup> Part III, section J. of the proposed 2015 Compact defines a “Designated Player Games” to mean “games consisting of at least three cards in which players compare their cards only to those cards of the player in the dealer position, who also pays winners and collects from losers.”

<sup>35</sup> The restrictions for designated player games include a \$25 limit on wagers, the designated player must occupy a playing position at the table, each player in the game must be offer a participation in a clockwise rotation to be the designated player, a player may not be the designated player for more than 30 consecutive hands and must play at least two hands as a non-designated player before resuming to play as the designated player. The designated player is not required to cover more than 10 times the minimum posted bet during any one game. Slot machine licensees and licensees who offer video racing terminals may not offer designated player games.

<sup>36</sup> 25 U.S.C. s. 2710(d)(8)

**IV. Constitutional Issues:****A. Municipality/County Mandates Restrictions:**

None.

**B. Public Records/Open Meetings Issues:**

None.

**C. Trust Funds Restrictions:**

None.

**V. Fiscal Impact Statement:****A. Tax/Fee Issues:**

None.

**B. Private Sector Impact:**

The Seminole Tribe of Florida will be required to make revenue sharing payments to the state. For the first seven years, the compact provides a \$3 billion payment guarantee with specific minimum payment amounts each year, and then the payments will be based on a varying percentage rate that depends on the amount of net win.

**C. Government Sector Impact:**

The compact requires the Seminole Tribe of Florida to make revenue sharing payments to the state. For the first seven years of the compact, it provides a \$3 billion payment guarantee with specific minimum payment amounts each year, and then the payments will be based on a varying percentage rate that depends on the amount of net win.

The annual minimum guaranteed payments during the first seven years (Guarantee Period) of the compact are:

- 1- \$325 million.
- 2- \$350 million.
- 3- \$375 million.
- 4- \$425 million.
- 5- \$475 million.
- 6- \$500 million.
- 7- \$550 million.

The compact has a “true-up” at the end of the Guarantee Period in which the Tribe will pay more if the applicable revenue share percentages result in an amount greater than the guarantee.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

The bill is linked to SB 7072 by providing that the bill shall take effect upon becoming law if SB 7072 or similar legislation is adopted in the same legislative session, or an extension thereof, and becoming a law.

SPB 7072 is linked to this bill by providing that SPB 7072 only becomes effective when it, or similar legislation ratifying the Gaming Compact between the Seminole Tribe of Florida and the State of Florida executed by the Governor and the Seminole Tribe of Florida on December 7, 2015 (the Compact), is enacted. In addition, SPB 7072 requires approval of the Gaming Compact by the United States Department of the Interior. SPB 7072 will be effective when notice of the approval by the Department of the Interior is published in the Federal Register.

The bill references statutory provisions that are not in current law and are created in another bill. The bill provides that the gaming compact is deemed ratified and approved if the Compact is amended to include a provision that fantasy contests in accordance with ss. 546.11 – 546.20, F.S., are authorized activity by the Compact and do not impact the agreement's revenue-sharing payments. Sections 546.11 – 546.20, F.S., are created in CS/SB 832 by the Regulated Industries Committee and Senator Negrón to provide for the licensing and regulation of operators of fantasy contests.

**VIII. Statutes Affected:**

This bill substantially amends sections 285.710 and 285.712 of the Florida Statutes.

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

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

None.

**B. Amendments:**

None.







668752

LEGISLATIVE ACTION

Senate	.	House
Comm: FAV	.	
02/18/2016	.	
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The Committee on Regulated Industries (Negron) recommended the following:

**Senate Amendment (with title amendment)**

Delete lines 32 - 36

and insert:

Governor and the Tribe on December 7, 2015, shall be deemed ratified and approved if it is amended by an agreement between the Governor and the Tribe to incorporate the terms specified in paragraph (c). The amended Gaming Compact supersedes the Gaming Compact ratified and approved by chapter 2010-29, Laws of Florida. The Governor shall cooperate with the Tribe in seeking



668752

11 approval of the amended Gaming Compact from the United States  
12 Secretary of the Interior.

13 (c) The December 7, 2015, Gaming Compact must include a  
14 provision that fantasy contests conducted in accordance with ss.  
15 546.11-546.20 are an authorized activity by the compact and do  
16 not impact the agreement's revenue-sharing payments.

17  
18 Delete line 59

19 and insert:

20 Section 3. This act shall take effect upon becoming a law,  
21 if SB 7072 or similar legislation is adopted in the same  
22 legislative session or an extension thereof and becomes a law.

23  
24 ===== T I T L E A M E N D M E N T =====

25 And the title is amended as follows:

26 Delete lines 6 - 12

27 and insert:

28 executed by the Governor and the Tribe contingent upon  
29 the adoption of a specified amendment to the compact;  
30 directing the Governor to cooperate with the Tribe in  
31 seeking approval of the amended compact from the  
32 United States Secretary of the Interior; specifying  
33 the provision that must be adopted by amendment to the  
34 compact before it may be deemed ratified and approved;  
35 expanding the games authorized to be conducted and the  
36 counties in which such games may be offered; amending  
37 s. 285.712, F.S.; correcting a citation; providing a  
38 contingent effective date.



625860

LEGISLATIVE ACTION

Senate	.	House
Comm: UNFAV	.	
02/18/2016	.	
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The Committee on Regulated Industries (Stargel) recommended the following:

1           **Senate Amendment to Amendment (668752) (with title**  
2 **amendment)**

3  
4           Delete lines 13 - 16  
5 and insert:

6           (c) The December 7, 2015, Gaming Compact:  
7           1. Must provide that there will not be any cessation or  
8 reduction in the revenue share payments due to the state from  
9 the Tribe due to an act by the Legislature with an effective  
10 date after July 1, 2016, which authorizes the issuance of slot



625860

11 machine gaming licenses to pari-mutuel facilities that hold  
12 operating licenses issued by the Division of Pari-mutuel  
13 Wagering for the 2015-2016 state fiscal year and that are  
14 located in a county in which the majority of voters approved  
15 slot machine gaming in a countywide referendum held after  
16 January 1, 2012, and before January 1, 2016; and

17 2. May not provide for the operation of video race  
18 terminals or slot machines at any additional pari-mutuel  
19 facilities in Miami-Dade County or Palm Beach County, regardless  
20 of whether the operation of such video race terminals and slot  
21 machines is approved by a countywide referendum held after the  
22 effective date of the compact.

23  
24 ===== T I T L E A M E N D M E N T =====

25 And the title is amended as follows:

26 Delete line 33

27 and insert:

28 the provisions that must be adopted by amendment to  
29 the



144750

LEGISLATIVE ACTION

Senate	.	House
Comm: WD	.	
02/18/2016	.	
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The Committee on Regulated Industries (Negron) recommended the following:

**Senate Amendment (with directory and title amendments)**

Between lines 36 and 37

insert:

(8)

(g) The agreement must be modified to include a provision that fantasy contests conducted in accordance with ss. 546.11-546.20 are an authorized activity by the compact and do not impact the agreement's revenue-sharing payments.



144750

11 ===== D I R E C T O R Y C L A U S E A M E N D M E N T =====

12 And the directory clause is amended as follows:

13 Delete line 17

14 and insert:

15 (3) of section 285.710, Florida Statutes, are amended, paragraph

16 (g) is added to subsection (8) of that section, and subsection

17 (13) of that section is amended,

18

19 ===== T I T L E A M E N D M E N T =====

20 And the title is amended as follows:

21 Delete line 9

22 and insert:

23 Secretary of the Interior; requiring the agreement to

24 include a provision that fantasy contests are

25 authorized and do not impact revenue-sharing payments;

26 expanding the games



209278

LEGISLATIVE ACTION

Senate	.	House
Comm: WD	.	
02/18/2016	.	
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	.	
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The Committee on Regulated Industries (Negrón) recommended the following:

**Senate Amendment**

Delete line 59

and insert:

Section 3. This act shall take effect upon becoming a law, if SB 7072 or similar legislation is adopted in the same legislative session or an extension thereof and becomes a law.

**FOR CONSIDERATION By** the Committee on Regulated Industries

580-01885A-16

20167074pb

1                   A bill to be entitled  
2           An act relating to the Gaming Compact between the  
3           Seminole Tribe of Florida and the State of Florida;  
4           amending s. 285.710, F.S.; superseding the Gaming  
5           Compact; ratifying and approving a specified compact  
6           executed by the Governor and the Tribe; directing the  
7           Governor to cooperate with the Tribe in seeking  
8           approval of the compact from the United States  
9           Secretary of the Interior; expanding the games  
10          authorized to be conducted and the counties in which  
11          such games may be offered; amending s. 285.712, F.S.;  
12          correcting a citation; providing an effective date.

13  
14 Be It Enacted by the Legislature of the State of Florida:

15  
16           Section 1. Paragraph (a) of subsection (1) and subsections  
17          (3) and (13) of section 285.710, Florida Statutes, are amended  
18          to read:

19           285.710 Compact authorization.—

20           (1) As used in this section, the term:

21           (a) "Compact" means the Gaming Compact between the Seminole  
22          Tribe of Florida and the State of Florida, ~~executed on April 7,~~  
23          2010.

24           (3) (a) A The Gaming Compact between the Seminole Tribe of  
25          Florida and the State of Florida, executed by the Governor and  
26          the Tribe on April 7, 2010, was is ratified and approved by  
27          chapter 2010-29, Laws of Florida. ~~The Governor shall cooperate~~  
28          ~~with the Tribe in seeking approval of the compact from the~~  
29          ~~United States Secretary of the Interior.~~

30           (b) The Gaming Compact between the Seminole Tribe of  
31          Florida and the State of Florida, which was executed by the  
32          Governor and the Tribe on December 7, 2015, is ratified and

580-01885A-16

20167074pb

33 approved and supersedes the Gaming Compact ratified and approved  
34 under paragraph (a). The Governor shall cooperate with the Tribe  
35 in seeking approval of the compact ratified and approved by this  
36 paragraph from the United States Secretary of the Interior.

37 (13) For the purpose of satisfying the requirement in 25  
38 U.S.C. s. 2710(d)(1)(B) that the gaming activities authorized  
39 under an Indian gaming compact must be permitted in the state  
40 for any purpose by any person, organization, or entity, the  
41 following class III games or other games specified in this  
42 section are hereby authorized to be conducted by the Tribe  
43 pursuant to the compact:

44 (a) Slot machines, as defined in s. 551.102(8).

45 (b) Banking or banked card games, including baccarat,  
46 chemin de fer, and blackjack or 21 ~~at the tribal facilities in~~  
47 ~~Broward County, Collier County, and Hillsborough County.~~

48 (c) Dice games, such as craps and sic-bo.

49 (d) Wheel games, such as roulette and big six.

50 (e) ~~(e)~~ Raffles and drawings.

51 Section 2. Subsection (4) of section 285.712, Florida  
52 Statutes, is amended to read:

53 285.712 Tribal-state gaming compacts.—

54 (4) Upon receipt of an act ratifying a tribal-state  
55 compact, the Secretary of State shall forward a copy of the  
56 executed compact and the ratifying act to the United States  
57 Secretary of the Interior for his or her review and approval, in  
58 accordance with 25 U.S.C. s. 2710(d)(8) ~~s. 2710(8)(d)~~.

59 Section 3. This act shall take effect upon becoming a law.

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2/17/2016

7074

Meeting Date

Bill Number (if applicable)

Topic Workshop and Testimony on the Indian Gaming Compact

Amendment Barcode (if applicable)

Name Antonio Jefferson

Job Title City Manager

Address 14615 Main Street

Phone 8508565257

Street

Gretna

Florida

32332

Email ajefferson@mygretna.com

City

State

Zip

Speaking: [ ] For [ ] Against [x] Information

Waive Speaking: [ ] In Support [ ] Against (The Chair will read this information into the record.)

Representing City of Gretna

Appearing at request of Chair: [ ] Yes [x] No

Lobbyist registered with Legislature: [ ] Yes [x] No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2.17.16

Meeting Date

7074

Bill Number (if applicable)

Topic SEMINOLE COMPACT

Amendment Barcode (if applicable)

Name ROBERTO HERNANDEZ

Job Title DEPUTY CO. ADMINISTRATOR

Address Street

Phone 9542547863

City

State

Zip

Email rhernandez@broward.org

Speaking: For Against Information

Waive Speaking: In Support Against (The Chair will read this information into the record.)

Representing BROWARD CO.

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2-17-2016

Meeting Date

7074

Bill Number (if applicable)

Topic Seminole Compact / Gambling

Amendment Barcode (if applicable)

Name John Sowinski

Job Title President, No Casinos

Address 201 S. Orange Ave, Suite 880

Phone 407-608-5904

Street

Orlando

City

FL

State

32806

Zip

Email sowinski@message.com

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing No Casinos, Inc.

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2/17/16

Meeting Date

7074

Bill Number (if applicable)

Topic Seminole Gaming Compact

Amendment Barcode (if applicable)

Name Amber Kelly

Job Title Legislative Affairs

Address 4853 S. Orange Ave

Phone (407) 418-0250

Street

Orlando

FL

32806

City

State

Zip

Email

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing FL Family Action

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2.17.16

Meeting Date

7074

Bill Number (if applicable)

Topic GAMING COMPACT BETWEEN SEMINOLE TRIBE & FLA

Amendment Barcode (if applicable)

Name BILL BUNKLEY

Job Title PRESIDENT

Address PO BOX 341644  
Street

Phone 813.264.2977

TAMPA  
City

FL  
State

33694  
Zip

Email

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing FLORIDA ETHICS AND RELIGIOUS LIBERTY COMMISSION

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

S-001 (10/14/14)

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

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Prepared By: The Professional Staff of the Committee on Regulated Industries

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BILL: SPB 7072

INTRODUCER: Regulated Industries Committee

SUBJECT: Gaming

DATE: February 22, 2016

REVISED: \_\_\_\_\_

ANALYST  
Kraemer/Oxamendi

STAFF DIRECTOR  
Caldwell

REFERENCE

ACTION  
**RI Submitted as Committee Bill**

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**I. Summary:**

SPB 7072 revises gaming laws, including ch. 24, F.S., on State Lotteries, ch. 550, F.S., on Pari-mutuel Wagering, ch. 551, F.S., on Slot Machines, and s. 849.086, F.S. authorized cardrooms.

The bill revises ch. 24, F.S., regarding State Lotteries to allow limited use of “point-of-sale terminals” for the sale of lottery tickets or games. The bill authorizes the Department of the Lottery (department), approved vendors, and approved retailers to use point-of-sale terminals to facilitate sales of lottery tickets or games, provided that the purchaser is verified to be at least 18 years of age. A point-of-sale terminal may not reveal winning numbers, dispense lottery winnings, or be used to redeem a winning ticket. The department is required to adopt rules that limit the dollar amount of lottery tickets purchased, create a process to enable a customer to restrict or prevent his or her own access to lottery tickets or games, and ensure that the program does not breach the exclusivity provisions of any Indian gaming compact to which the state is a party. (See Lines 248-518.)

The bill revises ch. 550, F.S., regarding Pari-mutuel Wagering to allow a greyhound racing permitholder, jai alai permitholder, harness racing permitholder, and quarter horse racing permitholder to determine, on an annual basis, whether it will offer live racing or games at its pari-mutuel facility, but continue to operate its cardroom or slot machine facility. Ending the requirement for the offering of live racing or games but continuing to offer slot machines or cardrooms is known as “decoupling.”

The bill prohibits the issuance of new pari-mutuel permits after July 1, 2016, and relocation of permits is no longer allowed. All inactive (dormant) pari-mutuel permits are revoked. The division must also revoke any permit to conduct pari-mutuel wagering if a permitholder has not conducted live events within the 24 months preceding the effective date of the bill, excluding certain limited thoroughbred racing permits. A permit that is revoked for failure to conduct live events within the 24 months preceding the effective date of the bill may not be reissued. (See Lines 519-827.)

The bill reduces the tax rate on slot machine revenue to 25 percent from 35 percent. (*See* Lines 2291-2292.) The bill reduces the tax payable on handle by greyhound racing permitholders from 5.5 percent to 1.28%. The bill deletes tax exemptions available to greyhound racing permitholders of \$360,000 or \$500,000, and deletes the authorization that allows transfers of tax exemptions or other credits among greyhound permitholders with the approval of the division. The bill deletes the breaks tax payable by greyhound racing permitholders. (*See* Lines 918-1107.)

The number of hours that a slot machine gaming area may be open on weekdays is extended, from 18 hours to 24 hours, which matches the operating hours on weekends. Complimentary alcoholic beverages may be served to slot machine players. The bill provides that a slot machine licensee may allow automatic teller machines (ATMs) or similar devices designed to provide credit or dispense cash, to be located in the gaming area of a slot machine facility. (*See* Lines 2336-2356.)

The bill provides that a designated player game is not a banking game, and that a designated player is the player in the dealer position who pays winning players and collects from losing players. The bill defines a designated player game to mean “a game in which the players compare their cards only to the cards of the designated player or to a combination of cards held by the designated player and cards common and available for play by all players.” (*See* 2382-2420.)

All cardroom operators may offer designated player games. A cardroom operator may not serve as a designated player, but may collect a rake as posted at the table. When there are multiple designated players at a table, the dealer button must be rotated clockwise after each hand. A designated player may not pay an opposing player who holds a lower ranked hand.

The bill defines a designated player game as a banking game if certain elements exist, such as a requirement that a designated player cover all wagers posted by opposing players, the dealer button is not offered for rotation, the cardroom or other licensee receives compensation above the posted fee from any player to serve as a designated player; or if the designated player is required to pay the wager of an opposing player with a lower ranked hand. (*See* Lines 2513-2546.)

The bill establishes a permit reduction program, in which the division is authorized to purchase and cancel active pari-mutuel permits. Funding for the program, which may not exceed \$20 million, is generated by revenue share payments made by the Seminole Tribe of Florida after October 31, 2015. The division must cancel a permit purchased through the program. This provision expires July 1, 2018, unless reenacted. (*See* Lines 1398-1435.)

The bill establishes a thoroughbred purse supplement program, effective July 1, 2018. The program is created to maintain an active and viable live thoroughbred racing, owning, and breeding industry in Florida. Funding for the program is generated by revenue share payments made by the Seminole Tribe of Florida under the Gaming Compact and received by the State after July 1, 2018. The funding for the purse supplement program is \$20 million annually. (*See* Lines 1436-1489.)

The bill requires greyhound track veterinarians to prepare and sign detailed reports under oath, on a form adopted by the division of all injuries to racing greyhounds that occur while the greyhounds are on a racetrack. If an injury occurs at a location other than a racetrack or during transport, then the injury report must be prepared and signed under oath by a greyhound owner, trainer, or kennel operator who has knowledge of the injury. The requirement to report injuries to racing greyhounds does not apply to injuries to a service animal, personal pet, or greyhound that has been adopted as a pet.

Reporting is required within 7 days after the date the injury occurred or is believed to have occurred. The reports are public records that must be maintained for 7 years by the division. False statements in an injury report or the failure to report an injury subjects licensees of the department to disciplinary action under pari-mutuel, regulatory, and professional practice laws. (See Lines 1490-1543.)

The bill revises criteria relating to relocation of permits between counties, intertrack wagering, simulcast wagering, and limited intertrack wagering. (See Lines 1544-1893.)

The bill redefines the term “eligible facility” to specify the facilities that are eligible to conduct slot machine gaming as the seven pari-mutuel facilities in Miami-Dade and Broward that existed when the State Constitution was amended and slot machines in the county were approved by referendum, and any licensed pari-mutuel facility, if slot machines in the county are approved by voters in a countywide referendum, and if the facility conducted a full schedule of live racing for 2 consecutive years immediately preceding its application. (See Lines 1894-1945.)

The bill disqualifies permitholders from receiving a slot machine license, if a permitholder includes, or previously included, an ultimate equitable owner whose permit was voluntarily or involuntarily surrendered, suspended, or revoked in the 10 years before the application for a slot machine license. (See Lines 1946-1964.)

It appears the bill revises criteria for all slot machine licenses, by deleting the requirement that live racing be conducted by a pari-mutuel permitholder in order to maintain eligibility for the slot machine license. The bill also allows a permit to be relocated, with the live racing conducted at a leased facility of a limited thoroughbred permitholder. The bill allows relocation of the permit without a referendum. (See Lines 1965-1982 and Lines 1659-1666.)

Any slot machine licensee (which includes greyhound racing permitholders, jai alai permitholders, harness racing permitholders, and quarter horse racing permitholders) that is not running a full schedule of live racing under its pari-mutuel permit must contribute to a thoroughbred purse pool, which remains effective through July 1, 2036. The purse pool is for the benefit of slot machine licensees that conduct at least 160 days of live thoroughbred racing. There is a dollar-for-dollar credit for payments made to a horsemen’s association under a binding written agreement. The requirement for a thoroughbred racing permitholder to have a horsemen’s agreement governing the payment of purses on live racing does not apply to a summer thoroughbred racing permitholder. (See Lines 1983-2019.)

The bill deletes the requirement that a quarter horse racing permitholder must have a horsemen’s agreement governing the payment of purses on live quarter horse races. (See Lines 2020-2032.)

The bill allows issuance of an additional slot machine license in a county as defined in s. 125.011, F.S., for the purpose of enhancing live pari-mutuel activity. Any pari-mutuel permitholder in that county that is not a slot machine licensee may apply for the license, upon payment of a \$2 million nonrefundable application fee. If there is more than one applicant, the license will be awarded by the division to the applicant that receives the highest score based on specified criteria. The bill does not specify the relative value or points that are attributable to the selection criteria.

The division must complete its evaluations at least 120 days after the submission of applications and notice its intent to award the license within that time. The time frames in the Administrative Procedure Act do not apply. Any protest of the intent to award the license will be heard by the Division of Administrative Hearings, and any appeal of a license denial must be made to the First District Court of Appeal. The division is authorized to adopt emergency rules, based on a legislative finding that such emergency rulemaking power is necessary for the preservation of the rights and welfare of the people in order to provide additional funds to benefit the public. The division is exempted from existing law requiring publication in writing at the time of, or prior to, its action, the specific facts and reasons for finding an immediate danger to the public health, safety, or welfare, and its reasons for concluding that the procedure used is fair under the circumstances. The emergency rules may be effective for longer than 90 days and may be renewed. The bill provides the emergency rules will remain in effect until replaced by other emergency rules or by rules adopted pursuant to the Administrative Procedure Act. (*See Lines 2127-2242.*)

The bill authorizes house banked blackjack table games, with a maximum of 25 such tables at each facility, at eight facilities in Miami-Dade and Broward counties where the operation of slot machines is authorized. (*See Lines 2242-2262.*)

The bill also expands the hours a cardroom may be operated to 24 hours daily, (previously 8 hours Monday through Friday and 24 hours on Saturday and Sunday), which conforms to the hours that a slot machine gaming area may be open. (*See Lines 2489-2494.*)

The bill provides that the provisions of the bill are not severable; if the bill or any of its provisions are determined to be unconstitutional, or the applicability thereof to any person or circumstance is held invalid, all provisions or applications of the bill are invalid, and the bill is considered never to have become law. (*See Lines 2646-2652.*)

The bill states the requirements for SPB 7072 to become effective. Sections 1, 2, and 3 of the bill respecting point-of-sale terminals are effective upon SPB 7072 becoming law. (*See Lines 248, 280, and 298.*) The bill requires the enactment of SPB 7074, respecting the Gaming Compact between the Seminole Tribe of Florida and the State of Florida, or similar legislation ratifying the Gaming Compact between the Seminole Tribe of Florida and the State of Florida executed by the Governor and the Seminole Tribe of Florida on December 7, 2015 (the Gaming Compact). (*See Lines 2653-2660.*)

In addition, the bill requires approval of the Gaming Compact by the United States Department of the Interior (Department of the Interior) as required under the Indian Gaming Regulatory Act of 1988. With the exclusion of Sections 1, 2, and 3 of the bill, which are effective upon the SPB

becoming law, the remaining provisions of SPB 7072 will be effective upon the date of publication of approval of the Gaming Compact by the Department of the Interior in the Federal Register. (See Lines 2658-2664.)

## II. Present Situation:

### The Florida Lottery

Lotteries, other than the types of pari-mutuel pools authorized by law as of the effective date of the Florida Constitution,<sup>1</sup> are prohibited in Florida by s. 7, Art. X of the State Constitution. However, s. 15 of Article X of the State Constitution (1968) allows lotteries to be operated by the state. Section 24.102(2), F.S., provides:

- The net proceeds of lottery games shall be used to support improvements in public education;
- Lottery operations shall be undertaken as an entrepreneurial business enterprise; and
- The department shall be accountable through audits, financial disclosure, open meetings, and public records laws.

The department operates the state lottery to maximize revenues “consonant with the dignity of the state and the welfare of its citizens,”<sup>2</sup> for the benefit of public education.<sup>3</sup> The department contracts with retailers (e.g., supermarkets, convenience stores, gas stations, and newsstands) to provide adequate and convenient availability of lottery tickets.<sup>4</sup> Retailers receive commissions of five percent of the ticket price, one percent of the prize value for redeeming winning tickets, and bonus and performance incentive payments.<sup>5</sup> Retailers are eligible to receive bonuses for selling select winning tickets and performance incentive payments.<sup>6</sup>

The department selects retailers based on financial responsibility, integrity, reputation, accessibility, convenience, security of the location, and estimated sales volume, with special consideration for small businesses.<sup>7</sup> Retailers must be at least 18 years old, and the sale of lottery tickets must occur as part of an ongoing retail business. There is a general prohibition against contracting with a retailer with a felony criminal history.<sup>8</sup> The authority to act as a retailer for lottery sales may not be transferred.<sup>9</sup> Retailer contracts may be suspended or terminated for: (1) violating lottery laws and regulations; (2) committing any act that undermines public confidence in the lottery; (3) improper accounting for lottery tickets, revenues, or prizes; or (4) insufficient

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<sup>1</sup> The Constitution of the State of Florida was revised in 1968 and ratified by the electorate on November 5, 1968. See Preamble to the Constitution of the State of Florida.

<sup>2</sup> See s. 24.104, F.S.

<sup>3</sup> See s. 24.121(2), F.S.

<sup>4</sup> See s. 24.105(17), F.S.

<sup>5</sup> See *Lottery Transfers Have Recovered; Options Remain to Enhance Transfers*, Report No. 14-06, Office of Program Policy Analysis and Gov’t Accountability, Florida Legislature, (January 2014), (hereinafter referred to as *OPPAGA Report 14-06*) at <http://www.oppaga.state.fl.us/MonitorDocs/Reports/pdf/1406rpt.pdf> at page 2 (last accessed Feb. 19, 2016).

<sup>6</sup> See *Lottery Transfers Continue to Increase; Options Remain to Enhance Transfers and Increase Efficiency*, Report No. 15-03, Office of Program Policy Analysis and Gov’t Accountability, Florida Legislature, (January 2015), (hereinafter referred to as *OPPAGA Report 15-03*) at <http://www.oppaga.state.fl.us/MonitorDocs/Reports/pdf/1503rpt.pdf> (last accessed Feb. 19, 2016), at page 1 (footnote 3).

<sup>7</sup> See Section 24.112(2), F.S., which also includes a statement of legislative intent that retailer selections be based on business considerations and public convenience, without regard to political affiliation.

<sup>8</sup> Section 24.112(3)(c), F.S.

<sup>9</sup> Section 24.112(4), F.S.

ticket sales. Every retailer contract must provide for a payment of liquidated damages for any contract breach by the retailer.<sup>10</sup>

Retailers may not extend credit or lend money to a person to purchase a lottery ticket, however, this prohibition does not include the use of a credit or charge card or other instrument issued by a bank, savings association, credit union, charge card company, or by a retailer (for installment sales of goods), provided that the lottery ticket purchase is in addition to the purchase of other goods and services with a cost of not less than \$20.<sup>11</sup>

Section 24.115, F.S., authorizes the department to establish by rule a system to verify and pay winning lottery tickets:<sup>12</sup>

- Any lottery retailer, as well as any lottery department office, may redeem a winning ticket valued at less than \$600.<sup>13</sup> Payments less than \$50 are generally paid by a retailer in cash, depending on store policy or local ordinance. Higher amounts may be paid by cash, check, or money order at no cost to the winner.
- Only a lottery department office may redeem a winning ticket valued at \$600 or more.<sup>14</sup> Winning tickets are paid at the claimant's option in a combination of cash, check, or lottery tickets (with a limitation of \$200 payable in cash).

Prizes must be claimed within certain time limits, depending on the type of game played. Instant lottery tickets (e.g., scratch-off tickets), must be redeemed within 60 days after the end of that lottery game.<sup>15</sup> Other lottery tickets (e.g., tickets for drawings) must be redeemed within 180 days after the drawing or the end of the lottery game in which the prize was won.

If a valid claim is not timely made, 80 percent of the unclaimed prize amount is deposited in the Educational Enhancement Trust Fund,<sup>16</sup> and the remainder may be used for future prizes or special prize promotions.<sup>17</sup>

Section 24.105(9)(a), F.S., authorizes the department to adopt rules governing the types of lottery games to be conducted, including lottery terminals or devices that “may be operated solely by the player without the assistance of the retailer.”<sup>18</sup>

<sup>10</sup> Section 24.112(10), F.S.

<sup>11</sup> Section 24.118(1), F.S.

<sup>12</sup> See Rule 53ER13-31, F.A.C.

<sup>13</sup> The winner has the option of presenting a winning ticket in person to any lottery retailer, any of the nine lottery district offices, or to lottery headquarters in Tallahassee.

<sup>14</sup> Mega Millions® and Powerball® prizes up to \$1 million may be claimed at any lottery district office. All other prizes greater than \$250,000 must be claimed at lottery headquarters.

<sup>15</sup> See s. 24.115(1)(f), F.S.

<sup>16</sup> Section 24.115(2)(a), F.S., provides that such funds may be used, subject to legislative appropriation, to match private contributions received under specified post-secondary matching grant programs.

<sup>17</sup> See s. 24.115(2)(b), F.S.

<sup>18</sup> Prior to 1996, there was no provision for player-activated lottery terminals or devices. Section 4 of ch. 96-341, L.O.F., authorized such machines, subject to restrictions that they be: (1) designed solely for dispensing of instant lottery tickets; (2) activated by coin or currency; (3) in the direct line of sight of on-duty retail employees; (4) capable of being electronically deactivated for 5 minutes or more; and (5) incapable of redeeming winning tickets, though they may dispense change. Chapter 2012-130, Laws of Fla., moved the restrictions on player-activated machines from s. 24.105(9)(a)4., F.S., to s. 24.112(15), F.S. As amended, the law (1) authorizes lottery vending machines to dispense “online lottery tickets, instant lottery tickets, or both,” and (2) prohibits use of mechanical reels or video depictions of slot machine or casino game themes

In November 2013, the department introduced full service vending machines (FSVMs) in retail stores across the state, and has estimated that it earned more than \$29 million from the use of player-activated FSVMs in Fiscal Year 2012-2013.<sup>19</sup> In its most recent Financial Audit,<sup>20</sup> the department stated when 500 FSVMs were installed at its top scratch-off ticket sales locations, allowing both terminal and scratch-off tickets to be sold, total FSVMs sales were over \$248 million.

### The Seminole Gaming Compact

On April 7, 2010, the Governor and the Seminole Tribe of Florida (Tribe) executed a compact governing gambling (Gaming Compact) at the Tribe's seven tribal facilities in Florida.<sup>21</sup> The Gaming Compact authorizes the Tribe to conduct Class III gaming.<sup>22</sup> It was ratified by the Legislature, with an effective date of July 6, 2010.<sup>23</sup> The Gaming Compact has a 20-year term.

The Gaming Compact provides that in exchange for the its exclusive right to offer slot machine gaming outside of Miami-Dade and Broward counties and banked card games at five of its seven<sup>24</sup> casinos, the Tribe will make revenue sharing payments to the state. The state's share increases incrementally from 12 percent for the first \$2 billion in annual net win, to 25 percent

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or titles (but does not prohibit use of casino game themes or titles on lottery tickets, signage, or advertising displays on the vending machines).

<sup>19</sup> *OPPAGA Report 14-06*, *supra* note 5, at 2.

<sup>20</sup> See *Financial Audit of the Department of the Lottery, for the Fiscal Years Ended June 30, 2014, and 2013*, Report No. 2015-092, State of Florida Auditor General (January 2015), at page 4 (2015 Financial Audit) at [http://www.myflorida.com/audgen/pages/pdf\\_files/2015-092.pdf](http://www.myflorida.com/audgen/pages/pdf_files/2015-092.pdf) (last accessed Feb. 19, 2016).

<sup>21</sup> The Tribe has three gaming facilities in Broward County (The Seminole Indian Casinos at Coconut Creek and Hollywood, and the Seminole Hard Rock Hotel & Casino-Hollywood), and gaming facilities in Collier County (Seminole Indian Casino-Immokalee), Glades County (Seminole Indian Casino-Brighton), Hendry County (Seminole Indian Casino-Big Cypress), and Hillsborough County (Seminole Hard Rock Hotel & Casino-Tampa). The *Gaming Compact Between the Seminole Tribe of Florida and the State of Florida* was approved by the U.S. Department of the Interior effective July 6, 2010, 75 Fed. Reg. 38833. See [http://www.myfloridalicense.com/dbpr/pmw/documents/2010\\_Compact-Signed1.pdf](http://www.myfloridalicense.com/dbpr/pmw/documents/2010_Compact-Signed1.pdf) (last accessed Feb. 19, 2016). Gambling on Indian lands is regulated by the Indian Gaming Regulatory Act of 1988 (IGRA), Pub. L. 100-497, 102 Stat. 2467, codified at 18 U.S.C. ss. 1166-1168 and 25 U.S.C. s. 2701, *et seq.*

<sup>22</sup> The Indian Gaming Regulatory Act of 1988 divides gaming into three classes: **Class I** means social games for minimal value or traditional forms of Indian gaming engaged in by individuals for tribal ceremonies or celebrations. **Class II** includes bingo and pull-tabs, lotto, punch boards, tip jars, instant bingo, other games similar to bingo, and certain non-banked card games if not explicitly prohibited by the laws of the state and if played in conformity with state law. **Class III** includes all forms of gaming that are not Class I or Class II, such as house-banked card games, casino games such as craps and roulette, electronic or electromechanical facsimiles of games of chance, slot machines, and pari-mutuel wagering.

<sup>23</sup> See ch. 2010-29, L.O.F.

<sup>24</sup> See the executed Gaming Compact at [http://www.myfloridalicense.com/dbpr/pmw/documents/2010\\_Compact-Signed1.pdf](http://www.myfloridalicense.com/dbpr/pmw/documents/2010_Compact-Signed1.pdf) (last accessed Feb. 19, 2016). The Gaming Compact provides that banking or banked card games may not be offered at the Brighton or Big Cypress facilities unless and until the state allows any other person or entity to offer those games, as set forth in paragraph F.2. of Part III of the Gaming Compact, at page 4. In addition, in paragraph B of Part XVI, at page 49, the period of authorization to conduct table games is five years. A mediation process is being pursued by the Tribe and Governor Scott on this and other issues. See <http://miami.cbslocal.com/2015/08/25/state-seminoles-headed-into-mediation-over-blackjack/> (last accessed Feb. 19, 2016).

for annual net win greater than \$4.5 billion. In Fiscal Year 2013-2014, the Tribe paid \$237 million.<sup>25</sup>

The Gaming Compact specifically acknowledges operation by the Florida Lottery of the types of lottery games authorized under ch. 24, F.S., on February 1, 2010, and it specifically excludes from such authorized games any “player-activated or operated machine or device other than a Lottery Vending Machine.”<sup>26</sup> The Gaming Compact also includes language about not using a lottery vending machine to redeem winning tickets, which is consistent with similar language in s. 24.112(15)(c), F.S.<sup>27</sup>

The Gaming Compact provides that any expanded gaming (beyond what is specifically acknowledged) relieves the Tribe of its obligations to make substantial revenue sharing payments.<sup>28</sup>

### **Pari-Mutuel Wagering Permitholders**

Generally, in 2014<sup>29</sup> there were 39 pari-mutuel permitholders with operating licenses in Florida, operating at 12 greyhound tracks, six jai alai frontons, five quarter horse tracks, three thoroughbred tracks, and one harness track.<sup>30</sup> One jai alai permitholder voluntarily relinquished its permit in October 2015.<sup>31</sup>

Of the 20 greyhound racing permitholders with operating licenses during 2014-2015, three permitholders conducted races at leased facilities.<sup>32</sup> Five pari-mutuel facilities have two permits

<sup>25</sup> See the Executive Summary and Conference results from the Revenue Estimating Conference (July 14, 2015 and August 11, 2015) at <http://edr.state.fl.us/Content/conferences/Indian-gaming/IndianGamingSummary.pdf> and <http://edr.state.fl.us/Content/conferences/Indian-gaming/IndianGamingResults.pdf> (last accessed Feb. 19, 2016).

<sup>26</sup> In particular, the Gaming Compact acknowledges: “operation by the Florida Department of Lottery of those types of lottery games authorized under chapter 24, Florida Statutes, on February 1, 2010, but not including (i) any player-activated or operated machine or device other than a lottery vending machine or (ii) any banked or banking card or table game.” The Gaming Compact further excludes: (iii) more than ten lottery vending machines at any facility or location or (iv) any lottery vending machine that dispenses electronic instant tickets at any licensed pari-mutuel location. See subparagraph 8 of paragraph B of Part XII of Gaming Compact at page 42. The Gaming Compact describes three types of lottery vending machines, none of which may allow a player to redeem a ticket: (1) a machine to dispense pre-printed paper instant lottery tickets (e.g., scratch-off tickets); (2) a machine to dispense pre-determined electronic instant lottery tickets and reveal the outcome; or (3) a machine to dispense paper lottery tickets with numbers selected by the player or randomly by the machine, with the winning number selected in a drawing by the department. See paragraph R of Part III of Gaming Compact at page 10.

<sup>27</sup> Section 24.112(15)(c), F.S., provides that a vending machine that dispenses a lottery ticket “may dispense change to a purchaser but may not be used to redeem any type of winning lottery ticket.”

<sup>28</sup> See last sentence in paragraph B of Part XII of Gaming Compact at page 43.

<sup>29</sup> The Division of Pari-Mutuel Wagering in the Department of Business & Professional Regulation has not yet issued its 84th Annual Report for Fiscal Year 2014-2015. See <http://www.myfloridalicense.com/dbpr/pmw/PMW-Publications.html> (last visited Feb. 19, 2016).

<sup>30</sup> See Pari-Mutuel Wagering Permitholders With 2014-2015 Operating Licenses map at <http://www.myfloridalicense.com/dbpr/pmw/documents/MAP-Permitholders--WITH--2015-2016-OperatingLicenses.pdf> (last accessed Feb. 19, 2016).

<sup>31</sup> See the Stipulation and Consent Order at <http://www.floridagamingwatch.com/wp-content/uploads/Hamilton-Jai-Alai-Consent-Order.pdf> (last accessed Feb. 19, 2016).

<sup>32</sup> According to information in the latest available 2013-2014 Annual Report from the Division of Pari-Mutuel Wagering, both Jacksonville Kennel Club and Bayard Raceways (St. Johns Greyhound Park) conduct races at Orange Park Kennel Club; H&T Gaming conducts racing at Mardi Gras; Palm Beach Greyhound Racing conducts racing at Palm Beach Kennel Club;

operating at those locations.<sup>33</sup> One greyhound racing permitholder's operating license was suspended late in 2014,<sup>34</sup> so there are now 19 greyhound racing permitholders with operating licenses.<sup>35</sup> There are 12 permitholders that do not have operating licenses for Fiscal Year 2014-2015: two greyhound,<sup>36</sup> three jai alai,<sup>37</sup> one limited thoroughbred,<sup>38</sup> and six quarter horse.<sup>39</sup>

### **Regulation by Division of Pari-Mutuel Wagering**

Pari-mutuel wagering is regulated by the Division of Pari-Mutuel Wagering (division) in the Department of Business and Professional Regulation (department). The division has regulatory oversight of permitted and licensed pari-mutuel wagering facilities, cardrooms located at pari-mutuel facilities, and slot machines at pari-mutuel facilities located in Miami-Dade and Broward counties. According to the division, there were 19 license suspensions, and \$80,950 in fines assessed for violations of all pari-mutuel statutes and rules in Fiscal Year 2013-2014.<sup>40</sup>

A "performance" is a minimum of eight consecutive live races.<sup>41</sup> At least three live performances must be held at a track each week.<sup>42</sup> When a permitholder conducts at least three live performances in a week,<sup>43</sup> it must pay purses (cash prizes to participants) on wagers accepted at the track on certain greyhound races run at other tracks (in Florida or elsewhere).<sup>44</sup> In order to receive an operating license, permitholders must have conducted a full schedule of live racing during the preceding year.<sup>45</sup>

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Tampa Greyhound conducts races at St. Petersburg Kennel Club (Derby Lane); West Volusia Racing conducts races at Daytona Beach Kennel Club; Dania Summer Ja Alai conducts games at Dania Jai Alai; Tropical Park conducts races at Calder Race Course. See <http://www.myfloridalicense.com/dbpr/pmw/documents/AnnualReports/AnnualReport-2013-2014--83rd--20150114.pdf>, at pp. 24 - 35 (last accessed Feb. 19, 2016).

<sup>33</sup> The division indicated that H & T Gaming @ Mardi Gras and Mardi Gras operate at a facility in Hallandale Beach, Daytona Beach Kennel Club and West Volusia Racing-Daytona operate at a facility in Daytona Beach, Palm Beach Kennel Club and License Acquisitions-Palm Beach operate at a facility in West Palm Beach, Miami Jai Alai and Summer Jai Alai operate at a facility in Miami, and Sanford-Orlando Kennel Club and Penn Sanford @SOKC operate at a facility in Longwood.

<sup>34</sup> See <http://www.myfloridalicense.com/dbpr/pmw/documents/CurrentPermitholdersList.pdf> (last visited Feb. 19, 2016) for a list of current permitholders and their licensing status.

<sup>35</sup> Information about permitholders for Fiscal Years 2013-2014, 2014-2015, and 2015-2016 is available at <http://www.myfloridalicense.com/dbpr/pmw/track.html> (last visited Feb. 19, 2016).

<sup>36</sup> North American Racing Association (Key West) and Jefferson County Kennel Club (Monticello).

<sup>37</sup> Tampa Jai-Alai, Gadsden Jai-alai (Chattahoochee), and Kings Court Key (Florida City).

<sup>38</sup> Under s. 550.3345, F.S., during Fiscal Year 2010-2011 only, holders of quarter horse racing permits were allowed to convert their permits to a thoroughbred racing permit, conditioned upon specific use of racing revenues for enhancement of thoroughbred purses and awards, promotion of the thoroughbred horse industry, and the care of retired thoroughbred horses. Two conversions occurred, Gulfstream Park Thoroughbred After Racing Program (GPTARP) (Hallandale, Broward County), and Ocala Thoroughbred Racing (Marion County).

<sup>39</sup> Pompano Park Racing (Pompano Beach), Tampa Bay Downs (Oldsmar), ELH Jefferson (Jefferson County), DeBary Real Estate Holdings (Volusia County), St. Johns Racing (St. Johns County), and North Florida Racing (Jacksonville).

<sup>40</sup> See *supra* note 7, at page 3.

<sup>41</sup> Section 550.002(25), F.S.

<sup>42</sup> Section 550.002(11), F.S.

<sup>43</sup> The performances may be during the day or in the evenings, as set forth in the schedule that is part of the operating license issued by the division.

<sup>44</sup> Section 550.09514(2)(c), F.S.

<sup>45</sup> Section 550.002(11), F.S. In accordance with s. 550.002(38), F.S., a full schedule of live racing is calculated from July 1 to June 30, which is the state fiscal year.

Current law provides complex requirements for the calculation of a “full schedule of live racing or games:”

- For a greyhound or jai alai permitholder, . . .at least 100 live evening or matinee performances during the preceding year;
- For a permitholder who has a converted permit . . . 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 . . ., 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 . . . has been less than \$4 million per state fiscal year for at least 2 consecutive years after June 30, 1992, . . . at least 40 live evening or matinee performances during the preceding year;
- For a jai alai permitholder who operates slot machines . . ., 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 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 Fiscal Year 2010-2011, . . . at least 20 regular wagering performances, in Fiscal Year 2011-2012 and Fiscal Year 2012-2013, . . . at least 30 live regular wagering performances, and for every fiscal year after Fiscal Year 2012-2013, . . . 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 restricted by statute to certain operating periods within the year when other similar permitholders are authorized to operate throughout the year, the specified number of live performances which constitute a full schedule of live racing or games are calculated pro rata based on the authorized operating period and the full calendar year, and the resulting number of live performances is 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.

If a permitholder does not conduct all of the performances specified in its operating license, the division may determine whether to fine the permitholder or suspend<sup>46</sup> the license,<sup>47</sup> unless the

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<sup>46</sup> After Jefferson County Kennel Club failed to conduct scheduled performances, its operating license was suspended September 22, 2014 under a consent order. See the order at <http://www.myfloridalicense.com/dbpr/pmw/PMW-PermitholderOperatingLicenses--2014-2015.html> (last visited Feb. 19, 2016).

<sup>47</sup> Section 550.01215(4), F.S.

failure is due to certain events beyond the permitholder's control.<sup>48</sup> Financial hardship itself is not an acceptable basis to avoid a fine or suspension.<sup>49</sup>

### **Types of Handle (Funds Bet by Players)**

Section 550.002(13), F.S., defines handle as the aggregate contributions to pari-mutuel pools. There are four types of handle detailed in annual reports<sup>50</sup> of the division:

- Live ontrack, from live races or games at the track/fronton;
- Simulcast, from live races or games originating out-of-state and broadcast to a Florida track or fronton;
- Intertrack, from a Florida track or fronton (acting as host) broadcasting live races or games to other Florida tracks or frontons; and
- Intertrack simulcast, from rebroadcasting of simulcast signals received by a Florida track or fronton to other Florida tracks or frontons.

### **Taxes on Handle**

#### ***Exemptions***

As provided in s. 550.09514(1), F.S., all greyhound racing permitholders that conduct a full schedule of live racing in a year are eligible for tax exemptions in the form of a credit that directly reduces their state taxes, in the following amounts:

- \$500,000 annually to each permitholder that conducted a full schedule of live racing in 1995, and “are closest to another state that authorizes greyhound pari-mutuel wagering.” These requirements qualify three greyhound racing permitholders (Washington County Kennel Club (Ebro), Pensacola Greyhound, and Jefferson County Kennel Club (Monticello));
- \$360,000 annually to each of the other greyhound racing permitholders.

If a permitholder cannot use its full tax exemption amount, then it may transfer the unused portion of the exemption to another permitholder that has acted as a host track by accepting intertrack wagering.<sup>51</sup> The transfer may occur only once per state fiscal year, and there must be a dollar-for-dollar payment (no discount) by the host track.

#### ***Tax Exemption Credit for Daily License Fees***

Each permitholder receives a tax credit based on the number of live races conducted in the previous year multiplied by the daily license fee.<sup>52</sup> This works out to a 100 percent refund of daily license fees for every live race conducted. The daily license credit may also be transferred for payment in full by a host track to a transferring permitholder.

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<sup>48</sup> *Id.*

<sup>49</sup> *Id.*

<sup>50</sup> See <http://www.myfloridalicense.com/dbpr/pmw/documents/AnnualReports/AnnualReport-2013-2014--83rd--20150114.pdf>, at 2 (last accessed Feb. 19, 2016).

<sup>51</sup> Section 550.0951(1)(b), F.S.

<sup>52</sup> Section 550.0951(1)(a), F.S.

***Tax Exemption Credit for Escheated Winnings***

Section 550.1645, F.S., provides that after one year, the winnings from all unclaimed pari-mutuel tickets become property of the state, and permitholders must pay the unclaimed (escheated) winnings to the state. The funds are deposited into the State School Fund and are used for the maintenance of public free schools. Section 550.1647, F.S., provides that permitholders who pay escheated winnings to the state are entitled to a 100 percent credit equal to the escheated winnings payment, to be credited in the next fiscal year against greyhound racing taxes; however, the permitholder must pay an amount equal to 10 percent of the escheat credit to qualified greyhound adoption programs.

***Tax Rates on Wagering Handle***

The stated tax rates on greyhound racing handle (i.e., on live ontrack, simulcast, intertrack, and intertrack simulcast handle as described above) vary considerably. Section 550.0951(3), F.S., specifies rates of 5.5 percent, 7.6 percent, 3.9 percent, and 0.5 percent of handle that depend on the type of wager (and the location of the tracks involved in any intertrack wagering).

Current law provides that intertrack wagering is taxed at the rate of 7.1 percent if the host track is a jai alai fronton. The rate drops significantly to a rate of .5 percent (one-half of a percent) if (1) both the host and guest tracks are thoroughbred permitholders, or (2) a guest track is located more than 25 miles away from the host track and within 25 miles of a thoroughbred permitholder currently conducting live racing.

***Greyhound Permitholders and Cardroom Licenses***

Section 849.086, F.S., provides that a licensed pari-mutuel permitholder that holds a valid pari-mutuel permit and license to conduct a full schedule of greyhound performances may obtain a cardroom license. Eleven of the twelve currently operating greyhound racing locations have cardrooms.<sup>53</sup> As a result of the so-called “90 percent rule,” the required minimum of live performances varies among greyhound permitholders (e.g., in Fiscal Year 2012-2013, the number of performances ranged from 104 to 395), as shown below.

Greyhound Racing Permitholder	Location (City and County)	Performances FY 2012-13	90 Percent Rule*	Full Schedule
H & T Gaming @ Mardi Gras	Hallandale Beach (Broward)	104	100	100
Mardi Gras	Hallandale Beach (Broward)	110	100	100
Flagler Greyhound (Magic City)	Miami (Miami-Dade)	166	163	100
Naples-Ft. Myers	Bonita Springs (Lee)	395	394	100
Jacksonville Kennel Club (bestbet)	Jacksonville (Duval)	112	100	100
Orange Park Kennel Club	Orange Park (Clay)	112	100	100

<sup>53</sup> Section 849.086(5)(a), F.S., provides that an initial cardroom license may be issued to a permitholder only after its facilities are in place and it has conducted its first day of live racing or games. 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. *See* s. 849.086(5)(b), F.S. Renewal of a cardroom license requires that in its annual pari-mutuel license application, the permitholder must request to conduct at least 90 percent of the performances conducted either (1) in the year in which its first cardroom license was issued, or (2) in the state fiscal year immediately prior to the application if a full schedule of live racing was conducted.

Greyhound Racing Permitholder	Location (City and County)	Performances FY 2012-13	90 Percent Rule*	Full Schedule
Bayard Raceways (St. Johns)	Orange Park (Clay)	191	100	100
Daytona Bch Kennel Club	Daytona Beach (Volusia)	224	100	100
West Volusia Racing-Daytona	Daytona Beach (Volusia)	189	100	100
Palm Beach Kennel Club	West Palm Beach (Palm Beach)	349	100	100
License Acquisitions-Palm Beach	West Palm Beach (Palm Beach)	116	100	100
Sanford-Orlando Kennel Club	Longwood (Seminole)	178	N/A	N/A
Penn Sanford @SOKC	Longwood (Seminole)	156	N/A	N/A
Tampa Greyhound	Tampa (Hillsborough)	207	100	100
Jefferson County Kennel Club	Monticello (Jefferson)	104	217	100
Pensacola Kennel Club	Pensacola (Escambia)	159	160	100
St. Petersburg Kennel Club	St. Petersburg (Pinellas)	207	100	100
Sarasota Kennel Club	Sarasota (Sarasota)	190	188	100
Washington County Kennel Club	Ebro (Washington)	173	167	100
Melbourne Greyhound Park	Melbourne (Brevard)	104	93	93

Section 849.086(13), F.S., provides that at least 4 percent of a greyhound permitholder’s gross cardroom receipts be used to supplement greyhound purses.

**Intertrack Wagering & Simulcast Wagering**

Section 550.615(2), F.S., allows any permitholder that has conducted a full schedule of live racing in the preceding year to receive broadcasts and accept wagers on any type of pari-mutuel race or game conducted by other licensed pari-mutuel permitholders in the state. This type of wagering is defined as “intertrack wagering.”<sup>54</sup>

Wagering on a simulcast event occurs when a wager is placed on (1) a live race or game that is broadcast outside the state from an in-state location, or (2) a live race or game that occurs outside the state but is broadcast to a permitholder in the state.<sup>55</sup>

**Slot Machine Gaming and Cardrooms**

Chapter 551, F.S., authorizes slot machine gaming at the location of certain licensed pari-mutuel locations in Miami-Dade County or Broward County and provides for state regulation.<sup>56</sup> Chapter 849, F.S., authorizes cardrooms at certain pari-mutuel facilities.<sup>57</sup> A license to offer pari-mutuel wagering, slot machine gaming, or a cardroom at a pari-mutuel facility is a privilege granted by the state.<sup>58</sup>

<sup>54</sup> Section 550.002(17), F.S.

<sup>55</sup> Section 550.002(32), F.S.

<sup>56</sup> See ch. 551, F.S., relating to the regulation of slot machine gaming at pari-mutuel locations.

<sup>57</sup> Section 849.086, F.S. Section 849.086(2)(c), F.S., defines “cardroom” to mean a facility where authorized card games are played for money or anything of value and to which the public is invited to participate in such games and charges a fee for participation by the operator of such facility.

<sup>58</sup> See s. 550.1625(1), F.S., “...legalized pari-mutuel betting at dog tracks is a privilege and is an operation that requires strict supervision and regulation in the best interests of the state.” See also *Solimena v. State*, 402 So.2d 1240, 1247 (Fla. 3d DCA 1981), review denied, 412 So.2d 470, which states “Florida courts have consistently emphasized the special nature of

## Gaming Compact with the Seminole Tribe of Florida

The current gaming compact with the Seminole Tribe of Florida (Seminole Tribe) dated April 7, 2010 (the 2010 Gaming Compact)<sup>59</sup> provides that it is not a crime for a person to participate in raffles, drawings, slot machine gaming, or banked card games (e.g., blackjack or baccarat) at a tribal facility operating under the 2010 Gaming Compact.<sup>60</sup>

The 2010 Gaming Compact also provides for revenue-sharing payments from the Seminole Tribe to the state. For its exclusive authority during a five-year period<sup>61</sup> to offer banked card games on tribal lands at five locations, and to offer slot machine gaming during the 20-year term of the 2010 Gaming Compact outside Miami-Dade and Broward Counties, the Seminole Tribe pays the State of Florida a share of “net win” (approximately \$240 million per year).<sup>62</sup>

Except for those locations authorized pursuant to the 2010 Gaming Compact, free-standing, commercial casinos are not authorized, and gaming activity, other than what is expressly authorized, is illegal.

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legalized racing, describing it as a privilege rather than as a vested right,” citing *State ex rel. Mason v. Rose*, 122 Fla. 413, 165 So. 347 (1936).

<sup>59</sup> The 2010 Gaming Compact was executed by the Governor and the Seminole Tribe on April 7, 2010, ratified by the Legislature, effective April 28, 2010, and approved by U.S. Secretary of the Interior, pursuant to the Indian Gaming Regulatory Act of 1988, on June 24, 2010. It took effect when published in the Federal Register on July 6, 2010. The 20-year term of the 2010 Gaming Compact expires July 31, 2030, unless renewed. Section 285.710(1)(f), F.S., designates the Division of Pari-mutuel Wagering of the Department of Business and Professional Regulation as the “state compliance agency” having authority to carry out the state’s oversight responsibilities under the 2010 Gaming Compact. See <http://www.flsenate.gov/. . . RI/Links/Gaming Compact between The Seminole Tribe of Florida and the State of Florida.pdf> (last accessed Feb. 19, 2016).

<sup>60</sup> See s. 285.710, F.S., especially subsections (3), (13), and (14). The seven tribal locations where gaming is authorized by the 2010 Gaming Compact are: (1) Seminole Hard Rock Hotel & Casino—Hollywood (Broward); (2) Seminole Indian Casino—Coconut Creek (Broward); (3) Seminole Indian Casino—Hollywood (Broward); (4) Seminole Hard Rock Hotel & Casino—Tampa (Hillsborough); (5) Seminole Indian Casino—Immokalee (Collier); (6) Seminole Indian Casino—Brighton (Glades); and (7) Seminole Indian Casino—Big Cypress (Hendry). Banked card games are not authorized at the Brighton and Big Cypress casinos.

<sup>61</sup> While the exclusive authorization to conduct banked card games expired July 31, 2015, and has not been renewed, according to staff at the department and the Legislature’s Office of Economic and Demographic Research, the Seminole Tribe has continued to transmit monthly payments to the state that include estimated table games revenue. The Seminole Tribe and the State of Florida are parties to litigation regarding the offering of table games by the Seminole Tribe after July 31, 2015. Those parties have negotiated a proposed gaming compact dated December 7, 2015 (the 2015 Gaming Compact), that the Governor, as the designated state officer responsible for negotiating and executing tribal-state gaming compacts with federally recognized Indian tribes, has transmitted to the President of the Senate and the Speaker of the House of Representatives for consideration, as required by s. 285.712, F.S. To be effective, the proposed 2015 Gaming Compact must be ratified by the Senate and by the House, by a majority vote of the members present. See s. 285.712(3), F.S.

<sup>62</sup> Subject to the outcome of the pending litigation between the state and the Seminole Tribe respecting continuation of the authorization to offer table games, the 2010 Gaming Compact provides if (1) authorization for banked card games is not extended beyond July 31, 2015, or (2) the Legislature authorizes Class III (casino-style) games in Broward or Miami-Dade County other than at the eight existing state-licensed pari-mutuel locations, then the “net win” for revenue sharing will exclude amounts from the Seminole Tribe’s facilities in Broward County (i.e., payments will be reduced by approximately \$120 million per year). If the Legislature authorizes new Class III (casino-style) games outside Broward and Miami-Dade Counties, then all revenue sharing under the 2010 Gaming Compact is discontinued.

### **Other Authorized Activities**

Chapter 849, F.S., also authorizes, with conditions, penny-ante games,<sup>63</sup> bingo,<sup>64</sup> charitable drawings, game promotions (sweepstakes),<sup>65</sup> bowling tournaments, and amusement games and machines.<sup>66</sup>

### **Care of Racing Greyhounds**

The division, by administrative rule adopted pursuant to s. 550.2415(12), F.S., requires notification of the death of a racing greyhound while in training or during a race on the grounds of a greyhound track or kennel compound.<sup>67</sup> The track must notify the division, within 18 hours, of the deceased animal's location, where the death occurred, and how to reach the kennel operator, trainer and the person making the report. Haulers or drivers who transport racing animals must be licensed, and greyhound trainers of record are responsible for physically inspecting the animals in their care for sores, cuts, abrasions, muzzle burns, fleas, and ticks.<sup>68</sup> If an animal is injured and later dies or is euthanized, the division may conduct a postmortem examination.<sup>69</sup>

## **III. Effect of Proposed Changes:**

### **Sale of Lottery Tickets at Point-of-Sale Terminals**

**Sections 1, 2, and 3** of the bill regarding sales of lottery tickets at point-of-sale terminals take effect upon the bill becoming a law.

**Section 1** of the bill amends s. 24.103, F.S., to add the term "point-of sale terminal." A point-of-sale terminal is another type of lottery vending machine for the sale of lottery tickets at retail locations under certain conditions. Payments for lottery tickets at a point-of-sale terminal may be paid by credit card, debit card, or other similar charge cards. The electronic device must be supported by networks that enable verification, payment, transfer of funds, and logging of transactions.

**Section 2** of the bill amends s. 24.105, F.S., and authorizes the department to create a program and adopt rules for the purchase of lottery tickets at point-of-sale terminals by persons who are at least 18 years old. A point-of-sale terminal could have multiple uses (e.g., purchase of lottery tickets incidental to the purchase of other retail goods or services), while current lottery vending machines dispense lottery tickets only. Rules adopted by the department for the program must limit the dollar amount of lottery tickets purchased, create a process to enable a customer to restrict or prevent his or her own access to lottery tickets or games, and ensure that the program

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<sup>63</sup> Section 849.085, F.S.

<sup>64</sup> Section 849.0931, F.S.

<sup>65</sup> Section 849.094, F.S., authorizes game promotions in connection with the sale of consumer products or services.

<sup>66</sup> Section 849.161, F.S.

<sup>67</sup> See Rule 61D-2.023(3)(k), F.A.C., which became effective May 21, 2013. According to the department, 192 reports of greyhound deaths were filed with the division between May 31, 2013 and December 31, 2014.

<sup>68</sup> See Rules 61D-2.023(4) and (6), F.A.C.

<sup>69</sup> Section 550.2415(9), F.S. also provides that postmortem examinations may be made of any animal that dies while housed at a permitted racetrack, association compound, or licensed kennel or farm.

does not breach the exclusivity provisions of any Indian gaming compact to which the state is a party.

**Section 3** of the bill amends s. 24.112, F.S., to provide that point-of-sale terminals may be used by the department, approved vendors, and approved retailers to facilitate the sale of lottery tickets or games. The bill tracks the following requirements stated in the proposed 2015 Gaming Compact<sup>70</sup> for lottery vending machines, providing that a point-of-sale terminal:

- Must dispense a paper lottery ticket with numbers selected by the player or randomly by the machine;
- Does not reveal the winning numbers (which are selected at a later time and a different location, through a drawing held by the Florida Lottery);
- May not make use of mechanical reels or video depictions of slot machine or casino game themes or titles; and
- May not be used to redeem winning tickets.

The bill also provides that the device must recognize a valid driver license or other process to verify that the purchaser is at least 18 years of age. It must be in compliance with all department requirements for lottery sales, and the platform must be certified by the department.

### **Pari-mutuel Permitholders**

#### ***Ending Live Racing or Games (Decoupling)***

**Section 4** of the bill amends s. 550.002, F.S., that provides requirements for live racing. The bill allows a greyhound racing permitholder, jai alai permitholder, harness racing permitholder, and quarter horse racing permitholder to determine, on an annual basis, whether it will offer live racing or games (live performances) at its pari-mutuel facility while it continues to operate its slots machines or cardroom. Ending the requirement for the offering of live performances but continuing to offer slot machines or cardrooms is known as “decoupling.”

The bill deletes outdated references to converted greyhound permits and partial-year racing dates.

The bill reduces the minimum number of required live performances from 100 to 58 for summer jai alai permitholders who do not operate slot machines or meet other financial requirements. The bill maintains the requirement in current law that a jai alai permitholder that operates slot machines in its pari-mutuel facility must conduct at least 150 performances.

**Section 5** of the bill amends s. 550.01215, F.S., regarding operating license applications (applications) required to be filed annually with the Division of Pari-mutuel Wagering (division) in the Department of Business and Professional Regulation (department) by pari-mutuel permitholders for a license to conduct pari-mutuel wagering during the next fiscal year (July 1 through June 30). The bill amends this section to require the filing of an application by all greyhound racing permitholders, jai alai permitholders, harness racing permitholders, and quarter

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<sup>70</sup> See the proposed 2015 Gaming Compact, Comparison Chart, and transmittal letter from Governor Scott at [http://www.flsenate.gov/PublishedContent/Committees/2014-2016/RI/Links/2015\\_Gaming\\_Compact\\_Chart\\_and\\_Letter\\_from\\_Governor\\_Scott.pdf](http://www.flsenate.gov/PublishedContent/Committees/2014-2016/RI/Links/2015_Gaming_Compact_Chart_and_Letter_from_Governor_Scott.pdf) (last accessed Feb. 19, 2016).

horse racing permitholders that accept intertrack and simulcast wagering, including permitholders that do not conduct live performances. Such permitholders, if authorized to conduct slot machine gaming, will not be required to conduct live performances, and their slot machine license will not be conditioned upon the conduct of live performances.

The bill requires permitholders that accept wagers on broadcast events to disclose the dates of all those events in their application.

The bill provides that certain greyhound racing permitholders<sup>71</sup> may specify that they do not intend to conduct live racing, or that they intend to conduct less than a full schedule of live racing, in the next state fiscal year. Further, 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, F.S., which requires that the permitholders be located within a 35-mile radius of each other.

The bill allows the division to approve changes in racing dates for Fiscal Year 2016-2017, if the requests from a greyhound racing permitholder is received before August 31, 2016.

The bill states the requirements for a summer jai alai permitholder to operate a jai alai fronton only for the summer season each year, for dates selected by the permitholder (between May 1 and November 30). All taxes, rules, and provisions of ch. 550, F.S., which apply to winter jai alai permitholders apply to summer jai alai permitholders. Winter and summer jai alai permitholders may not operate on the same days or in competition with each other, but the facilities of a winter jai alai permitholder may be leased for the operation of a summer meet.

The bill deletes a provision in s. 550.01215(6), F.S., that allows a permit that was converted from a jai alai permit to a greyhound racing permit, to convert back to a jai alai permit, but only if greyhound racing was never conducted, or the permitholder has not conducted greyhound racing for 12 consecutive months.

**Section 6** of the bill amends s. 550.0251, F.S., concerning the required content of the annual report from the division to the Governor, Senate, and House of Representatives. The annual report must include, at a minimum:

- Recent events in the gaming industry, including pending litigation; pending permitholder, facility, cardroom, slot, or operating license applications; and new and pending rules;
- Actions of the department relating 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 must be further delineated by the class of license;
- The performance of each pari-mutuel wagering licensee, cardroom licensee, and slot machine licensee;
- A summary of disciplinary actions taken by the department; and

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<sup>71</sup> Only those greyhound racing permitholders that conducted a full schedule of live racing for a period of at least 10 consecutive state fiscal years after the state Fiscal Year 1996-1997, or that converted a permit to a permit to conduct greyhound racing after that state fiscal year, are authorized to file an application in this manner. *See* Lines 613-623 of the bill, amending s. 550.01215(1) to add subsection (b).

- Any suggestions to more effectively achieve the purposes of ch. 550, F.S.

**Section 7** of the bill amends s. 550.054, F.S., respecting applications for permits to conduct pari-mutuel wagering.<sup>72</sup> The bill provides for revocation of permits, unless a failure to obtain an operating license was the direct result of fire, strike, war, or other disaster or event beyond the permitholder's control. The division must revoke a permit if the permitholder:

- Has not obtained an operating license for a period of more than 24 consecutive months after June 30, 2012; or
- Fails to make payments for taxes due on handle for more than 24 months.

The bill provides that a new pari-mutuel permit may not be approved or issued after July 1, 2016, and a revoked permit is void and may not be reissued.

The bill allows the division to place a permit into inactive status for a period of 12 months for good cause and renew inactive status for a period of up to 12 months, but a permit may not be inactive for a period of more than 24 consecutive months. Entities with inactive permits are not eligible for licensure for pari-mutuel wagering, slot machines, or cardrooms.

The bill provides that a pari-mutuel license may not be transferred or reissued so as to change the location of a pari-mutuel facility, cardroom, or slot machine facility. The bill removes provisions allowing for the transfer of a thoroughbred permit to another racetrack and allowing conversion of a jai alai permit to a greyhound racing permit.

The bill limits the relocation of a pari-mutuel facility, cardroom, or slot machine facility. The bill allows a greyhound racing permit that was converted from a jai alai to be relocated to another location, if the application is received by July 31, 2018, and if the new location is:

- In the same county;
- Within a 30-mile radius of the original location; and
- Approved under the zoning regulations of the affected county or municipality.

**Section 8** of the bill repeals s. 550.0555, F.S., relating to the procedures for relocating a greyhound racing permit.

**Section 9** of the bill repeals s. 550.0745, F.S., relating to the procedure to convert a pari-mutuel permit to a summer jai alai permit.

**Section 10** of the bill amends s. 550.0951, F.S., respecting the payment of daily license fee and taxes. The bill deletes the tax exemption specified in s. 550.09514(1), F.S., of \$360,000 or \$500,000 for each greyhound racing permitholder, and deletes other tax credits. The bill deletes the authorization in current law that allows transfers of the tax exemption or other credits among greyhound permitholders, and the requirement that such transfers be approved by the division.

The bill reduces the tax on handle for greyhound racing to 1.28 percent from 5.5 percent. It appears that the tax on handle at Line 958 on page 54 of the bill should also be reduced to 1.28 percent to conform the bill to this reduction. A tax of .5 percent is imposed if the host and guest

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<sup>72</sup> Applications by permitholders for operating licenses are addressed in Section 2 of the bill.

tracks are thoroughbred racing permitholders, or if the guest track is located outside the market area of a host track that is not a greyhound racing track and within the market of a thoroughbred racing permitholder currently conducting a live meet.

**Section 11** of the bill amends s. 550.09511, F.S., to make conforming references.

**Section 12** of the bill amends s. 550.09512, F.S., respecting harness horse racing, by requiring the division to revoke the permit of a harness horse racing permitholder that does not pay tax that is due on handle for live harness racing performances for a full schedule of live races for more than 24 consecutive months, unless the failure to operate and pay tax was the direct result of fire, strike, war, or other disaster or event beyond the permitholder's control. The revoked permit is void and may not be reissued. The bill removes a provision allowing reissuance of a harness horse permit that has been revoked for nonpayment of taxes (i.e., has escheated to the state).

**Section 13** of the bill amends s. 550.09514, F.S., respecting greyhound racing taxes and purse requirements. The bill removes tax credits of \$360,000 and \$500,000 that are available to permitholders. The bill requires greyhound racing permitholders that conduct live racing during a fiscal year to pay an additional purse amount annually of \$60 for each live race conducted in the preceding fiscal year. The bill removes fees equal to 75 percent of the daily license fees. Purses must be disbursed weekly during the permitholder's race meet. The bill clarifies that the tax rate on handle for intertrack wagering is provided in s. 6, ch. 2000-354, L.O.F.

**Section 14** of the bill amends s. 550.09515, F.S., respecting thoroughbred racing taxes. The bill requires the division to revoke the permit of a thoroughbred racing permitholder that does not pay tax that is due on handle for live thoroughbred horse performances for a full schedule of live races for more than 24 consecutive months, unless the failure to operate and pay tax was the direct result of fire, strike, war, or other disaster or event beyond the permitholder's control. A revoked permit is void and may not be reissued. The bill deletes a provision that allows a thoroughbred horse permit to be reissued after the permit has been revoked for nonpayment of taxes, i.e., the permit has escheated to the state.

**Section 15** of the bill amends s. 550.1625, F.S., respecting greyhound racing taxes by removing a reference to a greyhound racing permitholder paying the breaks<sup>73</sup> tax.

**Section 16** of the bill repeals s. 550.1647, F.S., respecting any unclaimed, uncashed, or abandoned pari-mutuel tickets which have remained in the custody of a greyhound racing permitholder.

**Section 17** of the bill amends s. 550.1648, F.S., respecting greyhound racing adoptions, and requires as a condition of adoption, that a bona fide organization 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.

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<sup>73</sup> Section 550.002(1), F.S., defines "breaks" to mean "the portion of a pari-mutuel pool which 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."

**Section 18** of the bill creates s. 550.1752, F.S., establishing a pari-mutuel permit reduction program. The program is created to authorize the division to purchase and cancel active pari-mutuel permits. Funding for the program is generated by revenue share payments made by the Seminole Tribe of Florida under the Gaming Compact and received by the State after October 31, 2015. Payments funding the program are calculated on a monthly basis until the division determines sufficient funds are available, but the funding limit for the program is \$20 million.

A pari-mutuel permitholder may not submit an offer to sell unless it is actively conducting racing or jai-alai as required and satisfies all applicable requirements for the permit. Sufficient moneys must be available before the purchase may be made. The division may adopt rules to implement the program.

The value of the permit must be based upon the valuation of fair market value by one or more independent appraisers selected by the division. The value may not include the value of real estate or personal property. The division may establish a value for the permit that is lower than the amount determined by the independent appraiser, but may not establish a higher value.

The division must accept the offer or offers that best use the available funding, however, the division may also accept offers that it determines are the most likely to reduce the incidence of gaming in Florida. The division must cancel a permit purchased through the program. This provision expires July 1, 2018, unless reenacted.

**Section 19** of the bill amends s. 550.1752, to establish a thoroughbred purse supplement program, effective July 1, 2018. The program is created to maintain an active and viable live thoroughbred racing, owning, and breeding industry in Florida. A reenactment of the permit reduction program (created by the bill in **Section 18** above) that is effective after July 1, 2018 may create multiple demands on the funding source for each program. There is no provision for expiration of the thoroughbred supplement purse program.

Funding for the program is generated by revenue share payments made by the Seminole Tribe of Florida under the Gaming Compact and received by the State after July 1, 2018. Payments funding the program are calculated on a monthly basis until the division determines sufficient funds are available. The funding for the purse supplement program is \$20 million annually. The division may adopt rules to implement the program.

The division must distribute the funds on a pro rata basis based upon the number of live race days to be conducted by each thoroughbred permitholder pursuant to its annual racing license. If a permitholder fails to conduct a race day, then the allocated funds associated with that day must be returned to the division, so that it may reapportion the allocation of funds.

**Section 20** of the bill creates s. 550.2416, F.S., to require the reporting of racing greyhound injuries. The bill requires greyhound track veterinarians to prepare and sign detailed reports under oath, on a form adopted by the division, of all injuries to racing greyhounds that occur while the greyhounds are on a racetrack.

If the injury of a racing greyhound occurs at a location other than a racetrack, or during transportation, the injury report must state the location where the injury occurred and the

circumstances. A report for such an injury must be prepared and signed under oath by a greyhound owner, trainer, or kennel operator who has knowledge of the injury.

Reporting is required within 7 days after the date the injury occurred or is believed to have occurred. The reports are public records that must be maintained for 7 years by the division.

The bill requires reporting of the following information about an injury:

- Specific identification of the injured greyhound (name, tattoos, microchip information), with contact information for the greyhound's owner, trainer, and kennel operator; and
- The type and location of the injury, its cause, and estimated recovery time.

Further, if the injury occurs during a race, an injury report must state:

- The name of the racetrack and the time injury occurred;
- The distance, grade, race, and post position of the injured greyhound; and
- The weather and track conditions at the time of the injury.

False statements in an injury report or the failure to report an injury subjects licensees of the department to disciplinary action under pari-mutuel, regulatory, and professional practice laws. Racing greyhound injury reports must be sworn to under penalty of perjury.<sup>74</sup> False statements in an injury report by a veterinarian, owner, trainer, or kennel operator may result in discipline of that licensee by the division as permitted by the provisions of ch. 550, F.S., (Pari-mutuel Wagering, ch. 455, F.S., (Business and Professional Regulation: General Provisions) or ch. 474, F.S., (Veterinary Medical Practice).

The requirement to report injuries to racing greyhounds does not apply to injuries to a service animal, personal pet, or greyhound that has been adopted as a pet.

**Section 21** of the bill amends s. 550.26165, F.S., respecting breeders' awards to conform cross-references.

**Section 22** of the bill amends s. 550.3345, F.S., regarding the issuance of limited thoroughbred racing permits (through conversion from a quarter horse permit as allowed by ch. 2010-29, L.O.F.). The bill removes obsolete language. The bill retains existing law that allows for relocation of the permit,<sup>75</sup> and allows relocation to another county without a referendum, if the permit "is situated in such a manner that it is located in more than one county."

Such relocation remains subject to the requirement in s. 550.3345(2)(d), F.S., that the relocation be approved under zoning and land use regulations in the new county or municipality. The bill prohibits the transfer of a limited thoroughbred racing permit to another person or entity.

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<sup>74</sup> Section 837.012, F.S., provides that makers of false statements under oath in regard to any material matter (such as those made in an injury reporting form) which he or she does not believe to be true, are guilty of a first degree misdemeanor and may be sentenced to a term of imprisonment up to one year and required to pay a fine not to exceed \$1,000.

<sup>75</sup> See s. 550.3345(2)(d), F.S.

**Section 23** of the bill amends s. 550.3551, F.S., regarding transmission of racing and jai alai information, to remove an outdated reference and to remove a reference to live racing requirements for intertrack wagering by harness horse permitholders.

**Section 24** of the bill amends s. 550.375, F.S., regarding the operation of certain harness horse race tracks, by conforming a cross-reference.

**Section 25** of the bill amends s. 550.475, F.S., to prohibit permitholders from leasing facilities from a permitholder that is not conducting a full schedule of live racing. When a permitholder chooses to end live racing at a pari-mutuel facility, any permitholder leasing that facility may no longer lease it, and must move its racing or games to another facility that is conducting a full schedule of live racing.<sup>76</sup>

**Section 26** of the bill deletes s. 550.5251(1), F.S., which requires thoroughbred permitholders to annually file applications to conduct race meetings that specify the number and dates of all performances that the permitholder intends to conduct.

**Section 27** of the bill amends s. 550.615, F.S., respecting intertrack wagering, as to which tracks or frontons may receive broadcasts of any type of race or game, and accept wagering on them. The bill provides that only tracks that have conducted a full schedule of live racing for at least five consecutive years since 2010, may receive such broadcasts.

The bill deletes ss. 550.615(6) and (7), F.S., which limits intertrack wagering where there are three or more horserace permitholders within 25 miles of each other, and requiring the consent of a permitholder where there are only two permits (greyhound racing and jai alai) in the county.

The bill provides that a greyhound racing permitholder that accepts intertrack wagers on live greyhound signals is not required to obtain written consent from any operating greyhound racing permitholder within its market area.

**Section 28** of the bill removes provisions in s. 550.6308, F.S., respecting the limited intertrack wagering license, and reduces the required number of days of sales to eight days from fifteen days. The bill removes the requirement to conduct at least one day of nonwagering thoroughbred racing with a \$250,000 purse per year for two consecutive years.

The bill removes certain restrictions and requirements<sup>77</sup> for intertrack wagering, including the requirements that intertrack wagering must be conducted:

- For up to 21 days in connection with sales;
- Between November 1 and May 8;

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<sup>76</sup> According to information in the latest available 2013-2014 Annual Report from the Division of Pari-Mutuel Wagering, both Jacksonville Kennel Club and Bayard Raceways (St. Johns Greyhound Park) conduct races at Orange Park Kennel Club; H&T Gaming conducts racing at Mardi Gras; Palm Beach Greyhound Racing conducts racing at Palm Beach Kennel Club; Tampa Greyhound conducts races at St. Petersburg Kennel Club (Derby Lane); West Volusia Racing conducts races at Daytona Beach Kennel Club; Dania Summer Ja Alai conducts games at Dania Jai Alai; Tropical Park conducts races at Calder Race Course. See <http://www.myfloridalicense.com/dbpr/pmw/documents/AnnualReports/AnnualReport-2013-2014-83rd-20150114.pdf>, at pp. 24-35 (last accessed Feb. 19, 2016).

<sup>77</sup> See s. 550.6308(1)(a), (b), (c), and (d), F.S.

- Only with the consent of other permit holders that run live racing in the county, between May 9 and October 31; and
- During the weekend of the Kentucky Derby, the Preakness, the Belmont, and a Breeders' Cup Meet conducted after May 8 and before November 1.

The bill removes the restriction that intertrack wagering must be conducted by the limited intertrack license permit holder only on thoroughbred racing, unless the consent of all thoroughbred, jai alai, and greyhound racing permit holders in the same county is obtained.

The bill removes the purse pool requirement imposed on the limited intertrack license permit holder at the rate of 2.5 percent for its intertrack wagering on greyhound or jai alai.

**Section 29** of the bill amends s. 551.101, F.S., to allow eligible slot machine facilities to conduct slot machine gaming pursuant to a permit or as otherwise authorized by law. The bill deletes provisions that refer to the eligibility requirements for a slot machine license under the state constitution.

**Section 30** amends the definition of "eligible facility" in s. 551.102, F.S., to specify the facilities that are eligible to conduct slot machine gaming:

- The seven pari-mutuel facilities in Miami-Dade and Broward that existed when the State Constitution was amended and slot machines in the county were approved by referendum, and
- A licensed pari-mutuel facility, if slot machines in the county are approved by voters in a countywide referendum, and if the facility conducted a full schedule of live racing for 2 consecutive years immediately preceding its application.

The bill also makes conforming changes.

**Section 31** of the bill amends s. 551.104, F.S., to disqualify permit holders from receiving a slot machine license, if a permit holder includes, or previously included, an ultimate equitable owner whose permit was voluntarily or involuntarily surrendered, suspended, or revoked by the division within 10 years before the date of the permit holder's application for a slot machine license.

It appears the bill revises criteria for all slot machine licenses, by deleting the requirement that live racing be conducted by a pari-mutuel permit holder in order to maintain eligibility for the slot machine license. The bill also allows a permit to be relocated, with the live racing conducted at a leased facility of a limited thoroughbred permit holder pursuant to s. 550.3345, F.S. See **Section 22** regarding relocation of the limited thoroughbred permit without a referendum.

If the slot machine licensee is not running a full schedule of live racing under its pari-mutuel permit, then it must contribute to a purse pool. In accordance with s. 550.3345, F.S., (**Section 32** of the bill), this purse pool is effective through July 1, 2036 (the term of the proposed 2015 Gaming Compact).

The purse pool (the lesser of \$2 million or 3 percent of the permit holder's prior fiscal year slots revenue) is for the benefit of slot machine licensees that conduct at least 160 days of live thoroughbred racing. There is a dollar-for-dollar credit for payments made to a horsemen's

association under a binding written agreement entered into by the permitholder pursuant to s. 551.104(10), F.S. The requirement in existing law for a thoroughbred racing permitholder to have a horsemen's agreement governing the payment of purses on live thoroughbred racing does not apply to a summer thoroughbred racing permitholder.

The bill deletes the requirement that a quarter horse racing permitholder must have a horsemen's agreement governing the payment of purses on live quarter horse races.

**Section 32** of the bill provides that, effective July 1, 2036, s. 551.104, F.S., is amended to remove the thoroughbred purse pool created in s. 551.104, F.S., in **Section 31** of the bill.

**Section 33** of the bill creates s. 551.1042, F.S., to prohibit the transfer or relocation of slot machine licenses.

**Section 34** of the bill creates s. 551.1043, F.S., to provide an additional slot machine license in a county as defined in s. 125.011,<sup>78</sup> to be awarded by the division for the purpose of enhancing live pari-mutuel activity.

The bill provides a legislative finding, that it is in the state's interest to provide a limited opportunity for the establishment of an additional slot machine license to a pari-mutuel permitholder located within a county as defined in s. 125.011, F.S. Any pari-mutuel permitholder in that county that is not a slot machine licensee may apply for the license, upon payment of a \$2 million nonrefundable application fee.

The fee must be used by the Division of Pari-mutuel Wagering (division) and the Department of Law Enforcement for investigations, the regulation of slot machine gaming, and the enforcement of slot machine gaming under ch. 551, F.S. In the event of a successful award of the license to a licensee, the fee will be credited against the license fee required by s. 551.106, F.S. It appears the reference is to the initial license fee; s. 551.106, F.S., addresses both the fee payable upon application for the initial license and the fee due on each anniversary date of issuance of the initial license.

If there is more than one applicant, the license will be awarded by the division to the applicant that receives the highest score based on:

- The amount of slot machine revenues to be dedicated to the enhancement of pari-mutuel purses; breeder's, stallion, and special racing or player awards to be awarded to pari-mutuel activities conducted pursuant to chapter 550;
- The amount of slot machine revenues to be dedicated to the general promotion of the state's pari-mutuel industry;
- The amount of slot machine revenues to be dedicated to care provided in this state to injured or retired animals, jockeys, or jai alai players;
- The amount by which the proposed slot machine facility will increase tourism, generate jobs, provide revenue to the local economy, and provide revenue to the state. The applicant and its partners shall document their previous experience in constructing premier facilities with high-quality amenities which complement a local tourism industry;

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<sup>78</sup> Currently, the only county that meets the definition in s. 125.011, F.S., is Miami-Dade County.

- The financial history of the applicant and its partners in making capital investments in slot machine gaming and pari-mutuel facilities and its bona fide plan for future community involvement and financial investment;
- The history of investment by the applicant and its partners in the communities in which its previous developments have been located;
- The ability to purchase and maintain a surety bond in an amount established by the division to represent the projected annual revenues generated by the proposed slot machine facility;
- The ability to demonstrate the financial wherewithal to adequately capitalize, develop, construct, maintain, and operate a proposed slot machine facility. The applicant must demonstrate the ability to commit not less than \$100 million for hard costs related to construction and development of the facility, exclusive of the purchase price and costs associated with the acquisition of real property and any impact fees. The applicant must also demonstrate the ability to meet any projected secured and unsecured debt obligations and to complete construction within 2 years after receiving the award of the slot machine license;
- The ability to implement a program to train and employ residents of South Florida to work at the facility and contract with local business owners for goods and services; and
- The ability to generate, with its partners, substantial gross gaming revenue following the award of gaming licenses through a competitive bidding process.

The division must also award additional points for proposed projects located within 0.5 miles of two forms of public transportation and located in a designated community redevelopment area or district.

The bill does not specify the relative value or points that are attributable to the selection criteria. The division must complete its evaluations at least 120 days after the submission of applications and notice its intent to award the license within that time. The time frames in the Administrative Procedure Act do not apply.<sup>79</sup>

Within 30 days after the submission of an application, the division must issue, if necessary, requests for additional information or any notices of deficiency to applicants. Applicants must respond within 15 days, and failure to timely and sufficiently respond or to correct identified deficiencies is grounds for denial of an application.

Any protest of the intent to award the license will be heard by the Division of Administrative Hearings, which shall conduct an administrative hearing before an administrative law judge at least 30 days after the notice of intent to award. The administrative law judge must issue a proposed recommended order at least 30 days after the completion of the final hearing, and the division must issue a final order at least 15 days after receipt of the proposed recommended order.

Any appeal of a license denial must be made to the First District Court of Appeal and must be accompanied by the posting of a supersedeas bond in an amount determined by the division to be equal to the amount of projected annual slot machine revenue to be generated by the successful licensee.

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<sup>79</sup> Section 120.60(1), F.S., provides that a license application must be approved or denied within 90 days of a completed application, or the application will be deemed approved.

The division is authorized to adopt emergency rules, based on a legislative finding that such emergency rulemaking power is necessary for the preservation of the rights and welfare of the people in order to provide additional funds to benefit the public.

There is a further legislative finding that the unique nature of the competitive award of the license requires that the department<sup>80</sup> respond as quickly as is practicable to implement s. 551.1043. In adopting the emergency rules, the division is exempted from the requirements of s. 120.54(4)(a), F.S., including publication in writing at the time of, or prior to, its action, the specific facts and reasons for finding an immediate danger to the public health, safety, or welfare, and its reasons for concluding that the procedure used is fair under the circumstances. Emergency rules adopted under this section are exempted from s. 120.54(4)(c), F.S., that provides generally that emergency rules may not be effective for longer than 90 days and may not be renewed. The emergency rules will remain in effect until replaced by other emergency rules or by rules adopted pursuant to the Administrative Procedure Act.

**Section 35** of the bill creates s. 551.1044, F.S., to authorize house banked blackjack table games, with a maximum of 25 such tables at each facility, at:

- The facilities in Miami-Dade and Broward counties that are eligible under the slot machines constitutional amendment where live racing or games were conducted during calendar years 2002 and 2003; and
- The facilities located in a county defined under s. 125.011, F.S., where a full schedule of live horse racing has been conducted for 2 consecutive years.

Wagers may not exceed \$100 for each initial two card wager. Subsequent wagers on splits or double downs are allowed, but may not exceed the initial two card wager. Single side bets of not more than \$5 are also allowed.

**Section 36** of the bill amends s. 551.106, F.S., to remove obsolete language relative to the slot machine license fee for Fiscal Year 2010-2011. The bill also reduces the tax on slot machine revenues from 35 percent to 25 percent.

**Section 37** of the bill amends s. 551.108, F.S., regarding prohibited relationships, to address contracts between slot machine licensees and a manufacturer or distributor. Section 551.108, F.S., currently prohibits contracts that provide for revenue sharing calculated on a percentage of slot machine revenues. The bill exempts contracts related to a progressive system used in conjunction with slot machines to include a revenue sharing provision.

**Section 38** of the bill amends s. 551.114, F.S., to revise the requirement for slot machine licensees to display pari-mutuel races or games and offer the ability to engage in wagering on live, intertrack, and simulcast races conducted or offered to patrons. The requirement is conditioned upon whether the races or games “are available” to the licensee. The term “are available” is not defined.

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<sup>80</sup> Perhaps “division” is intended, as the division is referenced elsewhere.

The bill revises a limitation on the location of slot machine gaming areas, and allows a gaming area to be located anywhere within the property described in the licensee's pari-mutuel permit. Existing law requires that a gaming area be located within the live gaming facility or in an existing building that is contiguous and connected to the facility.

**Section 39** of the bill amends s. 551.116, F.S., to extend the number of hours that a slot machine gaming area may be open on weekdays, from 18 hours to 24 hours, which matches the authorized operating hours on weekends.

**Section 40** of the bill amends s. 551.121, F.S., to allow complimentary or reduced-costs alcoholic beverages to be served to a person playing a slot machine. The bill provides that a slot machine licensee may allow automatic teller machines (ATMs) or similar devices designed to provide credit or dispense cash, to be located in the gaming area.

**Section 41** of the bill amends s. 849.086, F.S., regarding the operation of cardrooms. The bill also revises the hours of operation to 24 hours daily, (previously 8 hours Monday through Friday and 24 hours on Saturday and Sunday), which conforms to the hours that a slot machine gaming area may be open pursuant to s. 551.116, F.S. as amended by **Section 39** of the bill. The bill removes the ability of a permitholder to amend a renewal application for a cardroom.

The bill deletes the 90 percent rule in existing law mandating the minimum number of races that must be conducted by a permitholder. This appears to decouple thoroughbred racing permitholders as well as greyhound racing permitholders, jai alai permitholders, harness racing permitholders, and quarter horse racing permitholders.

The bill provides that a designated player game is not a banking game, and that a designated player is the player in the dealer position seated at a traditional player position who pays winning players and collects from losing players.

The bill defines a designated player game to mean "a game in which the players compare their cards only to the cards of the designated player or to a combination of cards held by the designated player and cards common and available for play by all players."

Regarding the designated player games, the bill provides that:

- All cardroom operators may offer designated player games;
- The cardroom operator may not serve as a designated player, but may collect a rake as posted at the table;
- If there are multiple designated players at a table, the dealer button must be rotated clockwise after each hand; and
- A cardroom operator may not allow a designated player to pay an opposing player who holds a lower ranked hand.

The bill modifies s. 849.086(13), F.S., regarding prohibited activities to address banking game issues and provide that a designated player game shall be deemed a banking game if any of the following elements apply:

- Any designated player is required by the rules of a game or by the rules of a cardroom to cover all wagers posted by opposing players;

- The dealer button remains in a fixed position without being offered for rotation;
- The cardroom, or any cardroom licensee, contracts with or receives compensation other than a posted table rake from any player to participate in any game to serve as a designated player; or
- In any designated player game in which the designated player possesses a higher ranked hand, the designated player is required to pay on an opposing player's wager who holds a lower ranked hand.

**Section 42** of the bill provides that the division must revoke any permit to conduct pari-mutuel wagering if a permit holder has not conducted live events within the 24 months preceding the effective date of the bill, unless the permit is a limited thoroughbred racing permit that was issued under s. 550.3345, F.S. A permit revoked for failure to conduct live events within the 24 months preceding the effective date of the bill may not be reissued.

**Section 43** provides that the provisions of the bill are not severable. If the bill or any of its provisions are determined to be unconstitutional, or the applicability thereof to any person or circumstance is held invalid:

- All other provisions or applications of the provisions of the bill are invalid; and
- The bill is considered never to have become law.

**Section 44** of the bill states that SPB 7072 becomes effective, if SPB 7074, respecting the Gaming Compact between the Seminole Tribe of Florida and the State of Florida, or similar legislation ratifying the Gaming Compact between the Seminole Tribe of Florida and the State of Florida executed by the Governor and the Seminole Tribe of Florida on December 7, 2015 (the 2015 Gaming Compact) becomes law.

In addition, the bill requires approval of the 2015 Gaming Compact by the United States Department of the Interior (Department of the Interior) as required under the Indian Gaming Regulatory Act of 1988. Sections 1, 2, and 3 of SPB 7072 will be effective upon becoming law, and the remaining sections of the SPB will be effective upon the date of publication of the approval of the Gaming Compact by the Department of the Interior in the Federal Register.

#### **IV. Constitutional Issues:**

##### **A. Municipality/County Mandates Restrictions:**

None.

##### **B. Public Records/Open Meetings Issues:**

None.

##### **C. Trust Funds Restrictions:**

None.

## V. Fiscal Impact Statement:

### A. Tax/Fee Issues:

An impact conference will be required to evaluate the provisions of SPB 7072.

Section 35 of the bill creates s. 551.1044, F.S., to authorize house banked blackjack table games at eight facilities in Miami-Dade and Broward counties where the operation of slot machines is authorized. It does not appear that there are any provisions in the bill to tax revenue from house banked blackjack table games as slot machine revenue under ch. 551, F.S., or as cardroom gross receipts pursuant to s. 849.086(13)(a), F.S.

Similar provisions to those in the bill respecting the option granted to greyhound racing permitholders to continue with or discontinue live racing, were evaluated by the Revenue Estimating Conference (REC) on April 16, 2015. The REC assessed the impact of SPB 7088, regarding Gaming,<sup>81</sup> which largely mirrors the provisions in SPB 7072 regarding the ending of live racing requirements for greyhound racing permitholders. The REC reviewed provisions in SPB 7088 that included:

- For greyhound racing permitholders, beginning in Fiscal Year 2015-2016, and each fiscal year thereafter, the removal of minimum live performance requirements associated with:
  - Applications for annual pari-mutuel operating license;
  - The conduct of intertrack wagering;
  - Renewal of annual slot machine license; provided the designated slot machine gaming areas may only be located within the eligible facility for which the division issued the initial annual slot machine license; and
  - Renewal of annual cardroom license; provided such permitholder conducts intertrack wagering on greyhound races that are broadcast, to the extent available, on each day of cardroom operations.
- Authorization for a greyhound racing permitholder to amend its operating license for Fiscal Year 2015-2016, through August 31, 2015.

The REC noted the removal of certain tax credits for greyhound racing permitholders that conduct live racing each state fiscal year:

- Exemption tax credit: The three permitholders (Washington County Kennel Club, Pensacola Greyhound, and Jefferson County Kennel Club) that conducted a full schedule of live racing in 1995, and are closest to another state that authorizes greyhound pari-mutuel wagering, receive a credit of \$500,000; all other greyhound racing permitholders exemption tax credit in the amount of \$360,000;
- Daily license fee credit; and
- The unclaimed pari-mutuel tickets (escheated tickets) credit.<sup>82</sup>

<sup>81</sup> See [http://edr.state.fl.us/Content/conferences/revenueimpact/archives/2015/\\_pdf/page462-466.pdf](http://edr.state.fl.us/Content/conferences/revenueimpact/archives/2015/_pdf/page462-466.pdf) (last accessed Feb. 19, 2016).

<sup>82</sup> Section 550.1645, F.S., provides that after one year, the winnings from all unclaimed pari-mutuel tickets become property of the state. Permitholders must pay the unclaimed (escheated) winnings to the state. The funds are deposited into the State School Fund and are used for the maintenance of “public free schools,” as required by FLA. CONST. art. IX, s. 6.

Other changes in SPB 7088 that were noted by the REC:

- Amendment of the effective tax rates for host greyhound racing permitholders to a single rate of 1.28 percent for all handle types;
- Removal of the requirement that a greyhound racing permitholder pay the \$80 daily license fee for each live or simulcast race;
- Elimination of the authorization for greyhound racing permitholders to conduct charity days in addition to their regular racing days.
- Removal of the limit of a maximum of 20 percent of the total number of races on which wagers are accepted by certain greyhound racing permitholders not located as specified in s. 550.615(6), F.S., may receive from locations outside the state.

All estimates include:

- Loss in daily license fees from all greyhound tracks;
- Amending the effective tax rates for host greyhound permitholders to a single tax rate of 1.28 percent for all handle types;
- Adding 60 percent of live and intertrack handle from those that cease or reduce live racing and recapture through intertrack wagering and applying an effective tax rate of 1.28 percent; and
- Removing applicable tax credits that are no longer applicable.

Jefferson Kennel Club was not licensed to operate, and is not included in the estimates.

The REC calculated loss in taxes from six permitholders likely to cease live racing, one that is likely to reduce live races by 50 percent, and six that are likely to reduce live racing by approximately 40 percent. Overall, greyhound racing live racing performances were estimated to be reduced by approximately 42 percent.

The (loss) or gain in tax revenue is projected by the REC as follows (middle estimate):<sup>83</sup>

- Fiscal Year 2015-2016 (\$307,335)
- Fiscal Year 2016-2017 (\$86,092)
- Fiscal Year 2017-2018 \$81,632
- Fiscal Year 2018-2019 \$209,940
- Fiscal Year 2019-2020 \$308,171

#### B. Private Sector Impact:

Pari-mutuel permitholders who hold active, dormant, and inactive permits must evaluate the impact of the provisions of the bill on their operations and business interests.

Greyhound racing permitholders, jai alai permitholders, harness racing permitholders, and quarter horse racing permitholders must determine, on an annual basis, whether to offer live racing or games at their pari-mutuel facilities. Ending the requirement for the offering of live racing or games but continuing to offer slot machines or cardrooms is known as “decoupling.”

<sup>83</sup> See <http://edr.state.fl.us/Content/conferences/revenueimpact/archives/2015/pdf/page462-466.pdf> (last accessed Feb. 19, 2016) at 463-465.

**C. Government Sector Impact:**

The Division of Pari-mutuel Wagering (division) must implement the provisions of the bill, and adopt forms and procedures for the pari-mutuel permit reduction program, and for the issuance of additional slot machine licenses in Miami-Dade and Palm Beach counties.

Recordkeeping and producing documents in response to public records requests for injury reports on racing greyhounds will have an indeterminate impact on the workload of the division, depending on the number of injury reports that are filed. The department estimated the fiscal impact to the state in 2014-2015 from a low of \$60,727 if it collects reports and serves as a repository (one additional staff), to a high of \$425,163 if it reviews the reports, assesses the accuracy of reports, investigates false statements, and pursues administrative action (five additional staff and three additional vehicles).<sup>84</sup>

**VI. Technical Deficiencies:**

Section 18 of the bill creates s. 550.1752, F.S., to establish a pari-mutuel permit reduction program. The program is created to authorize the division to purchase and cancel active pari-mutuel permits. Funding for the program is generated by revenue share payments made by the Seminole Tribe of Florida under the Gaming Compact and received by the State after October 31, 2015. The funding limit for the program is \$20 million, and the provision expires July 1, 2018, unless reenacted. The thoroughbred purse supplement program is created effective July 1, 2018 (*see* Section 19). It appears that ending the pari-mutuel permit reduction program at the end of the Fiscal Year, i.e., on June 30, 2018, would prevent overlap of the two programs and reduce associated accounting expenses. Further, any reenactment of the permit reduction program after July 1, 2018 appears to create multiple demands on the funding source for these programs.

**VII. Related Issues:**

Section 35 of the bill creates s. 551.1044, F.S., to authorize house banked blackjack table games. It does not appear that there are any provisions in the bill to tax revenue from house banked blackjack table games as slot machine revenue under ch. 551, F.S., or as cardroom gross receipts pursuant to s. 849.086(13)(a), F.S.

The bill requires the enactment of SPB 7074, respecting the Gaming Compact between the Seminole Tribe of Florida and the State of Florida, or similar legislation ratifying the Gaming Compact between the Seminole Tribe of Florida and the State of Florida executed by the Governor and the Seminole Tribe of Florida on December 7, 2015 (the 2015 Gaming Compact).

The bill includes provisions for slot machines in any county in which slot machines are approved by voters in a countywide referendum, and if the pari-mutuel facility conducted a full schedule of live racing for 2 consecutive years immediately preceding its application. The bill provides for issuance of an additional slot machine license in a county as defined in s. 125.011, F.S. The bill includes provisions for games that are not addressed in the 2010 Gaming Compact or the

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<sup>84</sup> See 2015 Department of Business and Professional Regulation Legislative Bill Analysis for Senate Bill 2 (January 15, 2015) (on file with Senate Committee on Regulated Industries).

proposed 2015 Gaming Compact. These provisions may affect revenue-sharing payments by the Seminole Tribe of Florida upon becoming law.

**VIII. Statutes Affected:**

This bill substantially amends the following sections of the Florida Statutes: 24.103, 24.105, 24.112, 550.002, 550.01215, 550.0251, 550.054, 550.0951, 550.09511, 550.09512, 550.09514, 550.09515, 550.1625, 550.1648, 550.26165, 550.3345, 550.3551, 550.375, 550.475, 550.5251, 550.615, 550.6305, 550.6308, 551.101, 551.102, 551.104, 551.106, 551.108, 551.114, 551.116, 551.121, and 849.086.

This bill creates the following sections of the Florida Statutes: 550.1751, 550.1752, 550.2416, 551.1042, 551.1043, and 551.1044.

This bill repeals the following sections of the Florida Statutes: 550.0555, 550.0745, and 550.1647.

**IX. Additional Information:**

A. **Committee Substitute – Statement of Changes:**  
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. **Amendments:**

None.











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LEGISLATIVE ACTION

Senate	.	House
Comm: WD	.	
02/19/2016	.	
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The Committee on Regulated Industries (Sachs) recommended the following:

**Senate Amendment (with title amendment)**

Delete everything after the enacting clause  
and insert:

Section 1. Section 20.318, Florida Statutes, is created to  
read:

20.318 Department of Gaming.—There is created a Department  
of Gaming.

(1) GAMING COMMISSION.—There is created a board, as defined  
in s. 20.03, called the Gaming Commission, which is the head of



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11 the Department of Gaming.

12 (a) The commission consists of five members appointed by  
13 the Governor and subject to confirmation by the Senate. One  
14 member of the commission must be licensed in this state as a  
15 certified public accountant with at least 5 years of experience  
16 in general accounting, one member must have experience in the  
17 fields of investigation or law enforcement, and one member must  
18 have experience in the business of gaming.

19 (b) A person may not be appointed to or serve as a member  
20 of the commission if the person:

21 1. Is an elected state official.

22 2. Is licensed by the commission, or is an officer of, has  
23 a financial interest in, or has a direct or indirect contractual  
24 relationship with, any applicant for a license.

25 3. Is related to any person who is licensed by the  
26 commission within the second degree of consanguinity or  
27 affinity.

28 4. Has, within the 10 years preceding his or her  
29 appointment, been indicted for, been convicted of, pled guilty  
30 or nolo contendere to, or forfeited bail for a felony or a  
31 misdemeanor involving gambling or fraud under the laws of this  
32 or any other state or the United States.

33 5. Is a registered lobbyist.

34 (c) Each member of the commission is appointed to a 4-year  
35 term. However, for the purpose of providing staggered terms for  
36 the initial appointments, three members selected shall be  
37 appointed to 4-year terms, and the remaining two members shall  
38 be appointed to 2-year terms. Terms expire on June 30. Upon the  
39 expiration of the term of a member, the Governor shall appoint a



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40 successor to serve for a 4-year term in the same manner as the  
41 original appointment. A member of the commission whose term has  
42 expired shall continue to serve on the commission until a  
43 replacement is appointed. If a vacancy on the commission occurs  
44 before the expiration of the term, it shall be filled for the  
45 unexpired portion of the term in the same manner as the original  
46 appointment.

47 (d) A member of the commission may not serve more than two  
48 full terms. Members of the commission shall serve full-time  
49 during a term.

50 (e) The commission shall be headquartered in Tallahassee.  
51 However, the commission may establish field offices as it deems  
52 necessary.

53 (f) The initial meeting of the commission must be held by  
54 October 1, 2016. The commission shall elect a chair from among  
55 its membership, who remains chair for two full 4-year terms.  
56 Upon expiration of the chair's second term, the commission shall  
57 elect a chair from its membership at the next regular scheduled  
58 meeting. The commission must meet at least monthly, upon the  
59 call of the chair or upon the call of a majority of the members  
60 of the commission.

61 (g) The commission shall appoint an executive director. The  
62 executive director may hire assistants and other employees as  
63 necessary to conduct the business of the commission.

64 (h) The members of the commission, the executive director,  
65 and any other employees of the commission may not have a direct  
66 or indirect financial interest in the entities that the  
67 commission regulates. Such persons also may not engage in any  
68 political activity, including using their official authority to



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69 influence the result of an election. The members of the  
70 commission, the executive director, and other employees or  
71 agents of the commission may not engage in outside employment  
72 related to the activities or persons regulated by the  
73 commission.

74 (i) The members of the commission, the executive director,  
75 and each managerial employee must file annual financial  
76 disclosures. Such persons must also immediately disclose matters  
77 related to criminal arrests, negotiations for an interest in a  
78 licensee or applicant, and negotiations for employment with a  
79 licensee or an applicant and may not engage in activities that  
80 may constitute a conflict of interest.

81 (2) DIVISIONS.—The Department of Gaming shall consist of  
82 the following divisions:

83 (a) The Division of Administration.

84 (b) The Division of Enforcement.

85 (c) The Division of Licensure.

86 (d) The Division of Revenue and Audits.

87 (3) DEFINITIONS.—As used in this section, the term:

88 (a) "Commission" means the Gaming Commission.

89 (b) "Department" means the Department of Gaming.

90 (c) "Gaming" means any gaming activity, occupation, or  
91 profession regulated by the department.

92 (4) POWERS AND DUTIES.—

93 (a) The department shall adopt rules establishing a  
94 procedure for the renewal of licenses.

95 (b) The department shall submit an annual budget to the  
96 Legislature at a time and in the manner provided by law.

97 (c) The department shall adopt rules to administer the laws



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98 under its authority.

99 (d) The department shall require an oath on application  
100 documents as required by rule, which oath must state that the  
101 information contained in the document is true and complete.

102 (e) The department shall adopt rules for the control,  
103 supervision, and direction of all applicants, permittees, and  
104 licensees and for the holding, conducting, and operating of any  
105 gaming establishment under the jurisdiction of the department in  
106 this state. The department shall have the authority to suspend a  
107 permit or license under the jurisdiction of the department if  
108 the permitholder or licensee has violated any provision of  
109 chapter 550, chapter 551, chapter 849, or rules adopted by the  
110 department. Such rules must be uniform in their application and  
111 effect, and the duty of exercising this control and power is  
112 made mandatory upon the department.

113 (f) The department may take testimony concerning any matter  
114 within its jurisdiction and issue summons and subpoenas for any  
115 witness and subpoenas duces tecum in connection with any matter  
116 within the jurisdiction of the department under its seal and  
117 signed by the director. The commission may seek injunctive  
118 relief from the courts to enforce this act and any rule adopted  
119 by the commission.

120 (g) In addition to the power to exclude certain persons  
121 from any pari-mutuel facility in this state, the department may  
122 exclude any person from any and all gaming establishments under  
123 the jurisdiction of the department for conduct that would  
124 constitute, if the person were a licensee, a violation of  
125 chapter 550, chapter 551, chapter 849, or the rules of the  
126 department. The department may exclude from any gaming



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127 establishment under its jurisdiction any person who has been  
128 ejected from any pari-mutuel facility or other gaming  
129 establishment in this state or who has been excluded from any  
130 pari-mutuel facility or other gaming establishment in another  
131 state by the governmental department, agency, commission, or  
132 authority exercising regulatory jurisdiction over such  
133 facilities in such other state. The department may authorize any  
134 person who has been ejected or excluded from establishments in  
135 this state or another state to enter a pari-mutuel facility or  
136 gaming establishment in this state upon a finding that the  
137 attendance of such person would not be adverse to the public  
138 interest or to the integrity of the industry; however, this  
139 paragraph may not be construed to abrogate the common-law right  
140 of a pari-mutuel permit holder or a proprietor of a gaming  
141 establishment to exclude absolutely a patron in this state.

142 (h) The department may collect taxes and require compliance  
143 with reporting requirements for financial information as  
144 authorized by chapter 550, chapter 551, or chapter 849. In  
145 addition, the executive director of the department may require  
146 gaming establishments within its jurisdiction to remit taxes,  
147 including fees, by electronic funds transfer.

148 (i) The department may conduct investigations necessary for  
149 enforcing chapters 550, 551, and 849.

150 (j) The department may impose, for a violation of chapter  
151 550, chapter 551, or chapter 849, an administrative fine of not  
152 more than \$1,000 for each count or separate offense, except as  
153 otherwise provided in chapter 550, chapter 551, or chapter 849,  
154 and may suspend or revoke a permit, an operating license, or an  
155 occupational license for a violation of chapter 550, chapter



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156 551, or chapter 849. All fines imposed and collected under this  
157 paragraph must be deposited with the Chief Financial Officer to  
158 the credit of the General Revenue Fund.

159 (k) The department shall have full authority and power to  
160 make, adopt, amend, or repeal rules relating to gaming  
161 operations, to enforce and to carry out the provisions of  
162 chapters 550, 551, and 849, and to regulate authorized gaming  
163 activities in the state, including rules that specify the types  
164 of games that are authorized, the times during which such games  
165 are authorized, and the places at which such games are  
166 authorized. The commission shall establish procedures to  
167 scientifically test slot machines and other authorized gaming  
168 equipment.

169 (l) The department shall provide advisory opinions when  
170 requested by any law enforcement official, state attorney, or  
171 entity licensed by the department relating to the application of  
172 state gaming laws with respect to whether a particular act or  
173 device constitutes legal or illegal gambling under state laws  
174 and administrative rules adopted thereunder. A written record  
175 shall be retained of all such opinions issued by the department,  
176 which shall be sequentially numbered, dated, and indexed by  
177 subject matter. Any person or entity acting in good faith upon  
178 an advisory opinion that such person or entity requested and  
179 received is not subject to any criminal penalty provided for  
180 under state law for illegal gambling. The opinion, until amended  
181 or revoked, is binding on any person or entity who sought the  
182 opinion, or with reference to whom the opinion was sought,  
183 unless material facts were omitted or misstated in the request  
184 for the advisory opinion. The department may adopt rules



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185 regarding the process for securing an advisory opinion and may  
186 require in those rules the submission of any potential gaming  
187 apparatus for testing by a licensed testing laboratory to prove  
188 or disprove the compliance of the apparatus with state law  
189 before the issuance of an opinion by the department.

190 (m) The department may employ law enforcement officers as  
191 defined in s. 943.10 within the Division of Enforcement to  
192 enforce any statute or law of this state related to gambling, to  
193 enforce any other criminal law, or to conduct any criminal  
194 investigation.

195 1. In order to be a law enforcement officer for the  
196 department, a person must meet the minimum qualifications for a  
197 law enforcement officer under s. 943.13 and must be certified  
198 for employment or appointment as an officer by the Department of  
199 Law Enforcement under s. 943.1395. Upon certification, each law  
200 enforcement officer is subject to, and has the authority  
201 provided for law enforcement officers generally in, chapter 901  
202 and has statewide jurisdiction. Each officer also has full law  
203 enforcement powers.

204 2. The department may also appoint part-time, reserve, or  
205 auxiliary law enforcement officers pursuant to chapter 943.

206 3. A law enforcement officer of the department, upon  
207 certification pursuant to s. 943.1395, has the same right and  
208 authority to carry arms as do the sheriffs of this state.

209 4. A law enforcement officer in this state who is certified  
210 pursuant to chapter 943 has the same authority as a law  
211 enforcement officer designated in this section to enforce the  
212 laws of this state described in this paragraph.

213 (n) The department shall contract with the Department of



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214 Revenue, through an interagency agreement, to perform the tax  
215 collection and financial audit services for the taxes required  
216 to be collected by entities licensed or regulated by chapter  
217 550, chapter 551, or chapter 849. The interagency agreement must  
218 also allow the Department of Revenue to assist in any financial  
219 investigation of a licensee or an application for a license by  
220 the Department of Gaming or a law enforcement agency.

221 (5) LICENSING.—The department may:

222 (a) Close and terminate deficient license application files  
223 2 years after the department notifies the applicant of the  
224 deficiency; and

225 (b) Approve gaming-related licenses that meet all statutory  
226 and rule requirements for licensure.

227 Section 2. (1) All of the statutory powers, duties, and  
228 functions, records, personnel, property, and unexpended balances  
229 of appropriations, allocations, or others funds for the  
230 administration of chapter 550, Florida Statutes, relating to  
231 pari-mutuel wagering; chapter 551, Florida Statutes, relating to  
232 slot machine gaming; and s. 849.086, Florida Statutes, relating  
233 to cardroom operations, shall be transferred by a type two  
234 transfer, as defined in s. 20.06(2), Florida Statutes, from the  
235 Division of Pari-mutuel Wagering within the Department of  
236 Business and Professional Regulation to the Department of  
237 Gaming.

238 (2) The transfer of regulatory authority under chapter 550,  
239 Florida Statutes; chapter 551, Florida Statutes; and s. 849.086,  
240 Florida Statutes, provided by this section does not affect the  
241 validity of any judicial or administrative action pending as of  
242 11:59 p.m. on the day before the effective date of this section



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243 to which the Division of Pari-mutuel Wagering is at that time a  
244 party, and the Department of Gaming shall be substituted as a  
245 party in interest in any such action.

246 (3) All lawful orders issued by the Division of Pari-mutuel  
247 Wagering implementing, enforcing, or otherwise in regard to any  
248 provision of chapter 550, Florida Statutes; chapter 551, Florida  
249 Statutes; and s. 849.086, Florida Statutes, issued before the  
250 effective date of this section shall remain in effect and be  
251 enforceable after the effective date of this section unless  
252 thereafter modified in accordance with law.

253 (4) The rules of the Division of Pari-mutuel Wagering  
254 relating to the implementation of chapter 550, Florida Statutes;  
255 chapter 551, Florida Statutes; and s. 849.086, Florida Statutes,  
256 which were in effect at 11:59 p.m. on the day before the  
257 effective date of this section shall become the rules of the  
258 Department of Gaming and shall remain in effect until amended or  
259 repealed in the manner provided by law.

260 (5) Notwithstanding the transfer of regulatory authority  
261 under chapter 550, Florida Statutes; chapter 551, Florida  
262 Statutes; and s. 849.086, Florida Statutes, provided by this  
263 section, persons and entities holding in good standing any  
264 license or permit under chapter 550, Florida Statutes; chapter  
265 551, Florida Statutes; and s. 849.086, Florida Statutes, as of  
266 11:59 p.m. on the day before the effective date of this section  
267 shall, as of the effective date of this section, be deemed to  
268 hold in good standing a license or permit in the same capacity  
269 as that for which the license or permit was formerly issued.

270 (6) Notwithstanding the transfer of regulatory authority  
271 under chapter 550, Florida Statutes; chapter 551, Florida



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272 Statutes; and s. 849.086, Florida Statutes, provided by this  
273 section, persons and entities holding in good standing any  
274 certification under chapter 550, Florida Statutes; chapter 551,  
275 Florida Statutes; and s. 849.086, Florida Statutes, as of 11:59  
276 p.m. on the day before the effective date of this section shall,  
277 as of the effective date of this section, be deemed to be  
278 certified in the same capacity in which they were formerly  
279 certified.

280 (7) This section is effective October 1, 2016.

281 Section 3. Subsection (2) of section 20.165, Florida  
282 Statutes, is amended to read:

283 20.165 Department of Business and Professional Regulation.—  
284 There is created a Department of Business and Professional  
285 Regulation.

286 (2) The following divisions of the Department of Business  
287 and Professional Regulation are established:

288 (a) Division of Administration.

289 (b) Division of Alcoholic Beverages and Tobacco.

290 (c) Division of Certified Public Accounting.

291 1. The director of the division shall be appointed by the  
292 secretary of the department, subject to approval by a majority  
293 of the Board of Accountancy.

294 2. The offices of the division shall be located in  
295 Gainesville.

296 (d) Division of Drugs, Devices, and Cosmetics.

297 (e) Division of Florida Condominiums, Timeshares, and  
298 Mobile Homes.

299 (f) Division of Hotels and Restaurants.

300 ~~(g) Division of Pari-mutuel Wagering.~~



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301 ~~(g)-(h)~~ Division of Professions.

302 ~~(h)-(i)~~ Division of Real Estate.

303 1. The director of the division shall be appointed by the  
304 secretary of the department, subject to approval by a majority  
305 of the Florida Real Estate Commission.

306 2. The offices of the division shall be located in Orlando.

307 ~~(i)-(j)~~ Division of Regulation.

308 ~~(j)-(k)~~ Division of Technology.

309 ~~(k)-(l)~~ Division of Service Operations.

310 Section 4. Subsection (4) of section 120.80, Florida  
311 Statutes, is amended, and subsection (19) is added to that  
312 section, to read:

313 120.80 Exceptions and special requirements; agencies.—

314 (4) DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION.—

315 ~~(a) Business regulation.—The Division of Pari-mutuel~~  
316 ~~Wagering is exempt from the hearing and notice requirements of~~  
317 ~~ss. 120.569 and 120.57(1)(a), but only for stewards, judges, and~~  
318 ~~boards of judges when the hearing is to be held for the purpose~~  
319 ~~of the imposition of fines or suspensions as provided by rules~~  
320 ~~of the Division of Pari-mutuel Wagering, but not for~~  
321 ~~revocations, and only upon violations of subparagraphs 1.-6. The~~  
322 ~~Division of Pari-mutuel Wagering shall adopt rules establishing~~  
323 ~~alternative procedures, including a hearing upon reasonable~~  
324 ~~notice, for the following violations:~~

325 1. ~~Horse riding, harness riding, greyhound interference,~~  
326 ~~and jai alai game actions in violation of chapter 550.~~

327 2. ~~Application and usage of drugs and medication to horses,~~  
328 ~~greyhounds, and jai alai players in violation of chapter 550.~~

329 3. ~~Maintaining or possessing any device which could be used~~



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330 ~~for the injection or other infusion of a prohibited drug to~~  
331 ~~horses, greyhounds, and jai alai players in violation of chapter~~  
332 ~~550.~~

333 ~~4. Suspensions under reciprocity agreements between the~~  
334 ~~Division of Pari-mutuel Wagering and regulatory agencies of~~  
335 ~~other states.~~

336 ~~5. Assault or other crimes of violence on premises licensed~~  
337 ~~for pari-mutuel wagering.~~

338 ~~6. Prearranging the outcome of any race or game.~~

339 ~~(b) Professional regulation.~~ Notwithstanding s.  
340 120.57(1)(a), formal hearings may not be conducted by the  
341 Secretary of Business and Professional Regulation or a board or  
342 member of a board within the Department of Business and  
343 Professional Regulation for matters relating to the regulation  
344 of professions, as defined by chapter 455.

345 (19) DEPARTMENT OF GAMING.—The department is exempt from  
346 the hearing and notice requirements of ss. 120.569 and  
347 120.57(1)(a), but only for stewards, judges, and boards of  
348 judges when the hearing is to be held for the purpose of the  
349 imposition of fines or suspensions as provided by rules of the  
350 Department of Gaming, but not for revocations, and only upon  
351 violations of paragraphs (a) through (f). The Department of  
352 Gaming shall adopt rules establishing alternative procedures,  
353 including a hearing upon reasonable notice, for the following  
354 violations:

355 (a) Horse riding, harness riding, greyhound interference,  
356 and jai alai game actions in violation of chapter 550.

357 (b) Application and usage of drugs and medication to  
358 horses, greyhounds, and jai alai players in violation of chapter



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359 550.

360 (c) Maintaining or possessing any device which could be  
361 used for the injection or other infusion of a prohibited drug to  
362 horses, greyhounds, and jai alai players in violation of chapter  
363 550.

364 (d) Suspensions under reciprocity agreements between the  
365 Department of Gaming and regulatory agencies of other states.

366 (e) Assault or other crimes of violence on premises  
367 licensed for pari-mutuel wagering.

368 (f) Prearranging the outcome of any race or game.

369 Section 5. Subsections (5), (6), and (7) and present  
370 subsection (11) of section 550.002, Florida Statutes, are  
371 amended, present subsections (8) through (37) of that section  
372 are redesignated as subsections (7) through (36), respectively,  
373 and a new subsection (37) is added to that section, to read:

374 550.002 Definitions.—As used in this chapter, the term:

375 (5) "Current meet" or "current race meet" means the conduct  
376 of racing or games pursuant to a current year's operating  
377 license issued by the department ~~division~~.

378 (6) "Department" means the Department of Gaming ~~Business~~  
379 ~~and Professional Regulation~~.

380 ~~(7) "Division" means the Division of Pari-mutuel Wagering~~  
381 ~~within the Department of Business and Professional Regulation.~~

382 (10) (a) ~~(11)~~ "Full schedule of live racing or games" means:

383 1. For a greyhound racing permitholder or jai alai  
384 permitholder, the conduct of a combination of at least 100 live  
385 evening or matinee performances during the preceding year. ~~;~~ ~~for~~  
386 ~~a permitholder who has a converted permit or filed an~~  
387 ~~application on or before June 1, 1990, for a converted permit,~~



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388 ~~the conduct of a combination of at least 100 live evening and~~  
389 ~~matinee wagering performances during either of the 2 preceding~~  
390 ~~years.~~

391 2. For a jai alai permitholder that ~~who~~ does not operate  
392 slot machines in its pari-mutuel facility, ~~who~~ has conducted at  
393 least 100 live performances per year for at least 10 years after  
394 December 31, 1992, and has had ~~whose~~ handle on live jai alai  
395 games conducted at its pari-mutuel facility which was ~~has been~~  
396 less than \$4 million per state fiscal year for at least 2  
397 consecutive years after June 30, 1992, the conduct of ~~a~~  
398 ~~combination of~~ at least 40 live evening ~~or matinee~~ performances  
399 during the preceding year.†

400 3. For a jai alai permitholder that ~~who~~ operates slot  
401 machines in its pari-mutuel facility, the conduct of ~~a~~  
402 ~~combination of~~ at least 150 performances during the preceding  
403 year.†

404 4. For a summer jai alai permitholder, the conduct of at  
405 least 58 live performances during the preceding year, unless the  
406 permitholder meets the requirements of subparagraph 2.

407 5. For a harness horse racing permitholder, the conduct of  
408 at least 100 live regular wagering performances during the  
409 preceding year.†

410 6. For a quarter horse racing permitholder at its facility,  
411 unless an alternative schedule of at least 20 live regular  
412 wagering performances each year is agreed upon by the  
413 permitholder and either the Florida Quarter Horse Racing  
414 Association or the horsemen ~~horsemen's~~ association representing  
415 the majority of the quarter horse owners and trainers at the  
416 facility and filed ~~with the division along~~ with its annual



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417 operating license ~~date~~ application:7

418 a. In the 2010-2011 fiscal year, the conduct of at least 20  
419 regular wagering performances.7

420 b. In the 2011-2012 and 2012-2013 fiscal years, the conduct  
421 of at least 30 live regular wagering performances.7 ~~and~~

422 c. For every fiscal year after the 2012-2013 fiscal year,  
423 the conduct of at least 40 live regular wagering performances.7

424 7. For a quarter horse racing permitholder leasing another  
425 licensed racetrack, the conduct of 160 events at the leased  
426 facility during the preceding year. ~~and~~

427 8. For a thoroughbred racing permitholder, the conduct of  
428 at least 40 live regular wagering performances during the  
429 preceding year.

430 ~~(b) For a permitholder which is restricted by statute to~~  
431 ~~certain operating periods within the year when other members of~~  
432 ~~its same class of permit are authorized to operate throughout~~  
433 ~~the year, the specified number of live performances which~~  
434 ~~constitute a full schedule of live racing or games shall be~~  
435 ~~adjusted pro rata in accordance with the relationship between~~  
436 ~~its authorized operating period and the full calendar year and~~  
437 ~~the resulting specified number of live performances shall~~  
438 ~~constitute the full schedule of live games for such permitholder~~  
439 ~~and all other permitholders of the same class within 100 air~~  
440 ~~miles of such permitholder. A live performance must consist of~~  
441 ~~no fewer than eight races or games conducted live for each of a~~  
442 ~~minimum of three performances each week at the permitholder's~~  
443 ~~licensed facility under a single admission charge.~~

444 (37) "Video race system" or "video race" means a form of  
445 pari-mutuel wagering based on video signals of previously



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446 conducted in-state or out-of-state thoroughbred races which are  
447 sent from an in-state server that is operated by a licensed  
448 totalizator company and displayed at individual wagering  
449 terminals.

450 Section 6. Section 550.01215, Florida Statutes, is amended  
451 to read:

452 550.01215 License application; periods of operation; bond,  
453 conversion of permit.—

454 (1) Each permitholder shall annually, during the period  
455 between December 15 and January 4, file in writing with the  
456 department ~~division~~ its application for an operating a license  
457 to conduct pari-mutuel wagering during the next fiscal year,  
458 including intertrack and simulcast race wagering for greyhound  
459 permitholders, jai alai permitholders, harness horse racing  
460 permitholders, and quarter horse racing permitholders that do  
461 not ~~to~~ conduct live performances during the next state fiscal  
462 year. Each application for live performances must ~~shall~~ specify  
463 the number, dates, and starting times of all live performances  
464 that ~~which~~ the permitholder intends to conduct. It ~~must~~ ~~shall~~  
465 also specify which performances will be conducted as charity or  
466 scholarship performances.

467 (a) ~~In addition,~~ Each application for an operating a  
468 license also must ~~shall~~ include:

469 1. For each permitholder that ~~which~~ elects to accept wagers  
470 on broadcast events, the dates for all such events.

471 2. For each permitholder that elects to operate a cardroom,  
472 the dates and periods of operation the permitholder intends to  
473 operate the cardroom. ~~or,~~

474 3. For each thoroughbred racing permitholder that ~~which~~



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475 elects to receive or rebroadcast out-of-state races after 7  
476 p.m., the dates for all performances which the permitholder  
477 intends to conduct.

478 (b) A greyhound racing permitholder that conducted a full  
479 schedule of live racing for a period of at least 10 consecutive  
480 state fiscal years after the 1996-1997 state fiscal year, or  
481 that converted its permit to a permit to conduct greyhound  
482 racing after that fiscal year, may specify in its application  
483 for an operating license that it does not intend to conduct live  
484 racing, or that it intends to conduct less than a full schedule  
485 of live racing, in the next state fiscal year. A greyhound  
486 racing permitholder may receive an operating license to conduct  
487 pari-mutuel wagering activities at another permitholder's  
488 greyhound racing facility pursuant to s. 550.475.

489 (c) Permitholders may ~~shall be entitled to~~ amend their  
490 applications through February 28.

491 (2) After the first license has been issued to a  
492 permitholder, all subsequent annual applications for a license  
493 shall be accompanied by proof, in such form as the department  
494 ~~division~~ may by rule require, that the permitholder continues to  
495 possess the qualifications prescribed by this chapter, and that  
496 the permit has not been disapproved at a later election.

497 (3) The department ~~division~~ shall issue each license no  
498 later than March 15. Each permitholder shall operate all  
499 performances at the date and time specified on its license. The  
500 department ~~division~~ shall have the authority to approve minor  
501 changes in racing dates after a license has been issued. The  
502 department ~~division~~ may approve changes in racing dates after a  
503 license has been issued when there is no objection from any



504 operating permitholder located within 50 miles of the  
505 permitholder requesting the changes in operating dates. In the  
506 event of an objection, the department ~~division~~ shall approve or  
507 disapprove the change in operating dates based upon the impact  
508 on operating permitholders located within 50 miles of the  
509 permitholder requesting the change in operating dates. In making  
510 the determination to change racing dates, the department  
511 ~~division~~ shall take into consideration the impact of such  
512 changes on state revenues. Notwithstanding any other provision  
513 of law, and for the 2016-2017 fiscal year only, the department  
514 may approve changes in racing dates for greyhound racing  
515 permitholders if the request for such changes is received before  
516 August 31, 2016.

517 (4) ~~If In the event that~~ a permitholder fails to operate  
518 all performances specified on its license at the date and time  
519 specified, the department ~~division~~ shall hold a hearing to  
520 determine whether to fine or suspend the permitholder's license,  
521 unless such failure was the direct result of fire, strike, war,  
522 or other disaster or event beyond the ability of the  
523 permitholder to control. Financial hardship to the permitholder  
524 does shall not, in and of itself, constitute just cause for  
525 failure to operate all performances on the dates and at the  
526 times specified.

527 (5) ~~If In the event that~~ performances licensed to be  
528 operated by a permitholder are vacated, abandoned, or will not  
529 be used for any reason, any permitholder shall be entitled,  
530 pursuant to rules adopted by the department ~~division~~, to apply  
531 to conduct performances on the dates for which the performances  
532 have been abandoned. The department ~~division~~ shall issue an



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533 amended license for all such replacement performances ~~that~~ which  
534 have been requested in compliance with the provisions of this  
535 chapter and department ~~division~~ rules.

536 (6) A summer jai alai permitholder may apply for an  
537 operating license to operate a jai alai fronton only during the  
538 summer season beginning May 1 and ending November 30 of each  
539 year on such dates as may be selected by the permitholder. Such  
540 permitholder is subject to the same taxes, rules, and provisions  
541 of this chapter which apply to the operation of winter jai alai  
542 frontons. A summer jai alai permitholder is not eligible for  
543 licensure to conduct a cardroom or a slot machine facility. A  
544 summer jai alai permitholder and a winter jai alai permitholder  
545 may not operate on the same days or in competition with each  
546 other. This subsection does not prevent a summer jai alai  
547 licensee from leasing the facilities of a winter jai alai  
548 licensee for the operation of a summer meet ~~Any permit which was~~  
549 ~~converted from a jai alai permit to a greyhound permit may be~~  
550 ~~converted to a jai alai permit at any time if the permitholder~~  
551 ~~never conducted greyhound racing or if the permitholder has not~~  
552 ~~conducted greyhound racing for a period of 12 consecutive~~  
553 ~~months.~~

554 Section 7. Section 550.0251, Florida Statutes, is amended  
555 to read:

556 550.0251 The powers and duties of the ~~Division of Pari-~~  
557 ~~mutuel Wagering of the~~ Department of Gaming Business and  
558 Professional Regulation. ~~The~~ department ~~division~~ shall  
559 administer this chapter and regulate the pari-mutuel industry  
560 under this chapter and the rules adopted pursuant thereto, and:

561 (1) The department ~~division~~ shall make an annual report to



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562 the Governor, the President of the Senate, and the Speaker of  
563 the House of Representatives. The report shall include, at a  
564 minimum:

565 (a) Recent events in the gaming industry, including pending  
566 litigation; pending permitholder, facility, cardroom, slot, or  
567 operating license applications; and new and pending rules.

568 (b) Actions of the department relating to the  
569 implementation and administration of this chapter.

570 (c) The state revenues and expenses associated with each  
571 form of authorized gaming. Revenues and expenses associated with  
572 pari-mutuel wagering must be further delineated by the class of  
573 license.

574 (d) The performance of each pari-mutuel wagering licensee,  
575 cardroom licensee, and slot machine licensee.

576 (e) A summary of disciplinary actions taken by the  
577 department.

578 (f) Any suggestions to more effectively achieve ~~showing its~~  
579 ~~own actions, receipts derived under the provisions of this~~  
580 ~~chapter, the practical effects of the application of this~~  
581 ~~chapter, and any suggestions it may approve for the more~~  
582 ~~effectual accomplishments of the purposes of this chapter.~~

583 (2) The department ~~division~~ shall require an oath on  
584 application documents as required by rule, which oath must state  
585 that the information contained in the document is true and  
586 complete.

587 (3) The department ~~division~~ shall adopt reasonable rules  
588 for the control, supervision, and direction of all applicants,  
589 permittees, and licensees and for the holding, conducting, and  
590 operating of all racetracks, race meets, and races held in this



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591 state. Such rules must be uniform in their application and  
592 effect, and the duty of exercising this control and power is  
593 made mandatory upon the department ~~division~~.

594 (4) The department ~~division~~ may take testimony concerning  
595 any matter within its jurisdiction and issue summons and  
596 subpoenas for any witness and subpoenas duces tecum in  
597 connection with any matter within the jurisdiction of the  
598 department ~~division~~ under its seal and signed by the executive  
599 director.

600 (5) The department ~~division~~ may adopt rules establishing  
601 procedures for testing occupational licenseholders officiating  
602 at or participating in any race or game at any pari-mutuel  
603 facility under the jurisdiction of the department ~~division~~ for a  
604 controlled substance or alcohol and may prescribe procedural  
605 matters not in conflict with s. 120.80(19) ~~s. 120.80(4)(a)~~.

606 (6) In addition to the power to exclude certain persons  
607 from any pari-mutuel facility in this state, the department  
608 ~~division~~ may exclude any person from any and all pari-mutuel  
609 facilities in this state for conduct that would constitute, if  
610 the person were a licensee, a violation of this chapter or the  
611 rules of the department ~~division~~. The department ~~division~~ may  
612 exclude from any pari-mutuel facility within this state any  
613 person who has been ejected from a pari-mutuel facility in this  
614 state or who has been excluded from any pari-mutuel facility in  
615 another state by the governmental department, agency,  
616 commission, or authority exercising regulatory jurisdiction over  
617 pari-mutuel facilities in such other state. The department  
618 ~~division~~ may authorize any person who has been ejected or  
619 excluded from pari-mutuel facilities in this state or another



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620 state to attend the pari-mutuel facilities in this state upon a  
621 finding that the attendance of such person at pari-mutuel  
622 facilities would not be adverse to the public interest or to the  
623 integrity of the sport or industry; however, this subsection  
624 does ~~shall~~ not be ~~construed to~~ abrogate the common-law right of  
625 a pari-mutuel permitholder to exclude absolutely a patron in  
626 this state.

627 (7) The department ~~division~~ may oversee the making of, and  
628 distribution from, all pari-mutuel pools.

629 (8) The department may collect taxes and require compliance  
630 with reporting requirements for financial information as  
631 authorized by this chapter. In addition, the ~~secretary of the~~  
632 department may require permitholders conducting pari-mutuel  
633 operations within the state to remit taxes, including fees, by  
634 electronic funds transfer if the taxes and fees amounted to  
635 \$50,000 or more in the prior reporting year.

636 (9) The department ~~division~~ may conduct investigations in  
637 enforcing this chapter, except that all information obtained  
638 pursuant to an investigation by the department ~~division~~ for an  
639 alleged violation of this chapter or rules of the department  
640 ~~division~~ is exempt from s. 119.07(1) and from s. 24(a), Art. I  
641 of the State Constitution until an administrative complaint is  
642 issued or the investigation is closed or ceases to be active.  
643 This subsection does not prohibit the department ~~division~~ from  
644 providing such information to any law enforcement agency or to  
645 any other regulatory agency. For the purposes of this  
646 subsection, an investigation is considered to be active while it  
647 is being conducted with reasonable dispatch and with a  
648 reasonable, good faith belief that it could lead to an



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649 administrative, civil, or criminal action by the department  
650 ~~division~~ or another administrative or law enforcement agency.  
651 Except for active criminal intelligence or criminal  
652 investigative information, as defined in s. 119.011, and any  
653 other information that, if disclosed, would jeopardize the  
654 safety of an individual, all information, records, and  
655 transcriptions become public when the investigation is closed or  
656 ceases to be active.

657 (10) The department ~~division~~ may impose an administrative  
658 fine for a violation under this chapter of not more than \$1,000  
659 for each count or separate offense, except as otherwise provided  
660 in this chapter, and may suspend or revoke a permit, a pari-  
661 mutuel license, or an occupational license for a violation under  
662 this chapter. All fines imposed and collected under this  
663 subsection must be deposited with the Chief Financial Officer to  
664 the credit of the General Revenue Fund.

665 (11) The department ~~division~~ shall supervise and regulate  
666 the welfare of racing animals at pari-mutuel facilities.

667 (12) The department ~~may division shall have full authority~~  
668 ~~and power to make, adopt, amend, or repeal~~ rules relating to  
669 cardroom operations, ~~to~~ enforce and ~~to~~ carry out the provisions  
670 of s. 849.086, and ~~to~~ regulate the authorized cardroom  
671 activities in the state.

672 (13) The department ~~may division shall have the authority~~  
673 ~~to~~ suspend a permit holder's permit or license, if such  
674 permit holder is operating a cardroom facility and such  
675 permit holder's cardroom license has been suspended or revoked  
676 pursuant to s. 849.086.

677 Section 8. Section 550.054, Florida Statutes, is amended to



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678 read:

679 550.054 Application for permit to conduct pari-mutuel  
680 wagering.—

681 (1) Any person who possesses the qualifications prescribed  
682 in this chapter may apply to the department ~~division~~ for a  
683 permit to conduct pari-mutuel operations under this chapter.  
684 Applications for a pari-mutuel permit are exempt from the 90-day  
685 licensing requirement of s. 120.60. Within 120 days after  
686 receipt of a complete application, the department ~~division~~ shall  
687 grant or deny the permit. A completed application that is not  
688 acted upon within 120 days after receipt is deemed approved, and  
689 the department ~~division~~ shall grant the permit.

690 (2) Upon each application filed and approved, a permit  
691 shall be issued to the applicant setting forth the name of the  
692 permitholder, the location of the pari-mutuel facility, the type  
693 of pari-mutuel activity desired to be conducted, and a statement  
694 showing qualifications of the applicant to conduct pari-mutuel  
695 performances under this chapter; however, a permit is  
696 ineffectual to authorize any pari-mutuel performances until  
697 approved by a majority of the electors participating in a  
698 ratification election in the county in which the applicant  
699 proposes to conduct pari-mutuel wagering activities. In  
700 addition, an application may not be considered, nor may a permit  
701 be issued by the department ~~division~~ or be voted upon in any  
702 county, to conduct horseraces, harness horse races, or dograces  
703 at a location within 100 miles of an existing pari-mutuel  
704 facility, or for jai alai within 50 miles of an existing pari-  
705 mutuel facility; this distance shall be measured on a straight  
706 line from the nearest property line of one pari-mutuel facility



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707 to the nearest property line of the other facility.

708 (3) The department ~~division~~ shall require that each  
709 applicant submit an application setting forth:

710 (a) The full name of the applicant.

711 (b) If a corporation, the name of the state in which  
712 incorporated and the names and addresses of the officers,  
713 directors, and shareholders holding 5 percent or more equity or,  
714 if a business entity other than a corporation, the names and  
715 addresses of the principals, partners, or shareholders holding 5  
716 percent or more equity.

717 (c) The names and addresses of the ultimate equitable  
718 owners for a corporation or other business entity, if different  
719 from those provided under paragraph (b), unless the securities  
720 of the corporation or entity are registered pursuant to s. 12 of  
721 the Securities Exchange Act of 1934, 15 U.S.C. ss. 78a-78kk; and  
722 if such corporation or entity files with the United States  
723 Securities and Exchange Commission the reports required by s. 13  
724 of that act or if the securities of the corporation or entity  
725 are regularly traded on an established securities market in the  
726 United States.

727 (d) The exact location where the applicant will conduct  
728 pari-mutuel performances.

729 (e) Whether the pari-mutuel facility is owned or leased  
730 and, if leased, the name and residence of the fee owner or, if a  
731 corporation, the names and addresses of the directors and  
732 stockholders thereof. However, this chapter does not prevent a  
733 person from applying to the department ~~division~~ for a permit to  
734 conduct pari-mutuel operations, regardless of whether the pari-  
735 mutuel facility has been constructed or not, and having an



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736 election held in any county at the same time that elections are  
737 held for the ratification of any permit in that county.

738 (f) A statement of the assets and liabilities of the  
739 applicant.

740 (g) The names and addresses of any mortgagee of any pari-  
741 mutuel facility and any financial agreement between the parties.  
742 The department ~~division~~ may require the names and addresses of  
743 the officers and directors of the mortgagee, and of those  
744 stockholders who hold more than 10 percent of the stock of the  
745 mortgagee.

746 (h) A business plan for the first year of operation.

747 (i) For each individual listed in the application as an  
748 owner, partner, officer, or director, a complete set of  
749 fingerprints that has been taken by an authorized law  
750 enforcement officer. These sets of fingerprints must be  
751 submitted to the Federal Bureau of Investigation for processing.  
752 Applicants who are foreign nationals shall submit such documents  
753 as necessary to allow the department ~~division~~ to conduct  
754 criminal history records checks in the applicant's home country.  
755 The applicant must pay the cost of processing. The department  
756 ~~division~~ may charge a \$2 handling fee for each set of  
757 fingerprint records.

758 (j) The type of pari-mutuel activity to be conducted and  
759 the desired period of operation.

760 (k) Other information the department ~~division~~ requires.

761 (4) The department ~~division~~ shall require each applicant to  
762 deposit with the board of county commissioners of the county in  
763 which the election is to be held, a sufficient sum, in currency  
764 or by check certified by a bank licensed to do business in the



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765 state to pay the expenses of holding the election provided in s.  
766 550.0651.

767 (5) Upon receiving an application and any amendments  
768 properly made thereto, the department ~~division~~ shall further  
769 investigate the matters contained in the application. If the  
770 applicant meets all requirements, conditions, and qualifications  
771 set forth in this chapter and the rules of the department  
772 ~~division~~, the department ~~division~~ shall grant the permit.

773 (6) After initial approval of the permit and the source of  
774 financing, the terms and parties of any subsequent refinancing  
775 must be disclosed by the applicant or the permitholder to the  
776 department ~~division~~.

777 (7) If the department ~~division~~ refuses to grant the permit,  
778 the money deposited with the board of county commissioners for  
779 holding the election must be refunded to the applicant. If the  
780 department ~~division~~ grants the permit applied for, the board of  
781 county commissioners shall order an election in the county to  
782 decide whether the permit will be approved, as provided in s.  
783 550.0651.

784 (8) (a) The department ~~division~~ may charge the applicant for  
785 reasonable, anticipated costs incurred by the department  
786 ~~division~~ in determining the eligibility of any person or entity  
787 specified in s. 550.1815(1) (a) to hold any pari-mutuel permit,  
788 against such person or entity.

789 (b) The department ~~division~~ may, by rule, determine the  
790 manner of paying its anticipated costs associated with  
791 determination of eligibility and the procedure for filing  
792 applications for determination of eligibility.

793 (c) The department ~~division~~ shall furnish to the applicant



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794 an itemized statement of actual costs incurred during the  
795 investigation to determine eligibility.

796 (d) If unused funds remain at the conclusion of such  
797 investigation, they must be returned to the applicant within 60  
798 days after the determination of eligibility has been made.

799 (e) If the actual costs of investigation exceed anticipated  
800 costs, the department ~~division~~ shall assess the applicant the  
801 amount necessary to recover all actual costs.

802 (9) (a) After a permit has been granted by the department  
803 ~~division~~ and has been ratified and approved by the majority of  
804 the electors participating in the election in the county  
805 designated in the permit, the department ~~division~~ shall grant to  
806 the lawful permitholder, subject to the conditions of this  
807 chapter, a license to conduct pari-mutuel operations under this  
808 chapter, and, except as provided in s. 550.5251, the department  
809 ~~division~~ shall fix annually the time, place, and number of days  
810 during which pari-mutuel operations may be conducted by the  
811 permitholder at the location fixed in the permit and ratified in  
812 the election. After the first license has been issued to the  
813 holder of a ratified permit for racing in any county, all  
814 subsequent annual applications for a license by that  
815 permitholder must be accompanied by proof, in such form as the  
816 department ~~division~~ requires, that the ratified permitholder  
817 still possesses all the qualifications prescribed by this  
818 chapter and that the permit has not been recalled at a later  
819 election held in the county.

820 (b) The department ~~division~~ may revoke or suspend any  
821 permit or license issued under this chapter upon a ~~the~~ willful  
822 violation by the permitholder or licensee ~~of any provision~~ of



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823 this chapter or rules of any rule adopted pursuant thereto under  
824 this chapter. With the exception of the revocation of permits  
825 required in paragraphs (c), (d), (f), and (g), In lieu of  
826 suspending or revoking a permit or license, the department  
827 division may, in lieu of suspending or revoking a permit or  
828 license, impose a civil penalty against the permitholder or  
829 licensee for a violation of this chapter or rules adopted  
830 pursuant thereto any rule adopted by the division. The penalty  
831 so imposed may not exceed \$1,000 for each count or separate  
832 offense. All penalties imposed and collected must be deposited  
833 with the Chief Financial Officer to the credit of the General  
834 Revenue Fund.

835 (c) Unless a failure to obtain an operating license and to  
836 operate was the direct result of fire, strike, war, or other  
837 disaster or event beyond the permitholder's control, the  
838 department shall revoke the permit of any permitholder that has  
839 not obtained an operating license in accordance with s.  
840 550.01215 for a period of more than 24 consecutive months after  
841 June 30, 2012. The department shall revoke the permit upon  
842 adequate notice to the permitholder. Financial hardship to the  
843 permitholder does not, in and of itself, constitute just cause  
844 for failure to operate.

845 (d) The department shall revoke the permit of any  
846 permitholder that fails to make payments pursuant to s.  
847 550.0951(5) for more than 24 consecutive months unless such  
848 failure to pay tax on handle was the direct result of fire,  
849 strike, war, or other disaster or event beyond the  
850 permitholder's control. Financial hardship to the permitholder  
851 does not, in and of itself, constitute just cause for failure to



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852 pay tax on handle.

853 (e) Notwithstanding any other provision of law, a new  
854 permit to conduct pari-mutuel wagering may not be approved or  
855 issued after July 1, 2016.

856 (f) A permit revoked under this subsection is void and may  
857 not be reissued.

858 (g) A permitholder may apply to the department to place the  
859 permit into inactive status for a period of 12 months pursuant  
860 to the rules adopted under this chapter. The department, upon  
861 good cause shown by the permitholder, may renew inactive status  
862 for a period of up to 12 months, but a permit may not be in  
863 inactive status for a period of more than 24 consecutive months.  
864  Holders of permits in inactive status are not eligible for  
865 licensure for pari-mutuel wagering, slot machines, or cardrooms.

866 (10) If a permitholder has failed to complete construction  
867 of at least 50 percent of the facilities necessary to conduct  
868 pari-mutuel operations within 12 months after approval by the  
869 voters of the permit, the department ~~division~~ shall revoke the  
870 permit upon adequate notice to the permitholder. However, the  
871 department ~~division~~, upon good cause shown by the permitholder,  
872 may grant one extension of up to 12 months.

873 (11) (a) A permit granted under this chapter may not be  
874 transferred or assigned except upon written approval by the  
875 department ~~division~~ pursuant to s. 550.1815, ~~except that the~~  
876 ~~holder of any permit that has been converted to a jai alai~~  
877 ~~permit may lease or build anywhere within the county in which~~  
878 ~~its permit is located.~~

879 (b) If a permit to conduct pari-mutuel wagering is held by  
880 a corporation or business entity other than an individual, the



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881 transfer of 10 percent or more of the stock or other evidence of  
882 ownership or equity in the permitholder may not be made without  
883 the prior approval of the transferee by the department division  
884 pursuant to s. 550.1815.

885 (12) Changes in ownership or interest of a pari-mutuel  
886 permit of 5 percent or more of the stock or other evidence of  
887 ownership or equity in the permitholder must ~~shall~~ be approved  
888 by the department before division ~~prior to~~ such change, unless  
889 the owner is an existing owner of that permit who was previously  
890 approved by the department division. Changes in ownership or  
891 interest of a pari-mutuel permit of less than 5 percent must  
892 ~~shall~~ be reported to the department division within 20 days of  
893 the change. The department division may then conduct an  
894 investigation to ensure that the permit is properly updated to  
895 show the change in ownership or interest.

896 (13) ~~(a)~~ Notwithstanding any provision ~~provisions~~ of this  
897 chapter or chapter 551, a pari-mutuel ~~no thoroughbred horse~~  
898 ~~racetrack~~ permit or license issued under this chapter or chapter  
899 551 may not ~~shall~~ be transferred, or reissued when such  
900 reissuance is in the nature of a transfer so as to permit or  
901 authorize a licensee to change the location of a pari-mutuel  
902 facility, cardroom, or slot machine facility. ~~thoroughbred horse~~  
903 ~~racetrack except upon proof in such form as the division may~~  
904 ~~prescribe that a referendum election has been held:~~

905 1. ~~If the proposed new location is within the same county~~  
906 ~~as the already licensed location, in the county where the~~  
907 ~~licensee desires to conduct the race meeting and that a majority~~  
908 ~~of the electors voting on that question in such election voted~~  
909 ~~in favor of the transfer of such license.~~



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910 ~~2. If the proposed new location is not within the same~~  
911 ~~county as the already licensed location, in the county where the~~  
912 ~~licensee desires to conduct the race meeting and in the county~~  
913 ~~where the licensee is already licensed to conduct the race~~  
914 ~~meeting and that a majority of the electors voting on that~~  
915 ~~question in each such election voted in favor of the transfer of~~  
916 ~~such license.~~

917 ~~(b) Each referendum held under the provisions of this~~  
918 ~~subsection shall be held in accordance with the electoral~~  
919 ~~procedures for ratification of permits, as provided in s.~~  
920 ~~550.0651. The expense of each such referendum shall be borne by~~  
921 ~~the licensee requesting the transfer.~~

922 ~~(14) (a) Notwithstanding any other provision of law, a pari-~~  
923 ~~mutuel facility, cardroom, or slot machine facility may not be~~  
924 ~~relocated except as provided in paragraph (b), and a pari-mutuel~~  
925 ~~permit may not be converted to another class of permit. Any~~  
926 ~~holder of a permit to conduct jai alai may apply to the division~~  
927 ~~to convert such permit to a permit to conduct greyhound racing~~  
928 ~~in lieu of jai alai if:~~

929 ~~1. Such permit is located in a county in which the division~~  
930 ~~has issued only two pari-mutuel permits pursuant to this~~  
931 ~~section;~~

932 ~~2. Such permit was not previously converted from any other~~  
933 ~~class of permit; and~~

934 ~~3. The holder of the permit has not conducted jai alai~~  
935 ~~games during a period of 10 years immediately preceding his or~~  
936 ~~her application for conversion under this subsection.~~

937 ~~(b) Upon application from the holder of a permit to conduct~~  
938 ~~greyhound racing which was converted from a permit to conduct~~



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939 jai alai pursuant to former s. 550.054(14), Florida Statutes  
940 2014, as created by s. 6, chapter 2009-170, Laws of Florida, the  
941 department may approve the relocation of such permit to another  
942 location within a 30-mile radius of the location fixed in the  
943 permit if the application is received by July 31, 2018, the new  
944 location is within the same county, and the new location is  
945 approved under the zoning regulations of the county or  
946 municipality in which the permit is located ~~The division, upon~~  
947 ~~application from the holder of a jai alai permit meeting all~~  
948 ~~conditions of this section, shall convert the permit and shall~~  
949 ~~issue to the permitholder a permit to conduct greyhound racing.~~  
950 ~~A permitholder of a permit converted under this section shall be~~  
951 ~~required to apply for and conduct a full schedule of live racing~~  
952 ~~each fiscal year to be eligible for any tax credit provided by~~  
953 ~~this chapter. The holder of a permit converted pursuant to this~~  
954 ~~subsection or any holder of a permit to conduct greyhound racing~~  
955 ~~located in a county in which it is the only permit issued~~  
956 ~~pursuant to this section who operates at a leased facility~~  
957 ~~pursuant to s. 550.475 may move the location for which the~~  
958 ~~permit has been issued to another location within a 30-mile~~  
959 ~~radius of the location fixed in the permit issued in that~~  
960 ~~county, provided the move does not cross the county boundary and~~  
961 ~~such location is approved under the zoning regulations of the~~  
962 ~~county or municipality in which the permit is located, and upon~~  
963 ~~such relocation may use the permit for the conduct of pari-~~  
964 ~~mutuel wagering and the operation of a cardroom. The provisions~~  
965 ~~of s. 550.6305(9) (d) and (f) shall apply to any permit converted~~  
966 ~~under this subsection and shall continue to apply to any permit~~  
967 ~~which was previously included under and subject to such~~



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968 ~~provisions before a conversion pursuant to this section~~  
969 ~~occurred.~~

970 Section 9. Section 550.0555, Florida Statutes, is repealed.

971 Section 10. Section 550.0745, Florida Statutes, is  
972 repealed.

973 Section 11. Section 550.0951, Florida Statutes, is amended  
974 to read:

975 550.0951 Payment of daily license fee and taxes;  
976 penalties.—

977 (1)~~(a)~~ DAILY LICENSE FEE.—Each person engaged in the  
978 business of conducting horserace meets ~~race meetings~~ or jai alai  
979 games under this chapter, hereinafter referred to as the  
980 “permitholder,” “licensee,” or “permittee,” shall pay ~~to the~~  
981 ~~division, for the use of the division,~~ a daily license fee on  
982 each live or simulcast pari-mutuel event of \$100 for each  
983 horserace, and \$80 for each greyhound race, ~~dograce~~ and \$40 for  
984 each jai alai game, any of which is conducted at a racetrack or  
985 fronton licensed under this chapter. A ~~In addition to the tax~~  
986 ~~exemption specified in s. 550.09514(1) of \$360,000 or \$500,000~~  
987 ~~per greyhound permitholder per state fiscal year, each greyhound~~  
988 ~~permitholder shall receive in the current state fiscal year a~~  
989 ~~tax credit equal to the number of live greyhound races conducted~~  
990 ~~in the previous state fiscal year times the daily license fee~~  
991 ~~specified for each dograce in this subsection applicable for the~~  
992 ~~previous state fiscal year. This tax credit and the exemption in~~  
993 ~~s. 550.09514(1) shall be applicable to any tax imposed by this~~  
994 ~~chapter or the daily license fees imposed by this chapter except~~  
995 ~~during any charity or scholarship performances conducted~~  
996 ~~pursuant to s. 550.0351. Each horserace permitholder may not be~~



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997 required to shall pay daily license fees in excess of not to  
998 ~~exceed~~ \$500 per day on any simulcast races or games on which  
999 such permitholder accepts wagers, regardless of the number of  
1000 out-of-state events taken or the number of out-of-state  
1001 locations from which such events are taken. This license fee  
1002 shall be deposited with the Chief Financial Officer to the  
1003 credit of the Pari-mutuel Wagering Trust Fund.

1004 ~~(b) Each permitholder that cannot utilize the full amount~~  
1005 ~~of the exemption of \$360,000 or \$500,000 provided in s.~~  
1006 ~~550.09514(1) or the daily license fee credit provided in this~~  
1007 ~~section may, after notifying the division in writing, elect once~~  
1008 ~~per state fiscal year on a form provided by the division to~~  
1009 ~~transfer such exemption or credit or any portion thereof to any~~  
1010 ~~greyhound permitholder which acts as a host track to such~~  
1011 ~~permitholder for the purpose of intertrack wagering. Once an~~  
1012 ~~election to transfer such exemption or credit is filed with the~~  
1013 ~~division, it shall not be rescinded. The division shall~~  
1014 ~~disapprove the transfer when the amount of the exemption or~~  
1015 ~~credit or portion thereof is unavailable to the transferring~~  
1016 ~~permitholder or when the permitholder who is entitled to~~  
1017 ~~transfer the exemption or credit or who is entitled to receive~~  
1018 ~~the exemption or credit owes taxes to the state pursuant to a~~  
1019 ~~deficiency letter or administrative complaint issued by the~~  
1020 ~~division. Upon approval of the transfer by the division, the~~  
1021 ~~transferred tax exemption or credit shall be effective for the~~  
1022 ~~first performance of the next payment period as specified in~~  
1023 ~~subsection (5). The exemption or credit transferred to such host~~  
1024 ~~track may be applied by such host track against any taxes~~  
1025 ~~imposed by this chapter or daily license fees imposed by this~~



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1026 ~~chapter. The greyhound permitholder host track to which such~~  
1027 ~~exemption or credit is transferred shall reimburse such~~  
1028 ~~permitholder the exact monetary value of such transferred~~  
1029 ~~exemption or credit as actually applied against the taxes and~~  
1030 ~~daily license fees of the host track. The division shall ensure~~  
1031 ~~that all transfers of exemption or credit are made in accordance~~  
1032 ~~with this subsection and shall have the authority to adopt rules~~  
1033 ~~to ensure the implementation of this section.~~

1034 (2) ADMISSION TAX.—

1035 (a) An admission tax equal to 15 percent of the admission  
1036 charge for entrance to the permitholder's facility and  
1037 grandstand area, or 10 cents, whichever is greater, is imposed  
1038 on each person attending a horserace, greyhound race ~~dograce~~, or  
1039 jai alai game. The permitholder is ~~shall be~~ responsible for  
1040 collecting the admission tax.

1041 (b) The ~~No~~ admission tax imposed under this chapter and ~~or~~  
1042 chapter 212 may not ~~shall~~ be imposed on any free passes or  
1043 complimentary cards issued to persons for which there is no cost  
1044 to the person for admission to pari-mutuel events.

1045 (c) A permitholder may issue tax-free passes to its  
1046 officers, officials, and employees and to ~~or~~ other persons  
1047 actually engaged in working at the racetrack, including  
1048 accredited media ~~press~~ representatives such as reporters and  
1049 editors, and may also issue tax-free passes to other  
1050 permitholders for the use of their officers and officials. The  
1051 permitholder shall file with the department ~~division~~ a list of  
1052 all persons to whom tax-free passes are issued under this  
1053 paragraph.

1054 (3) TAX ON HANDLE.—Each permitholder shall pay a tax on



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1055 contributions to pari-mutuel pools, the aggregate of which is  
1056 hereinafter referred to as "handle," on races or games conducted  
1057 by the permitholder. The tax is imposed daily and is based on  
1058 the total contributions to all pari-mutuel pools conducted  
1059 during the daily performance. If a permitholder conducts more  
1060 than one performance daily, the tax is imposed on each  
1061 performance separately.

1062 (a) The tax on handle for quarter horse racing is 1.0  
1063 percent of the handle.

1064 (b)1. The tax on handle for greyhound racing ~~dogracing~~ is  
1065 1.28 ~~5.5~~ percent of the handle, ~~except that for live charity~~  
1066 ~~performances held pursuant to s. 550.0351, and for intertrack~~  
1067 ~~wagering on such charity performances at a guest greyhound track~~  
1068 ~~within the market area of the host, the tax is 7.6 percent of~~  
1069 ~~the handle.~~

1070 2. The tax on handle for jai alai is 7.1 percent of the  
1071 handle.

1072 (c)1. The tax on handle for intertrack wagering is:

1073 a. If the host track is a horse track, 2.0 percent of the  
1074 handle.

1075 b. If the host track is a harness horse racetrack track,  
1076 3.3 percent of the handle.

1077 c. If the host track is a greyhound racing harness track,  
1078 1.28 ~~5.5~~ percent of the handle, to be remitted by the guest  
1079 track. ~~if the host track is a dog track, and~~

1080 d. If the host track is a jai alai fronton, 7.1 percent of  
1081 the handle ~~if the host track is a jai alai fronton.~~

1082 e. ~~The tax on handle for intertrack wagering is 0.5~~  
1083 ~~percent~~ If the host track and the guest track are thoroughbred



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1084 racing permitholders or if the guest track is located outside  
1085 the market area of a the host track that is not a greyhound  
1086 racing track and within the market area of a thoroughbred racing  
1087 permitholder currently conducting a live race meet, 0.5 percent  
1088 of the handle.

1089 f. The tax on handle For intertrack wagering on  
1090 rebroadcasts of simulcast thoroughbred horseraces, is 2.4  
1091 percent of the handle and 1.5 percent of the handle for  
1092 intertrack wagering on rebroadcasts of simulcast harness  
1093 horseraces, 1.5 percent of the handle.

1094 2. The tax collected under subparagraph 1. shall be  
1095 deposited into the Pari-mutuel Wagering Trust Fund.

1096 3.2. The tax on handle for intertrack wagers accepted by  
1097 any greyhound racing dog track located in an area of the state  
1098 in which there are only three permitholders, all of which are  
1099 greyhound racing permitholders, located in three contiguous  
1100 counties, from any greyhound racing permitholder also located  
1101 within such area or any greyhound racing dog track or jai alai  
1102 fronton located as specified in s. 550.615(7) s. 550.615(6) or  
1103 (9), on races or games received from any jai alai the same class  
1104 of permitholder located within the same market area is 3.9  
1105 percent of the handle if the host facility is a greyhound racing  
1106 permitholder. and, If the host facility is a jai alai  
1107 permitholder, the tax is rate shall be 6.1 percent of the handle  
1108 until except that it shall be 2.3 percent on handle at such time  
1109 as the total tax on intertrack handle paid to the department  
1110 division by the permitholder during the current state fiscal  
1111 year exceeds the total tax on intertrack handle paid to the  
1112 department division by the permitholder during the 1992-1993



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1113 state fiscal year, in which case the tax is 2.3 percent of the  
1114 handle.

1115 (d) Notwithstanding any other provision of this chapter, in  
1116 order to protect the Florida jai alai industry, effective July  
1117 1, 2000, a jai alai permitholder may not be taxed on live handle  
1118 at a rate higher than 2 percent.

1119 (4) BREAKS TAX.—Effective October 1, 1996, each  
1120 permitholder conducting jai alai performances shall pay a tax  
1121 equal to the breaks. As used in this subsection, the term  
1122 “breaks” means the money that remains in each pari-mutuel pool  
1123 after funds are ~~The “breaks” represents that portion of each~~  
1124 ~~pari-mutuel pool which is not~~ redistributed to the contributors  
1125 and commissions are ~~or~~ withheld by the permitholder as  
1126 ~~commission.~~

1127 (5) VIDEO RACE TERMINALS; TAX AND FEE.—

1128 (a) Each permitholder under this chapter which conducts  
1129 play on video race terminals pursuant to s. 551.1041 shall pay a  
1130 tax equal to 2 percent of the handle from the video race  
1131 terminals located at its facility.

1132 (b) Upon authorization to conduct play on video race  
1133 terminals pursuant to s. 551.1041, and annually thereafter on  
1134 the anniversary date of the authorization, the licensee shall  
1135 pay a \$50,000 fee to the department. The fee shall be deposited  
1136 into the Pari-mutuel Wagering Trust Fund to be used by the  
1137 Department of Gaming and the Department of Law Enforcement for  
1138 regulation of video race, enforcement of video race provisions,  
1139 and related investigations.

1140 (6) ~~(5)~~ PAYMENT AND DISPOSITION OF FEES AND TAXES.—Payments  
1141 imposed by this section shall be paid to the department



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1142 ~~division~~. The department ~~division~~ shall deposit such payments  
1143 ~~these sums~~ with the Chief Financial Officer, to the credit of  
1144 the Pari-mutuel Wagering Trust Fund, hereby established. The  
1145 permitholder shall remit to the department ~~division~~ payment for  
1146 the daily license fee, the admission tax, the tax on handle, and  
1147 the breaks tax. Such payments must ~~shall~~ be remitted by 3 p.m.  
1148 on Wednesday of each week for taxes imposed and collected for  
1149 the preceding week ending on Sunday. Beginning on July 1, 2012,  
1150 such payments must ~~shall~~ be remitted by 3 p.m. on the 5th day of  
1151 each calendar month for taxes imposed and collected for the  
1152 preceding calendar month. If the 5th day of the calendar month  
1153 falls on a weekend, payments must ~~shall~~ be remitted by 3 p.m.  
1154 the first Monday following the weekend. Permitholders shall file  
1155 a report under oath by the 5th day of each calendar month for  
1156 all taxes remitted during the preceding calendar month. Such  
1157 payments must ~~shall~~ be accompanied by a report under oath  
1158 showing the total of all admissions, the pari-mutuel wagering  
1159 activities for the preceding calendar month, and any ~~such~~ other  
1160 information ~~as may be~~ prescribed by the department ~~division~~.

1161 (7) ~~(6)~~ PENALTIES.—

1162 (a) The failure of any permitholder to make payments as  
1163 prescribed in subsection (6) ~~(5)~~ is a violation of this section,  
1164 and the department ~~permitholder~~ ~~may be subjected by the division~~  
1165 may impose ~~to~~ a civil penalty against the permitholder of up to  
1166 \$1,000 for each day the tax payment is not remitted. All  
1167 penalties imposed and collected shall be deposited in the  
1168 General Revenue Fund. If a permitholder fails to pay penalties  
1169 imposed by order of the department ~~division~~ under this  
1170 subsection, the department ~~division~~ may suspend or revoke the



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1171 license of the permitholder, cancel the permit of the  
1172 permitholder, or deny issuance of any further license or permit  
1173 to the permitholder.

1174 (b) In addition to the civil penalty prescribed in  
1175 paragraph (a), any willful or wanton failure by any permitholder  
1176 to make payments of the daily license fee, admission tax, tax on  
1177 handle, or breaks tax constitutes sufficient grounds for the  
1178 department ~~division~~ to suspend or revoke the license of the  
1179 permitholder, to cancel the permit of the permitholder, or to  
1180 deny issuance of any further license or permit to the  
1181 permitholder.

1182 Section 12. Subsections (2) and (3) of section 550.09511,  
1183 Florida Statutes, are amended to read:

1184 550.09511 Jai alai taxes; abandoned interest in a permit  
1185 for nonpayment of taxes.—

1186 (2) Notwithstanding the provisions of s. 550.0951(3)(b),  
1187 wagering on live jai alai performances shall be subject to the  
1188 following taxes:

1189 (a)1. The tax on handle per performance for live jai alai  
1190 performances is 4.25 percent of handle per performance. However,  
1191 when the live handle of a permitholder during the preceding  
1192 state fiscal year was less than \$15 million, the tax shall be  
1193 paid on the handle in excess of \$30,000 per performance per day.

1194 2. The tax rate shall be applicable only until the  
1195 requirements of paragraph (b) are met.

1196 (b) At such time as the total of admissions tax, daily  
1197 license fee, and tax on handle for live jai alai performances  
1198 paid to the department ~~division~~ by a permitholder during the  
1199 current state fiscal year exceeds the total state tax revenues



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1200 from wagering on live jai alai performances paid or due by the  
1201 permitholder in fiscal year 1991-1992, the permitholder shall  
1202 pay tax on handle for live jai alai performances at a rate of  
1203 2.55 percent of the handle per performance for the remainder of  
1204 the current state fiscal year. For purposes of this section,  
1205 total state tax revenues on live jai alai wagering in fiscal  
1206 year 1991-1992 shall include any admissions tax, tax on handle,  
1207 surtaxes on handle, and daily license fees.

1208 (c) If no tax on handle for live jai alai performances were  
1209 paid to the department ~~division~~ by a jai alai permitholder  
1210 during the 1991-1992 state fiscal year, then at such time as the  
1211 total of admissions tax, daily license fee, and tax on handle  
1212 for live jai alai performances paid to the department ~~division~~  
1213 by a permitholder during the current state fiscal year exceeds  
1214 the total state tax revenues from wagering on live jai alai  
1215 performances paid or due by the permitholder in the last state  
1216 fiscal year in which the permitholder conducted a full schedule  
1217 of live games, the permitholder shall pay tax on handle for live  
1218 jai alai performances at a rate of 3.3 percent of the handle per  
1219 performance for the remainder of the current state fiscal year.  
1220 For purposes of this section, total state tax revenues on live  
1221 jai alai wagering shall include any admissions tax, tax on  
1222 handle, surtaxes on handle, and daily license fees. ~~This~~  
1223 ~~paragraph shall take effect July 1, 1993.~~

1224 (d) A permitholder who obtains a new permit issued by the  
1225 department ~~division~~ subsequent to the 1991-1992 state fiscal  
1226 year and a permitholder whose permit has been converted to a jai  
1227 alai permit under the provisions of this chapter, shall, at such  
1228 time as the total of admissions tax, daily license fee, and tax



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1229 on handle for live jai alai performances paid to the department  
1230 ~~division~~ by the permitholder during the current state fiscal  
1231 year exceeds the average total state tax revenues from wagering  
1232 on live jai alai performances for the first 3 consecutive jai  
1233 alai seasons paid to or due the department ~~division~~ by the  
1234 permitholder and during which the permitholder conducted a full  
1235 schedule of live games, pay tax on handle for live jai alai  
1236 performances at a rate of 3.3 percent of the handle per  
1237 performance for the remainder of the current state fiscal year.

1238 (e) The payment of taxes pursuant to paragraphs (b), (c),  
1239 and (d) shall be calculated and commence beginning the day in  
1240 which the permitholder is first entitled to the reduced rate  
1241 specified in this section and the report of taxes required by s.  
1242 550.0951(6) ~~s. 550.0951(5)~~ is submitted to the department  
1243 division.

1244 (f) A jai alai permitholder paying taxes under this section  
1245 shall retain the breaks and pay an amount equal to the breaks as  
1246 special prize awards, which shall be in addition to the regular  
1247 contracted prize money paid to jai alai players at the  
1248 permitholder's facility. Payment of the special prize money  
1249 shall be made during the permitholder's current meet.

1250 (g) For purposes of this section, "handle" has ~~shall have~~  
1251 the same meaning as in s. 550.0951, and does ~~shall~~ not include  
1252 handle from intertrack wagering.

1253 (3) (a) Notwithstanding the provisions of subsection (2) and  
1254 s. 550.0951(3)(c)1., any jai alai permitholder that ~~which~~ is  
1255 restricted under Florida law from operating live performances on  
1256 a year-round basis is entitled to conduct wagering on live  
1257 performances at a tax rate of 3.85 percent of live handle. Such



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1258 permitholder is also entitled to conduct intertrack wagering as  
1259 a host permitholder on live jai alai games at its fronton at a  
1260 tax rate of 3.3 percent of handle at such time as the total tax  
1261 on intertrack handle paid to the department ~~division~~ by the  
1262 permitholder during the current state fiscal year exceeds the  
1263 total tax on intertrack handle paid to the department ~~division~~  
1264 by the permitholder during the 1992-1993 state fiscal year.

1265 (b) The payment of taxes pursuant to paragraph (a) shall be  
1266 calculated and commence beginning the day in which the  
1267 permitholder is first entitled to the reduced rate specified in  
1268 this subsection.

1269 Section 13. Section 550.09512, Florida Statutes, is amended  
1270 to read:

1271 550.09512 Harness horse racing taxes; abandoned interest in  
1272 a permit for nonpayment of taxes.—

1273 (1) Pari-mutuel wagering at harness horse racetracks in  
1274 this state is an important business enterprise, and taxes  
1275 derived therefrom constitute a part of the tax structure which  
1276 funds operation of the state. Harness horse racing permitholders  
1277 should pay their fair share of these taxes to the state. This  
1278 business interest should not be taxed to such an extent as to  
1279 cause any racetrack that ~~which~~ is operated under sound business  
1280 principles to be forced out of business. Due to the need to  
1281 protect the public health, safety, and welfare, the gaming laws  
1282 of the state provide for the harness horse racing industry to be  
1283 highly regulated and taxed. The state recognizes that there  
1284 exist identifiable differences between harness horse racing  
1285 permitholders based upon their ability to operate under such  
1286 regulation and tax system.



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1287 (2) (a) The tax on handle for live harness horse rac  
1288 performances is 0.5 percent of handle per performance.

1289 (b) For purposes of this section, the term "handle" has  
1290 ~~shall have~~ the same meaning as in s. 550.0951, and does ~~shall~~  
1291 not include handle from intertrack wagering.

1292 (3) ~~(a)~~ The department shall revoke the permit of a harness  
1293 horse racing permitholder that ~~who~~ does not pay tax on handle  
1294 for live harness horse racing performances for a full schedule  
1295 of live races for more than 24 consecutive months ~~during any 2~~  
1296 ~~consecutive state fiscal years shall be void and shall escheat~~  
1297 ~~to and become the property of the state unless such failure to~~  
1298 operate and pay tax on handle was the direct result of fire,  
1299 strike, war, or other disaster or event beyond the ability of  
1300 the permitholder to control. Financial hardship to the  
1301 permitholder does ~~shall~~ not, in and of itself, constitute just  
1302 cause for failure to operate and pay tax on handle. A permit  
1303 revoked under this subsection is void and may not be reissued.

1304 ~~(b) In order to maximize the tax revenues to the state, the~~  
1305 ~~division shall reissue an escheated harness horse permit to a~~  
1306 ~~qualified applicant pursuant to the provisions of this chapter~~  
1307 ~~as for the issuance of an initial permit. However, the~~  
1308 ~~provisions of this chapter relating to referendum requirements~~  
1309 ~~for a pari-mutuel permit shall not apply to the reissuance of an~~  
1310 ~~escheated harness horse permit. As specified in the application~~  
1311 ~~and upon approval by the division of an application for the~~  
1312 ~~permit, the new permitholder shall be authorized to operate a~~  
1313 ~~harness horse facility anywhere in the same county in which the~~  
1314 ~~escheated permit was authorized to be operated, notwithstanding~~  
1315 ~~the provisions of s. 550.054(2) relating to mileage limitations.~~



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1316           (4) ~~If In the event that~~ a court of competent jurisdiction  
1317 determines any of the provisions of this section to be  
1318 unconstitutional, it is the intent of the Legislature that the  
1319 provisions contained in this section shall be ~~null and~~ void and  
1320 that the provisions of s. 550.0951 ~~shall~~ apply to all harness  
1321 horse racing permitholders beginning on the date of such  
1322 judicial determination. To this end, the Legislature declares  
1323 that it would not have enacted any of the provisions of this  
1324 section individually and, to that end, expressly finds them not  
1325 to be severable.

1326           Section 14. Section 550.09514, Florida Statutes, is amended  
1327 to read:

1328           550.09514 Greyhound racing ~~dogracing~~ taxes; purse  
1329 requirements.-

1330           ~~(1) Wagering on greyhound racing is subject to a tax on~~  
1331 ~~handle for live greyhound racing as specified in s. 550.0951(3).~~  
1332 ~~However, each permitholder shall pay no tax on handle until such~~  
1333 ~~time as this subsection has resulted in a tax savings per state~~  
1334 ~~fiscal year of \$360,000. Thereafter, each permitholder shall pay~~  
1335 ~~the tax as specified in s. 550.0951(3) on all handle for the~~  
1336 ~~remainder of the permitholder's current race meet. For the three~~  
1337 ~~permitholders that conducted a full schedule of live racing in~~  
1338 ~~1995, and are closest to another state that authorizes greyhound~~  
1339 ~~pari-mutuel wagering, the maximum tax savings per state fiscal~~  
1340 ~~year shall be \$500,000. The provisions of this subsection~~  
1341 ~~relating to tax exemptions shall not apply to any charity or~~  
1342 ~~scholarship performances conducted pursuant to s. 550.0351.~~

1343           (1)~~(2)~~(a) The department ~~division~~ shall determine for each  
1344 greyhound racing permitholder the annual purse percentage rate



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1345 of live handle for the state fiscal year 1993-1994 by dividing  
1346 total purses paid on live handle by the permitholder, exclusive  
1347 of payments made from outside sources, during the 1993-1994  
1348 state fiscal year by the permitholder's live handle for the  
1349 1993-1994 state fiscal year. A greyhound racing ~~Each~~  
1350 permitholder conducting live racing during a fiscal year shall  
1351 pay as purses for such live races conducted during its current  
1352 race meet a percentage of its live handle not less than the  
1353 percentage determined under this paragraph, exclusive of  
1354 payments made by outside sources, for its 1993-1994 state fiscal  
1355 year.

1356 (b) Except as otherwise set forth herein, in addition to  
1357 the minimum purse percentage required by paragraph (a), each  
1358 greyhound racing permitholder conducting live racing during a  
1359 fiscal year shall pay as purses an annual amount of \$60 for each  
1360 live race conducted ~~equal to 75 percent of the daily license~~  
1361 ~~fees paid by the greyhound racing each permitholder in for the~~  
1362 ~~preceding 1994-1995~~ fiscal year. ~~These~~ This ~~purse supplement~~  
1363 ~~shall be disbursed weekly during the permitholder's race meet in~~  
1364 ~~an amount determined by dividing the annual purse supplement by~~  
1365 ~~the number of performances approved for the permitholder~~  
1366 ~~pursuant to its annual license and multiplying that amount by~~  
1367 ~~the number of performances conducted each week. For the~~  
1368 ~~greyhound permitholders in the county where there are two~~  
1369 ~~greyhound permitholders located as specified in s. 550.615(6),~~  
1370 ~~such permitholders shall pay in the aggregate an amount equal to~~  
1371 ~~75 percent of the daily license fees paid by such permitholders~~  
1372 ~~for the 1994-1995 fiscal year. These permitholders shall be~~  
1373 ~~jointly and severally liable for such purse payments. The~~



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1374 ~~additional~~ purses ~~provided by this paragraph~~ must be used  
1375 exclusively for purses other than stakes and must be disbursed  
1376 weekly during the permitholder's race meet. The department  
1377 ~~division~~ shall conduct audits necessary to ensure compliance  
1378 with this section.

1379 (c)1. Each greyhound racing permitholder, l when conducting  
1380 at least three live performances during any week, l shall pay  
1381 purses in that week on wagers it accepts as a guest track on  
1382 intertrack and simulcast greyhound races at the same rate as it  
1383 pays on live races. Each greyhound racing permitholder, l when  
1384 conducting at least three live performances during any week, l  
1385 shall pay purses in that week, at the same rate as it pays on  
1386 live races, on wagers accepted on greyhound races at a guest  
1387 track that ~~which~~ is not conducting live racing and is located  
1388 within the same market area as the greyhound racing permitholder  
1389 conducting at least three live performances during any week.

1390 2. Each host greyhound racing permitholder shall pay purses  
1391 on its simulcast and intertrack broadcasts of greyhound races to  
1392 guest facilities that are located outside its market area in an  
1393 amount equal to one quarter of an amount determined by  
1394 subtracting the transmission costs of sending the simulcast or  
1395 intertrack broadcasts from an amount determined by adding the  
1396 fees received for greyhound simulcast races plus 3 percent of  
1397 the greyhound intertrack handle at guest facilities that are  
1398 located outside the market area of the host and that paid  
1399 contractual fees to the host for such broadcasts of greyhound  
1400 races.

1401 (d) The department ~~division~~ shall require sufficient  
1402 documentation from each greyhound racing permitholder regarding



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1403 purses paid on live racing to assure that the annual purse  
1404 percentage rates paid by each greyhound racing permitholder  
1405 conducting ~~on the~~ live races are not reduced below those paid  
1406 during the 1993-1994 state fiscal year. The department ~~division~~  
1407 shall require sufficient documentation from each greyhound  
1408 racing permitholder to assure that the purses paid by each  
1409 permitholder on the greyhound intertrack and simulcast  
1410 broadcasts are in compliance with the requirements of paragraph  
1411 (c).

1412 (e) In addition to the purse requirements of paragraphs  
1413 (a)-(c), each greyhound racing permitholder conducting live  
1414 races shall pay as purses an amount equal to one-third of the  
1415 amount of the tax reduction on live and simulcast handle  
1416 applicable to such permitholder as a result of the reductions in  
1417 tax rates provided by s. 6, chapter 2000-354, Laws of Florida  
1418 ~~this act through the amendments to s. 550.0951(3)~~. With respect  
1419 to intertrack wagering when the host and guest tracks are  
1420 greyhound racing permitholders not within the same market area,  
1421 an amount equal to the tax reduction applicable to the guest  
1422 track handle as a result of the reduction in tax rate provided  
1423 by s. 6, chapter 2000-354, Laws of Florida, ~~this act through the~~  
1424 ~~amendment to s. 550.0951(3)~~ shall be distributed to the guest  
1425 track, one-third of which amount shall be paid as purses at the  
1426 guest track. However, if the guest track is a greyhound racing  
1427 permitholder within the market area of the host or if the guest  
1428 track is not a greyhound racing permitholder, an amount equal to  
1429 such tax reduction applicable to the guest track handle shall be  
1430 retained by the host track, one-third of which amount shall be  
1431 paid as purses at the host track. These purse funds shall be



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1432 disbursed in the week received if the permitholder conducts at  
1433 least one live performance during that week. If the permitholder  
1434 does not conduct at least one live performance during the week  
1435 in which the purse funds are received, the purse funds shall be  
1436 disbursed weekly during the permitholder's next race meet in an  
1437 amount determined by dividing the purse amount by the number of  
1438 performances approved for the permitholder pursuant to its  
1439 annual license, and multiplying that amount by the number of  
1440 performances conducted each week. The department ~~division~~ shall  
1441 conduct audits necessary to ensure compliance with this  
1442 paragraph.

1443 (f) Each greyhound racing permitholder conducting live  
1444 racing shall, during the permitholder's race meet, supply kennel  
1445 operators and the Department of Gaming ~~Division of Pari-Mutuel~~  
1446 ~~Wagering~~ with a weekly report showing purses paid on live  
1447 greyhound races and all greyhound intertrack and simulcast  
1448 broadcasts, including both as a guest and a host together with  
1449 the handle or commission calculations on which such purses were  
1450 paid and the transmission costs of sending the simulcast or  
1451 intertrack broadcasts, so that the kennel operators may  
1452 determine statutory and contractual compliance.

1453 (g) Each greyhound racing permitholder conducting live  
1454 racing shall make direct payment of purses to the greyhound  
1455 owners who have filed with such permitholder appropriate federal  
1456 taxpayer identification information based on the percentage  
1457 amount agreed upon between the kennel operator and the greyhound  
1458 owner.

1459 (h) At the request of a majority of kennel operators under  
1460 contract with a greyhound racing permitholder conducting live



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1461 racing, the permitholder shall make deductions from purses paid  
1462 to each kennel operator electing such deduction and shall make a  
1463 direct payment of such deductions to the local association of  
1464 greyhound kennel operators formed by a majority of kennel  
1465 operators under contract with the permitholder. The amount of  
1466 the deduction shall be at least 1 percent of purses, as  
1467 determined by the local association of greyhound kennel  
1468 operators. ~~No~~ Deductions may not be taken pursuant to this  
1469 paragraph without a kennel operator's specific approval before  
1470 or after the effective date of this act.

1471 (2)~~(3)~~ For the purpose of this section, the term "live  
1472 handle" means the handle from wagers placed at the  
1473 permitholder's establishment on the live greyhound races  
1474 conducted at the permitholder's establishment.

1475 Section 15. Section 550.09515, Florida Statutes, is amended  
1476 to read:

1477 550.09515 Thoroughbred racing ~~horse~~ taxes; abandoned  
1478 interest in a permit for nonpayment of taxes.—

1479 (1) Pari-mutuel wagering at thoroughbred horse racetracks  
1480 in this state is an important business enterprise, and taxes  
1481 derived therefrom constitute a part of the tax structure which  
1482 funds operation of the state. Thoroughbred horse permitholders  
1483 should pay their fair share of these taxes to the state. This  
1484 business interest should not be taxed to such an extent as to  
1485 cause any racetrack which is operated under sound business  
1486 principles to be forced out of business. Due to the need to  
1487 protect the public health, safety, and welfare, the gaming laws  
1488 of the state provide for the thoroughbred horse industry to be  
1489 highly regulated and taxed. The state recognizes that there



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1490 exist identifiable differences between thoroughbred horse  
1491 permitholders based upon their ability to operate under such  
1492 regulation and tax system and at different periods during the  
1493 year.

1494 (2) (a) The tax on handle for live thoroughbred horserace  
1495 performances shall be 0.5 percent.

1496 (b) For purposes of this section, the term "handle" shall  
1497 have the same meaning as in s. 550.0951, and shall not include  
1498 handle from intertrack wagering.

1499 (3) ~~(a)~~ The department shall revoke the permit of a  
1500 thoroughbred racing horse permitholder that ~~who~~ does not pay tax  
1501 on handle for live thoroughbred horse performances for a full  
1502 schedule of live races for more than 24 consecutive months  
1503 ~~during any 2 consecutive state fiscal years shall be void and~~  
1504 ~~shall escheat to and become the property of the state unless~~  
1505 such failure to operate and pay tax on handle was the direct  
1506 result of fire, strike, war, or other disaster or event beyond  
1507 the ability of the permitholder to control. Financial hardship  
1508 to the permitholder does ~~shall~~ not, in and of itself, constitute  
1509 just cause for failure to operate and pay tax on handle. A  
1510 permit revoked under this subsection is void and may not be  
1511 reissued.

1512 ~~(b) In order to maximize the tax revenues to the state, the~~  
1513 ~~division shall reissue an escheated thoroughbred horse permit to~~  
1514 ~~a qualified applicant pursuant to the provisions of this chapter~~  
1515 ~~as for the issuance of an initial permit. However, the~~  
1516 ~~provisions of this chapter relating to referendum requirements~~  
1517 ~~for a pari-mutuel permit shall not apply to the reissuance of an~~  
1518 ~~escheated thoroughbred horse permit. As specified in the~~



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1519 ~~application and upon approval by the division of an application~~  
1520 ~~for the permit, the new permit holder shall be authorized to~~  
1521 ~~operate a thoroughbred horse facility anywhere in the same~~  
1522 ~~county in which the escheated permit was authorized to be~~  
1523 ~~operated, notwithstanding the provisions of s. 550.054(2)~~  
1524 ~~relating to mileage limitations.~~

1525 (4) In the event that a court of competent jurisdiction  
1526 determines any of the provisions of this section to be  
1527 unconstitutional, it is the intent of the Legislature that the  
1528 provisions contained in this section shall be null and void and  
1529 that the provisions of s. 550.0951 shall apply to all  
1530 thoroughbred horse permit holders beginning on the date of such  
1531 judicial determination. To this end, the Legislature declares  
1532 that it would not have enacted any of the provisions of this  
1533 section individually and, to that end, expressly finds them not  
1534 to be severable.

1535 (5) Notwithstanding the provisions of s. 550.0951(3)(c),  
1536 the tax on handle for intertrack wagering on rebroadcasts of  
1537 simulcast horseraces is 2.4 percent of the handle; provided  
1538 however, that if the guest track is a thoroughbred track located  
1539 more than 35 miles from the host track, the host track shall pay  
1540 a tax of .5 percent of the handle, and additionally the host  
1541 track shall pay to the guest track 1.9 percent of the handle to  
1542 be used by the guest track solely for purses. The tax shall be  
1543 deposited into the Pari-mutuel Wagering Trust Fund.

1544 (6) A credit equal to the amount of contributions made by a  
1545 thoroughbred racing permit holder during the taxable year  
1546 directly to the Jockeys' Guild or its health and welfare fund to  
1547 be used to provide health and welfare benefits for active,



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1548 disabled, and retired Florida jockeys and their dependents  
1549 pursuant to reasonable rules of eligibility established by the  
1550 Jockeys' Guild is allowed against taxes on live handle due for a  
1551 taxable year under this section. A thoroughbred racing  
1552 permitholder may not receive a credit greater than an amount  
1553 equal to 1 percent of its paid taxes for the previous taxable  
1554 year.

1555 (7) If a thoroughbred racing permitholder fails to operate  
1556 all performances on its 2001-2002 license, failure to pay tax on  
1557 handle for a full schedule of live races for those performances  
1558 in the 2001-2002 fiscal year does not constitute failure to pay  
1559 taxes on handle for a full schedule of live races in a fiscal  
1560 year for the purposes of subsection (3). This subsection may not  
1561 be construed as forgiving a thoroughbred racing permitholder  
1562 from paying taxes on performances conducted at its facility  
1563 pursuant to its 2001-2002 license other than for failure to  
1564 operate all performances on its 2001-2002 license. This  
1565 subsection expires July 1, 2003.

1566 Section 16. Section 550.1625, Florida Statutes, is amended  
1567 to read:

1568 550.1625 Greyhound racing ~~dogracing~~; taxes.—

1569 (1) The operation of a greyhound racing ~~dog~~ track and  
1570 legalized pari-mutuel betting at greyhound racing ~~dog~~ tracks in  
1571 this state is a privilege and is an operation that requires  
1572 strict supervision and regulation in the best interests of the  
1573 state. Pari-mutuel wagering at greyhound racing ~~dog~~ tracks in  
1574 this state is a substantial business, and taxes derived  
1575 therefrom constitute part of the tax structures of the state and  
1576 the counties. The operators of greyhound racing ~~dog~~ tracks



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1577 should pay their fair share of taxes to the state; at the same  
1578 time, this substantial business interest should not be taxed to  
1579 such an extent as to cause a track that is operated under sound  
1580 business principles to be forced out of business.

1581 (2) A permitholder that conducts a greyhound race ~~dog race~~  
1582 meet under this chapter must pay the daily license fee, the  
1583 admission tax, ~~the breaks tax,~~ and the tax on pari-mutuel handle  
1584 as provided in s. 550.0951 and is subject to all penalties and  
1585 sanctions provided in s. 550.0951(7) ~~s. 550.0951(6)~~.

1586 Section 17. Section 550.1647, Florida Statutes, is  
1587 repealed.

1588 Section 18. Section 550.1648, Florida Statutes, is amended  
1589 to read:

1590 550.1648 Greyhound adoptions.—

1591 ~~(1) A greyhound racing~~ Each dog racing permitholder that  
1592 conducts live racing at ~~operating~~ a greyhound racing ~~dog racing~~  
1593 facility in this state shall provide for a greyhound adoption  
1594 booth to be located at the facility.

1595 (1) (a) The greyhound adoption booth must be operated on  
1596 weekends by personnel or volunteers from a bona fide  
1597 organization that promotes or encourages the adoption of  
1598 greyhounds ~~pursuant to s. 550.1647.~~ Such bona fide organization,  
1599 as a condition of adoption, must provide sterilization of  
1600 greyhounds by a licensed veterinarian before relinquishing  
1601 custody of the greyhound to the adopter. The fee for  
1602 sterilization may be included in the cost of adoption. As used  
1603 in this section, the term "weekend" includes the hours during  
1604 which live greyhound racing is conducted on Friday, Saturday, or  
1605 Sunday, and the term "bona fide organization that promotes or



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1606 encourages the adoption of greyhounds” means an organization  
1607 that provides evidence of compliance with chapter 496 and  
1608 possesses a valid exemption from federal taxation issued by the  
1609 Internal Revenue Service. Information pamphlets and application  
1610 forms shall be provided to the public upon request.

1611 (b) In addition, The kennel operator or owner shall notify  
1612 the permitholder that a greyhound is available for adoption and  
1613 the permitholder shall provide information concerning the  
1614 adoption of a greyhound in each race program and shall post  
1615 adoption information at conspicuous locations throughout the  
1616 greyhound racing ~~degrading~~ facility. Any greyhound that is  
1617 participating in a race and that will be available for future  
1618 adoption must be noted in the race program. The permitholder  
1619 shall allow greyhounds to be walked through the track facility  
1620 to publicize the greyhound adoption program.

1621 (2) In addition to the charity days authorized under s.  
1622 550.0351, a greyhound racing permitholder may fund the greyhound  
1623 adoption program by holding a charity racing day designated as  
1624 “Greyhound Adopt-A-Pet Day.” All profits derived from the  
1625 operation of the charity day must be placed into a fund used to  
1626 support activities at the racing facility which promote the  
1627 adoption of greyhounds. The department ~~division~~ may adopt rules  
1628 for administering the fund. ~~Proceeds from the charity day~~  
1629 ~~authorized in this subsection may not be used as a source of~~  
1630 ~~funds for the purposes set forth in s. 550.1647.~~

1631 (3) (a) Upon a violation of this section by a permitholder  
1632 or licensee, the department ~~division~~ may impose a penalty as  
1633 provided in s. 550.0251(10) and require the permitholder to take  
1634 corrective action.



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1635 (b) A penalty imposed under s. 550.0251(10) does not  
1636 exclude a prosecution for cruelty to animals or for any other  
1637 criminal act.

1638 Section 19. Section 550.1751, Florida Statutes, is created  
1639 to read:

1640 550.1751 Reduction in the number of pari-mutuel permits.-

1641 (1) As used in this section, the term:

1642 (a) "Active pari-mutuel permit" means a pari-mutuel permit  
1643 that is actively used for the conduct of pari-mutuel racing or  
1644 jai alai and under which the permitholder is operating all  
1645 performances at the dates and times specified on its operating  
1646 license.

1647 (b) "Bidder for an additional slot machine license" means a  
1648 person who submits a bid or intends to submit a bid for an  
1649 additional slot machine license in Miami-Dade County or Palm  
1650 Beach County, as provided in s. 551.1041.

1651 (2) A pari-mutuel permitholder may enter into an agreement  
1652 for the sale and transfer of an active pari-mutuel permit to a  
1653 bidder for an additional slot machine license. An active pari-  
1654 mutuel permit sold and transferred to the highest bidder under  
1655 the process in s. 551.1041 must be surrendered to the department  
1656 and voided.

1657 Section 20. Section 550.1752, Florida Statutes, is created  
1658 to read:

1659 550.1752 Permit reduction program.-

1660 (1) The permit reduction program is created in the  
1661 Department of Gaming for the purpose of purchasing and  
1662 cancelling active pari-mutuel permits. The program shall be  
1663 funded from revenue share payments made by the Seminole Tribe of



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1664 Florida under the compact ratified by s. 285.710(3) and received  
1665 by the state after October 31, 2015. Compact payments payable  
1666 for the program shall be calculated on a monthly basis until  
1667 such time as the department determines that sufficient funds are  
1668 available to fund the program. The total funding allocated to  
1669 the program may not exceed \$20 million.

1670 (2) The department shall purchase pari-mutuel permits from  
1671 pari-mutuel permit holders when sufficient moneys are available  
1672 for such purchases. A pari-mutuel permit holder may not submit an  
1673 offer to sell a permit unless it is actively conducting pari-  
1674 mutuel racing or jai alai as required by law and satisfies all  
1675 applicable requirements for the permit. The department shall  
1676 adopt by rule the form to be used by a pari-mutuel permit holder  
1677 for an offer to sell a permit and shall establish a schedule for  
1678 the consideration of offers.

1679 (3) The department shall establish the value of a pari-  
1680 mutuel permit based upon the valuation of one or more  
1681 independent appraisers selected by the department. The valuation  
1682 of a permit must be based on the permit's fair market value and  
1683 may not include the value of the real estate or personal  
1684 property. The department may establish a value for the permit  
1685 that is lower than the amount determined by an independent  
1686 appraiser but may not establish a higher value.

1687 (4) The department must accept the offer or offers that  
1688 best utilize available funding; however, the department may also  
1689 accept the offers that it determines are most likely to reduce  
1690 the incidence of gaming in this state.

1691 (5) The department shall cancel any permit purchased under  
1692 this section.



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1693           (6) This section shall expire on July 1, 2018, unless  
1694 reenacted by the Legislature.

1695           Section 21. Section 550.2416, Florida Statutes, is created  
1696 to read:

1697           550.2416 Reporting of racing greyhound injuries.-

1698           (1) An injury to a racing greyhound which occurs while the  
1699 greyhound is located in this state must be reported on a form  
1700 adopted by the department within 7 days after the date on which  
1701 the injury occurred or is believed to have occurred. The  
1702 department may adopt rules defining the term "injury."

1703           (2) The form shall be completed and signed under oath or  
1704 affirmation by the:

1705           (a) Racetrack veterinarian or director of racing, if the  
1706 injury occurred at the racetrack facility; or

1707           (b) Owner, trainer, or kennel operator who had knowledge of  
1708 the injury, if the injury occurred at a location other than the  
1709 racetrack facility, including during transportation.

1710           (3) The department may fine, suspend, or revoke the license  
1711 of any individual who knowingly violates this section.

1712           (4) The form must include the following:

1713           (a) The greyhound's registered name, right-ear and left-ear  
1714 tattoo numbers, and, if any, the microchip manufacturer and  
1715 number.

1716           (b) The name, business address, and telephone number of the  
1717 greyhound owner, the trainer, and the kennel operator.

1718           (c) The color, weight, and sex of the greyhound.

1719           (d) The specific type and bodily location of the injury,  
1720 the cause of the injury, and the estimated recovery time from  
1721 the injury.



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1722       (e) If the injury occurred when the greyhound was racing:  
1723       1. The racetrack where the injury occurred;  
1724       2. The distance, grade, race, and post position of the  
1725 greyhound when the injury occurred; and  
1726       3. The weather conditions, time, and track conditions when  
1727 the injury occurred.  
1728       (f) If the injury occurred when the greyhound was not  
1729 racing:  
1730       1. The location where the injury occurred, including, but  
1731 not limited to, a kennel, a training facility, or a  
1732 transportation vehicle; and  
1733       2. The circumstances surrounding the injury.  
1734       (g) Other information that the department determines is  
1735 necessary to identify injuries to racing greyhounds in this  
1736 state.  
1737       (5) An injury form created pursuant to this section must be  
1738 maintained as a public record by the department for at least 7  
1739 years after the date it was received.  
1740       (6) A licensee of the department who knowingly makes a  
1741 false statement concerning an injury or fails to report an  
1742 injury is subject to disciplinary action under this chapter or  
1743 chapters 455 and 474.  
1744       (7) This section does not apply to injuries to a service  
1745 animal, personal pet, or greyhound that has been adopted as a  
1746 pet.  
1747       (8) The department shall adopt rules to implement this  
1748 section.  
1749       Section 22. Subsections (1) and (3) of section 550.26165,  
1750 Florida Statutes, are amended to read:



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1751           550.26165 Breeders' awards.-  
1752           (1) The purpose of this section is to encourage the  
1753 agricultural activity of breeding and training racehorses in  
1754 this state. Moneys dedicated in this chapter for use as  
1755 breeders' awards and stallion awards are to be used for awards  
1756 to breeders of registered Florida-bred horses winning horseraces  
1757 and for similar awards to the owners of stallions who sired  
1758 Florida-bred horses winning stakes races, if the stallions are  
1759 registered as Florida stallions standing in this state. Such  
1760 awards shall be given at a uniform rate to all winners of the  
1761 awards, may ~~shall~~ not be greater than 20 percent of the  
1762 announced gross purse, and may ~~shall~~ not be less than 15 percent  
1763 of the announced gross purse if funds are available. In  
1764 addition, at least ~~no less than~~ 17 percent, but not ~~not~~ more  
1765 than 40 percent, as determined by the Florida Thoroughbred  
1766 Breeders' Association, of the moneys dedicated in this chapter  
1767 for use as breeders' awards and stallion awards for  
1768 thoroughbreds shall be returned pro rata to the permitholders  
1769 that generated the moneys for special racing awards to be  
1770 distributed by the permitholders to owners of thoroughbred  
1771 horses participating in prescribed thoroughbred stakes races,  
1772 nonstakes races, or both, all in accordance with a written  
1773 agreement establishing the rate, procedure, and eligibility  
1774 requirements for such awards entered into by the permitholder,  
1775 the Florida Thoroughbred Breeders' Association, and the Florida  
1776 Horsemen's Benevolent and Protective Association, Inc., except  
1777 that the plan for the distribution by any permitholder located  
1778 in the area described in s. 550.615(7) ~~s. 550.615(9)~~ shall be  
1779 agreed upon by that permitholder, the Florida Thoroughbred



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1780 Breeders' Association, and the association representing a  
1781 majority of the thoroughbred racehorse owners and trainers at  
1782 that location. Awards for thoroughbred races are to be paid  
1783 through the Florida Thoroughbred Breeders' Association, and  
1784 awards for standardbred races are to be paid through the Florida  
1785 Standardbred Breeders and Owners Association. Among other  
1786 sources specified in this chapter, moneys for thoroughbred  
1787 breeders' awards will come from the 0.955 percent of handle for  
1788 thoroughbred races conducted, received, broadcast, or simulcast  
1789 under this chapter as provided in s. 550.2625(3). The moneys for  
1790 quarter horse and harness breeders' awards will come from the  
1791 breaks and uncashed tickets on live quarter horse and harness  
1792 horse racing performances and 1 percent of handle on intertrack  
1793 wagering. The funds for these breeders' awards shall be paid to  
1794 the respective breeders' associations by the permitholders  
1795 conducting the races.

1796 (3) Breeders' associations shall submit their plans to the  
1797 department ~~division~~ at least 60 days before the beginning of the  
1798 payment year. The payment year may be a calendar year or any 12-  
1799 month period, but once established, the yearly base may not be  
1800 changed except for compelling reasons. Once a plan is approved,  
1801 the department ~~division~~ may not allow the plan to be amended  
1802 during the year, except for the most compelling reasons.

1803 Section 23. Section 550.3345, Florida Statutes, is amended  
1804 to read:

1805 550.3345 ~~Conversion of quarter horse permit to a~~ Limited  
1806 thoroughbred racing permit.—

1807 (1) In recognition of the important and long-standing  
1808 economic contribution of the thoroughbred horse breeding



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1809 industry to this state and the state's vested interest in  
1810 promoting the continued viability of this agricultural activity,  
1811 the state intends to provide a limited opportunity for the  
1812 conduct of live thoroughbred horse racing with the net revenues  
1813 from such racing dedicated to the enhancement of thoroughbred  
1814 purses and breeders', stallion, and special racing awards under  
1815 this chapter; the general promotion of the thoroughbred horse  
1816 breeding industry; and the care in this state of thoroughbred  
1817 horses retired from racing.

1818       (2) A limited thoroughbred racing permit previously  
1819 converted from ~~Notwithstanding any other provision of law, the~~  
1820 ~~holder of a quarter horse racing permit pursuant to chapter~~  
1821 2010-29, Laws of Florida, issued under s. 550.334 may only be  
1822 held by, within 1 year after the effective date of this section,  
1823 ~~apply to the division for a transfer of the quarter horse racing~~  
1824 ~~permit to~~ a not-for-profit corporation formed under state law to  
1825 serve the purposes of the state as provided in subsection (1).  
1826 The board of directors of the not-for-profit corporation must be  
1827 composed ~~comprised~~ of 11 members, 4 of whom shall be designated  
1828 by the applicant, 4 of whom shall be designated by the Florida  
1829 Thoroughbred Breeders' Association, and 3 of whom shall be  
1830 designated by the other 8 directors, with at least 1 of these 3  
1831 members being an authorized representative of another  
1832 thoroughbred racing permitholder in this state. A limited  
1833 thoroughbred racing ~~The not-for-profit corporation shall submit~~  
1834 ~~an application to the division for review and approval of the~~  
1835 ~~transfer in accordance with s. 550.054. Upon approval of the~~  
1836 ~~transfer by the division, and notwithstanding any other~~  
1837 ~~provision of law to the contrary, the not-for-profit corporation~~



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1838 ~~may, within 1 year after its receipt of the permit, request that~~  
1839 ~~the division convert the quarter horse racing permit to a permit~~  
1840 ~~authorizing the holder to conduct pari-mutuel wagering meets of~~  
1841 ~~thoroughbred racing. Neither the transfer of the quarter horse~~  
1842 ~~racing permit nor its conversion to a limited thoroughbred~~  
1843 ~~permit shall be subject to the mileage limitation or the~~  
1844 ~~ratification election as set forth under s. 550.054(2) or s.~~  
1845 ~~550.0651. Upon receipt of the request for such conversion, the~~  
1846 ~~division shall timely issue a converted permit. The converted~~  
1847 ~~permit and the not-for-profit corporation are shall be subject~~  
1848 ~~to the following requirements:~~

1849       (a) All net revenues derived by the not-for-profit  
1850 corporation under the thoroughbred ~~horse~~ racing permit, after  
1851 the funding of operating expenses and capital improvements,  
1852 shall be dedicated to the enhancement of thoroughbred purses and  
1853 breeders', stallion, and special racing awards under this  
1854 chapter; the general promotion of the thoroughbred horse  
1855 breeding industry; and the care in this state of thoroughbred  
1856 horses retired from racing.

1857       (b) From December 1 through April 30, ~~no~~ live thoroughbred  
1858 racing may not be conducted under the permit on any day during  
1859 which another thoroughbred racing permitholder is conducting  
1860 live thoroughbred racing within 125 air miles of the not-for-  
1861 profit corporation's pari-mutuel facility unless the other  
1862 thoroughbred racing permitholder gives its written consent.

1863       (c) After ~~the conversion of the quarter horse racing permit~~  
1864 ~~and~~ the issuance of its initial license to conduct pari-mutuel  
1865 wagering meets of thoroughbred racing, the not-for-profit  
1866 corporation shall annually apply to the department ~~division~~ for



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1867 a license pursuant to s. 550.5251.

1868 (d) Racing under the permit may take place only at the  
1869 location for which the original quarter horse racing permit was  
1870 issued, which may be leased by the not-for-profit corporation  
1871 for that purpose; ~~however, the not-for-profit corporation may,~~  
1872 ~~without the conduct of any ratification election pursuant to s.~~  
1873 ~~550.054(13) or s. 550.0651, move the location of the permit to~~  
1874 ~~another location in the same county provided that such~~  
1875 ~~relocation is approved under the zoning and land use regulations~~  
1876 ~~of the applicable county or municipality.~~

1877 (e) A limited thoroughbred racing ~~no~~ permit may not be  
1878 transferred ~~converted under this section is eligible for~~  
1879 ~~transfer~~ to another person or entity.

1880 (3) Unless otherwise provided in this section, ~~after~~  
1881 ~~conversion,~~ the permit and the not-for-profit corporation shall  
1882 be treated under the laws of this state as a thoroughbred racing  
1883 permit and as a thoroughbred racing permitholder, respectively,  
1884 with the exception of ss. 550.054(9)(c) and (d) and s.  
1885 550.09515(3).

1886 Section 24. Subsections (6), (10), and (13) of section  
1887 550.3551, Florida Statutes, are amended to read:

1888 550.3551 Transmission of racing and jai alai information;  
1889 commingling of pari-mutuel pools.-

1890 (6) (a) ~~A maximum of 20 percent of the total number of races~~  
1891 ~~on which wagers are accepted by a greyhound permitholder not~~  
1892 ~~located as specified in s. 550.615(6) may be received from~~  
1893 ~~locations outside this state. A permitholder may not conduct~~  
1894 ~~fewer than eight live races or games on any authorized race day~~  
1895 ~~except as provided in this subsection. A thoroughbred racing~~



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1896 permitholder may not conduct fewer than eight live races on any  
1897 race day without the written approval of the Florida  
1898 Thoroughbred Breeders' Association and the Florida Horsemen's  
1899 Benevolent and Protective Association, Inc., unless it is  
1900 determined by the department that another entity represents a  
1901 majority of the thoroughbred racehorse owners and trainers in  
1902 the state. A harness horse racing permitholder may conduct fewer  
1903 than eight live races on any authorized race day, except that  
1904 such permitholder must conduct a full schedule of live racing  
1905 during its race meet consisting of at least eight live races per  
1906 authorized race day for at least 100 days. ~~Any harness horse~~  
1907 ~~permitholder that during the preceding racing season conducted a~~  
1908 ~~full schedule of live racing may, at any time during its current~~  
1909 ~~race meet, receive full-card broadcasts of harness horse races~~  
1910 ~~conducted at harness racetracks outside this state at the~~  
1911 ~~harness track of the permitholder and accept wagers on such~~  
1912 ~~harness races.~~ With specific authorization from the department  
1913 ~~division~~ for special racing events, a permitholder may conduct  
1914 fewer than eight live races or games when the permitholder also  
1915 broadcasts out-of-state races or games. The department ~~division~~  
1916 may not grant more than two such exceptions a year for a  
1917 permitholder in any 12-month period, and those two exceptions  
1918 may not be consecutive.

1919 (b) Notwithstanding any other provision of this chapter,  
1920 any harness horse racing permitholder accepting broadcasts of  
1921 out-of-state harness horse races when such permitholder is not  
1922 conducting live races must make the out-of-state signal  
1923 available to all permitholders eligible to conduct intertrack  
1924 wagering and shall pay to guest tracks located as specified in



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1925 ~~s. ss. 550.615(6) and 550.6305(9)~~ (d) 50 percent of the net  
1926 proceeds after taxes and fees to the out-of-state host track on  
1927 harness horse race wagers which they accept. A harness horse  
1928 racing permitholder shall be required to pay into its purse  
1929 account 50 percent of the net income retained by the  
1930 permitholder on account of wagering on the out-of-state  
1931 broadcasts received pursuant to this subsection. Nine-tenths of  
1932 a percent of all harness horse race wagering proceeds on the  
1933 broadcasts received pursuant to this subsection shall be paid to  
1934 the Florida Standardbred Breeders and Owners Association under  
1935 the provisions of s. 550.2625(4) for the purposes provided  
1936 therein.

1937 (10) The department ~~division~~ may adopt rules necessary to  
1938 facilitate commingling of pari-mutuel pools, to ensure the  
1939 proper calculation of payoffs in circumstances in which  
1940 different commission percentages are applicable and to regulate  
1941 the distribution of net proceeds between the horse track and, in  
1942 this state, the horsemen's associations.

1943 (13) This section does not prohibit the commingling of  
1944 national pari-mutuel pools by a totalisator company that is  
1945 licensed under this chapter. Such commingling of national pools  
1946 is subject to department ~~division~~ review and approval and must  
1947 be performed pursuant to ~~in accordance with~~ rules adopted by the  
1948 department ~~division~~ to ensure accurate calculation and  
1949 distribution of the pools.

1950 Section 25. Subsections (2), (3), and (4) of section  
1951 550.375, Florida Statutes, are amended to read:

1952 550.375 Operation of certain harness tracks.—

1953 (2) Any permittee or licensee authorized under this section



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1954 to transfer the location of its permit may conduct harness  
1955 racing only between the hours of 7 p.m. and 2 a.m. A permit so  
1956 transferred applies only to the locations provided in this  
1957 section. The provisions of this chapter which prohibit the  
1958 location and operation of a licensed harness track permittee and  
1959 licensee within 100 air miles of the location of a racetrack  
1960 authorized to conduct racing under this chapter and which  
1961 prohibit the department ~~division~~ from granting any permit to a  
1962 harness track at a location in the area in which there are three  
1963 horse tracks located within 100 air miles thereof do not apply  
1964 to a licensed harness track that is required by the terms of  
1965 this section to race between the hours of 7 p.m. and 2 a.m.

1966 (3) A permit may not be issued by the department ~~division~~  
1967 for the operation of a harness track within 75 air miles of a  
1968 location of a harness track licensed and operating under this  
1969 chapter.

1970 (4) The permitholder conducting a harness horse race meet  
1971 must pay the daily license fee, the admission tax, the tax on  
1972 breaks, and the tax on pari-mutuel handle provided in s.  
1973 550.0951 and is subject to all penalties and sanctions provided  
1974 in s. 550.0951(7) ~~s. 550.0951(6)~~.

1975 Section 26. Subsections (2), (4), (6), and (7) of section  
1976 550.615, Florida Statutes, are amended, present subsections (8),  
1977 (9), and (10) of that section are redesignated as subsections  
1978 (6), (7), and (8), respectively, and amended, and a new  
1979 subsection (9) is added to that section, to read:

1980 550.615 Intertrack wagering.—

1981 (2) A ~~Any~~ track or fronton licensed under this chapter  
1982 which conducted a full schedule of live racing or games in the



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1983 preceding year and any greyhound racing permitholder that  
1984 conducted a full schedule of live racing for a period of at  
1985 least 10 consecutive state fiscal years after the 1996-1997  
1986 state fiscal year or that converted its permit to a permit to  
1987 conduct greyhound racing after that fiscal year is qualified to,  
1988 at any time, receive broadcasts of any class of pari-mutuel race  
1989 or game and accept wagers on such races or games conducted by  
1990 any class of permitholders licensed under this chapter.

1991 (4) An ~~In no event shall any~~ intertrack wager may not be  
1992 accepted on the same class of live races or games of any  
1993 permitholder without the written consent of such operating  
1994 permitholders conducting the same class of live races or games  
1995 if the guest track is within the market area of such operating  
1996 permitholder. A greyhound racing permitholder licensed under  
1997 this chapter which accepts intertrack wagers on live greyhound  
1998 signals is not required to obtain the written consent required  
1999 by this subsection from any operating greyhound racing  
2000 permitholder within its market area.

2001 ~~(6) Notwithstanding the provisions of subsection (3), in~~  
2002 ~~any area of the state where there are three or more horserace~~  
2003 ~~permitholders within 25 miles of each other, intertrack wagering~~  
2004 ~~between permitholders in said area of the state shall only be~~  
2005 ~~authorized under the following conditions: Any permitholder,~~  
2006 ~~other than a thoroughbred permitholder, may accept intertrack~~  
2007 ~~wagers on races or games conducted live by a permitholder of the~~  
2008 ~~same class or any harness permitholder located within such area~~  
2009 ~~and any harness permitholder may accept wagers on games~~  
2010 ~~conducted live by any jai alai permitholder located within its~~  
2011 ~~market area and from a jai alai permitholder located within the~~



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2012 ~~area specified in this subsection when no jai alai permitholder~~  
2013 ~~located within its market area is conducting live jai alai~~  
2014 ~~performances; any greyhound or jai alai permitholder may receive~~  
2015 ~~broadcasts of and accept wagers on any permitholder of the other~~  
2016 ~~class provided that a permitholder, other than the host track,~~  
2017 ~~of such other class is not operating a contemporaneous live~~  
2018 ~~performance within the market area.~~

2019 ~~(7) In any county of the state where there are only two~~  
2020 ~~permits, one for dogracing and one for jai alai, no intertrack~~  
2021 ~~wager may be taken during the period of time when a permitholder~~  
2022 ~~is not licensed to conduct live races or games without the~~  
2023 ~~written consent of the other permitholder that is conducting~~  
2024 ~~live races or games. However, if neither permitholder is~~  
2025 ~~conducting live races or games, either permitholder may accept~~  
2026 ~~intertrack wagers on horseraces or on the same class of races or~~  
2027 ~~games, or on both horseraces and the same class of races or~~  
2028 ~~games as is authorized by its permit.~~

2029 ~~(6)-(8) In any three contiguous counties of the state where~~  
2030 ~~there are only three permitholders, all of which are greyhound~~  
2031 ~~racing permitholders, if a greyhound racing any permitholder~~  
2032 ~~leases the facility of another greyhound racing permitholder for~~  
2033 ~~the purpose of conducting all or any portion of ~~the conduct of~~~~  
2034 ~~its live race meet pursuant to s. 550.475, such lessee may~~  
2035 ~~conduct intertrack wagering at its pre-lease permitted facility~~  
2036 ~~throughout the entire year, including while its live race meet~~  
2037 ~~is being conducted at the leased facility, ~~if such permitholder~~~~  
2038 ~~has conducted a full schedule of live racing during the~~  
2039 ~~preceding fiscal year at its pre-lease permitted facility or at~~  
2040 ~~a leased facility, or combination thereof.~~



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2041            ~~(7)-(9)~~ In any two contiguous counties of the state in which  
2042 there are located only four active permits, one for thoroughbred  
2043 horse racing, two for greyhound racing ~~dogracing~~, and one for  
2044 jai alai games, an ~~no~~ intertrack wager may not be accepted on  
2045 the same class of live races or games of any permitholder  
2046 without the written consent of such operating permitholders  
2047 conducting the same class of live races or games if the guest  
2048 track is within the market area of such operating permitholder.

2049            ~~(8)-(10)~~ All costs of receiving the transmission of the  
2050 broadcasts shall be borne by the guest track; and all costs of  
2051 sending the broadcasts shall be borne by the host track.

2052            (9) A greyhound racing permitholder, as provided in  
2053 subsection (2), operating pursuant to a current year's operating  
2054 license that specifies no live performances or less than a full  
2055 schedule of live performances is qualified to:

2056            (a) Receive broadcasts at any time of any class of pari-  
2057 mutuel race or game and accept wagers on such races or games  
2058 conducted by any class of permitholder licensed under this  
2059 chapter; and

2060            (b) Accept wagers on live races conducted at out-of-state  
2061 greyhound tracks only on the days when such permitholder  
2062 receives all live races that any greyhound host track in this  
2063 state makes available.

2064            Section 27. Subsection (5) and paragraphs (d), (f), and (g)  
2065 of subsection (9) of section 550.6305, Florida Statutes, are  
2066 amended to read:

2067            550.6305 Intertrack wagering; guest track payments;  
2068 accounting rules.-

2069            (5) The department ~~division~~ shall adopt rules providing an



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2070 expedient accounting procedure for the transfer of the pari-  
2071 mutuel pool in order to properly account for payment of state  
2072 taxes, payment to the guest track, payment to the host track,  
2073 payment of purses, payment to breeders' associations, payment to  
2074 horsemen's associations, and payment to the public.

2075 (9) A host track that has contracted with an out-of-state  
2076 horse track to broadcast live races conducted at such out-of-  
2077 state horse track pursuant to s. 550.3551(5) may broadcast such  
2078 out-of-state races to any guest track and accept wagers thereon  
2079 in the same manner as is provided in s. 550.3551.

2080 (d) Any permitholder located in any area of the state where  
2081 there are only two permits, one for greyhound racing ~~degrading~~  
2082 and one for jai alai, and any permitholder that converted its  
2083 permit to conduct jai alai to a permit to conduct greyhound  
2084 racing in lieu of jai alai under s. 550.054(14), Florida  
2085 Statutes 2014, as created by s. 6, chapter 2009-170, Laws of  
2086 Florida, may accept wagers on rebroadcasts of out-of-state  
2087 thoroughbred horse races from an in-state thoroughbred ~~horse~~  
2088 racing permitholder and is shall not be subject to the  
2089 provisions of paragraph (b) if such thoroughbred ~~horse~~ racing  
2090 permitholder located within the area specified in this paragraph  
2091 is both conducting live races and accepting wagers on out-of-  
2092 state horseraces. In such case, the guest permitholder is shall  
2093 ~~be~~ entitled to 45 percent of the net proceeds on wagers accepted  
2094 at the guest facility. The remaining proceeds shall be  
2095 distributed as follows: one-half shall be retained by the host  
2096 facility and one-half shall be paid by the host facility as  
2097 purses at the host facility.

2098 (f) Any permitholder located in any area of the state where



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2099 there are only two permits, one for greyhound racing ~~degrading~~  
2100 and one for jai alai, and any permitholder that converted its  
2101 permit to conduct jai alai to a permit to conduct greyhound  
2102 racing in lieu of jai alai under s. 550.054(14), Florida  
2103 Statutes 2014, as created by s. 6, chapter 2009-170, Laws of  
2104 Florida, may accept wagers on rebroadcasts of out-of-state  
2105 harness horse races from an in-state harness horse racing  
2106 permitholder and may ~~shall~~ not be subject to ~~the provisions of~~  
2107 paragraph (b) if such harness horse racing permitholder located  
2108 within the area specified in this paragraph is conducting live  
2109 races. In such case, the guest permitholder is ~~shall be~~ entitled  
2110 to 45 percent of the net proceeds on wagers accepted at the  
2111 guest facility. The remaining proceeds shall be distributed as  
2112 follows: one-half shall be retained by the host facility and  
2113 one-half shall be paid by the host facility as purses at the  
2114 host facility.

2115 (g)1.a. Any thoroughbred racing permitholder that ~~which~~  
2116 accepts wagers on a simulcast signal must make the signal  
2117 available to any permitholder that is eligible to conduct  
2118 intertrack wagering under the provisions of ss. 550.615-  
2119 550.6345.

2120 ~~b.2.~~ Any thoroughbred racing permitholder that ~~which~~  
2121 accepts wagers on a simulcast signal received after 6 p.m. must  
2122 make such signal available to any permitholder that is eligible  
2123 to conduct intertrack wagering under the provisions of ss.  
2124 550.615-550.6345, ~~including any permitholder located as~~  
2125 ~~specified in s. 550.615(6).~~ Such guest permitholders are  
2126 authorized to accept wagers on such simulcast signal,  
2127 notwithstanding any other provision of this chapter to the



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2128 contrary.

2129 ~~c.3.~~ Any thoroughbred racing permitholder that ~~which~~  
2130 accepts wagers on a simulcast signal received after 6 p.m. must  
2131 make such signal available to any permitholder that is eligible  
2132 to conduct intertrack wagering under ~~the provisions of ss.~~  
2133 ~~550.615-550.6345, including any permitholder located as~~  
2134 ~~specified in s. 550.615(9).~~ Such guest permitholders are  
2135 authorized to accept wagers on such simulcast signals for a  
2136 number of performances not to exceed that which constitutes a  
2137 full schedule of live races for a quarter horse racing  
2138 permitholder pursuant to s. 550.002(10) ~~s. 550.002(11)~~,  
2139 notwithstanding any other provision of this chapter to the  
2140 contrary, ~~except that the restrictions provided in s.~~  
2141 ~~550.615(9) (a) apply to wagers on such simulcast signals.~~

2142 2. A ~~No~~ thoroughbred racing permitholder is not ~~shall be~~  
2143 required to continue to rebroadcast a simulcast signal to any  
2144 in-state permitholder if the average per performance gross  
2145 receipts returned to the host permitholder over the preceding  
2146 30-day period were less than \$100. Subject to the provisions of  
2147 s. 550.615(4), as a condition of receiving rebroadcasts of  
2148 thoroughbred simulcast signals under this paragraph, a guest  
2149 permitholder must accept intertrack wagers on all live races  
2150 conducted by all then-operating thoroughbred racing  
2151 permitholders.

2152 Section 28. Section 550.6308, Florida Statutes, is amended  
2153 to read:

2154 550.6308 Limited intertrack wagering license.—In  
2155 recognition of the economic importance of the thoroughbred  
2156 breeding industry to this state, its positive impact on tourism,



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2157 and of the importance of a permanent thoroughbred sales facility  
2158 as a key focal point for the activities of the industry, a  
2159 limited license to conduct intertrack wagering is established to  
2160 ensure the continued viability and public interest in  
2161 thoroughbred breeding in Florida.

2162 (1) (a) Upon application to the department ~~division~~ on or  
2163 before January 31 of each year, any person that is licensed to  
2164 conduct public sales of thoroughbred horses pursuant to s.  
2165 535.01 and, that has conducted at least 8 ~~15~~ days of  
2166 thoroughbred horse sales at a permanent sales facility in this  
2167 state for at least 3 consecutive years, ~~and that has conducted~~  
2168 ~~at least 1 day of nonwagering thoroughbred racing in this state,~~  
2169 ~~with a purse structure of at least \$250,000 per year for 2~~  
2170 ~~consecutive years before such application,~~ shall be issued a  
2171 license, subject to the conditions set forth in this section, to  
2172 conduct intertrack wagering at such a permanent sales facility  
2173 during the following periods:

2174 1. (a) Up to 21 days in connection with thoroughbred sales;

2175 2. (b) Between November 1 and May 8;

2176 3. (c) Between May 9 and October 31 at such times and on  
2177 such days as any thoroughbred racing, jai alai, or a greyhound  
2178 racing permitholder in the same county is not conducting live  
2179 performances; provided that any such permitholder may waive this  
2180 requirement, in whole or in part, and allow the licensee under  
2181 this section to conduct intertrack wagering during one or more  
2182 of the permitholder's live performances; and

2183 4. (d) During the weekend of the Kentucky Derby, the  
2184 Preakness, the Belmont, and a Breeders' Cup Meet that is  
2185 conducted before November 1 and after May 8.



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2186           **(b)** ~~Only No more than~~ one such license may be issued, and  
2187 ~~the no such~~ license may not be issued for a facility located  
2188 within 50 miles of any for-profit thoroughbred racing  
2189 permitholder's licensed track.

2190           (2) If more than one application is submitted for such  
2191 license, the department ~~division~~ shall determine which applicant  
2192 shall be granted the license. In making its determination, the  
2193 department ~~division~~ shall grant the license to the applicant  
2194 demonstrating superior capabilities, as measured by the length  
2195 of time the applicant has been conducting thoroughbred sales  
2196 within this state or elsewhere, the applicant's total volume of  
2197 thoroughbred horse sales, within this state or elsewhere, the  
2198 length of time the applicant has maintained a permanent  
2199 thoroughbred sales facility in this state, and the quality of  
2200 the facility.

2201           (3) The applicant must comply with the provisions of ss.  
2202 550.125 and 550.1815.

2203           ~~(4) Intertrack wagering under this section may be conducted~~  
2204 ~~only on thoroughbred horse racing, except that intertrack~~  
2205 ~~wagering may be conducted on any class of pari-mutuel race or~~  
2206 ~~game conducted by any class of permitholders licensed under this~~  
2207 ~~chapter if all thoroughbred, jai alai, and greyhound~~  
2208 ~~permitholders in the same county as the licensee under this~~  
2209 ~~section give their consent.~~

2210           **(4)**~~(5)~~ The licensee shall be considered a guest track under  
2211 this chapter. The licensee shall pay 2.5 percent of the total  
2212 contributions to the daily pari-mutuel pool on wagers accepted  
2213 at the licensee's facility on greyhound races or jai alai games  
2214 to the thoroughbred racing permitholder that is conducting live



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2215 races for purses to be paid during its current racing meet. If  
2216 more than one thoroughbred racing permitholder is conducting  
2217 live races on a day during which the licensee is conducting  
2218 intertrack wagering on greyhound races or jai alai games, the  
2219 licensee shall allocate these funds between the operating  
2220 thoroughbred racing permitholders on a pro rata basis based on  
2221 the total live handle at the operating permitholders'  
2222 facilities.

2223 Section 29. Section 551.101, Florida Statutes, is amended  
2224 to read:

2225 551.101 Slot machine gaming authorized.—Possession of slot  
2226 machines and conduct of slot machine gaming is authorized only  
2227 at licensed facilities eligible pursuant to this chapter Any  
2228 ~~licensed pari-mutuel facility located in Miami-Dade County or~~  
2229 ~~Broward County existing at the time of adoption of s. 23, Art. X~~  
2230 ~~of the State Constitution that has conducted live racing or~~  
2231 ~~games during calendar years 2002 and 2003 may possess slot~~  
2232 ~~machines and conduct slot machine gaming at the location where~~  
2233 ~~the pari-mutuel permitholder is authorized to conduct pari-~~  
2234 ~~mutuel wagering activities pursuant to such permitholder's valid~~  
2235 ~~pari-mutuel permit provided that a majority of voters in a~~  
2236 ~~countywide referendum have approved slot machines at such~~  
2237 ~~facility in the respective county. Notwithstanding any other~~  
2238 ~~provision of law, it is not a crime for a person to participate~~  
2239 in slot machine gaming at a pari-mutuel facility licensed to  
2240 possess slot machines and conduct slot machine gaming or to  
2241 participate in slot machine gaming described in this chapter.

2242 Section 30. Present subsection (1) of section 551.102,  
2243 Florida Statutes, is redesignated as subsection (3), a new



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2244 subsection (1) is added to that section, and present subsection  
2245 (3) and subsections (4), (10), and (11) of that section are  
2246 amended, to read:

2247 551.102 Definitions.—As used in this chapter, the term:

2248 (1) "Department" means the Department of Gaming.

2249 ~~(3) "Division" means the Division of Pari-mutuel Wagering  
2250 of the Department of Business and Professional Regulation.~~

2251 (4) "Eligible facility" means a any licensed pari-mutuel  
2252 facility that meets the requirements of ss. 551.104 and 551.1041  
2253 ~~located in Miami-Dade County or Broward County existing at the~~  
2254 ~~time of adoption of s. 23, Art. X of the State Constitution that~~  
2255 ~~has conducted live racing or games during calendar years 2002~~  
2256 ~~and 2003 and has been approved by a majority of voters in a~~  
2257 ~~countywide referendum to have slot machines at such facility in~~  
2258 ~~the respective county; any licensed pari-mutuel facility located~~  
2259 ~~within a county as defined in s. 125.011, provided such facility~~  
2260 ~~has conducted live racing for 2 consecutive calendar years~~  
2261 ~~immediately preceding its application for a slot machine~~  
2262 ~~license, pays the required license fee, and meets the other~~  
2263 ~~requirements of this chapter; or any licensed pari-mutuel~~  
2264 ~~facility in any other county in which a majority of voters have~~  
2265 ~~approved slot machines at such facilities in a countywide~~  
2266 ~~referendum held pursuant to a statutory or constitutional~~  
2267 ~~authorization after the effective date of this section in the~~  
2268 ~~respective county, provided such facility has conducted a full~~  
2269 ~~schedule of live racing for 2 consecutive calendar years~~  
2270 ~~immediately preceding its application for a slot machine~~  
2271 license, pays the required license licensed fee, and meets the  
2272 other requirements of this chapter.



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2273           (10) "Slot machine license" means a license issued by the  
2274 department ~~division~~ authorizing a pari-mutuel permitholder to  
2275 place and operate slot machines as provided by s. 23, Art. X of  
2276 the State Constitution, the provisions of this chapter, and  
2277 department ~~division~~ rules.

2278           (11) "Slot machine licensee" means a pari-mutuel  
2279 permitholder that ~~who~~ holds a license issued by the department  
2280 ~~division~~ pursuant to this chapter which ~~that~~ authorizes the  
2281 licensee ~~such person~~ to possess a slot machine within facilities  
2282 as provided in this chapter ~~specified in s. 23, Art. X of the~~  
2283 ~~State Constitution~~ and allows slot machine gaming.

2284           Section 31. Section 551.104, Florida Statutes, is amended  
2285 to read:

2286           551.104 License to conduct slot machine gaming.—

2287           (1) Upon application and a finding by the department  
2288 ~~division~~ after investigation that the application is complete  
2289 and the applicant is qualified and payment of the initial  
2290 license fee, the department ~~division~~ may issue a license to  
2291 conduct slot machine gaming in the designated slot machine  
2292 gaming area of the eligible facility. Once licensed, slot  
2293 machine gaming may be conducted subject to the requirements of  
2294 this chapter and rules adopted pursuant thereto.

2295           (2) If it is determined that the application would not  
2296 trigger a reduction in revenue-sharing payments under the Gaming  
2297 Compact between the Seminole Tribe of Florida and the State of  
2298 Florida, an application may be approved by the department, ~~but~~  
2299 ~~division~~ only for:

2300           (a) A licensed pari-mutuel facility where live racing or  
2301 games were conducted during calendar years 2002 and 2003 which



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2302 is located in Miami-Dade County or Broward County and is  
2303 authorized for slot machine licensure pursuant to s. 23, Art. X  
2304 of the State Constitution.

2305 (b) A licensed pari-mutuel facility where a full schedule  
2306 of live horseracing has been conducted for 2 consecutive  
2307 calendar years immediately preceding its application for a slot  
2308 machine license and which is located within a county as defined  
2309 in s. 125.011.

2310 (c) A licensed pari-mutuel facility authorized under s.  
2311 551.1041 after the voters of the county where the applicant's  
2312 facility is located have authorized by referendum slot machines  
2313 within pari-mutuel facilities in that county as specified in s.  
2314 23, Art. X of the State Constitution.

2315 (3) A slot machine license may be issued only to a licensed  
2316 pari-mutuel permitholder, and slot machine gaming may be  
2317 conducted only at the eligible facility at which the  
2318 permitholder is authorized under its valid pari-mutuel wagering  
2319 permit to conduct pari-mutuel wagering activities.

2320 (4) As a condition of licensure and to maintain continued  
2321 authority for the conduct of slot machine gaming, the slot  
2322 machine licensee shall:

2323 (a) Continue to be in compliance with this chapter.

2324 (b) Continue to be in compliance with chapter 550, where  
2325 applicable, and maintain the pari-mutuel permit and license in  
2326 good standing pursuant to the provisions of chapter 550.

2327 ~~Notwithstanding any contrary provision of law and in order to~~  
2328 ~~expedite the operation of slot machines at eligible facilities,~~  
2329 ~~any eligible facility shall be entitled within 60 days after the~~  
2330 ~~effective date of this act to amend its 2006-2007 pari-mutuel~~



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2331 ~~wagering operating license issued by the division under ss.~~  
2332 ~~550.0115 and 550.01215. The division shall issue a new license~~  
2333 ~~to the eligible facility to effectuate any approved change.~~

2334 (c) Conduct ~~no fewer than~~ a full schedule of live racing or  
2335 games as defined in s. 550.002(11), excluding any. ~~A~~  
2336 ~~permitholder's responsibility to conduct such number of live~~  
2337 ~~races or games shall be reduced by the number of races or games~~  
2338 ~~that could not be conducted as a due to the direct result of~~  
2339 ~~fire, war, hurricane, or other disaster or event beyond the~~  
2340 ~~control of the permitholder. This paragraph does not apply to a~~  
2341 ~~greyhound racing permitholder that conducted a full schedule of~~  
2342 ~~live racing for a period of at least 10 consecutive state fiscal~~  
2343 ~~years after the 2002-2003 state fiscal year or to a thoroughbred~~  
2344 ~~racing permitholder that holds a slot machine license if it has~~  
2345 ~~entered into an agreement with another thoroughbred racing~~  
2346 ~~permitholder to conduct its race meet at the other thoroughbred~~  
2347 ~~racing permitholder's facility.~~

2348 (d) Upon approval of any changes relating to the pari-  
2349 mutuel permit by the department ~~division~~, be responsible for  
2350 providing appropriate current and accurate documentation on a  
2351 timely basis to the department ~~division~~ in order to continue the  
2352 slot machine license in good standing. Changes in ownership or  
2353 interest of a slot machine license of 5 percent or more of the  
2354 stock or other evidence of ownership or equity in the slot  
2355 machine license or any parent corporation or other business  
2356 entity that in any way owns or controls the slot machine license  
2357 shall be approved by the department ~~division~~ prior to such  
2358 change, unless the owner is an existing holder of that license  
2359 who was previously approved by the department ~~division~~. Changes



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2360 in ownership or interest of a slot machine license of less than  
2361 5 percent, unless such change results in a cumulative total of 5  
2362 percent or more, shall be reported to the department ~~division~~  
2363 within 20 days after the change. The department ~~division~~ may  
2364 then conduct an investigation to ensure that the license is  
2365 properly updated to show the change in ownership or interest. No  
2366 reporting is required if the person is holding 5 percent or less  
2367 equity or securities of a corporate owner of the slot machine  
2368 licensee that has its securities registered pursuant to s. 12 of  
2369 the Securities Exchange Act of 1934, 15 U.S.C. ss. 78a-78kk, and  
2370 if such corporation or entity files with the United States  
2371 Securities and Exchange Commission the reports required by s. 13  
2372 of that act or if the securities of the corporation or entity  
2373 are regularly traded on an established securities market in the  
2374 United States. A change in ownership or interest of less than 5  
2375 percent which results in a cumulative ownership or interest of 5  
2376 percent or more must ~~shall~~ be approved by the department ~~before~~  
2377 ~~division prior to~~ such change unless the owner is an existing  
2378 holder of the license who was previously approved by the  
2379 department ~~division~~.

2380 (e) Allow the department ~~division~~ and the Department of Law  
2381 Enforcement unrestricted access to and right of inspection of  
2382 facilities of a slot machine licensee in which any activity  
2383 relative to the conduct of slot machine gaming is conducted.

2384 (f) Ensure that the facilities-based computer system that  
2385 the licensee will use for operational and accounting functions  
2386 of the slot machine facility is specifically structured to  
2387 facilitate regulatory oversight. The facilities-based computer  
2388 system shall be designed to provide the department ~~division~~ and



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2389 the Department of Law Enforcement with the ability to monitor,  
2390 at any time on a real-time basis, the wagering patterns,  
2391 payouts, tax collection, and such other operations as necessary  
2392 to determine whether the facility is in compliance with  
2393 statutory provisions and rules adopted by the department  
2394 ~~division~~ for the regulation and control of slot machine gaming.  
2395 The department ~~division~~ and the Department of Law Enforcement  
2396 shall have complete and continuous access to this system. Such  
2397 access shall include the ability of ~~either~~ the department  
2398 ~~division~~ or the Department of Law Enforcement to suspend play  
2399 immediately on particular slot machines if monitoring of the  
2400 system indicates possible tampering or manipulation of those  
2401 slot machines or the ability to suspend play immediately of the  
2402 entire operation if the tampering or manipulation is of the  
2403 computer system itself. The computer system shall be reviewed  
2404 and approved by the department ~~division~~ to ensure necessary  
2405 access, security, and functionality. The department ~~division~~ may  
2406 adopt rules to provide for the approval process.

2407 (g) Ensure that each slot machine is protected from  
2408 manipulation or tampering to affect the random probabilities of  
2409 winning plays. The department ~~division~~ or the Department of Law  
2410 Enforcement may ~~shall have the authority to~~ suspend play upon  
2411 reasonable suspicion of any manipulation or tampering. When play  
2412 has been suspended on any slot machine, the department ~~division~~  
2413 or the Department of Law Enforcement may examine any slot  
2414 machine to determine whether the machine has been tampered with  
2415 or manipulated and whether the machine should be returned to  
2416 operation.

2417 (h) Submit a security plan, including the facilities' floor



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2418 plan, the locations of security cameras, and a listing of all  
2419 security equipment that is capable of observing and  
2420 electronically recording activities being conducted in the  
2421 facilities of the slot machine licensee. The security plan must  
2422 meet the minimum security requirements as determined by the  
2423 department ~~division~~ under s. 551.103(1)(i) and be implemented  
2424 prior to operation of slot machine gaming. The slot machine  
2425 licensee's facilities must adhere to the security plan at all  
2426 times. Any changes to the security plan must be submitted by the  
2427 licensee to the department ~~before division~~ ~~prior to~~  
2428 implementation. The department ~~division~~ shall furnish copies of  
2429 the security plan and changes in the plan to the Department of  
2430 Law Enforcement.

2431 (i) Create and file with the department ~~division~~ a written  
2432 policy for:

2433 1. Creating opportunities to purchase from vendors in this  
2434 state, including minority vendors.

2435 2. Creating opportunities for employment of residents of  
2436 this state, including minority residents.

2437 3. Ensuring opportunities for construction services from  
2438 minority contractors.

2439 4. Ensuring that opportunities for employment are offered  
2440 on an equal, nondiscriminatory basis.

2441 5. Training for employees on responsible gaming and working  
2442 with a compulsive or addictive gambling prevention program to  
2443 further its purposes as provided for in s. 551.118.

2444 6. The implementation of a drug-testing program that  
2445 includes, but is not limited to, requiring each employee to sign  
2446 an agreement that he or she understands that the slot machine



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2447 facility is a drug-free workplace.

2448

2449 The slot machine licensee shall use the Internet-based job-  
2450 listing system of the Department of Economic Opportunity in  
2451 advertising employment opportunities. ~~Beginning in June 2007,~~

2452 Each slot machine licensee shall provide an annual report to the  
2453 department ~~division~~ containing information indicating compliance  
2454 with this paragraph in regard to minority persons.

2455 (j) Ensure that the payout percentage of a slot machine  
2456 gaming facility is at least 85 percent.

2457 (5) A slot machine license is not transferable.

2458 (6) A slot machine licensee shall keep and maintain  
2459 permanent daily records of its slot machine operation and shall  
2460 maintain such records for a period of not less than 5 years.  
2461 These records must include all financial transactions and  
2462 contain sufficient detail to determine compliance with the  
2463 requirements of this chapter. All records shall be available for  
2464 audit and inspection by the department ~~division~~, the Department  
2465 of Law Enforcement, or other law enforcement agencies during the  
2466 licensee's regular business hours.

2467 (7) A slot machine licensee shall file with the department  
2468 ~~division~~ a monthly report containing the required records of  
2469 such slot machine operation. The required reports shall be  
2470 submitted on forms prescribed by the department ~~division~~ and  
2471 shall be due at the same time as the monthly pari-mutuel reports  
2472 are due to the department ~~division~~, and the reports shall be  
2473 deemed public records once filed.

2474 (8) A slot machine licensee shall file with the department  
2475 ~~division~~ an audit of the receipt and distribution of all slot



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2476 machine revenues provided by an independent certified public  
2477 accountant verifying compliance with all financial and auditing  
2478 provisions of this chapter and the associated rules adopted  
2479 under this chapter. The audit must include verification of  
2480 compliance with all statutes and rules regarding all required  
2481 records of slot machine operations. Such audit shall be filed  
2482 within 60 days after the completion of the permit holder's pari-  
2483 mutuel meet.

2484 (9) The department ~~division~~ may share any information with  
2485 the Department of Law Enforcement, any other law enforcement  
2486 agency having jurisdiction over slot machine gaming or pari-  
2487 mutuel activities, or any other state or federal law enforcement  
2488 agency the department ~~division~~ or the Department of Law  
2489 Enforcement deems appropriate. Any law enforcement agency having  
2490 jurisdiction over slot machine gaming or pari-mutuel activities  
2491 may share any information obtained or developed by it with the  
2492 department ~~division~~.

2493 (10) (a) 1. No slot machine license or renewal thereof shall  
2494 be issued to an applicant holding a permit under chapter 550 to  
2495 conduct pari-mutuel wagering meets of thoroughbred racing unless  
2496 the applicant has on file with the department ~~division~~ a binding  
2497 written agreement between the applicant and the Florida  
2498 Horsemen's Benevolent and Protective Association, Inc.,  
2499 governing the payment of purses on live thoroughbred races  
2500 conducted at the licensee's pari-mutuel facility. In addition,  
2501 no slot machine license or renewal thereof shall be issued to  
2502 such an applicant unless the applicant has on file with the  
2503 department ~~division~~ a binding written agreement between the  
2504 applicant and the Florida Thoroughbred Breeders' Association,



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2505 Inc., governing the payment of breeders', stallion, and special  
2506 racing awards on live thoroughbred races conducted at the  
2507 licensee's pari-mutuel facility. The agreement governing purses  
2508 and the agreement governing awards may direct the payment of  
2509 such purses and awards from revenues generated by any wagering  
2510 or gaming the applicant is authorized to conduct under Florida  
2511 law. All purses and awards shall be subject to the terms of  
2512 chapter 550. All sums for breeders', stallion, and special  
2513 racing awards shall be remitted monthly to the Florida  
2514 Thoroughbred Breeders' Association, Inc., for the payment of  
2515 awards subject to the administrative fee authorized in s.  
2516 550.2625(3).

2517 2. No slot machine license or renewal thereof shall be  
2518 issued to an applicant holding a permit under chapter 550 to  
2519 conduct pari-mutuel wagering meets of quarter horse racing  
2520 unless the applicant has on file with the department ~~division~~ a  
2521 binding written agreement between the applicant and the Florida  
2522 Quarter Horse Racing Association or the association representing  
2523 a majority of the horse owners and trainers at the applicant's  
2524 eligible facility, governing the payment of purses on live  
2525 quarter horse races conducted at the licensee's pari-mutuel  
2526 facility. The agreement governing purses may direct the payment  
2527 of such purses from revenues generated by any wagering or gaming  
2528 the applicant is authorized to conduct under Florida law. All  
2529 purses are ~~shall be~~ subject to the terms of chapter 550.

2530 (b) The department ~~division~~ shall suspend a slot machine  
2531 license if one or more of the agreements required under  
2532 paragraph (a) are terminated or otherwise cease to operate or if  
2533 the department ~~division~~ determines that the licensee is



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2534 materially failing to comply with the terms of such an  
2535 agreement. Any such suspension shall take place in accordance  
2536 with chapter 120.

2537 (c)1. If an agreement required under paragraph (a) cannot  
2538 be reached before ~~prior to~~ the initial issuance of the slot  
2539 machine license, either party may request arbitration or, in the  
2540 case of a renewal, if an agreement required under paragraph (a)  
2541 is not in place 120 days prior to the scheduled expiration date  
2542 of the slot machine license, the applicant shall immediately ask  
2543 the American Arbitration Association to furnish a list of 11  
2544 arbitrators, each of whom shall have at least 5 years of  
2545 commercial arbitration experience and no financial interest in  
2546 or prior relationship with any of the parties or their  
2547 affiliated or related entities or principals. Each required  
2548 party to the agreement shall select a single arbitrator from the  
2549 list provided by the American Arbitration Association within 10  
2550 days of receipt, and the individuals so selected shall choose  
2551 one additional arbitrator from the list within the next 10 days.

2552 2. If an agreement required under paragraph (a) is not in  
2553 place 60 days after the request under subparagraph 1. in the  
2554 case of an initial slot machine license or, in the case of a  
2555 renewal, 60 days before ~~prior to~~ the scheduled expiration date  
2556 of the slot machine license, the matter shall be immediately  
2557 submitted to mandatory binding arbitration to resolve the  
2558 disagreement between the parties. The three arbitrators selected  
2559 pursuant to subparagraph 1. shall constitute the panel that  
2560 shall arbitrate the dispute between the parties pursuant to the  
2561 American Arbitration Association Commercial Arbitration Rules  
2562 and chapter 682.



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2563           3. At the conclusion of the proceedings, which shall be no  
2564 later than 90 days after the request under subparagraph 1. in  
2565 the case of an initial slot machine license or, in the case of a  
2566 renewal, 30 days before ~~prior to~~ the scheduled expiration date  
2567 of the slot machine license, the arbitration panel shall present  
2568 to the parties a proposed agreement that the majority of the  
2569 panel believes equitably balances the rights, interests,  
2570 obligations, and reasonable expectations of the parties. The  
2571 parties shall immediately enter into such agreement, which shall  
2572 satisfy the requirements of paragraph (a) and permit issuance of  
2573 the pending annual slot machine license or renewal. The  
2574 agreement produced by the arbitration panel under this  
2575 subparagraph shall be effective until the last day of the  
2576 license or renewal period or until the parties enter into a  
2577 different agreement. Each party shall pay its respective costs  
2578 of arbitration and shall pay one-half of the costs of the  
2579 arbitration panel, unless the parties otherwise agree. If the  
2580 agreement produced by the arbitration panel under this  
2581 subparagraph remains in place 120 days prior to the scheduled  
2582 issuance of the next annual license renewal, then the  
2583 arbitration process established in this paragraph will begin  
2584 again.

2585           4. ~~If in the event that neither of~~ the agreements required  
2586 under subparagraph (a)1. or the agreement required under  
2587 subparagraph (a)2. is not ~~are~~ in place by the deadlines  
2588 established in this paragraph, arbitration regarding each  
2589 agreement shall ~~will~~ proceed independently, with separate lists  
2590 of arbitrators, arbitration panels, arbitration proceedings, and  
2591 resulting agreements.



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2592           5. With respect to the agreements required under paragraph  
2593 (a) governing the payment of purses, the arbitration and  
2594 resulting agreement called for under this paragraph shall be  
2595 limited to the payment of purses from slot machine revenues  
2596 only.

2597           (d) If any provision of this subsection or its application  
2598 to any person or circumstance is held invalid, the invalidity  
2599 does not affect other provisions or applications of this  
2600 subsection or chapter which can be given effect without the  
2601 invalid provision or application, and to this end the provisions  
2602 of this subsection are severable.

2603           (e) Each slot machine licensee that does not offer live  
2604 racing shall withhold 2 percent of its net revenue from slot  
2605 machines to be deposited into a purse pool to be paid as purses  
2606 to licensed pari-mutuel facilities offering live racing or  
2607 games. This paragraph does not apply to slot machine licenses  
2608 issued pursuant to subsection (1).

2609           Section 32. Section 551.1041, Florida Statutes, is created  
2610 to read:

2611           551.1041 Additional slot machine licenses.-

2612           (1) An additional slot machine license is authorized and  
2613 may be issued to a pari-mutuel permitholder for a slot machine  
2614 facility in Miami-Dade County.

2615           (2) An additional slot machine license is authorized and  
2616 may be issued to a pari-mutuel permitholder for a slot machine  
2617 facility in Palm Beach County.

2618           (3) A slot machine license may not be issued under this  
2619 section until a majority of the voters of the county where the  
2620 facility is located approve slot machines at the facility in a



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2621 referendum held after July 1, 2016. The referendum may be  
2622 conducted pursuant to s. 550.0651. If a special election is not  
2623 held, the referendum shall be conducted at the next general  
2624 election in that county.

2625 (4) Application for a slot machine license must be made by  
2626 sealed bid to the department, with the license awarded to the  
2627 highest bidder. Before the advertisement or notice of bid  
2628 solicitations, the department shall publish prequalification  
2629 procedures and requirements that, at minimum, meet the criteria  
2630 in subsection (5). The department shall adopt by rule the form  
2631 for the bid. The form shall include the applicant's bid amount  
2632 and evidence that the applicant meets the prequalification  
2633 criteria. The bids may not be opened until the day, time, and  
2634 place designated by the department and provided in the notice,  
2635 at which time all bids shall be opened at a public meeting  
2636 pursuant to s. 286.011. Any challenge or protest of the award is  
2637 subject to s. 120.57(3). Section 120.60(1) does not apply to the  
2638 bid process established by this section.

2639 (5) At minimum, the prequalification criteria must include:

2640 (a) Evidence that the bidder meets the qualifications in  
2641 chapters 550 and 551, as applicable; and

2642 (b) Evidence that the bidder has purchased, or entered into  
2643 an agreement to purchase and transfer, an active pari-mutuel  
2644 permit with the intent to surrender and void such permit, as  
2645 provided in s. 550.1751.

2646 (6) To be eligible for a slot machine license under this  
2647 section, the applicant must submit a minimum bid of \$3 million.  
2648 If no minimum bids are received, the slot machine license will  
2649 not be issued and the department may restart the bid process on



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2650 its own initiative or upon the receipt of a petition by a  
2651 potential bidder to start the bid process.

2652 (7) A slot machine licensee who is awarded a license under  
2653 this section may make available for play the following machines:

2654 (a) After the issuance of the initial slot machine license  
2655 and before October 1, 2018, up to a total of 500 slot machines  
2656 and 250 video race terminals.

2657 (b) On or after October 1, 2018, up to a total of 750 slot  
2658 machines and 750 video race terminals.

2659 (8) The following requirements apply to slot machines and  
2660 video race terminals authorized under this section:

2661 (a) A wager on a slot machine or a video race terminal may  
2662 not exceed \$5 per game or race.

2663 (b) Only one game or race may be played at any given time  
2664 on a slot machine or video race terminal, and a player may not  
2665 wager on a new game or race until the previous game or race has  
2666 been completed.

2667 (c) Slot machines and video race terminals may not offer  
2668 games that use tangible playing cards, but may have games that  
2669 use electronic or virtual cards.

2670 (9) As used in subsections (7) and (8), the term "video  
2671 race terminal" means an individual racing terminal linked to a  
2672 central server as part of a network-based video game in which  
2673 the terminals allow pari-mutuel wagering by players on the  
2674 results of previously conducted horse races, but only if the  
2675 game is certified in advance by an independent testing  
2676 laboratory licensed or contracted by the department as complying  
2677 with all of the following requirements:

2678 (a) All data on previously conducted horse races must be



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2679 stored in a secure format on the central server, which must be  
2680 located at the pari-mutuel facility.

2681 (b) Only horse races that were recorded at licensed pari-  
2682 mutuel facilities in the United States after January 1, 2005,  
2683 may be used.

2684 (c) After each wager is placed, the video race terminal  
2685 must display a video of at least the final seconds of the horse  
2686 race before any prize is awarded or indicated on the video race  
2687 terminal.

2688 (d) The display of the video of the horse race must be  
2689 shown on the video race terminal's video screen.

2690 (e) Mechanical reel displays are prohibited.

2691 (f) A video race terminal may not contain more than one  
2692 player position for placing wagers.

2693 (g) Coins, currency, or tokens may not be dispensed from a  
2694 video race terminal.

2695 (h) Prizes must be awarded based solely on the results of a  
2696 previously conducted horse race, and no additional element of  
2697 chance may be used. However, a random number generator must be  
2698 used to select from the central server the race to be displayed  
2699 to the player(s) and to select numbers or other designations of  
2700 race entrants that will be used in the various bet types for any  
2701 "Quick Pick" bets. To prevent an astute player from recognizing  
2702 the race based on the entrants and thus knowing the results  
2703 before placing a wager, the entrants of the race may not be  
2704 identified until after all wagers for that race have been  
2705 placed.

2706 (10) Each slot machine licensee under this section shall  
2707 withhold 1 percent of the net revenue from the slot machines and



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2708 video race terminals authorized by this section to be deposited  
2709 into a purse pool to be paid as purses for thoroughbred horse  
2710 racing at a licensed pari-mutuel facility that is not authorized  
2711 to conduct slot machine gaming.

2712 Section 33. Section 551.1042, Florida Statutes, is created  
2713 to read:

2714 551.1042 Transfer or relocation of slot machine license  
2715 prohibited.—A slot machine license issued under this chapter may  
2716 not be transferred or reissued when such reissuance is in the  
2717 nature of a transfer so as to permit or authorize a licensee to  
2718 change the location of a slot machine facility.

2719 Section 34. Section 551.106, Florida Statutes, is amended  
2720 to read:

2721 551.106 License fee; tax rate; penalties.—

2722 (1) LICENSE FEE.—

2723 ~~(a) Upon submission of the initial application for a slot~~  
2724 ~~machine license and annually thereafter, on the anniversary date~~  
2725 ~~of the issuance of the initial license, the licensee must pay to~~  
2726 ~~the department ~~division~~ a nonrefundable license fee of \$3~~  
2727 ~~million for the succeeding 12 months of licensure. In the 2010-~~  
2728 ~~2011 fiscal year, the licensee must pay the ~~division~~ a~~  
2729 ~~nonrefundable license fee of \$2.5 million for the succeeding 12~~  
2730 ~~months of licensure. In the 2011-2012 fiscal year and for every~~  
2731 ~~fiscal year thereafter, the licensee must pay the ~~division~~ a~~  
2732 ~~nonrefundable license fee of \$2 million for the succeeding 12~~  
2733 ~~months of licensure. The license fee shall be deposited into the~~  
2734 ~~Pari-mutuel Wagering Trust Fund of the Department of Business~~  
2735 ~~and Professional Regulation to be used by the department~~  
2736 ~~division and the Department of Law Enforcement for~~



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2737 investigations, regulation of slot machine gaming, and  
2738 enforcement of slot machine gaming provisions under this  
2739 chapter. These payments shall be accounted for separately from  
2740 taxes or fees paid pursuant to the provisions of chapter 550.

2741 ~~(b) Prior to January 1, 2007, the division shall evaluate~~  
2742 ~~the license fee and shall make recommendations to the President~~  
2743 ~~of the Senate and the Speaker of the House of Representatives~~  
2744 ~~regarding the optimum level of slot machine license fees in~~  
2745 ~~order to adequately support the slot machine regulatory program.~~

2746 (2) TAX ON SLOT MACHINE REVENUES.—

2747 (a) The tax rate on slot machine revenues at each facility  
2748 shall be 30 ~~35~~ percent. If, during any state fiscal year, the  
2749 aggregate amount of tax paid to the state by all slot machine  
2750 licensees in Broward and Miami-Dade Counties is less than the  
2751 aggregate amount of tax paid to the state by all slot machine  
2752 licensees in the 2008-2009 fiscal year, each slot machine  
2753 licensee shall pay to the state within 45 days after the end of  
2754 the state fiscal year a surcharge equal to its pro rata share of  
2755 an amount equal to the difference between the aggregate amount  
2756 of tax paid to the state by all slot machine licensees in the  
2757 2008-2009 fiscal year and the amount of tax paid during the  
2758 fiscal year. Each licensee's pro rata share shall be an amount  
2759 determined by dividing the number 1 by the number of facilities  
2760 licensed to operate slot machines during the applicable fiscal  
2761 year, regardless of whether the facility is operating such  
2762 machines.

2763 (b) The slot machine revenue tax imposed by this section  
2764 shall be paid to the department ~~division~~ for deposit into the  
2765 Pari-mutuel Wagering Trust Fund for immediate transfer by the



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2766 Chief Financial Officer for deposit into the Educational  
2767 Enhancement Trust Fund of the Department of Education. Any  
2768 interest earnings on the tax revenues shall also be transferred  
2769 to the Educational Enhancement Trust Fund.

2770 (c)1. Funds transferred to the Educational Enhancement  
2771 Trust Fund under paragraph (b) shall be used to supplement  
2772 public education funding statewide.

2773 2. If necessary to comply with any covenant established  
2774 pursuant to s. 1013.68(4), s. 1013.70(1), or s. 1013.737(3),  
2775 funds transferred to the Educational Enhancement Trust Fund  
2776 under paragraph (b) shall first be available to pay debt service  
2777 on lottery bonds issued to fund school construction in the event  
2778 lottery revenues are insufficient for such purpose or to satisfy  
2779 debt service reserve requirements established in connection with  
2780 lottery bonds. Moneys available pursuant to this subparagraph  
2781 are subject to annual appropriation by the Legislature.

2782 (3) PAYMENT AND DISPOSITION OF TAXES.—Payment for the tax  
2783 on slot machine revenues imposed by this section shall be paid  
2784 to the department ~~division~~. The department ~~division~~ shall  
2785 deposit these sums with the Chief Financial Officer, to the  
2786 credit of the Pari-mutuel Wagering Trust Fund. The slot machine  
2787 licensee shall remit to the department ~~division~~ payment for the  
2788 tax on slot machine revenues. Such payments shall be remitted by  
2789 3 p.m. Wednesday of each week for taxes imposed and collected  
2790 for the preceding week ending on Sunday. ~~Beginning on July 1,~~  
2791 ~~2012,~~ The slot machine licensee shall remit to the department  
2792 ~~division~~ payment for the tax on slot machine revenues by 3 p.m.  
2793 on the 5th day of each calendar month for taxes imposed and  
2794 collected for the preceding calendar month. If the 5th day of



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2795 the calendar month falls on a weekend, payments shall be  
2796 remitted by 3 p.m. the first Monday following the weekend. The  
2797 slot machine licensee shall file a report under oath by the 5th  
2798 day of each calendar month for all taxes remitted during the  
2799 preceding calendar month. Such payments shall be accompanied by  
2800 a report under oath showing all slot machine gaming activities  
2801 for the preceding calendar month and such other information as  
2802 may be prescribed by the department ~~division~~.

2803 (4) TO PAY TAX; PENALTIES.—A slot machine licensee who  
2804 fails to make tax payments as required under this section is  
2805 subject to an administrative penalty of up to \$10,000 for each  
2806 day the tax payment is not remitted. All administrative  
2807 penalties imposed and collected shall be deposited into the  
2808 Pari-mutuel Wagering Trust Fund ~~of the Department of Business~~  
2809 ~~and Professional Regulation~~. If any slot machine licensee fails  
2810 to pay penalties imposed by order of the department ~~division~~  
2811 under this subsection, the department ~~division~~ may suspend,  
2812 revoke, or refuse to renew the license of the slot machine  
2813 licensee.

2814 (5) SUBMISSION OF FUNDS.—The department ~~division~~ may  
2815 require slot machine licensees to remit taxes, fees, fines, and  
2816 assessments by electronic funds transfer.

2817 Section 35. Section 551.114, Florida Statutes, is amended  
2818 to read:

2819 551.114 Slot machine gaming areas.—

2820 (1) A slot machine licensee may make available for play up  
2821 to 1,700 ~~2,000~~ slot machines within the property of the  
2822 facilities of the slot machine licensee.

2823 (2) The slot machine licensee shall display pari-mutuel



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2824 races or games within the designated slot machine gaming areas  
2825 and offer patrons within the designated slot machine gaming  
2826 areas the ability to engage in pari-mutuel wagering on any live,  
2827 intertrack, and simulcast races conducted or offered to patrons  
2828 of the licensed facility.

2829 (3) The department ~~division~~ shall require the posting of  
2830 signs warning of the risks and dangers of gambling, showing the  
2831 odds of winning, and informing patrons of the toll-free  
2832 telephone number available to provide information and referral  
2833 services regarding compulsive or problem gambling.

2834 (4) Designated slot machine gaming areas may be located  
2835 within the current live gaming facility or in an existing  
2836 building that must be contiguous and connected to the live  
2837 gaming facility. If a designated slot machine gaming area is to  
2838 be located in a building that is to be constructed, that new  
2839 building must be contiguous and connected to the live gaming  
2840 facility. For a greyhound racing permitholder, jai alai  
2841 permitholder, harness horse racing permitholder, or quarter  
2842 horse permitholder licensed to conduct pari-mutuel activities  
2843 pursuant to a current year's operating license that does not  
2844 require live performances or games, designated slot machine  
2845 gaming areas may be located only within the eligible facility  
2846 for which the initial annual slot machine license was issued.

2847 (5) The permitholder shall provide adequate office space at  
2848 no cost to the department ~~division~~ and the Department of Law  
2849 Enforcement for the oversight of slot machine operations. The  
2850 department ~~division~~ shall adopt rules establishing the criteria  
2851 for adequate space, configuration, and location and needed  
2852 electronic and technological requirements for office space



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2853 required by this subsection.

2854 Section 36. Section 551.116, Florida Statutes, is amended  
2855 to read:

2856 551.116 Days and hours of operation.—Slot machine gaming  
2857 areas may be open 24 hours per day, 7 days a week daily  
2858 throughout the year. ~~The slot machine gaming areas may be open a~~  
2859 ~~cumulative amount of 18 hours per day on Monday through Friday~~  
2860 ~~and 24 hours per day on Saturday and Sunday and on those~~  
2861 ~~holidays specified in s. 110.117(1).~~

2862 Section 37. Subsections (1) and (3) and paragraph (c) of  
2863 subsection (4) of section 551.121, Florida Statutes, are amended  
2864 to read:

2865 551.121 Prohibited activities and devices; exceptions.—

2866 (1) Complimentary or reduced-cost alcoholic beverages may  
2867 ~~not~~ be served to a person ~~persons~~ playing a slot machine.

2868 ~~Alcoholic beverages served to persons playing a slot machine~~  
2869 ~~shall cost at least the same amount as alcoholic beverages~~  
2870 ~~served to the general public at a bar within the facility.~~

2871 (3) A slot machine licensee may ~~not~~ allow any automated  
2872 teller machine or similar device designed to provide credit or  
2873 dispense cash to be located within the designated slot machine  
2874 gaming areas of a facility of a slot machine licensee.

2875 (4)

2876 (c) Outside the designated slot machine gaming areas, a  
2877 slot machine licensee or operator may accept or cash a check for  
2878 an employee of the facility who is prohibited from wagering on a  
2879 slot machine under s. 551.108(5), a check made directly payable  
2880 to a person licensed by the department ~~division~~, or a check made  
2881 directly payable to the slot machine licensee or operator from:



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- 2882           1. A pari-mutuel patron; or  
2883           2. A pari-mutuel facility in this state or in another  
2884 state.

2885           Section 38. Present subsections (9) through (17) of section  
2886 849.086, Florida Statutes, are redesignated as subsections (10)  
2887 through (18), respectively, a new subsection (9) is added to  
2888 that section, and subsections (1), (2), (4), (5), (6),  
2889 paragraphs (a), (b), (c), and (f) of subsection (7), subsection  
2890 (8), present subsections (10) through (14), paragraph (b) of  
2891 present subsection (15), and present subsections (16) and (17)  
2892 of that section are amended, to read:

2893           849.086 Cardrooms authorized.—

2894           (1) LEGISLATIVE INTENT.—It is the intent of the Legislature  
2895 to provide additional entertainment choices for the residents of  
2896 and visitors to the state, promote tourism in the state, and  
2897 provide additional state revenues through the authorization of  
2898 the playing of certain games in the state at facilities known as  
2899 cardrooms which are to be located at licensed pari-mutuel  
2900 facilities. To ensure the public confidence in the integrity of  
2901 authorized cardroom operations, this act is designed to strictly  
2902 regulate the facilities, persons, and procedures related to  
2903 cardroom operations. Furthermore, the Legislature finds that  
2904 authorized games of card and dominoes ~~as herein defined~~ are  
2905 considered to be pari-mutuel style games and not casino gaming  
2906 because the participants play against each other instead of  
2907 against the house.

2908           (2) DEFINITIONS.—As used in this section:

2909           (a) "Authorized game" means a game or series of card and  
2910 domino games that ~~of poker or dominoes which~~ are played in



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2911 conformance with this section ~~a nonbanking manner.~~

2912 (b) "Banking game" means a game in which the house is a  
2913 participant in the game, taking on players, paying winners, and  
2914 collecting from losers ~~or in which the cardroom establishes a~~  
2915 ~~bank against which participants play.~~

2916 (c) "Cardroom" means a facility where authorized games are  
2917 played for money or anything of value and to which the public is  
2918 invited to participate in such games and charged a fee for  
2919 participation by the operator of such facility. Authorized games  
2920 and cardrooms do not constitute casino gaming operations if  
2921 conducted at an eligible facility.

2922 (d) "Cardroom management company" means any individual not  
2923 an employee of the cardroom operator, any proprietorship,  
2924 partnership, corporation, or other entity that enters into an  
2925 agreement with a cardroom operator to manage, operate, or  
2926 otherwise control the daily operation of a cardroom.

2927 (e) "Cardroom distributor" means any business that  
2928 distributes cardroom paraphernalia such as card tables, betting  
2929 chips, chip holders, dominoes, dominoes tables, drop boxes,  
2930 banking supplies, playing cards, card shufflers, and other  
2931 associated equipment to authorized cardrooms.

2932 (f) "Cardroom operator" means a licensed pari-mutuel  
2933 permitholder that ~~which~~ holds a valid permit and license issued  
2934 by the department ~~division~~ pursuant to chapter 550 and which  
2935 also holds a valid cardroom license issued by the department  
2936 ~~division~~ pursuant to this section which authorizes such person  
2937 to operate a cardroom and to conduct authorized games in such  
2938 cardroom.

2939 (g) "Department" ~~"Division"~~ means ~~the Division of Pari-~~



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2940 ~~mutuel Wagering of the Department of Gaming Business and~~  
2941 ~~Professional Regulation.~~

2942 (h) "Designated player" means the player identified as the  
2943 player in the dealer position and seated at a traditional player  
2944 position in a designated player game and who pays winning  
2945 players and collects from losing players.

2946 (i) "Designated player game" means a game consisting of at  
2947 least three cards in which the players compare their cards only  
2948 to the cards of the designated player.

2949 (j)~~(h)~~ "Dominoes" means a game of dominoes typically played  
2950 with a set of 28 flat rectangular blocks, called "bones," which  
2951 are marked on one side and divided into two equal parts, with  
2952 zero to six dots, called "pips," in each part. The term also  
2953 includes larger sets of blocks that contain a correspondingly  
2954 higher number of pips. The term also means the set of blocks  
2955 used to play the game.

2956 (k)~~(i)~~ "Gross receipts" means the total amount of money  
2957 received by a cardroom from any person for participation in  
2958 authorized games.

2959 (l)~~(j)~~ "House" means the cardroom operator and all  
2960 employees of the cardroom operator.

2961 (m)~~(k)~~ "Net proceeds" means the total amount of gross  
2962 receipts received by a cardroom operator from cardroom  
2963 operations less direct operating expenses related to cardroom  
2964 operations, including labor costs, admission taxes only if a  
2965 separate admission fee is charged for entry to the cardroom  
2966 facility, gross receipts taxes imposed on cardroom operators by  
2967 this section, the annual cardroom license fees imposed by this  
2968 section on each table operated at a cardroom, and reasonable



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2969 promotional costs excluding officer and director compensation,  
2970 interest on capital debt, legal fees, real estate taxes, bad  
2971 debts, contributions or donations, or overhead and depreciation  
2972 expenses not directly related to the operation of the cardrooms.

2973 (n)~~(l)~~ "Rake" means a set fee or percentage of the pot  
2974 assessed by a cardroom operator for providing the services of a  
2975 dealer, table, or location for playing the authorized game.

2976 (o)~~(m)~~ "Tournament" means a series of games that have more  
2977 than one betting round involving one or more tables and where  
2978 the winners or others receive a prize or cash award.

2979 (4) AUTHORITY OF DEPARTMENT ~~DIVISION~~.—The ~~Division of Pari-~~  
2980 ~~mutuel Wagering of the department of Business and Professional~~  
2981 ~~Regulation~~ shall administer this section and regulate the  
2982 operation of cardrooms under this section and the rules adopted  
2983 pursuant thereto, and is hereby authorized to:

2984 (a) Adopt rules, including, but not limited to: the  
2985 issuance of cardroom and employee licenses for cardroom  
2986 operations; the operation of a cardroom and games; recordkeeping  
2987 and reporting requirements; and the collection of all fees and  
2988 taxes imposed by this section.

2989 (b) Conduct investigations and monitor the operation of  
2990 cardrooms and the playing of authorized games at the cardrooms  
2991 ~~therein~~.

2992 (c) Review the books, accounts, and records of any current  
2993 or former cardroom operator.

2994 (d) Suspend or revoke any license or permit, after hearing,  
2995 for any violation of the provisions of this section or the  
2996 administrative rules adopted pursuant thereto.

2997 (e) Take testimony, issue summons and subpoenas for any



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2998 witness, and issue subpoenas duces tecum in connection with any  
2999 matter within its jurisdiction.

3000 (f) Monitor and ensure the proper collection of taxes and  
3001 fees imposed by this section. Permitholder internal controls are  
3002 mandated to ensure no compromise of state funds. To that end, a  
3003 roaming department ~~division~~ auditor will monitor and verify the  
3004 cash flow and accounting of cardroom revenue for any given  
3005 operating day.

3006 (5) LICENSE REQUIRED; APPLICATION; FEES.—A ~~No~~ person may  
3007 not operate a cardroom in this state unless such person holds a  
3008 valid cardroom license issued pursuant to this section.

3009 (a) Only those persons holding a valid cardroom license  
3010 issued by the department ~~division~~ may operate a cardroom. A  
3011 cardroom license may only be issued to a licensed pari-mutuel  
3012 permitholder, and an authorized cardroom may only be operated at  
3013 the same facility at which the permitholder is authorized under  
3014 its valid pari-mutuel wagering permit to conduct pari-mutuel  
3015 wagering activities if the permitholder offers live racing or  
3016 games. However, a thoroughbred racing permitholder that holds a  
3017 slot machine license and has entered into an agreement with  
3018 another thoroughbred racing permitholder to conduct its race  
3019 meet at the other thoroughbred racing permitholder's facility  
3020 may operate a cardroom at the slot facility stated in the  
3021 permitholder's slot machine license. An initial cardroom license  
3022 shall be issued to a pari-mutuel permitholder only after its  
3023 facilities are in place and after it conducts its first day of  
3024 live racing or games if the permitholder offers live racing or  
3025 games.

3026 (b) After the initial cardroom license is granted, the



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3027 application for the annual license renewal shall be made in  
3028 conjunction with the applicant's annual application for its  
3029 pari-mutuel license. If a permitholder has operated a cardroom  
3030 during any of the 3 previous fiscal years and fails to include a  
3031 renewal request for the operation of the cardroom in its annual  
3032 application for license renewal, the permitholder may amend its  
3033 annual application to include operation of the cardroom. ~~In  
3034 order for a cardroom license to be renewed the applicant must  
3035 have requested, as part of its pari-mutuel annual license  
3036 application, to conduct at least 90 percent of the total number  
3037 of live performances conducted by such permitholder during  
3038 either the state fiscal year in which its initial cardroom  
3039 license was issued or the state fiscal year immediately prior  
3040 thereto if the permitholder ran at least a full schedule of live  
3041 racing or games in the prior year. If the application is for a  
3042 harness permitholder cardroom, the applicant must have requested  
3043 authorization to conduct a minimum of 140 live performances  
3044 during the state fiscal year immediately prior thereto. If more  
3045 than one permitholder is operating at a facility, each  
3046 permitholder must have applied for a license to conduct a full  
3047 schedule of live racing.~~

3048 (c) A greyhound racing permitholder is exempt from the live  
3049 racing requirements of this subsection if it conducted a full  
3050 schedule of live racing for a period of at least 10 consecutive  
3051 state fiscal years after the 1996-1997 state fiscal year or if  
3052 it converted its permit to a permit to conduct greyhound racing  
3053 after that fiscal year. However, as a condition of cardroom  
3054 licensure, greyhound racing permitholders who are not conducting  
3055 a full schedule of live racing must conduct intertrack wagering



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3056 on thoroughbred signals, to the extent available, on each day of  
3057 cardroom operation.

3058 (d)~~(e)~~ Persons seeking a license or a renewal thereof to  
3059 operate a cardroom shall make application on forms prescribed by  
3060 the department ~~division~~. Applications for cardroom licenses  
3061 shall contain all of the information the department ~~division~~, by  
3062 rule, may determine is required to ensure eligibility.

3063 (e)~~(d)~~ The annual cardroom license fee for each facility  
3064 shall be \$1,000 for each table to be operated at the cardroom.  
3065 The license fee shall be deposited by the department ~~division~~  
3066 with the Chief Financial Officer to the credit of the Pari-  
3067 mutuel Wagering Trust Fund.

3068 (6) BUSINESS AND EMPLOYEE OCCUPATIONAL LICENSE REQUIRED;  
3069 APPLICATION; FEES.—

3070 (a) A person employed or otherwise working in a cardroom as  
3071 a cardroom manager, floor supervisor, pit boss, dealer, or any  
3072 other activity related to cardroom operations while the facility  
3073 is conducting card playing or games of dominoes must hold a  
3074 valid cardroom employee occupational license issued by the  
3075 department ~~division~~. Food service, maintenance, and security  
3076 employees with a current pari-mutuel occupational license and a  
3077 current background check will not be required to have a cardroom  
3078 employee occupational license.

3079 (b) Any cardroom management company or cardroom distributor  
3080 associated with cardroom operations must hold a valid cardroom  
3081 business occupational license issued by the department ~~division~~.

3082 (c) A ~~No~~ licensed cardroom operator may not employ or allow  
3083 to work in a cardroom any person unless such person holds a  
3084 valid occupational license. A ~~No~~ licensed cardroom operator may



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3085 not contract, or otherwise do business with, a business required  
3086 to hold a valid cardroom business occupational license, unless  
3087 the business holds such a valid license.

3088 (d) The department ~~division~~ shall establish, by rule, a  
3089 schedule for the renewal of cardroom occupational licenses.  
3090 Cardroom occupational licenses are not transferable.

3091 (e) Persons seeking cardroom occupational licenses, or  
3092 renewal thereof, shall make application on forms prescribed by  
3093 the department ~~division~~. Applications for cardroom occupational  
3094 licenses shall contain all of the information the department  
3095 ~~division~~, by rule, may determine is required to ensure  
3096 eligibility.

3097 (f) The department ~~division~~ shall adopt rules regarding  
3098 cardroom occupational licenses. The provisions specified in s.  
3099 550.105(4), (5), (6), (7), (8), and (10) relating to licensure  
3100 shall be applicable to cardroom occupational licenses.

3101 (g) The department ~~division~~ may deny, declare ineligible,  
3102 or revoke any cardroom occupational license if the applicant or  
3103 holder thereof has been found guilty or had adjudication  
3104 withheld in this state or any other state, or under the laws of  
3105 the United States of a felony or misdemeanor involving forgery,  
3106 larceny, extortion, conspiracy to defraud, or filing false  
3107 reports to a government agency, racing or gaming commission or  
3108 authority.

3109 (h) Fingerprints for all cardroom occupational license  
3110 applications shall be taken in a manner approved by the  
3111 department ~~division~~ and ~~then~~ shall be submitted to the ~~Florida~~  
3112 Department of Law Enforcement and the Federal Bureau of  
3113 Investigation for a criminal records check upon initial



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3114 application and at least every 5 years thereafter. The  
3115 department ~~division~~ may by rule require an annual record check  
3116 of all renewal applications for a cardroom occupational license.  
3117 The cost of processing fingerprints and conducting a record  
3118 check shall be borne by the applicant.

3119 (i) The cardroom employee occupational license fee may  
3120 ~~shall~~ not exceed \$50 for any 12-month period. The cardroom  
3121 business occupational license fee may ~~shall~~ not exceed \$250 for  
3122 any 12-month period.

3123 (7) CONDITIONS FOR OPERATING A CARDROOM.—

3124 (a) A cardroom may be operated only at the location  
3125 specified on the cardroom license issued by the department  
3126 ~~division~~, and such location may only be the location at which  
3127 the pari-mutuel permitholder is authorized to conduct pari-  
3128 mutuel wagering activities pursuant to such permitholder's valid  
3129 pari-mutuel permit or as otherwise authorized by law. Cardroom  
3130 operations may not be allowed beyond the hours provided in  
3131 paragraph (b) regardless of the number of cardroom licenses  
3132 issued for permitholders operating at the pari-mutuel facility.

3133 (b) Any cardroom operator may operate a cardroom at the  
3134 pari-mutuel facility daily throughout the year, if the  
3135 permitholder meets the requirements under paragraph (5) (b). The  
3136 cardroom may be open ~~a cumulative amount of 18 hours per day on~~  
3137 ~~Monday through Friday and 24 hours per day on Saturday and~~  
3138 ~~Sunday and on the holidays specified in s. 110.117(1).~~

3139 (c) For authorized games of poker or dominoes at a  
3140 cardroom, a cardroom operator must at all times employ and  
3141 provide a nonplaying live dealer at ~~for~~ each table on which the  
3142 authorized ~~card~~ games ~~which traditionally use a dealer~~ are



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3143 conducted ~~at the cardroom~~. Such dealers may not have a  
3144 participatory interest in any game other than the dealing of  
3145 cards and may not have an interest in the outcome of the game.  
3146 The providing of such dealers by a licensee does not constitute  
3147 the conducting of a banking game by the cardroom operator.

3148 (f) The cardroom facility is subject to inspection by the  
3149 department ~~division~~ or any law enforcement agency during the  
3150 licensee's regular business hours. The inspection must  
3151 specifically include the permitholder internal control  
3152 procedures approved by the department ~~division~~.

3153 (8) METHOD OF WAGERS; LIMITATION.-

3154 (a) ~~No~~ Wagering may not be conducted using money or other  
3155 negotiable currency. Games may only be played utilizing a  
3156 wagering system whereby all players' money is first converted by  
3157 the house to tokens or chips that may ~~which shall~~ be used for  
3158 wagering only at that specific cardroom.

3159 (b) For authorized games of poker or dominoes, the cardroom  
3160 operator may limit the amount wagered in any game or series of  
3161 games.

3162 (c) A tournament shall consist of a series of games. The  
3163 entry fee for a tournament may be set by the cardroom operator.  
3164 Tournaments may be played only with tournament chips that are  
3165 provided to all participants in exchange for an entry fee and  
3166 any subsequent re-buys. All players must receive an equal number  
3167 of tournament chips for their entry fee. Tournament chips have  
3168 no cash value and represent tournament points only. There is no  
3169 limitation on the number of tournament chips that may be used  
3170 for a bet except as otherwise determined by the cardroom  
3171 operator. Tournament chips may never be redeemed for cash or for



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3172 any other thing of value. The distribution of prizes and cash  
3173 awards must be determined by the cardroom operator before entry  
3174 fees are accepted. For purposes of tournament play only, the  
3175 term "gross receipts" means the total amount received by the  
3176 cardroom operator for all entry fees, player re-buys, and fees  
3177 for participating in the tournament less the total amount paid  
3178 to the winners or others as prizes.

3179 (9) DESIGNATED PLAYER GAMES AUTHORIZED.—

3180 (a) A cardroom operator that does not possess slot machines  
3181 or a slot machine license may offer designated player games  
3182 consisting of players making wagers against another player. The  
3183 maximum wager in such games may not exceed \$25.

3184 (b) The designated player must occupy a playing position at  
3185 the table and may not be required to cover all wagers or cover  
3186 more than 10 times the minimum posted wager for players seated  
3187 during a single game.

3188 (c) Each seated player shall be afforded the temporary  
3189 opportunity to be the designated player to wager against  
3190 multiple players at the same table, provided that this position  
3191 is rotated among the other seated players in the game. The  
3192 opportunity to be a designated player must be offered to each  
3193 player, in a clockwise rotation, after each hand. The  
3194 opportunity to be the designated player may be declined by a  
3195 player. A player participating as a designated player for 30  
3196 consecutive hands must subsequently play as a nondesignated  
3197 player for at least 2 hands before he or she may resume as the  
3198 designated player.

3199 (d) The cardroom operator may not serve as a designated  
3200 player in any game. The cardroom operator may not have any



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3201 direct or indirect financial or pecuniary interest in a  
3202 designated player in any game.

3203 (e) A designated player may only wager personal funds or  
3204 funds from a sole proprietorship. A designated player may not be  
3205 directly or indirectly financed or controlled by another party.  
3206 A designated player shall operate independently.

3207 (f) Designated player games offered by a cardroom operator  
3208 may not make up more than 25 percent of the total authorized  
3209 game tables at the cardroom.

3210 (g) Licensed pari-mutuel facilities that offer slot machine  
3211 gaming or video race terminals may not offer designated player  
3212 games.

3213 (h) The department may only approve cardroom operators to  
3214 conduct designated player games only if such games would not  
3215 trigger a reduction in revenue-sharing payments under the Gaming  
3216 Compact between the Seminole Tribe of Florida and the State of  
3217 Florida.

3218 (11)-(10) FEE FOR PARTICIPATION.—The cardroom operator may  
3219 charge a fee for the right to participate in poker or dominoes  
3220 games conducted at the cardroom. Such fee may be either a flat  
3221 fee or hourly rate for the use of a seat at a table or a rake  
3222 subject to the posted maximum amount but may not be based on the  
3223 amount won by players. The rake-off, if any, must be made in an  
3224 obvious manner and placed in a designated rake area which is  
3225 clearly visible to all players. Notice of the amount of the  
3226 participation fee charged shall be posted in a conspicuous place  
3227 in the cardroom and at each table at all times.

3228 (12)-(11) RECORDS AND REPORTS.—

3229 (a) Each licensee operating a cardroom shall keep and



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3230 maintain permanent daily records of its cardroom operation and  
3231 shall maintain such records for a period of not less than 3  
3232 years. These records shall include all financial transactions  
3233 and contain sufficient detail to determine compliance with the  
3234 requirements of this section. All records shall be available for  
3235 audit and inspection by the department ~~division~~ or other law  
3236 enforcement agencies during the licensee's regular business  
3237 hours. The information required in such records shall be  
3238 determined by department ~~division~~ rule.

3239 (b) Each licensee operating a cardroom shall file with the  
3240 department ~~division~~ a report containing the required records of  
3241 such cardroom operation. Such report shall be filed monthly by  
3242 licensees. The required reports shall be submitted on forms  
3243 prescribed by the department ~~division~~ and shall be due at the  
3244 same time as the monthly pari-mutuel reports are due to the  
3245 department. ~~division,~~ and Such reports shall contain any  
3246 additional information deemed necessary by the department  
3247 ~~division,~~ and the reports shall be deemed public records once  
3248 filed.

3249 (13) ~~(12)~~ PROHIBITED ACTIVITIES.—

3250 (a) A A ~~No~~ person licensed to operate a cardroom may not  
3251 conduct ~~any banking game or~~ any game not specifically authorized  
3252 by this section.

3253 (b) A A ~~No~~ person under 18 years of age may not be allowed  
3254 ~~permitted~~ to hold a cardroom or employee license, or to engage  
3255 in any game conducted in the cardroom ~~therein~~.

3256 (c) With the exception of mechanical card shufflers, ~~No~~  
3257 electronic or mechanical devices, ~~except mechanical card~~  
3258 ~~shufflers,~~ may not be used to conduct any authorized game in a



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3259 cardroom.

3260 (d) ~~No~~ Cards, game components, or game implements may not  
3261 be used in playing an authorized game unless such have ~~has~~ been  
3262 furnished or provided to the players by the cardroom operator.

3263 (14) ~~(13)~~ TAXES AND OTHER PAYMENTS.—

3264 (a) Each cardroom operator shall pay a tax to the state of  
3265 10 percent of the cardroom operation's monthly gross receipts.

3266 (b) An admission tax equal to 15 percent of the admission  
3267 charge for entrance to the licensee's cardroom facility, or 10  
3268 cents, whichever is greater, is imposed on each person entering  
3269 the cardroom. This admission tax applies ~~shall apply~~ only if a  
3270 separate admission fee is charged for entry to the cardroom  
3271 facility. If a single admission fee is charged which authorizes  
3272 entry to both or either the pari-mutuel facility and the  
3273 cardroom facility, the admission tax shall be payable only once  
3274 and shall be payable pursuant to chapter 550. The cardroom  
3275 licensee is ~~shall be~~ responsible for collecting the admission  
3276 tax. An admission tax is imposed on any free passes or  
3277 complimentary cards issued to guests by licensees in an amount  
3278 equal to the tax imposed on the regular and usual admission  
3279 charge for entrance to the licensee's cardroom facility. A  
3280 cardroom licensee may issue tax-free passes to its officers,  
3281 officials, and employees or other persons actually engaged in  
3282 working at the cardroom, including accredited press  
3283 representatives such as reporters and editors, and may also  
3284 issue tax-free passes to other cardroom licensees for the use of  
3285 their officers and officials. The licensee shall file with the  
3286 department ~~division~~ a list of all persons to whom tax-free  
3287 passes are issued.



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3288 (c) Payment of the admission tax and gross receipts tax  
3289 imposed by this section shall be made paid to the department  
3290 division. The department division shall deposit these sums with  
3291 the Chief Financial Officer, one-half being credited to the  
3292 Pari-mutuel Wagering Trust Fund and one-half being credited to  
3293 the General Revenue Fund. The cardroom licensee shall remit to  
3294 the department division payment for the admission tax, the gross  
3295 receipts tax, and the licensee fees. Such payments shall be  
3296 remitted to the department division on the fifth day of each  
3297 calendar month for taxes and fees imposed for the preceding  
3298 month's cardroom activities. Licensees shall file a report under  
3299 oath by the fifth day of each calendar month for all taxes  
3300 remitted during the preceding calendar month. Such report shall,  
3301 under oath, indicate the total of all admissions, the cardroom  
3302 activities for the preceding calendar month, and such other  
3303 information as may be prescribed by the department division.

3304 (d)1. Each greyhound racing permitholder conducting live  
3305 racing and jai alai permitholder that operates a cardroom  
3306 facility shall use at least 4 percent of such permitholder's  
3307 cardroom monthly gross receipts to supplement greyhound purses  
3308 or jai alai prize money, respectively, during the permitholder's  
3309 current or next ensuing pari-mutuel meet.

3310 2. Each thoroughbred and harness horse racing permitholder  
3311 that operates a cardroom facility shall use at least 50 percent  
3312 of such permitholder's cardroom monthly net proceeds as follows:  
3313 47 percent to supplement purses and 3 percent to supplement  
3314 breeders' awards during the permitholder's next ensuing racing  
3315 meet.

3316 3. Each harness horse racing permitholder that operates a



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3317 cardroom facility shall use at least 50 percent of such  
3318 permitholder's cardroom monthly net proceeds as follows: 47  
3319 percent to supplement purses and 3 percent to supplement  
3320 breeders' awards during the permitholder's next ensuing racing  
3321 meet if the permitholder offers live races or games.

3322 4.3. No cardroom license or renewal thereof shall be issued  
3323 to an applicant holding a permit under chapter 550 to conduct  
3324 pari-mutuel wagering meets of quarter horse racing unless the  
3325 applicant has on file with the department ~~division~~ a binding  
3326 written agreement between the applicant and the Florida Quarter  
3327 Horse Racing Association or the association representing a  
3328 majority of the horse owners and trainers at the applicant's  
3329 eligible facility, governing the payment of purses on live  
3330 quarter horse races conducted at the licensee's pari-mutuel  
3331 facility. The agreement governing purses may direct the payment  
3332 of such purses from revenues generated by any wagering or gaming  
3333 the applicant is authorized to conduct under Florida law. All  
3334 purses shall be subject to the terms of chapter 550.

3335 (e) The failure of any licensee to make payments as  
3336 prescribed in paragraph (c) is a violation of this section, and  
3337 the licensee may be subjected by the department ~~division~~ to a  
3338 civil penalty of up to \$1,000 for each day the tax payment is  
3339 not remitted. All penalties imposed and collected shall be  
3340 deposited in the General Revenue Fund. If a licensee fails to  
3341 pay penalties imposed by order of the department ~~division~~ under  
3342 this subsection, the department ~~division~~ may suspend or revoke  
3343 the license of the cardroom operator or deny issuance of any  
3344 further license to the cardroom operator.

3345 (f) The cardroom shall be deemed an accessory use to a



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3346 licensed pari-mutuel operation and, except as provided in  
3347 chapter 550, a municipality, county, or political subdivision  
3348 may not assess or collect any additional license tax, sales tax,  
3349 or excise tax on such cardroom operation.

3350 (g) All of the moneys deposited in the Pari-mutuel Wagering  
3351 Trust Fund, except as set forth in paragraph (h), shall be  
3352 utilized and distributed in the manner specified in s.  
3353 550.135(1) and (2). However, cardroom tax revenues shall be kept  
3354 separate from pari-mutuel tax revenues and may ~~shall~~ not be used  
3355 for making the disbursement to counties provided in former s.  
3356 550.135(1).

3357 (h) One-quarter of the moneys deposited into the Pari-  
3358 mutuel Wagering Trust Fund pursuant to paragraph (g) shall, by  
3359 October 1 of each year, be distributed to the local government  
3360 that approved the cardroom under subsection (17) ~~(16)~~; however,  
3361 if two or more pari-mutuel racetracks are located within the  
3362 same incorporated municipality, the cardroom funds shall be  
3363 distributed to the municipality. If a pari-mutuel facility is  
3364 situated in such a manner that it is located in more than one  
3365 county, the site of the cardroom facility shall determine the  
3366 location for purposes of disbursement of tax revenues under this  
3367 paragraph. The department ~~division~~ shall, by September 1 of each  
3368 year, determine: the amount of taxes deposited into the Pari-  
3369 mutuel Wagering Trust Fund pursuant to this section from each  
3370 cardroom licensee; the location by county of each cardroom;  
3371 whether the cardroom is located in the unincorporated area of  
3372 the county or within an incorporated municipality; and, the  
3373 total amount to be distributed to each eligible county and  
3374 municipality.



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3375            ~~(15)-(14)~~ SUSPENSION, REVOCATION, OR DENIAL OF LICENSE;  
3376 FINE.—

3377            (a) The department ~~division~~ may deny a license or the  
3378 renewal thereof, or may suspend or revoke any license, when the  
3379 applicant has: violated or failed to comply with the provisions  
3380 of this section or any rules adopted pursuant thereto; knowingly  
3381 caused, aided, abetted, or conspired with another to cause any  
3382 person to violate this section or any rules adopted pursuant  
3383 thereto; or obtained a license or permit by fraud,  
3384 misrepresentation, or concealment; or if the holder of such  
3385 license or permit is no longer eligible under this section.

3386            (b) If a pari-mutuel permitholder's pari-mutuel permit or  
3387 license is suspended or revoked by the department ~~division~~  
3388 pursuant to chapter 550, the department ~~division~~ may, but is not  
3389 required to, suspend or revoke such permitholder's cardroom  
3390 license. If a cardroom operator's license is suspended or  
3391 revoked pursuant to this section, the department ~~division~~ may,  
3392 but is not required to, suspend or revoke such licensee's pari-  
3393 mutuel permit or license.

3394            (c) Notwithstanding any other provision of this section,  
3395 the department ~~division~~ may impose an administrative fine not to  
3396 exceed \$1,000 for each violation against any person who has  
3397 violated or failed to comply with the provisions of this section  
3398 or any rules adopted pursuant thereto.

3399            ~~(16)-(15)~~ CRIMINAL PENALTY; INJUNCTION.—

3400            (b) The department ~~division~~, any state attorney, the  
3401 statewide prosecutor, or the Attorney General may apply for a  
3402 temporary or permanent injunction restraining further violation  
3403 of this section, and such injunction shall issue without bond.



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3404           ~~(17)-(16)~~ LOCAL GOVERNMENT APPROVAL.—The department may  
3405 ~~Division of Pari-mutuel Wagering shall~~ not issue any initial  
3406 license under this section except upon proof in such form as the  
3407 department ~~division~~ may prescribe that the local government  
3408 where the applicant for such license desires to conduct cardroom  
3409 gaming has voted to approve such activity by a majority vote of  
3410 the governing body of the municipality or the governing body of  
3411 the county if the facility is not located in a municipality.

3412           ~~(18)-(17)~~ CHANGE OF LOCATION; REFERENDUM.—

3413           ~~(a)~~ Notwithstanding any provisions of this section, a ~~no~~  
3414 cardroom gaming license issued under this section may not ~~shall~~  
3415 be transferred, or reissued when such reissuance is in the  
3416 nature of a transfer, so as to permit or authorize a licensee to  
3417 change the location of the cardroom ~~except upon proof in such~~  
3418 ~~form as the division may prescribe that a referendum election~~  
3419 ~~has been held:~~

3420           1. ~~If the proposed new location is within the same county~~  
3421 ~~as the already licensed location, in the county where the~~  
3422 ~~licensee desires to conduct cardroom gaming and that a majority~~  
3423 ~~of the electors voting on the question in such election voted in~~  
3424 ~~favor of the transfer of such license. However, the division~~  
3425 ~~shall transfer, without requirement of a referendum election,~~  
3426 ~~the cardroom license of any permitholder that relocated its~~  
3427 ~~permit pursuant to s. 550.0555.~~

3428           2. ~~If the proposed new location is not within the same~~  
3429 ~~county as the already licensed location, in the county where the~~  
3430 ~~licensee desires to conduct cardroom gaming and that a majority~~  
3431 ~~of the electors voting on that question in each such election~~  
3432 ~~voted in favor of the transfer of such license.~~



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3433           ~~(b) The expense of each referendum held under the~~  
3434 ~~provisions of this subsection shall be borne by the licensee~~  
3435 ~~requesting the transfer.~~

3436           Section 39. The Department of Gaming shall revoke any  
3437 permit to conduct pari-mutuel wagering if a permitholder has not  
3438 conducted live events within the 24 months preceding the  
3439 effective date of this act, unless the permit was issued under  
3440 s. 550.3345, Florida Statutes. A permit revoked under this  
3441 section may not be reissued.

3442           Section 40. Paragraph (f) of subsection (1) and subsection  
3443 (7) of section 285.710, Florida Statutes, are amended to read:

3444           285.710 Compact authorization.—

3445           (1) As used in this section, the term:

3446           (f) "State compliance agency" means the ~~Division of Pari-~~  
3447 ~~mutuel Wagering of the Department of Gaming, Business and~~  
3448 ~~Professional Regulation~~ which is designated as the state agency  
3449 having the authority to carry out the state's oversight  
3450 responsibilities under the compact.

3451           (7) The ~~Division of Pari-mutuel Wagering of the Department~~  
3452 ~~of Gaming Business and Professional Regulation~~ is designated as  
3453 the state compliance agency having the authority to carry out  
3454 the state's oversight responsibilities under the compact  
3455 authorized by this section.

3456           Section 41. Section 550.0115, Florida Statutes, is amended  
3457 to read:

3458           550.0115 Permitholder license.—After a permit has been  
3459 issued by the department division, and after the permit has been  
3460 approved by election, the department division shall issue to the  
3461 permitholder an annual license to conduct pari-mutuel operations



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3462 at the location specified in the permit pursuant to the  
3463 provisions of this chapter.

3464 Section 42. Section 550.0235, Florida Statutes, is amended  
3465 to read:

3466 550.0235 Limitation of civil liability.—~~A No~~ permittee  
3467 conducting a racing meet pursuant to the provisions of this  
3468 chapter; a department ~~no division~~ director or an employee of the  
3469 department ~~division~~; or a ~~and no~~ steward, a judge, or another  
3470 ~~other~~ person appointed to act pursuant to this chapter is not  
3471 ~~shall be held~~ liable to any person, partnership, association,  
3472 corporation, or other business entity for any cause whatsoever  
3473 arising out of, or from, the performance by such permittee,  
3474 director, employee, steward, judge, or other person of her or  
3475 his duties and the exercise of her or his discretion with  
3476 respect to the implementation and enforcement of the statutes  
3477 and rules governing the conduct of pari-mutuel wagering, so long  
3478 as she or he acted in good faith. This section does ~~shall~~ not  
3479 limit liability in any situation in which the negligent  
3480 maintenance of the premises or the negligent conduct of a race  
3481 contributed to an accident and does not; ~~nor shall it~~ limit any  
3482 contractual liability.

3483 Section 43. Section 550.0351, Florida Statutes, is amended  
3484 to read:

3485 550.0351 Charity racing days.—

3486 (1) The department ~~division~~ shall, upon the request of a  
3487 permitholder, authorize each horseracing permitholder, dogracing  
3488 permitholder, and jai alai permitholder up to five charity or  
3489 scholarship days in addition to the regular racing days  
3490 authorized by law.



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3491 (2) The proceeds of charity performances shall be paid to  
3492 qualified beneficiaries selected by the permitholders from an  
3493 authorized list of charities on file with the department  
3494 ~~division~~. Eligible charities include any charity that provides  
3495 evidence of compliance with the provisions of chapter 496 and  
3496 evidence of possession of a valid exemption from federal  
3497 taxation issued by the Internal Revenue Service. In addition,  
3498 the authorized list must include the Racing Scholarship Trust  
3499 Fund, the Historical Resources Operating Trust Fund, major state  
3500 and private institutions of higher learning, and Florida  
3501 community colleges.

3502 (3) The permitholder shall, within 120 days after the  
3503 conclusion of its fiscal year, pay to the authorized charities  
3504 the total of all profits derived from the operation of the  
3505 charity day performances conducted. If charity days are operated  
3506 on behalf of another permitholder pursuant to law, the  
3507 permitholder entitled to distribute the proceeds shall  
3508 distribute the proceeds to charity within 30 days after the  
3509 actual receipt of the proceeds.

3510 (4) The total of all profits derived from the conduct of a  
3511 charity day performance must include all revenues derived from  
3512 the conduct of that racing performance, including all state  
3513 taxes that would otherwise be due to the state, except that the  
3514 daily license fee as provided in s. 550.0951(1) and the breaks  
3515 for the promotional trust funds as provided in s. 550.2625(3),  
3516 (4), (5), (7), and (8) shall be paid to the department ~~division~~.  
3517 All other revenues from the charity racing performance,  
3518 including the commissions, breaks, and admissions and the  
3519 revenues from parking, programs, and concessions, shall be



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3520 included in the total of all profits.

3521 (5) In determining profit, the permitholder may elect to  
3522 distribute as proceeds only the amount equal to the state tax  
3523 that would otherwise be paid to the state if the charity day  
3524 were conducted as a regular or matinee performance.

3525 (6) (a) The department ~~division~~ shall authorize one  
3526 additional scholarship day for horseracing in addition to the  
3527 regular racing days authorized by law and any additional days  
3528 authorized by this section, to be conducted at all horse  
3529 racetracks located in Hillsborough County. The permitholder  
3530 shall conduct a full schedule of racing on the scholarship day.

3531 (b) The funds derived from the operation of the additional  
3532 scholarship day shall be allocated as provided in this section  
3533 and paid to Pasco-Hernando Community College.

3534 (c) When a charity or scholarship performance is conducted  
3535 as a matinee performance, the department ~~division~~ may authorize  
3536 the permitholder to conduct the evening performances of that  
3537 operation day as a regular performance in addition to the  
3538 regular operating days authorized by law.

3539 (7) In addition to the charity days authorized by this  
3540 section, any dogracing permitholder may allow its facility to be  
3541 used for conducting "hound dog derbies" or "mutt derbies" on any  
3542 day during each racing season by any charitable, civic, or  
3543 nonprofit organization for the purpose of conducting "hound dog  
3544 derbies" or "mutt derbies" if only dogs other than those usually  
3545 used in dogracing (greyhounds) are permitted to race and if  
3546 adults and minors are allowed to participate as dog owners or  
3547 spectators. During these racing events, betting, gambling, and  
3548 the sale or use of alcoholic beverages is prohibited.



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3549           (8) In addition to the eligible charities that meet the  
3550 criteria set forth in this section, a jai alai permitholder is  
3551 authorized to conduct two additional charity performances each  
3552 fiscal year for a fund to benefit retired jai alai players. This  
3553 performance shall be known as the "Retired Jai Alai Players  
3554 Charity Day." The administration of this fund shall be  
3555 determined by rule by the department ~~division~~.

3556           Section 44. Section 550.0651, Florida Statutes, is amended  
3557 to read:

3558           550.0651 Elections for ratification of permits.-

3559           (1) The holder of any permit may have submitted to the  
3560 electors of the county designated therein the question whether  
3561 or not such permit will be ratified or rejected. Such questions  
3562 shall be submitted to the electors for approval or rejection at  
3563 a special election to be called for that purpose only. The board  
3564 of county commissioners of the county designated, upon the  
3565 presentation to such board at a regular or special meeting of a  
3566 written application, accompanied by a certified copy of the  
3567 permit granted by the department ~~division~~, and asking for an  
3568 election in the county in which the application was made, shall  
3569 order a special election in the county for the particular  
3570 purpose of deciding whether such permit shall be approved and  
3571 license issued and race meetings permitted in such county by  
3572 such permittee and shall cause the clerk of such board to give  
3573 notice of the special election by publishing the same once each  
3574 week for 2 consecutive weeks in one or more newspapers of  
3575 general circulation in the county. Each permit covering each  
3576 track must be voted upon separately and in separate elections,  
3577 and an election may not be called more often than once every 2



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3578 years for the ratification of any permit covering the same  
3579 track.

3580 (2) All elections ordered under this chapter must be held  
3581 within 90 days and not less than 21 days after the time of  
3582 presenting such application to the board of county  
3583 commissioners, and the inspectors of election shall be appointed  
3584 and qualified as in cases of general elections, and they shall  
3585 count the votes cast and make due returns of same to the board  
3586 of county commissioners without delay. The board of county  
3587 commissioners shall canvass the returns, declare the results,  
3588 and cause the same to be recorded as provided in the general law  
3589 concerning elections so far as applicable.

3590 (3) When a permit has been granted by the department  
3591 ~~division~~ and no application to the board of county commissioners  
3592 has been made by the permittee within 6 months after the  
3593 granting of the permit, the permit becomes void. The department  
3594 ~~division~~ shall cancel the permit without notice to the  
3595 permitholder, and the board of county commissioners holding the  
3596 deposit for the election shall refund the deposit to the  
3597 permitholder upon being notified by the department ~~division~~ that  
3598 the permit has become void and has been canceled.

3599 (4) All electors duly registered and qualified to vote at  
3600 the last preceding general election held in such county are  
3601 qualified electors for such election, and in addition thereto  
3602 the registration books for such county shall be opened on the  
3603 10th day (if the 10th day is a Sunday or a holiday, then on the  
3604 next day not a Sunday or holiday) after such election is ordered  
3605 and called and must remain open for a period of 10 days for  
3606 additional registrations of persons qualified for registration



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3607 but not already registered. Electors for such special election  
3608 have the same qualifications for and prerequisites to voting in  
3609 elections as under the general election laws.

3610 (5) If at any such special election the majority of the  
3611 electors voting on the question of ratification or rejection of  
3612 any permit vote against such ratification, such permit is void.  
3613 If a majority of the electors voting on the question of  
3614 ratification or rejection of any permit vote for such  
3615 ratification, such permit becomes effectual and the holder  
3616 thereof may conduct racing upon complying with the other  
3617 provisions of this chapter. The board of county commissioners  
3618 shall immediately certify the results of the election to the  
3619 department ~~division~~.

3620 Section 45. Section 550.105, Florida Statutes, is amended  
3621 to read:

3622 550.105 Occupational licenses of racetrack employees; fees;  
3623 denial, suspension, and revocation of license; penalties and  
3624 fines.—

3625 (1) Each person connected with a racetrack or jai alai  
3626 fronton, as specified in paragraph (2)(a), shall purchase from  
3627 the department ~~division~~ an occupational license. All moneys  
3628 collected pursuant to this section each fiscal year shall be  
3629 deposited into the Pari-mutuel Wagering Trust Fund. Pursuant to  
3630 the rules adopted by the department ~~division~~, an occupational  
3631 license may be valid for a period of up to 3 years for a fee  
3632 that does not exceed the full occupational license fee for each  
3633 of the years for which the license is purchased. The  
3634 occupational license shall be valid during its specified term at  
3635 any pari-mutuel facility.



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3636 (2) (a) The following licenses shall be issued to persons or  
3637 entities with access to the backside, racing animals, jai alai  
3638 players' room, jockeys' room, drivers' room, totalisator room,  
3639 the mutuels, or money room, or to persons who, by virtue of the  
3640 position they hold, might be granted access to these areas or to  
3641 any other person or entity in one of the following categories  
3642 and with fees not to exceed the following amounts for any 12-  
3643 month period:

3644 1. Business licenses: any business such as a vendor,  
3645 contractual concessionaire, contract kennel, business owning  
3646 racing animals, trust or estate, totalisator company, stable  
3647 name, or other fictitious name: \$50.

3648 2. Professional occupational licenses: professional persons  
3649 with access to the backside of a racetrack or players' quarters  
3650 in jai alai such as trainers, officials, veterinarians, doctors,  
3651 nurses, emergency medical technicians ~~EMT's~~, jockeys and  
3652 apprentices, drivers, jai alai players, owners, trustees, or any  
3653 management or officer or director or shareholder or any other  
3654 professional-level person who might have access to the jockeys'  
3655 room, the drivers' room, the backside, racing animals, kennel  
3656 compound, or managers or supervisors requiring access to mutuels  
3657 machines, the money room, or totalisator equipment: \$40.

3658 3. General occupational licenses: general employees with  
3659 access to the jockeys' room, the drivers' room, racing animals,  
3660 the backside of a racetrack or players' quarters in jai alai,  
3661 such as grooms, kennel helpers, leadouts, pelota makers, cesta  
3662 makers, or ball boys, or a practitioner of any other occupation  
3663 who would have access to the animals, the backside, or the  
3664 kennel compound, or who would provide the security or



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3665 maintenance of these areas, or mutuel employees, totalisator  
3666 employees, money-room employees, or any employee with access to  
3667 mutuels machines, the money room, or totalisator equipment or  
3668 who would provide the security or maintenance of these areas:  
3669 \$10.

3670  
3671 The individuals and entities that are licensed under this  
3672 paragraph require heightened state scrutiny, including the  
3673 submission by the individual licensees or persons associated  
3674 with the entities described in this chapter of fingerprints for  
3675 a Federal Bureau of Investigation criminal records check.

3676 (b) The department ~~division~~ shall adopt rules pertaining to  
3677 pari-mutuel occupational licenses, licensing periods, and  
3678 renewal cycles.

3679 (3) Certified public accountants and attorneys licensed to  
3680 practice in this state are ~~shall~~ not ~~be~~ required to hold an  
3681 occupational license under this section while providing  
3682 accounting or legal services to a permitholder if the certified  
3683 public accountant's or attorney's primary place of employment is  
3684 not on the permitholder premises.

3685 (4) It is unlawful to take part in or officiate in any way  
3686 at any pari-mutuel facility without first having secured a  
3687 license and paid the occupational license fee.

3688 (5) (a) The department ~~division~~ may:

3689 1. Deny a license to or revoke, suspend, or place  
3690 conditions upon or restrictions on a license of any person who  
3691 has been refused a license by any other state racing commission  
3692 or racing authority;

3693 2. Deny, suspend, or place conditions on a license of any



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3694 person who is under suspension or has unpaid fines in another  
3695 jurisdiction;

3696  
3697 if the state racing commission or racing authority of such other  
3698 state or jurisdiction extends to the department ~~division~~  
3699 reciprocal courtesy to maintain the disciplinary control.

3700 (b) The department ~~division~~ may deny, suspend, revoke, or  
3701 declare ineligible any occupational license if the applicant for  
3702 or holder thereof has violated the provisions of this chapter or  
3703 the rules of the department ~~division~~ governing the conduct of  
3704 persons connected with racetracks and frontons. In addition, the  
3705 department ~~division~~ may deny, suspend, revoke, or declare  
3706 ineligible any occupational license if the applicant for such  
3707 license has been convicted in this state, in any other state, or  
3708 under the laws of the United States of a capital felony, a  
3709 felony, or an offense in any other state which would be a felony  
3710 under the laws of this state involving arson; trafficking in,  
3711 conspiracy to traffic in, smuggling, importing, conspiracy to  
3712 smuggle or import, or delivery, sale, or distribution of a  
3713 controlled substance; or a crime involving a lack of good moral  
3714 character, or has had a pari-mutuel license revoked by this  
3715 state or any other jurisdiction for an offense related to pari-  
3716 mutuel wagering.

3717 (c) The department ~~division~~ may deny, declare ineligible,  
3718 or revoke any occupational license if the applicant for such  
3719 license has been convicted of a felony or misdemeanor in this  
3720 state, in any other state, or under the laws of the United  
3721 States, if such felony or misdemeanor is related to gambling or  
3722 bookmaking, as contemplated in s. 849.25, or involves cruelty to



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3723 animals. If the applicant establishes that she or he is of good  
3724 moral character, that she or he has been rehabilitated, and that  
3725 the crime she or he was convicted of is not related to pari-  
3726 mutuel wagering and is not a capital offense, the restrictions  
3727 excluding offenders may be waived by the executive director of  
3728 the department ~~division~~.

3729 (d) For purposes of this subsection, the term "convicted"  
3730 means having been found guilty, with or without adjudication of  
3731 guilt, as a result of a jury verdict, nonjury trial, or entry of  
3732 a plea of guilty or nolo contendere. However, the term  
3733 "conviction" may ~~shall~~ not be applied to a crime committed prior  
3734 to the effective date of this subsection in a manner that would  
3735 invalidate any occupational license issued prior to the  
3736 effective date of this subsection or subsequent renewal for any  
3737 person holding such a license.

3738 (e) If an occupational license will expire by department  
3739 ~~division~~ rule during the period of a suspension the department  
3740 ~~division~~ intends to impose, or if a license would have expired  
3741 but for pending administrative charges and the occupational  
3742 licensee is found to be in violation of any of the charges, the  
3743 license may be revoked and a time period of license  
3744 ineligibility may be declared. The department ~~division~~ may bring  
3745 administrative charges against any person not holding a current  
3746 license for violations of statutes or rules which occurred while  
3747 such person held an occupational license, and the department  
3748 ~~division~~ may declare such person ineligible to hold a license  
3749 for a period of time. The department ~~division~~ may impose a civil  
3750 fine of up to \$1,000 for each violation of the rules of the  
3751 department ~~division~~ in addition to or in lieu of any other



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3752 penalty provided for in this section. In addition to any other  
3753 penalty provided by law, the department ~~division~~ may exclude  
3754 from all pari-mutuel facilities in this state, for a period not  
3755 to exceed the period of suspension, revocation, or  
3756 ineligibility, any person whose occupational license application  
3757 has been denied by the department ~~division~~, who has been  
3758 declared ineligible to hold an occupational license, or whose  
3759 occupational license has been suspended or revoked by the  
3760 department ~~division~~.

3761 (f) The department ~~division~~ may cancel any occupational  
3762 license that has been voluntarily relinquished by the licensee.

3763 (6) In order to promote the orderly presentation of pari-  
3764 mutuel meets authorized in this chapter, the department ~~division~~  
3765 may issue a temporary occupational license. The department  
3766 ~~division~~ shall adopt rules to implement this subsection.  
3767 However, no temporary occupational license shall be valid for  
3768 more than 90 days, and no more than one temporary license may be  
3769 issued for any person in any year.

3770 (7) The department ~~division~~ may deny, revoke, or suspend  
3771 any occupational license if the applicant therefor or holder  
3772 thereof accumulates unpaid obligations or defaults in  
3773 obligations, or issues drafts or checks that are dishonored or  
3774 for which payment is refused without reasonable cause, if such  
3775 unpaid obligations, defaults, or dishonored or refused drafts or  
3776 checks directly relate to the sport of jai alai or racing being  
3777 conducted at a pari-mutuel facility within this state.

3778 (8) The department ~~division~~ may fine, or suspend or revoke,  
3779 or place conditions upon, the license of any licensee who under  
3780 oath knowingly provides false information regarding an



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3781 investigation by the department ~~division~~.

3782 (9) The tax imposed by this section is in lieu of all  
3783 license, excise, or occupational taxes to the state or any  
3784 county, municipality, or other political subdivision, except  
3785 that, if a race meeting or game is held or conducted in a  
3786 municipality, the municipality may assess and collect an  
3787 additional tax against any person conducting live racing or  
3788 games within its corporate limits, which tax may not exceed \$150  
3789 per day for horseracing or \$50 per day for dogracing or jai  
3790 alai. Except as provided in this chapter, a municipality may not  
3791 assess or collect any additional excise or revenue tax against  
3792 any person conducting race meetings within the corporate limits  
3793 of the municipality or against any patron of any such person.

3794 (10) (a) Upon application for an occupational license, the  
3795 department ~~division~~ may require the applicant's full legal name;  
3796 any nickname, alias, or maiden name for the applicant; name of  
3797 the applicant's spouse; the applicant's date of birth, residence  
3798 address, mailing address, residence address and business phone  
3799 number, and social security number; disclosure of any felony or  
3800 any conviction involving bookmaking, illegal gambling, or  
3801 cruelty to animals; disclosure of any past or present  
3802 enforcement or actions by any racing or gaming agency against  
3803 the applicant; and any information the department ~~division~~  
3804 determines is necessary to establish the identity of the  
3805 applicant or to establish that the applicant is of good moral  
3806 character. Fingerprints shall be taken in a manner approved by  
3807 the department ~~division~~ and then shall be submitted to the  
3808 Federal Bureau of Investigation, or to the association of state  
3809 officials regulating pari-mutuel wagering pursuant to the



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3810 Federal Pari-mutuel Licensing Simplification Act of 1988. The  
3811 cost of processing fingerprints shall be borne by the applicant  
3812 and paid to the association of state officials regulating pari-  
3813 mutuel wagering from the trust fund to which the processing fees  
3814 are deposited. The department ~~division~~, by rule, may require  
3815 additional information from licensees which is reasonably  
3816 necessary to regulate the industry. The department ~~division~~ may,  
3817 by rule, exempt certain occupations or groups of persons from  
3818 the fingerprinting requirements.

3819 (b) All fingerprints required by this section which ~~that~~  
3820 are submitted to the Department of Law Enforcement shall be  
3821 retained by the Department of Law Enforcement and entered into  
3822 the statewide automated biometric identification system as  
3823 authorized by s. 943.05(2) (b) and shall be available for all  
3824 purposes and uses authorized for arrest fingerprints entered  
3825 into the statewide automated biometric identification system  
3826 pursuant to s. 943.051.

3827 (c) The Department of Law Enforcement shall search all  
3828 arrest fingerprints received pursuant to s. 943.051 against the  
3829 fingerprints retained in the statewide automated biometric  
3830 identification system under paragraph (b). Any arrest record  
3831 that is identified with the retained fingerprints of a person  
3832 subject to the criminal history screening requirements of this  
3833 section shall be reported to the department ~~division~~. Each  
3834 licensee shall pay a fee to the department ~~division~~ for the cost  
3835 of retention of the fingerprints and the ongoing searches under  
3836 this paragraph. The department ~~division~~ shall forward the  
3837 payment to the Department of Law Enforcement. The amount of the  
3838 fee to be imposed for performing these searches and the



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3839 procedures for the retention of licensee fingerprints shall be  
3840 as established by rule of the Department of Law Enforcement. The  
3841 department ~~division~~ shall inform the Department of Law  
3842 Enforcement of any change in the license status of licensees  
3843 whose fingerprints are retained under paragraph (b).

3844 (d) The department ~~division~~ shall request the Department of  
3845 Law Enforcement to forward the fingerprints to the Federal  
3846 Bureau of Investigation for a national criminal history records  
3847 check at least once every 5 years following issuance of a  
3848 license. If the fingerprints of a person who is licensed have  
3849 not been retained by the Department of Law Enforcement, the  
3850 person must file a complete set of fingerprints as provided in  
3851 paragraph (a). The department ~~division~~ shall collect the fees  
3852 for the cost of the national criminal history records check  
3853 under this paragraph and forward the payment to the Department  
3854 of Law Enforcement. The cost of processing fingerprints and  
3855 conducting a criminal history records check under this paragraph  
3856 for a general occupational license shall be borne by the  
3857 applicant. The cost of processing fingerprints and conducting a  
3858 criminal history records check under this paragraph for a  
3859 business or professional occupational license shall be borne by  
3860 the person being checked. The Department of Law Enforcement may  
3861 send an invoice to the department ~~division~~ for the fingerprints  
3862 submitted each month. Under penalty of perjury, each person who  
3863 is licensed or who is fingerprinted as required by this section  
3864 must agree to inform the department ~~division~~ within 48 hours if  
3865 he or she is convicted of or has entered a plea of guilty or  
3866 nolo contendere to any disqualifying offense, regardless of  
3867 adjudication.



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3868           Section 46. Subsection (1) of section 550.1155, Florida  
3869 Statutes, is amended to read:

3870           550.1155 Authority of stewards, judges, panel of judges, or  
3871 player's manager to impose penalties against occupational  
3872 licensees; disposition of funds collected.—

3873           (1) The stewards at a horse racetrack; the judges at a dog  
3874 track; or the judges, a panel of judges, or a player's manager  
3875 at a jai alai fronton may impose a civil penalty against any  
3876 occupational licensee for violation of the pari-mutuel laws or  
3877 any rule adopted by the department ~~division~~. The penalty may not  
3878 exceed \$1,000 for each count or separate offense or exceed 60  
3879 days of suspension for each count or separate offense.

3880           Section 47. Subsections (2) and (3) of section 550.125,  
3881 Florida Statutes, are amended to read:

3882           550.125 Uniform reporting system; bond requirement.—

3883           (2) (a) Each permitholder that conducts race meetings or jai  
3884 alai exhibitions under this chapter shall keep records that  
3885 clearly show the total number of admissions and the total amount  
3886 of money contributed to each pari-mutuel pool on each race or  
3887 exhibition separately and the amount of money received daily  
3888 from admission fees and, within 120 days after the end of its  
3889 fiscal year, shall submit to the department ~~division~~ a complete  
3890 annual report of its accounts, audited by a certified public  
3891 accountant licensed to practice in the state.

3892           (b) The department ~~division~~ shall adopt rules specifying  
3893 the form and content of such reports, including, but not limited  
3894 to, requirements for a statement of assets and liabilities,  
3895 operating revenues and expenses, and net worth, which statement  
3896 must be audited by a certified public accountant licensed to



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3897 practice in this state, and any supporting informational  
3898 schedule found necessary by the department ~~division~~ to verify  
3899 the foregoing financial statement, which informational schedule  
3900 must be attested to under oath by the permitholder or an officer  
3901 of record, to permit the department ~~division~~ to:

3902 1. Assess the profitability and financial soundness of  
3903 permitholders, both individually and as an industry;

3904 2. Plan and recommend measures necessary to preserve and  
3905 protect the pari-mutuel revenues of the state; and

3906 3. Completely identify the holdings, transactions, and  
3907 investments of permitholders with other business entities.

3908 (c) The Auditor General and the Office of Program Policy  
3909 Analysis and Government Accountability may, pursuant to their  
3910 own authority or at the direction of the Legislative Auditing  
3911 Committee, audit, examine, and check the books and records of  
3912 any permitholder. These audit reports shall become part of, and  
3913 be maintained in, the department ~~division~~ files.

3914 (d) The department ~~division~~ shall annually review the books  
3915 and records of each permitholder and verify that the breaks and  
3916 unclaimed ticket payments made by each permitholder are true and  
3917 correct.

3918 (3) (a) Each permitholder to which a license is granted  
3919 under this chapter, at its own cost and expense, must, before  
3920 the license is delivered, give a bond in the penal sum of  
3921 \$50,000 payable to the Governor of the state and her or his  
3922 successors in office, with a surety or sureties to be approved  
3923 by the department ~~division~~ and the Chief Financial Officer,  
3924 conditioned to faithfully make the payments to the Chief  
3925 Financial Officer in her or his capacity as treasurer of the



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3926 ~~department division~~; to keep its books and records and make  
3927 reports as provided; and to conduct its racing in conformity  
3928 with this chapter. When the greatest amount of tax owed during  
3929 any month in the prior state fiscal year, in which a full  
3930 schedule of live racing was conducted, is less than \$50,000, the  
3931 ~~department division~~ may assess a bond in a sum less than  
3932 \$50,000. The ~~department division~~ may review the bond for  
3933 adequacy and require adjustments each fiscal year. The  
3934 ~~department may division has the authority to~~ adopt rules to  
3935 implement this paragraph and establish guidelines for such  
3936 bonds.

3937 (b) The provisions of this chapter concerning bonding do  
3938 not apply to nonwagering licenses issued pursuant to s. 550.505.

3939 Section 48. Subsections (1) and (3) of section 550.135,  
3940 Florida Statutes, are amended to read:

3941 550.135 Division of moneys derived under this law.—All  
3942 moneys that are deposited with the Chief Financial Officer to  
3943 the credit of the Pari-mutuel Wagering Trust Fund shall be  
3944 distributed as follows:

3945 (1) The daily license fee revenues collected pursuant to s.  
3946 550.0951(1) shall be used to fund the operating cost of the  
3947 ~~department division and to provide a proportionate share of the~~  
3948 ~~operation of the office of the secretary and the Division of~~  
3949 ~~Administration of the Department of Business and Professional~~  
3950 ~~Regulation~~; however, other collections in the Pari-mutuel  
3951 Wagering Trust Fund may also be used to fund the operation of  
3952 the ~~department division~~ in accordance with authorized  
3953 appropriations.

3954 (3) The slot machine license fee, the slot machine



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3955 occupational license fee, and the compulsive or addictive  
3956 gambling prevention program fee collected pursuant to ss.  
3957 551.106, 551.107(2)(a)1., and 551.118 shall be used to fund the  
3958 direct and indirect operating expenses of the department's  
3959 ~~division's~~ slot machine regulation operations and to provide  
3960 funding for relevant enforcement activities in accordance with  
3961 authorized appropriations. Funds deposited into the Pari-mutuel  
3962 Wagering Trust Fund pursuant to ss. 551.106, 551.107(2)(a)1.,  
3963 and 551.118 shall be reserved in the trust fund for slot machine  
3964 regulation operations. On June 30, any unappropriated funds in  
3965 excess of those necessary for incurred obligations and  
3966 subsequent year cash flow for slot machine regulation operations  
3967 shall be deposited with the Chief Financial Officer to the  
3968 credit of the General Revenue Fund.

3969 Section 49. Subsection (1) of section 550.155, Florida  
3970 Statutes, is amended to read:

3971 550.155 Pari-mutuel pool within track enclosure; takeouts;  
3972 breaks; penalty for purchasing part of a pari-mutuel pool for or  
3973 through another in specified circumstances.-

3974 (1) Wagering on the results of a horserace, dograce, or on  
3975 the scores or points of a jai alai game and the sale of tickets  
3976 or other evidences showing an interest in or a contribution to a  
3977 pari-mutuel pool are allowed within the enclosure of any pari-  
3978 mutuel facility licensed and conducted under this chapter but  
3979 are not allowed elsewhere in this state, must be supervised by  
3980 the department ~~division~~, and are subject to such reasonable  
3981 rules that the department ~~division~~ prescribes.

3982 Section 50. Section 550.175, Florida Statutes, is amended  
3983 to read:



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3984           550.175 Petition for election to revoke permit.—Upon  
3985 petition of 20 percent of the qualified electors of any county  
3986 wherein any racing has been licensed and conducted under this  
3987 chapter, the county commissioners of such county shall provide  
3988 for the submission to the electors of such county at the then  
3989 next succeeding general election the question of whether any  
3990 permit or permits theretofore granted shall be continued or  
3991 revoked, and if a majority of the electors voting on such  
3992 question in such election vote to cancel or recall the permit  
3993 theretofore given, the department ~~division~~ may not thereafter  
3994 grant any license on the permit so recalled. Every signature  
3995 upon every recall petition must be signed in the presence of the  
3996 clerk of the board of county commissioners at the office of the  
3997 clerk of the circuit court of the county, and the petitioner  
3998 must present at the time of such signing her or his registration  
3999 receipt showing the petitioner's qualification as an elector of  
4000 the county at the time of the signing of the petition. Not more  
4001 than one permit may be included in any one petition; and, in all  
4002 elections in which the recall of more than one permit is voted  
4003 on, the voters shall be given an opportunity to vote for or  
4004 against the recall of each permit separately. ~~Nothing in This~~  
4005 chapter does not ~~shall be construed to~~ prevent the holding of  
4006 later referendum or recall elections.

4007           Section 51. Section 550.1815, Florida Statutes, is amended  
4008 to read:

4009           550.1815 Certain persons prohibited from holding racing or  
4010 jai alai permits; suspension and revocation.—

4011           (1) A corporation, general or limited partnership, sole  
4012 proprietorship, business trust, joint venture, or unincorporated



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4013 association, or other business entity may not hold any  
4014 horseracing or dogracing permit or jai alai fronton permit in  
4015 this state if any one of the persons or entities specified in  
4016 paragraph (a) has been determined by the department ~~division~~ not  
4017 to be of good moral character or has been convicted of any  
4018 offense specified in paragraph (b).

- 4019 (a)1. The permitholder;
- 4020 2. An employee of the permitholder;
- 4021 3. The sole proprietor of the permitholder;
- 4022 4. A corporate officer or director of the permitholder;
- 4023 5. A general partner of the permitholder;
- 4024 6. A trustee of the permitholder;
- 4025 7. A member of an unincorporated association permitholder;
- 4026 8. A joint venturer of the permitholder;
- 4027 9. The owner of more than 5 percent of any equity interest  
4028 in the permitholder, whether as a common shareholder, general or  
4029 limited partner, voting trustee, or trust beneficiary; or
- 4030 10. An owner of any interest in the permit or permitholder,  
4031 including any immediate family member of the owner, or holder of  
4032 any debt, mortgage, contract, or concession from the  
4033 permitholder, who by virtue thereof is able to control the  
4034 business of the permitholder.

- 4035 (b)1. A felony in this state;
- 4036 2. Any felony in any other state which would be a felony if  
4037 committed in this state under the laws of this state;
- 4038 3. Any felony under the laws of the United States;
- 4039 4. A felony under the laws of another state if related to  
4040 gambling which would be a felony under the laws of this state if  
4041 committed in this state; or



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4042 5. Bookmaking as defined in s. 849.25.

4043 (2) (a) If the applicant for permit as specified under  
4044 subsection (1) or a permitholder as specified in paragraph  
4045 (1) (a) has received a full pardon or a restoration of civil  
4046 rights with respect to the conviction specified in paragraph  
4047 (1) (b), the conviction does not constitute an absolute bar to  
4048 the issuance or renewal of a permit or a ground for the  
4049 revocation or suspension of a permit.

4050 (b) A corporation that has been convicted of a felony is  
4051 entitled to apply for and receive a restoration of its civil  
4052 rights in the same manner and on the same grounds as an  
4053 individual.

4054 (3) After notice and hearing, the department ~~division~~ shall  
4055 refuse to issue or renew or shall suspend, as appropriate, any  
4056 permit found in violation of subsection (1). The order shall  
4057 become effective 120 days after service of the order upon the  
4058 permitholder and shall be amended to constitute a final order of  
4059 revocation unless the permitholder has, within that period of  
4060 time, either caused the divestiture, or agreed with the  
4061 convicted person upon a complete immediate divestiture, of her  
4062 or his holding, or has petitioned the circuit court as provided  
4063 in subsection (4) or, in the case of corporate officers or  
4064 directors of the holder or employees of the holder, has  
4065 terminated the relationship between the permitholder and those  
4066 persons mentioned. The department ~~division~~ may, by order, extend  
4067 the 120-day period for divestiture, upon good cause shown, to  
4068 avoid interruption of any jai alai or race meeting or to  
4069 otherwise effectuate this section. If no action has been taken  
4070 by the permitholder within the 120-day period following the



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4071 issuance of the order of suspension, the department ~~division~~  
4072 shall, without further notice or hearing, enter a final order of  
4073 revocation of the permit. When any permitholder or sole  
4074 proprietor of a permitholder is convicted of an offense  
4075 specified in paragraph (1)(b), the department may approve a  
4076 transfer of the permit to a qualified applicant, upon a finding  
4077 that revocation of the permit would impair the state's revenue  
4078 from the operation of the permit or otherwise be detrimental to  
4079 the interests of the state in the regulation of the industry of  
4080 pari-mutuel wagering. In such approval, no public referendum is  
4081 required, notwithstanding any other provision of law. A petition  
4082 for transfer after conviction must be filed with the department  
4083 within 30 days after service upon the permitholder of the final  
4084 order of revocation. The timely filing of such a petition  
4085 automatically stays any revocation order until further order of  
4086 the department.

4087 (4) The circuit courts have jurisdiction to decide a  
4088 petition brought by a holder of a pari-mutuel permit that shows  
4089 that its permit is in jeopardy of suspension or revocation under  
4090 subsection (3) and that it is unable to agree upon the terms of  
4091 divestiture of interest with the person specified in  
4092 subparagraphs (1)(a)3.-9. who has been convicted of an offense  
4093 specified in paragraph (1)(b). The court shall determine the  
4094 reasonable value of the interest of the convicted person and  
4095 order a divestiture upon such terms and conditions as it finds  
4096 just. In determining the value of the interest of the convicted  
4097 person, the court may consider, among other matters, the value  
4098 of the assets of the permitholder, its good will and value as a  
4099 going concern, recent and expected future earnings, and other



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4100 criteria usual and customary in the sale of like enterprises.

4101 (5) The department ~~division~~ shall adopt ~~make~~ such rules for  
4102 the photographing, fingerprinting, and obtaining of personal  
4103 data of individuals described in paragraph (1)(a) and the  
4104 obtaining of such data regarding the business entities described  
4105 in paragraph (1)(a) as ~~is~~ necessary to implement ~~effectuate~~ the  
4106 provisions of this section.

4107 Section 52. Subsection (2), paragraph (c) of subsection  
4108 (3), and subsections (4) and (6) of section 550.24055, Florida  
4109 Statutes, are amended to read:

4110 550.24055 Use of controlled substances or alcohol  
4111 prohibited; testing of certain occupational licensees; penalty;  
4112 evidence of test or action taken and admissibility for criminal  
4113 prosecution limited.-

4114 (2) The occupational licensees, by applying for and holding  
4115 such licenses, are deemed to have given their consents to submit  
4116 to an approved chemical test of their breath for the purpose of  
4117 determining the alcoholic content of their blood and to a urine  
4118 or blood test for the purpose of detecting the presence of  
4119 controlled substances. Such tests shall ~~only~~ be conducted only  
4120 upon reasonable cause that a violation has occurred as shall be  
4121 determined solely by the stewards at a horseracing meeting or  
4122 the judges or board of judges at a dogtrack or jai alai meet.  
4123 The failure to submit to such test may result in a suspension of  
4124 the person's occupational license for a period of 10 days or  
4125 until this section has been complied with, whichever is longer.

4126 (a) If there was at the time of the test 0.05 percent or  
4127 less by weight of alcohol in the person's blood, the person is  
4128 presumed not to have been under the influence of alcoholic



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4129 beverages to the extent that the person's normal faculties were  
4130 impaired, and no action of any sort may be taken by the  
4131 stewards, judges, or board of judges or the department ~~division~~.

4132 (b) If there was at the time of the test an excess of 0.05  
4133 percent but less than 0.08 percent by weight of alcohol in the  
4134 person's blood, that fact does not give rise to any presumption  
4135 that the person was or was not under the influence of alcoholic  
4136 beverages to the extent that the person's faculties were  
4137 impaired, but the stewards, judges, or board of judges may  
4138 consider that fact in determining whether or not the person will  
4139 be allowed to officiate or participate in any given race or jai  
4140 alai game.

4141 (c) If there was at the time of the test 0.08 percent or  
4142 more by weight of alcohol in the person's blood, that fact is  
4143 prima facie evidence that the person was under the influence of  
4144 alcoholic beverages to the extent that the person's normal  
4145 faculties were impaired, and the stewards or judges may take  
4146 action as set forth in this section, but the person may not  
4147 officiate at or participate in any race or jai alai game on the  
4148 day of such test.

4149  
4150 All tests relating to alcohol must be performed in a manner  
4151 substantially similar, or identical, to the provisions of s.  
4152 316.1934 and rules adopted pursuant to that section. Following a  
4153 test of the urine or blood to determine the presence of a  
4154 controlled substance as defined in chapter 893, if a controlled  
4155 substance is found to exist, the stewards, judges, or board of  
4156 judges may take such action as is permitted in this section.

4157 (3) A violation of subsection (2) is subject to the



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4158 following penalties:

4159 (c) If the second violation occurred within 1 year after  
4160 the first violation, then upon the finding of a third violation  
4161 of this section within 1 year after the second violation, the  
4162 stewards, judges, or board of judges may suspend the licensee  
4163 for up to 120 days; and the stewards, judges, or board of judges  
4164 shall forward the results of the tests under paragraphs (a) and  
4165 (b) and this violation to the department ~~division~~. In addition  
4166 to the action taken by the stewards, judges, or board of judges,  
4167 the department ~~division~~, after a hearing, may deny, suspend, or  
4168 revoke the occupational license of the licensee and may impose a  
4169 civil penalty of up to \$5,000 in addition to, or in lieu of, a  
4170 suspension or revocation, it being the intent of the Legislature  
4171 that the department ~~division~~ shall have no authority over the  
4172 enforcement of this section until a licensee has committed the  
4173 third violation within 2 years after the first violation.

4174 (4) Section 120.80(19) applies ~~The provisions of s.~~  
4175 ~~120.80(4)(a) apply~~ to all actions taken by the stewards, judges,  
4176 or board of judges pursuant to this section without regard to  
4177 the limitation contained therein.

4178 (6) Evidence of any test or actions taken by the stewards,  
4179 judges, or board of judges or the department ~~division~~ under this  
4180 section is inadmissible for any purpose in any court for  
4181 criminal prosecution, it being the intent of the Legislature to  
4182 provide a method and means by which the health, safety, and  
4183 welfare of those officiating at or participating in a race meet  
4184 or a jai alai game are sufficiently protected. However, this  
4185 subsection does not prohibit any person so authorized from  
4186 pursuing an independent investigation as a result of a ruling



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4187 made by the stewards, judges, or board of judges, or the  
4188 department ~~division~~.

4189 Section 53. Section 550.2415, Florida Statutes, is amended  
4190 to read:

4191 550.2415 Racing of animals under certain conditions  
4192 prohibited; penalties; exceptions.—

4193 (1) (a) The racing of an animal that has been impermissibly  
4194 medicated or determined to have a prohibited substance present  
4195 is prohibited. It is a violation of this section for a person to  
4196 impermissibly medicate an animal or for an animal to have a  
4197 prohibited substance present resulting in a positive test for  
4198 such medications or substances based on samples taken from the  
4199 animal before or immediately after the racing of that animal.  
4200 Test results and the identities of the animals being tested and  
4201 of their trainers and owners of record are confidential and  
4202 exempt from s. 119.07(1) and from s. 24(a), Art. I of the State  
4203 Constitution for 10 days after testing of all samples collected  
4204 on a particular day has been completed and any positive test  
4205 results derived from such samples have been reported to the  
4206 director of the department ~~division~~ or administrative action has  
4207 been commenced.

4208 (b) It is a violation of this section for a race-day  
4209 specimen to contain a level of a naturally occurring substance  
4210 which exceeds normal physiological concentrations. The  
4211 department ~~division~~ may solicit input from the Department of  
4212 Agriculture and Consumer Services and adopt rules that specify  
4213 normal physiological concentrations of naturally occurring  
4214 substances in the natural untreated animal and rules that  
4215 specify acceptable levels of environmental contaminants and



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4216 trace levels of substances in test samples.

4217 (c) The finding of a prohibited substance in a race-day  
4218 specimen constitutes prima facie evidence that the substance was  
4219 administered and was carried in the body of the animal while  
4220 participating in the race.

4221 (2) Administrative action may be taken by the department  
4222 ~~division~~ against an occupational licensee responsible pursuant  
4223 to rule of the department ~~division~~ for the condition of an  
4224 animal that has been impermissibly medicated or drugged in  
4225 violation of this section.

4226 (3) (a) Upon the finding of a violation of this section, the  
4227 department ~~division~~ may revoke or suspend the license or permit  
4228 of the violator or deny a license or permit to the violator;  
4229 impose a fine against the violator in an amount not exceeding  
4230 the purse or sweepstakes earned by the animal in the race at  
4231 issue or \$10,000, whichever is greater; require the full or  
4232 partial return of the purse, sweepstakes, and trophy of the race  
4233 at issue; or impose against the violator any combination of such  
4234 penalties. The finding of a violation of this section does not  
4235 prohibit a prosecution for criminal acts committed.

4236 (b) The department ~~division~~, notwithstanding chapter 120,  
4237 may summarily suspend the license of an occupational licensee  
4238 responsible under this section or department ~~division~~ rule for  
4239 the condition of a race animal if the department's ~~division~~  
4240 laboratory reports the presence of a prohibited substance in the  
4241 animal or its blood, urine, saliva, or any other bodily fluid,  
4242 either before a race in which the animal is entered or after a  
4243 race the animal has run.

4244 (c) If an occupational licensee is summarily suspended



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4245 under this section, the department ~~division~~ shall offer the  
4246 licensee a prompt postsuspension hearing within 72 hours, at  
4247 which the department ~~division~~ shall produce the laboratory  
4248 report and documentation that ~~which~~, on its face, establishes  
4249 the responsibility of the occupational licensee. Upon production  
4250 of the documentation, the occupational licensee has the burden  
4251 of proving his or her lack of responsibility.

4252 (d) Any proceeding for administrative action against a  
4253 licensee or permittee, other than a proceeding under paragraph  
4254 (c), shall be conducted in compliance with chapter 120.

4255 (4) A prosecution pursuant to this section for a violation  
4256 of this section must begin within 90 days after the violation  
4257 was committed. Service of an administrative complaint marks the  
4258 commencement of administrative action.

4259 (5) The department ~~division~~ shall implement a split-sample  
4260 procedure for testing animals under this section.

4261 (a) The department ~~division~~ shall notify the owner or  
4262 trainer, the stewards, and the appropriate horsemen's  
4263 association of all drug test results. If a drug test result is  
4264 positive, and upon request by the affected trainer or owner of  
4265 the animal from which the sample was obtained, the department  
4266 ~~division~~ shall send the split sample to an approved independent  
4267 laboratory for analysis. The department ~~division~~ shall establish  
4268 standards and rules for uniform enforcement and shall maintain a  
4269 list of at least five approved independent laboratories for an  
4270 owner or trainer to select from if a drug test result is  
4271 positive.

4272 (b) If the department ~~division~~ laboratory's findings are  
4273 not confirmed by the independent laboratory, no further



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4274 administrative or disciplinary action under this section may be  
4275 pursued.

4276 (c) If the independent laboratory confirms the department  
4277 ~~division~~ laboratory's positive result, the department ~~division~~  
4278 may commence administrative proceedings as prescribed in this  
4279 chapter and consistent with chapter 120. For purposes of this  
4280 subsection, the department shall in good faith attempt to obtain  
4281 a sufficient quantity of the test fluid to allow both a primary  
4282 test and a secondary test to be made.

4283 (d) For the testing of a racing greyhound, if there is an  
4284 insufficient quantity of the secondary (split) sample for  
4285 confirmation of the department ~~division~~ laboratory's positive  
4286 result, the department ~~division~~ may commence administrative  
4287 proceedings as prescribed in this chapter and consistent with  
4288 chapter 120.

4289 (e) For the testing of a racehorse, if there is an  
4290 insufficient quantity of the secondary (split) sample for  
4291 confirmation of the department ~~division~~ laboratory's positive  
4292 result, the department ~~division~~ may not take further action on  
4293 the matter against the owner or trainer, and any resulting  
4294 license suspension must be immediately lifted.

4295 (f) The department ~~division~~ shall require its laboratory  
4296 and the independent laboratories to annually participate in an  
4297 externally administered quality assurance program designed to  
4298 assess testing proficiency in the detection and appropriate  
4299 quantification of medications, drugs, and naturally occurring  
4300 substances that may be administered to racing animals. The  
4301 administrator of the quality assurance program shall report its  
4302 results and findings to the department ~~division~~ and the



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4303 Department of Agriculture and Consumer Services.

4304 (6) (a) It is the intent of the Legislature that animals  
4305 that participate in races in this state on which pari-mutuel  
4306 wagering is conducted and animals that are bred and trained in  
4307 this state for racing be treated humanely, both on and off  
4308 racetracks, throughout the lives of the animals.

4309 (b) The department ~~division~~ shall, by rule, adopt ~~establish~~  
4310 the procedures for euthanizing greyhounds. However, a greyhound  
4311 may not be put to death by any means other than by lethal  
4312 injection of the drug sodium pentobarbital. A greyhound may not  
4313 be removed from this state for the purpose of being destroyed.

4314 (c) It is a violation of this chapter for an occupational  
4315 licensee to train a greyhound using live or dead animals. A  
4316 greyhound may not be taken from this state for the purpose of  
4317 being trained through the use of live or dead animals.

4318 (d) Any act committed by any licensee that would constitute  
4319 cruelty to animals as defined in s. 828.02 ~~involving any animal~~  
4320 constitutes a violation of this chapter. Imposition of any  
4321 penalty by the department ~~division~~ for violation of this chapter  
4322 or any rule adopted by the department ~~division~~ pursuant to this  
4323 chapter does ~~shall~~ not prohibit a criminal prosecution for  
4324 cruelty to animals.

4325 (e) The department ~~division~~ may inspect any area at a pari-  
4326 mutuel facility where racing animals are raced, trained, housed,  
4327 or maintained, including any areas where food, medications, or  
4328 other supplies are kept, to ensure the humane treatment of  
4329 racing animals and compliance with this chapter and the rules of  
4330 the department ~~division~~.

4331 (7) (a) In order to protect the safety and welfare of racing



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4332 animals and the integrity of the races in which the animals  
4333 participate, the department ~~division~~ shall adopt rules  
4334 establishing the conditions of use and maximum concentrations of  
4335 medications, drugs, and naturally occurring substances  
4336 identified in the Controlled Therapeutic Medication Schedule,  
4337 Version 2.1, revised April 17, 2014, adopted by the Association  
4338 of Racing Commissioners International, Inc. Controlled  
4339 therapeutic medications include only the specific medications  
4340 and concentrations allowed in biological samples which have been  
4341 approved by the Association of Racing Commissioners  
4342 International, Inc., as controlled therapeutic medications.

4343 (b) The department ~~division~~ rules must designate the  
4344 appropriate biological specimens by which the administration of  
4345 medications, drugs, and naturally occurring substances is  
4346 monitored and must determine the testing methodologies,  
4347 including measurement uncertainties, for screening such  
4348 specimens to confirm the presence of medications, drugs, and  
4349 naturally occurring substances.

4350 (c) The department ~~division~~ rules must include a  
4351 classification system for drugs and substances and a  
4352 corresponding penalty schedule for violations which incorporates  
4353 the Uniform Classification Guidelines for Foreign Substances,  
4354 Version 8.0, revised December 2014, by the Association of Racing  
4355 Commissioners International, Inc. The department ~~division~~ shall  
4356 adopt laboratory screening limits approved by the Association of  
4357 Racing Commissioners International, Inc., for drugs and  
4358 medications that are not included as controlled therapeutic  
4359 medications, the presence of which in a sample may result in a  
4360 violation of this section.



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4361 (d) The department ~~division~~ rules must include conditions  
4362 for the use of furosemide to treat exercise-induced pulmonary  
4363 hemorrhage.

4364 (e) The department ~~division~~ may solicit input from the  
4365 Department of Agriculture and Consumer Services in adopting the  
4366 rules required under this subsection. Such rules must be adopted  
4367 before January 1, 2016.

4368 (8) Furosemide is the only medication that may be  
4369 administered within 24 hours before the officially scheduled  
4370 post time of a race, but it may not be administered within 4  
4371 hours before the officially scheduled post time of a race.

4372 (9) (a) The department ~~division~~ may conduct a postmortem  
4373 examination of any animal that is injured at a permitted  
4374 racetrack while in training or in competition and that  
4375 subsequently expires or is destroyed. The department ~~division~~  
4376 may conduct a postmortem examination of any animal that expires  
4377 while housed at a permitted racetrack, association compound, or  
4378 licensed kennel or farm. Trainers and owners shall be requested  
4379 to comply with this paragraph as a condition of licensure.

4380 (b) The department ~~division~~ may take possession of the  
4381 animal upon death for postmortem examination. The department  
4382 ~~division~~ may submit blood, urine, other bodily fluid specimens,  
4383 or other tissue specimens collected during a postmortem  
4384 examination for testing by the department ~~division~~ laboratory or  
4385 its designee. Upon completion of the postmortem examination, the  
4386 carcass must be returned to the owner or disposed of at the  
4387 owner's option.

4388 (10) The presence of a prohibited substance in an animal,  
4389 found by the department ~~division~~ laboratory in a bodily fluid



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4390 specimen collected after the race or during the postmortem  
4391 examination of the animal, which breaks down during a race  
4392 constitutes a violation of this section.

4393 (11) The cost of postmortem examinations, testing, and  
4394 disposal must be borne by the department ~~division~~.

4395 (12) The department ~~division~~ shall adopt rules to implement  
4396 this section.

4397 (13) The department ~~division~~ may implement by rule  
4398 medication levels for racing greyhounds recommended by the  
4399 University of Florida College of Veterinary Medicine developed  
4400 pursuant to an agreement between the department ~~Division of~~  
4401 ~~Pari-mutuel Wagering~~ and the University of Florida College of  
4402 Veterinary Medicine. The University of Florida College of  
4403 Veterinary Medicine may provide written notification to the  
4404 department ~~division~~ that it has completed research or review on  
4405 a particular drug pursuant to the agreement and when the College  
4406 of Veterinary Medicine has completed a final report of its  
4407 findings, conclusions, and recommendations to the department  
4408 ~~division~~.

4409 Section 54. Subsection (4) of section 550.2614, Florida  
4410 Statutes, is amended to read:

4411 550.2614 Distribution of certain funds to a horsemen's  
4412 association.-

4413 (4) The department ~~division~~ shall adopt rules to facilitate  
4414 the orderly transfer of funds in accordance with this section.  
4415 The department ~~division~~ shall also monitor the membership rolls  
4416 of the horsemen's association to ensure that complete, accurate,  
4417 and timely listings are maintained for the purposes specified in  
4418 this section.



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4419 Section 55. Section 550.2625, Florida Statutes, is amended  
4420 to read:

4421 550.2625 Horseracing; minimum purse requirement, Florida  
4422 breeders' and owners' awards.—

4423 (1) The purse structure and the availability of breeder  
4424 awards are important factors in attracting the entry of well-  
4425 bred horses in racing meets in this state which in turn helps to  
4426 produce maximum racing revenues for the state and the counties.

4427 (2) Each permitholder conducting a horserace meet is  
4428 required to pay from the takeout withheld on pari-mutuel pools a  
4429 sum for purses in accordance with the type of race performed.

4430 (a) A permitholder conducting a thoroughbred horse race  
4431 meet under this chapter must pay from the takeout withheld a sum  
4432 not less than 7.75 percent of all contributions to pari-mutuel  
4433 pools conducted during the race meet as purses. In addition to  
4434 the 7.75 percent minimum purse payment, permitholders conducting  
4435 live thoroughbred performances shall be required to pay as  
4436 additional purses 0.625 ~~.625~~ percent of live handle for  
4437 performances conducted during the period beginning on January 3  
4438 and ending March 16; 0.225 ~~.225~~ percent for performances  
4439 conducted during the period beginning March 17 and ending May  
4440 22; and 0.85 ~~.85~~ percent for performances conducted during the  
4441 period beginning May 23 and ending January 2. Except that any  
4442 thoroughbred permitholder whose total handle on live  
4443 performances during the 1991-1992 state fiscal year was not  
4444 greater than \$34 million is not subject to this additional purse  
4445 payment. A permitholder authorized to conduct thoroughbred  
4446 racing may withhold from the handle an additional amount equal  
4447 to 1 percent on exotic wagering for use as owners' awards, and



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4448 may withhold from the handle an amount equal to 2 percent on  
4449 exotic wagering for use as overnight purses. A ~~No~~ permitholder  
4450 may not withhold in excess of 20 percent from the handle without  
4451 withholding the amounts set forth in this subsection.

4452 (b)1. A permitholder conducting a harness horse race meet  
4453 under this chapter must pay to the purse pool from the takeout  
4454 withheld a purse requirement that totals an amount not less than  
4455 8.25 percent of all contributions to pari-mutuel pools conducted  
4456 during the race meet. An amount not less than 7.75 percent of  
4457 the total handle shall be paid from this purse pool as purses.

4458 2. An amount not to exceed 0.5 percent of the total handle  
4459 on all harness horse races that are subject to the purse  
4460 requirement of subparagraph 1., must be available for use to  
4461 provide medical, dental, surgical, life, funeral, or disability  
4462 insurance benefits for occupational licensees who work at tracks  
4463 in this state at which harness horse races are conducted. Such  
4464 insurance benefits must be paid from the purse pool specified in  
4465 subparagraph 1. An annual plan for payment of insurance benefits  
4466 from the purse pool, including qualifications for eligibility,  
4467 must be submitted by the Florida Standardbred Breeders and  
4468 Owners Association for approval to the department ~~division~~. An  
4469 annual report of the implemented plan shall be submitted to the  
4470 department ~~division~~. All records of the Florida Standardbred  
4471 Breeders and Owners Association concerning the administration of  
4472 the plan must be available for audit at the discretion of the  
4473 department ~~division~~ to determine that the plan has been  
4474 implemented and administered as authorized. If the department  
4475 ~~division~~ finds that the Florida Standardbred Breeders and Owners  
4476 Association has not complied with the provisions of this



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4477 section, the department ~~division~~ may order the association to  
4478 cease and desist from administering the plan and shall appoint  
4479 the department ~~division~~ as temporary administrator of the plan  
4480 until the department ~~division~~ reestablishes administration of  
4481 the plan with the association.

4482 (c) A permitholder conducting a quarter horse race meet  
4483 under this chapter shall pay from the takeout withheld a sum not  
4484 less than 6 percent of all contributions to pari-mutuel pools  
4485 conducted during the race meet as purses.

4486 (d) The department ~~division~~ shall adopt reasonable rules to  
4487 ensure the timely and accurate payment of all amounts withheld  
4488 by horserace permitholders regarding the distribution of purses,  
4489 owners' awards, and other amounts collected for payment to  
4490 owners and breeders. Each permitholder that fails to pay out all  
4491 moneys collected for payment to owners and breeders shall,  
4492 within 10 days after the end of the meet during which the  
4493 permitholder underpaid purses, deposit an amount equal to the  
4494 underpayment into a separate interest-bearing account to be  
4495 distributed to owners and breeders in accordance with department  
4496 ~~division~~ rules.

4497 (e) An amount equal to 8.5 percent of the purse account  
4498 generated through intertrack wagering and interstate  
4499 simulcasting will be used for Florida Owners' Awards as set  
4500 forth in subsection (3). Any thoroughbred permitholder with an  
4501 average blended takeout that ~~which~~ does not exceed 20 percent  
4502 and with an average daily purse distribution excluding  
4503 sponsorship, entry fees, and nominations exceeding \$225,000 is  
4504 exempt from the provisions of this paragraph.

4505 (3) Each horseracing permitholder conducting any



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4506 thoroughbred race under this chapter, including any intertrack  
4507 race taken pursuant to ss. 550.615-550.6305 or any interstate  
4508 simulcast taken pursuant to s. 550.3551(3) shall pay a sum equal  
4509 to 0.955 percent on all pari-mutuel pools conducted during any  
4510 such race for the payment of breeders', stallion, or special  
4511 racing awards as authorized in this chapter. This subsection  
4512 also applies to all Breeder's Cup races conducted outside this  
4513 state taken pursuant to s. 550.3551(3). On any race originating  
4514 live in this state which is broadcast out-of-state to any  
4515 location at which wagers are accepted pursuant to s.  
4516 550.3551(2), the host track is required to pay 3.475 percent of  
4517 the gross revenue derived from such out-of-state broadcasts as  
4518 breeders', stallion, or special racing awards. The Florida  
4519 Thoroughbred Breeders' Association is authorized to receive  
4520 these payments from the permitholders and make payments of  
4521 awards earned. The Florida Thoroughbred Breeders' Association  
4522 has the right to withhold up to 10 percent of the permitholder's  
4523 payments under this section as a fee for administering the  
4524 payments of awards and for general promotion of the industry.  
4525 The permitholder shall remit these payments to the Florida  
4526 Thoroughbred Breeders' Association by the 5th day of each  
4527 calendar month for such sums accruing during the preceding  
4528 calendar month and shall report such payments to the department  
4529 ~~division~~ as prescribed by the department ~~division~~. With the  
4530 exception of the 10-percent fee, the moneys paid by the  
4531 permitholders shall be maintained in a separate, interest-  
4532 bearing account, and such payments together with any interest  
4533 earned shall be used exclusively for the payment of breeders',  
4534 stallion, or special racing awards in accordance with the



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4535 following provisions:

4536 (a) The breeder of each Florida-bred thoroughbred horse  
4537 winning a thoroughbred horse race is entitled to an award of up  
4538 to, but not exceeding, 20 percent of the announced gross purse,  
4539 including nomination fees, eligibility fees, starting fees,  
4540 supplementary fees, and moneys added by the sponsor of the race.

4541 (b) The owner or owners of the sire of a Florida-bred  
4542 thoroughbred horse that wins a stakes race is entitled to a  
4543 stallion award of up to, but not exceeding, 20 percent of the  
4544 announced gross purse, including nomination fees, eligibility  
4545 fees, starting fees, supplementary fees, and moneys added by the  
4546 sponsor of the race.

4547 (c) The owners of thoroughbred horses participating in  
4548 thoroughbred stakes races, nonstakes races, or both may receive  
4549 a special racing award in accordance with the agreement  
4550 established pursuant to s. 550.26165(1).

4551 (d) In order for a breeder of a Florida-bred thoroughbred  
4552 horse to be eligible to receive a breeder's award, the horse  
4553 must have been registered as a Florida-bred horse with the  
4554 Florida Thoroughbred Breeders' Association, and the Jockey Club  
4555 certificate for the horse must show that it has been duly  
4556 registered as a Florida-bred horse as evidenced by the seal and  
4557 proper serial number of the Florida Thoroughbred Breeders'  
4558 Association registry. The Florida Thoroughbred Breeders'  
4559 Association shall be permitted to charge the registrant a  
4560 reasonable fee for this verification and registration.

4561 (e) In order for an owner of the sire of a thoroughbred  
4562 horse winning a stakes race to be eligible to receive a stallion  
4563 award, the stallion must have been registered with the Florida



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4564 Thoroughbred Breeders' Association, and the breeding of the  
4565 registered Florida-bred horse must have occurred in this state.  
4566 The stallion must be standing permanently in this state during  
4567 the period of time between February 1 and June 15 of each year  
4568 or, if the stallion is dead, must have stood permanently in this  
4569 state for a period of not less than 1 year immediately prior to  
4570 its death. The removal of a stallion from this state during the  
4571 period of time between February 1 and June 15 of any year for  
4572 any reason, other than exclusively for prescribed medical  
4573 treatment, as approved by the Florida Thoroughbred Breeders'  
4574 Association, renders the owner or owners of the stallion  
4575 ineligible to receive a stallion award under any circumstances  
4576 for offspring sired prior to removal; however, if a removed  
4577 stallion is returned to this state, all offspring sired  
4578 subsequent to the return make the owner or owners of the  
4579 stallion eligible for the stallion award but only for those  
4580 offspring sired subsequent to such return to this state. The  
4581 Florida Thoroughbred Breeders' Association shall maintain  
4582 complete records showing the date the stallion arrived in this  
4583 state for the first time, whether or not the stallion remained  
4584 in the state permanently, the location of the stallion, and  
4585 whether the stallion is still standing in this state and  
4586 complete records showing awards earned, received, and  
4587 distributed. The association may charge the owner, owners, or  
4588 breeder a reasonable fee for this service.

4589 (f) A permitholder conducting a thoroughbred horse race  
4590 under the provisions of this chapter shall, within 30 days after  
4591 the end of the race meet during which the race is conducted,  
4592 certify to the Florida Thoroughbred Breeders' Association such



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4593 information relating to the thoroughbred horses winning a stakes  
4594 or other horserace at the meet as may be required to determine  
4595 the eligibility for payment of breeders', stallion, and special  
4596 racing awards.

4597 (g) The Florida Thoroughbred Breeders' Association shall  
4598 maintain complete records showing the starters and winners in  
4599 all races conducted at thoroughbred tracks in this state; shall  
4600 maintain complete records showing awards earned, received, and  
4601 distributed; and may charge the owner, owners, or breeder a  
4602 reasonable fee for this service.

4603 (h) The Florida Thoroughbred Breeders' Association shall  
4604 annually establish a uniform rate and procedure for the payment  
4605 of breeders' and stallion awards and shall make breeders' and  
4606 stallion award payments in strict compliance with the  
4607 established uniform rate and procedure plan. The plan may set a  
4608 cap on winnings and may limit, exclude, or defer payments to  
4609 certain classes of races, such as the Florida stallion stakes  
4610 races, in order to assure that there are adequate revenues to  
4611 meet the proposed uniform rate. Such plan must include proposals  
4612 for the general promotion of the industry. Priority shall be  
4613 placed upon imposing such restrictions in lieu of allowing the  
4614 uniform rate to be less than 15 percent of the total purse  
4615 payment. The uniform rate and procedure plan must be approved by  
4616 the department ~~division~~ before implementation. In the absence of  
4617 an approved plan and procedure, the authorized rate for  
4618 breeders' and stallion awards is 15 percent of the announced  
4619 gross purse for each race. Such purse must include nomination  
4620 fees, eligibility fees, starting fees, supplementary fees, and  
4621 moneys added by the sponsor of the race. If the funds in the



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4622 account for payment of breeders' and stallion awards are not  
4623 sufficient to meet all earned breeders' and stallion awards,  
4624 those breeders and stallion owners not receiving payments have  
4625 first call on any subsequent receipts in that or any subsequent  
4626 year.

4627 (i) The Florida Thoroughbred Breeders' Association shall  
4628 keep accurate records showing receipts and disbursements of such  
4629 payments and shall annually file a full and complete report to  
4630 the department ~~division~~ showing such receipts and disbursements  
4631 and the sums withheld for administration. The department  
4632 ~~division~~ may audit the records and accounts of the Florida  
4633 Thoroughbred Breeders' Association to determine that payments  
4634 have been made to eligible breeders and stallion owners in  
4635 accordance with this section.

4636 (j) If the department ~~division~~ finds that the Florida  
4637 Thoroughbred Breeders' Association has not complied with any  
4638 provision of this section, the department ~~division~~ may order the  
4639 association to cease and desist from receiving funds and  
4640 administering funds received under this section. If the  
4641 department ~~division~~ enters such an order, the permit holder shall  
4642 make the payments authorized in this section to the department  
4643 ~~division~~ for deposit into the Pari-mutuel Wagering Trust Fund;  
4644 and any funds in the Florida Thoroughbred Breeders' Association  
4645 account shall be immediately paid to the department ~~Division of~~  
4646 ~~Pari-mutuel Wagering~~ for deposit to the Pari-mutuel Wagering  
4647 Trust Fund. The department ~~division~~ shall authorize payment from  
4648 these funds to any breeder or stallion owner entitled to an  
4649 award that has not been previously paid by the Florida  
4650 Thoroughbred Breeders' Association in accordance with the



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4651 applicable rate.

4652 (4) Each permitholder conducting a harness horse race under  
4653 this chapter shall pay a sum equal to the breaks on all pari-  
4654 mutuel pools conducted during that race for the payment of  
4655 breeders' awards, stallion awards, and stallion stakes and for  
4656 additional expenditures as authorized in this section. The  
4657 Florida Standardbred Breeders and Owners Association is  
4658 authorized to receive these payments from the permitholders and  
4659 make payments as authorized in this subsection. The Florida  
4660 Standardbred Breeders and Owners Association has the right to  
4661 withhold up to 10 percent of the permitholder's payments under  
4662 this section and under s. 550.2633 as a fee for administering  
4663 these payments. The permitholder shall remit these payments to  
4664 the Florida Standardbred Breeders and Owners Association by the  
4665 5th day of each calendar month for such sums accruing during the  
4666 preceding calendar month and shall report such payments to the  
4667 department ~~division~~ as prescribed by the department ~~division~~.  
4668 With the exception of the 10-percent fee for administering the  
4669 payments and the use of the moneys authorized by paragraph (j),  
4670 the moneys paid by the permitholders shall be maintained in a  
4671 separate, interest-bearing account; and such payments together  
4672 with any interest earned shall be allocated for the payment of  
4673 breeders' awards, stallion awards, stallion stakes, additional  
4674 purses, and prizes for, and the general promotion of owning and  
4675 breeding of, Florida-bred standardbred horses. Payment of  
4676 breeders' awards and stallion awards shall be made in accordance  
4677 with the following provisions:

4678 (a) The breeder of each Florida-bred standardbred horse  
4679 winning a harness horse race is entitled to an award of up to,



4680 but not exceeding, 20 percent of the announced gross purse,  
4681 including nomination fees, eligibility fees, starting fees,  
4682 supplementary fees, and moneys added by the sponsor of the race.

4683 (b) The owner or owners of the sire of a Florida-bred  
4684 standardbred horse that wins a stakes race is entitled to a  
4685 stallion award of up to, but not exceeding, 20 percent of the  
4686 announced gross purse, including nomination fees, eligibility  
4687 fees, starting fees, supplementary fees, and moneys added by the  
4688 sponsor of the race.

4689 (c) In order for a breeder of a Florida-bred standardbred  
4690 horse to be eligible to receive a breeder's award, the horse  
4691 winning the race must have been registered as a Florida-bred  
4692 horse with the Florida Standardbred Breeders and Owners  
4693 Association and a registration certificate under seal for the  
4694 winning horse must show that the winner has been duly registered  
4695 as a Florida-bred horse as evidenced by the seal and proper  
4696 serial number of the United States Trotting Association  
4697 registry. The Florida Standardbred Breeders and Owners  
4698 Association shall be permitted to charge the registrant a  
4699 reasonable fee for this verification and registration.

4700 (d) In order for an owner of the sire of a standardbred  
4701 horse winning a stakes race to be eligible to receive a stallion  
4702 award, the stallion must have been registered with the Florida  
4703 Standardbred Breeders and Owners Association, and the breeding  
4704 of the registered Florida-bred horse must have occurred in this  
4705 state. The stallion must be standing permanently in this state  
4706 or, if the stallion is dead, must have stood permanently in this  
4707 state for a period of not less than 1 year immediately prior to  
4708 its death. The removal of a stallion from this state for any



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4709 reason, other than exclusively for prescribed medical treatment,  
4710 renders the owner or the owners of the stallion ineligible to  
4711 receive a stallion award under any circumstances for offspring  
4712 sired prior to removal; however, if a removed stallion is  
4713 returned to this state, all offspring sired subsequent to the  
4714 return make the owner or owners of the stallion eligible for the  
4715 stallion award but only for those offspring sired subsequent to  
4716 such return to this state. The Florida Standardbred Breeders and  
4717 Owners Association shall maintain complete records showing the  
4718 date the stallion arrived in this state for the first time,  
4719 whether or not the stallion remained in the state permanently,  
4720 the location of the stallion, and whether the stallion is still  
4721 standing in this state and complete records showing awards  
4722 earned, received, and distributed. The association may charge  
4723 the owner, owners, or breeder a reasonable fee for this service.

4724 (e) A permitholder conducting a harness horse race under  
4725 this chapter shall, within 30 days after the end of the race  
4726 meet during which the race is conducted, certify to the Florida  
4727 Standardbred Breeders and Owners Association such information  
4728 relating to the horse winning a stakes or other horserace at the  
4729 meet as may be required to determine the eligibility for payment  
4730 of breeders' awards and stallion awards.

4731 (f) The Florida Standardbred Breeders and Owners  
4732 Association shall maintain complete records showing the starters  
4733 and winners in all races conducted at harness horse racetracks  
4734 in this state; shall maintain complete records showing awards  
4735 earned, received, and distributed; and may charge the owner,  
4736 owners, or breeder a reasonable fee for this service.

4737 (g) The Florida Standardbred Breeders and Owners



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4738 Association shall annually establish a uniform rate and  
4739 procedure for the payment of breeders' awards, stallion awards,  
4740 stallion stakes, additional purses, and prizes for, and for the  
4741 general promotion of owning and breeding of, Florida-bred  
4742 standardbred horses and shall make award payments and  
4743 allocations in strict compliance with the established uniform  
4744 rate and procedure. The plan may set a cap on winnings, and may  
4745 limit, exclude, or defer payments to certain classes of races,  
4746 such as the Florida Breeders' stakes races, in order to assure  
4747 that there are adequate revenues to meet the proposed uniform  
4748 rate. Priority shall be placed on imposing such restrictions in  
4749 lieu of allowing the uniform rate allocated to payment of  
4750 breeder and stallion awards to be less than 10 percent of the  
4751 total purse payment. The uniform rate and procedure must be  
4752 approved by the department ~~division~~ before implementation. In  
4753 the absence of an approved plan and procedure, the authorized  
4754 rate for breeders' and stallion awards is 10 percent of the  
4755 announced gross purse for each race. Such purse must include  
4756 nomination fees, eligibility fees, starting fees, supplementary  
4757 fees, and moneys added by the sponsor of the race. If the funds  
4758 in the account for payment of breeders' and stallion awards are  
4759 not sufficient to meet all earned breeders' and stallion awards,  
4760 those breeders and stallion owners not receiving payments have  
4761 first call on any subsequent receipts in that or any subsequent  
4762 year.

4763 (h) The Florida Standardbred Breeders and Owners  
4764 Association shall keep accurate records showing receipts and  
4765 disbursements of such payments and shall annually file a full  
4766 and complete report to the department ~~division~~ showing such



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4767 receipts and disbursements and the sums withheld for  
4768 administration. The department ~~division~~ may audit the records  
4769 and accounts of the Florida Standardbred Breeders and Owners  
4770 Association to determine that payments have been made to  
4771 eligible breeders, stallion owners, and owners of Florida-bred  
4772 standardbred horses in accordance with this section.

4773 (i) If the department ~~division~~ finds that the Florida  
4774 Standardbred Breeders and Owners Association has not complied  
4775 with any provision of this section, the department ~~division~~ may  
4776 order the association to cease and desist from receiving funds  
4777 and administering funds received under this section and under s.  
4778 550.2633. If the department ~~division~~ enters such an order, the  
4779 permitholder shall make the payments authorized in this section  
4780 and s. 550.2633 to the department ~~division~~ for deposit into the  
4781 Pari-mutuel Wagering Trust Fund; and any funds in the Florida  
4782 Standardbred Breeders and Owners Association account shall be  
4783 immediately paid to the department ~~division~~ for deposit to the  
4784 Pari-mutuel Wagering Trust Fund. The department ~~division~~ shall  
4785 authorize payment from these funds to any breeder, stallion  
4786 owner, or owner of a Florida-bred standardbred horse entitled to  
4787 an award that has not been previously paid by the Florida  
4788 Standardbred Breeders and Owners Association in accordance with  
4789 the applicable rate.

4790 (j) The board of directors of the Florida Standardbred  
4791 Breeders and Owners Association may authorize the release of up  
4792 to 25 percent of the funds available for breeders' awards,  
4793 stallion awards, stallion stakes, additional purses, and prizes  
4794 for, and for the general promotion of owning and breeding of,  
4795 Florida-bred standardbred horses to be used for purses for, and



4796 promotion of, Florida-bred standardbred horses at race meetings  
4797 at which there is no pari-mutuel wagering unless, and to the  
4798 extent that, such release would render the funds available for  
4799 such awards insufficient to pay the breeders' and stallion  
4800 awards earned pursuant to the annual plan of the association.  
4801 Any such funds so released and used for purses are not  
4802 considered to be an "announced gross purse" as that term is used  
4803 in paragraphs (a) and (b), and no breeders' or stallion awards,  
4804 stallion stakes, or owner awards are required to be paid for  
4805 standardbred horses winning races in meetings at which there is  
4806 no pari-mutuel wagering. The amount of purses to be paid from  
4807 funds so released and the meets eligible to receive such funds  
4808 for purses must be approved by the board of directors of the  
4809 Florida Standardbred Breeders and Owners Association.

4810 (5) (a) Except as provided in subsections (7) and (8), each  
4811 permitholder conducting a quarter horse race meet under this  
4812 chapter shall pay a sum equal to the breaks plus a sum equal to  
4813 1 percent of all pari-mutuel pools conducted during that race  
4814 for supplementing and augmenting purses and prizes and for the  
4815 general promotion of owning and breeding of racing quarter  
4816 horses in this state as authorized in this section. The Florida  
4817 Quarter Horse Breeders and Owners Association is authorized to  
4818 receive these payments from the permitholders and make payments  
4819 as authorized in this subsection. The Florida Quarter Horse  
4820 Breeders and Owners Association, Inc., referred to in this  
4821 chapter as the Florida Quarter Horse Breeders and Owners  
4822 Association, has the right to withhold up to 10 percent of the  
4823 permitholder's payments under this section and under s. 550.2633  
4824 as a fee for administering these payments. The permitholder



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4825 shall remit these payments to the Florida Quarter Horse Breeders  
4826 and Owners Association by the 5th day of each calendar month for  
4827 such sums accruing during the preceding calendar month and shall  
4828 report such payments to the department ~~division~~ as prescribed by  
4829 the department ~~division~~. With the exception of the 5-percent fee  
4830 for administering the payments, the moneys paid by the  
4831 permitholders shall be maintained in a separate, interest-  
4832 bearing account.

4833 (b) The Florida Quarter Horse Breeders and Owners  
4834 Association shall use these funds solely for supplementing and  
4835 augmenting purses and prizes and for the general promotion of  
4836 owning and breeding of racing quarter horses in this state and  
4837 for general administration of the Florida Quarter Horse Breeders  
4838 and Owners Association, Inc., in this state.

4839 (c) In order for an owner or breeder of a Florida-bred  
4840 quarter horse to be eligible to receive an award, the horse  
4841 winning a race must have been registered as a Florida-bred horse  
4842 with the Florida Quarter Horse Breeders and Owners Association  
4843 and a registration certificate under seal for the winning horse  
4844 must show that the winning horse has been duly registered prior  
4845 to the race as a Florida-bred horse as evidenced by the seal and  
4846 proper serial number of the Florida Quarter Horse Breeders and  
4847 Owners Association registry. The Department of Agriculture and  
4848 Consumer Services is authorized to assist the association in  
4849 maintaining this registry. The Florida Quarter Horse Breeders  
4850 and Owners Association may charge the registrant a reasonable  
4851 fee for this verification and registration. Any person who  
4852 registers unqualified horses or misrepresents information in any  
4853 way shall be denied any future participation in breeders'



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4854 awards, and all horses misrepresented will no longer be deemed  
4855 to be Florida-bred.

4856 (d) A permitholder conducting a quarter horse race under a  
4857 quarter horse permit under this chapter shall, within 30 days  
4858 after the end of the race meet during which the race is  
4859 conducted, certify to the Florida Quarter Horse Breeders and  
4860 Owners Association such information relating to the horse  
4861 winning a stakes or other horserace at the meet as may be  
4862 required to determine the eligibility for payment of breeders'  
4863 awards under this section.

4864 (e) The Florida Quarter Horse Breeders and Owners  
4865 Association shall maintain complete records showing the starters  
4866 and winners in all quarter horse races conducted under quarter  
4867 horse permits in this state; shall maintain complete records  
4868 showing awards earned, received, and distributed; and may charge  
4869 the owner, owners, or breeder a reasonable fee for this service.

4870 (f) The Florida Quarter Horse Breeders and Owners  
4871 Association shall keep accurate records showing receipts and  
4872 disbursements of payments made under this section and shall  
4873 annually file a full and complete report to the department  
4874 ~~division~~ showing such receipts and disbursements and the sums  
4875 withheld for administration. The department ~~division~~ may audit  
4876 the records and accounts of the Florida Quarter Horse Breeders  
4877 and Owners Association to determine that payments have been made  
4878 in accordance with this section.

4879 (g) The Florida Quarter Horse Breeders and Owners  
4880 Association shall annually establish a plan for supplementing  
4881 and augmenting purses and prizes and for the general promotion  
4882 of owning and breeding Florida-bred racing quarter horses and



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4883 shall make award payments and allocations in strict compliance  
4884 with the annual plan. The annual plan must be approved by the  
4885 department ~~division~~ before implementation. If the funds in the  
4886 account for payment of purses and prizes are not sufficient to  
4887 meet all purses and prizes to be awarded, those breeders and  
4888 owners not receiving payments have first call on any subsequent  
4889 receipts in that or any subsequent year.

4890 (h) If the department ~~division~~ finds that the Florida  
4891 Quarter Horse Breeders and Owners Association has not complied  
4892 with any provision of this section, the department ~~division~~ may  
4893 order the association to cease and desist from receiving funds  
4894 and administering funds received under this section and s.  
4895 550.2633. If the department ~~division~~ enters such an order, the  
4896 permitholder shall make the payments authorized in this section  
4897 and s. 550.2633 to the department ~~division~~ for deposit into the  
4898 Pari-mutuel Wagering Trust Fund, and any funds in the Florida  
4899 Quarter Horse Breeders and Owners Association account shall be  
4900 immediately paid to the department ~~division~~ for deposit to the  
4901 Pari-mutuel Wagering Trust Fund. The department ~~division~~ shall  
4902 authorize payment from these funds to any breeder or owner of a  
4903 quarter horse entitled to an award that has not been previously  
4904 paid by the Florida Quarter Horse Breeders and Owners  
4905 Association pursuant to ~~in accordance with~~ this section.

4906 (6) (a) The takeout may be used for the payment of awards to  
4907 owners of registered Florida-bred horses placing first in a  
4908 claiming race, an allowance race, a maiden special race, or a  
4909 stakes race in which the announced purse, exclusive of entry and  
4910 starting fees and added moneys, does not exceed \$40,000.

4911 (b) The permitholder shall determine for each qualified



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4912 race the amount of the owners' award for which a registered  
4913 Florida-bred horse will be eligible. The amount of the available  
4914 owners' award shall be established in the same manner in which  
4915 purses are established and shall be published in the condition  
4916 book for the period during which the race is to be conducted. No  
4917 single award may exceed 50 percent of the gross purse for the  
4918 race won.

4919 (c) If the moneys generated under paragraph (a) during the  
4920 meet exceed the owners' awards earned during the meet, the  
4921 excess funds shall be held in a separate interest-bearing  
4922 account, and the total interest and principal shall be used to  
4923 increase the owners' awards during the permitholder's next meet.

4924 (d) Breeders' awards authorized by subsections (3) and (4)  
4925 may not be paid on owners' awards.

4926 (e) This subsection governs owners' awards paid on  
4927 thoroughbred horse races only in this state, unless a written  
4928 agreement is filed with the department ~~division~~ establishing the  
4929 rate, procedures, and eligibility requirements for owners'  
4930 awards, including place of finish, class of race, maximum purse,  
4931 and maximum award, and the agreement is entered into by the  
4932 permitholder, the Florida Thoroughbred Breeders' Association,  
4933 and the association representing a majority of the racehorse  
4934 owners and trainers at the permitholder's location.

4935 (7) (a) Each permitholder that conducts race meets under  
4936 this chapter and runs Appaloosa races shall pay to the  
4937 department ~~division~~ a sum equal to the breaks plus a sum equal  
4938 to 1 percent of the total contributions to each pari-mutuel pool  
4939 conducted on each Appaloosa race. The payments shall be remitted  
4940 to the department ~~division~~ by the 5th day of each calendar month



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4941 for sums accruing during the preceding calendar month.

4942 (b) The department ~~division~~ shall deposit these collections  
4943 to the credit of the General Inspection Trust Fund in a special  
4944 account to be known as the "Florida Appaloosa Racing Promotion  
4945 Account." The Department of Agriculture and Consumer Services  
4946 shall administer the funds and adopt suitable and reasonable  
4947 rules for the administration thereof. The moneys in the Florida  
4948 Appaloosa Racing Promotion Account shall be allocated solely for  
4949 supplementing and augmenting purses and prizes and for the  
4950 general promotion of owning and breeding of racing Appaloosas in  
4951 this state; and the moneys may not be used to defray any expense  
4952 of the Department of Agriculture and Consumer Services in the  
4953 administration of this chapter.

4954 (8) Each permitholder that conducts race meets under this  
4955 chapter and runs Arabian horse races shall pay to the department  
4956 ~~division~~ a sum equal to the breaks plus a sum equal to 1 percent  
4957 of the total contributions to each pari-mutuel pool conducted on  
4958 each Arabian horse race. The payments shall be remitted to the  
4959 department ~~division~~ by the 5th day of each calendar month for  
4960 sums accruing during the preceding calendar month.

4961 Section 56. Section 550.26352, Florida Statutes, is amended  
4962 to read:

4963 550.26352 Breeders' Cup Meet; pools authorized; conflicts;  
4964 taxes; credits; transmission of races; rules; application.—

4965 (1) Notwithstanding any provision of this chapter to the  
4966 contrary, there is ~~hereby~~ created a special thoroughbred race  
4967 meet that ~~which~~ shall be designated as the "Breeders' Cup Meet."  
4968 The Breeders' Cup Meet shall be conducted at the facility of the  
4969 Florida permitholder selected by Breeders' Cup Limited to



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4970 conduct the Breeders' Cup Meet. The Breeders' Cup Meet shall  
4971 consist of 3 days: the day on which the Breeders' Cup races are  
4972 conducted, the preceding day, and the subsequent day. Upon the  
4973 selection of the Florida permitholder as host for the Breeders'  
4974 Cup Meet and application by the selected permitholder, the  
4975 department ~~division~~ shall issue a license to the selected  
4976 permitholder to operate the Breeders' Cup Meet. Notwithstanding  
4977 s. 550.09515(2)(a), the Breeders' Cup Meet may be conducted on  
4978 dates when ~~which~~ the selected permitholder is not otherwise  
4979 authorized to conduct a race meet.

4980 (2) The permitholder conducting the Breeders' Cup Meet is  
4981 specifically authorized to create pari-mutuel pools during the  
4982 Breeders' Cup Meet by accepting pari-mutuel wagers on the  
4983 thoroughbred horse races run during the ~~said~~ meet.

4984 (3) If the permitholder conducting the Breeders' Cup Meet  
4985 is located within 35 miles of one or more permitholders  
4986 scheduled to conduct a thoroughbred race meet on any of the 3  
4987 days of the Breeders' Cup Meet, then operation on any of those 3  
4988 days by the other permitholders is prohibited. As compensation  
4989 for the loss of racing days caused thereby, such operating  
4990 permitholders shall receive a credit against the taxes otherwise  
4991 due and payable to the state under ss. 550.0951 and 550.09515.  
4992 This credit shall be in an amount equal to the operating loss  
4993 determined to have been suffered by the operating permitholders  
4994 as a result of not operating on the prohibited racing days, but  
4995 may ~~shall~~ not exceed a total of \$950,000. The determination of  
4996 the amount to be credited shall be made by the department  
4997 ~~division~~ upon application by the operating permitholder. The tax  
4998 credits provided in this subsection are ~~shall~~ not be available



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4999 unless an operating permitholder is required to close a bona  
5000 fide meet consisting in part of no fewer than 10 scheduled  
5001 performances in the 15 days immediately preceding or 10  
5002 scheduled performances in the 15 days immediately following the  
5003 Breeders' Cup Meet. Such tax credit shall be in lieu of any  
5004 other compensation or consideration for the loss of racing days.  
5005 There shall be no replacement or makeup of any lost racing days.

5006 (4) Notwithstanding any provision of ss. 550.0951 and  
5007 550.09515, the permitholder conducting the Breeders' Cup Meet  
5008 shall pay no taxes on the handle included in ~~within~~ the  
5009 permitholder's pari-mutuel pools ~~of said permitholder~~ during the  
5010 Breeders' Cup Meet.

5011 (5) The permitholder conducting the Breeders' Cup Meet  
5012 shall receive a credit against the taxes otherwise due and  
5013 payable to the state under ss. 550.0951 and 550.09515 generated  
5014 during the ~~said~~ permitholder's next ensuing regular thoroughbred  
5015 race meet. This credit shall be in an amount not to exceed  
5016 \$950,000 and shall be used ~~utilized~~ by the permitholder to pay  
5017 the purses offered by the permitholder during the Breeders' Cup  
5018 Meet in excess of the purses that ~~which~~ the permitholder is  
5019 otherwise required by law to pay. The amount to be credited  
5020 shall be determined by the department ~~division~~ upon application  
5021 of the permitholder which is subject to audit by the department  
5022 ~~division~~.

5023 (6) The permitholder conducting the Breeders' Cup Meet  
5024 shall receive a credit against the taxes otherwise due and  
5025 payable to the state under ss. 550.0951 and 550.09515 generated  
5026 during the ~~said~~ permitholder's next ensuing regular thoroughbred  
5027 race meet. This credit shall be in an amount not to exceed



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5028 \$950,000 and shall be utilized by the permitholder for such  
5029 capital improvements and extraordinary expenses as may be  
5030 necessary for operation of the Breeders' Cup Meet. The amount to  
5031 be credited shall be determined by the department ~~division~~ upon  
5032 application of the permitholder which is subject to audit by the  
5033 department ~~division~~.

5034 (7) The permitholder conducting the Breeders' Cup Meet is  
5035 ~~shall be~~ exempt from the payment of purses and other payments to  
5036 horsemen on all on-track, intertrack, interstate, and  
5037 international wagers or rights fees or payments arising  
5038 therefrom for all races for which the purse is paid or supplied  
5039 by Breeders' Cup Limited. The permitholder conducting the  
5040 Breeders' Cup Meet is ~~shall~~ not, however, ~~be~~ exempt from  
5041 breeders' awards payments for on-track and intertrack wagers as  
5042 provided in ss. 550.2625(3) and 550.625(2) (a) for races in which  
5043 the purse is paid or supplied by Breeders' Cup Limited.

5044 (8) (a) Pursuant to s. 550.3551(2), the permitholder  
5045 conducting the Breeders' Cup Meet may ~~is authorized to~~ transmit  
5046 broadcasts of the races conducted during the Breeders' Cup Meet  
5047 to locations outside ~~of~~ this state for wagering purposes. The  
5048 department ~~division~~ may approve broadcasts to pari-mutuel  
5049 permitholders and other betting systems authorized under the  
5050 laws of any other state or country. Wagers accepted by any out-  
5051 of-state pari-mutuel permitholder or betting system on any races  
5052 broadcast under this section may be, but are not required to be,  
5053 commingled with the pari-mutuel pools of the permitholder  
5054 conducting the Breeders' Cup Meet. The calculation of any payoff  
5055 on national pari-mutuel pools with commingled wagers may be  
5056 performed by the permitholder's totalisator contractor at a



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5057 location outside ~~of~~ this state. Pool amounts from wagers placed  
5058 at pari-mutuel facilities or other betting systems in foreign  
5059 countries before being commingled with the pari-mutuel pool of  
5060 the Florida permitholder conducting the Breeders' Cup Meet shall  
5061 be calculated by the totalisator contractor and transferred to  
5062 the commingled pool in United States currency in cycles  
5063 customarily used by the permitholder. Pool amounts from wagers  
5064 placed at any foreign pari-mutuel facility or other betting  
5065 system may ~~shall~~ not be commingled with a Florida pool until a  
5066 determination is made by the department ~~division~~ that the  
5067 technology utilized by the totalisator contractor is adequate to  
5068 assure commingled pools will result in the calculation of  
5069 accurate payoffs to Florida bettors. Any totalisator contractor  
5070 at a location outside ~~of~~ this state shall comply with the  
5071 provisions of s. 550.495 relating to totalisator licensing.

5072 (b) The permitholder conducting the Breeders' Cup Meet may  
5073 ~~is authorized to~~ transmit broadcasts of the races conducted  
5074 during the Breeders' Cup Meet to other pari-mutuel facilities  
5075 located in this state for wagering purposes; however, the  
5076 permitholder conducting the Breeders' Cup Meet is ~~shall~~ not ~~be~~  
5077 required to transmit broadcasts to any pari-mutuel facility  
5078 located within 25 miles of the facility at which the Breeders'  
5079 Cup Meet is conducted.

5080 (9) The exemption from the tax credits provided in  
5081 subsections (5) and (6) may ~~shall~~ not be granted and may ~~shall~~  
5082 not be claimed by the permitholder until an audit is completed  
5083 by the department ~~division~~. The department ~~division~~ is required  
5084 to complete the audit within 30 days of receipt of the necessary  
5085 documentation from the permitholder to verify the permitholder's



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5086 claim for tax credits. If the documentation submitted by the  
5087 permitholder is incomplete or is insufficient to document the  
5088 permitholder's claim for tax credits, the department ~~division~~  
5089 may request such additional documentation as is necessary to  
5090 complete the audit. Upon receipt of the department's ~~division's~~  
5091 written request for additional documentation, the 30-day time  
5092 limitation will commence anew.

5093 (10) The department ~~may division is authorized to~~ adopt  
5094 ~~such~~ rules as are necessary to facilitate the conduct of the  
5095 Breeders' Cup Meet, including ~~as authorized in this section.~~  
5096 ~~Included within this grant of authority shall be the adoption or~~  
5097 ~~waiver of~~ rules regarding the overall conduct of racing during  
5098 the Breeders' Cup Meet so as to ensure the integrity of the  
5099 races, licensing for all participants, special stabling and  
5100 training requirements for foreign horses, commingling of pari-  
5101 mutuel pools, and audit requirements for tax credits and other  
5102 benefits.

5103 (11) Any dispute between the department ~~division~~ and any  
5104 permitholder regarding the tax credits authorized under  
5105 subsection (3), subsection (5), or subsection (6) shall be  
5106 determined by a hearing officer of the Division of  
5107 Administrative Hearings under the provisions of s. 120.57(1).

5108 (12) ~~The provisions of~~ This section prevails ~~shall prevail~~  
5109 over any conflicting provisions of this chapter.

5110 Section 57. Section 550.2704, Florida Statutes, is amended  
5111 to read:

5112 550.2704 Jai Alai Tournament of Champions Meet.—

5113 (1) Notwithstanding any provision of this chapter, there is  
5114 ~~hereby~~ created a special jai alai meet that ~~which~~ shall be



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5115 designated as the "Jai Alai Tournament of Champions Meet" and  
5116 ~~which~~ shall be hosted by the Florida jai alai permitholders  
5117 selected by the National Association of Jai Alai Frontons, Inc.,  
5118 to conduct such meet. The meet shall consist of three qualifying  
5119 performances and a final performance, each of which is to be  
5120 conducted on different days. Upon the selection of the Florida  
5121 permitholders for the meet, and upon application by the selected  
5122 permitholders, the department ~~Division of Pari-mutuel Wagering~~  
5123 shall issue a license to each of the selected permitholders to  
5124 operate the meet. The meet may be conducted during a season in  
5125 which the permitholders selected to conduct the meet are not  
5126 otherwise authorized to conduct a meet. Notwithstanding anything  
5127 herein to the contrary, any Florida permitholder who is to  
5128 conduct a performance that ~~which~~ is a part of the Jai Alai  
5129 Tournament of Champions Meet is ~~shall~~ not be required to apply  
5130 for the license for the ~~said~~ meet if it is to be run during the  
5131 regular season for which such permitholder has a license.

5132 (2) Qualifying performances and the final performance of  
5133 the tournament shall be held at different locations throughout  
5134 the state, and the permitholders selected shall be under  
5135 different ownership to the extent possible.

5136 (3) Notwithstanding any provision of this chapter, each of  
5137 the permitholders licensed to conduct performances comprising  
5138 the Jai Alai Tournament of Champions Meet shall pay no taxes on  
5139 handle under s. 550.0951 or s. 550.09511 for any performance  
5140 conducted by such permitholder as part of the Jai Alai  
5141 Tournament of Champions Meet. The provisions of this subsection  
5142 shall apply to a maximum of four performances.

5143 (4) The Jai Alai Tournament of Champions Meet permitholders



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5144 shall also receive a credit against the taxes, otherwise due and  
5145 payable under s. 550.0951 or s. 550.09511, generated during the  
5146 ~~said~~ permitholders' current regular meet. This credit shall be  
5147 in the aggregate amount of \$150,000, shall be prorated equally  
5148 between the permitholders, and shall be used ~~utilized~~ by the  
5149 permitholders solely to supplement awards for the performance  
5150 conducted during the Jai Alai Tournament of Champions Meet. All  
5151 awards shall be paid to the tournament's participating players  
5152 no later than 30 days following the conclusion of the ~~said~~ Jai  
5153 Alai Tournament of Champions Meet.

5154 (5) In addition to the credit authorized in subsection (4),  
5155 the Jai Alai Tournament of Champions Meet permitholders shall  
5156 receive a credit against the taxes, otherwise due and payable  
5157 under s. 550.0951 or s. 550.09511, generated during the ~~said~~  
5158 permitholders' current regular meet, in an amount not to exceed  
5159 the aggregate amount of \$150,000, which shall be prorated  
5160 equally between the permitholders, and shall be used ~~utilized~~ by  
5161 the permitholders for such capital improvements and  
5162 extraordinary expenses, including marketing expenses, as may be  
5163 necessary for the operation of the meet. The determination of  
5164 the amount to be credited shall be made by the department  
5165 ~~division~~ upon application by the ~~of said~~ permitholders.

5166 (6) The permitholder is ~~shall be~~ entitled to a ~~said~~  
5167 ~~permitholder's~~ pro rata share of the \$150,000 tax credit  
5168 provided in subsection (5) without having to make application,  
5169 so long as appropriate documentation to substantiate the ~~said~~  
5170 expenditures thereunder is provided to the department ~~division~~  
5171 within 30 days following said Jai Alai Tournament of Champions  
5172 Meet.



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5173 (7) ~~A~~ ~~No~~ Jai Alai Tournament of Champions Meet may not  
5174 ~~shall~~ exceed 4 days in any state fiscal year, and only ~~no more~~  
5175 ~~than~~ one performance may ~~shall~~ be conducted on any one day of  
5176 the meet. ~~There shall be~~ Only one Jai Alai Tournament of  
5177 Champions Meet may occur in any state fiscal year.

5178 (8) The department ~~division is authorized to~~ adopt such  
5179 rules ~~as are~~ necessary to facilitate the conduct of the Jai Alai  
5180 Tournament of Champions Meet, including ~~as authorized in this~~  
5181 ~~section. Included within this grant of authority shall be the~~  
5182 ~~adoption of~~ rules regarding the overall conduct of the  
5183 tournament so as to ensure the integrity of the event, licensing  
5184 for participants, commingling of pari-mutuel pools, and audit  
5185 requirements for tax credits and exemptions.

5186 (9) ~~The provisions of~~ This section prevails ~~shall prevail~~  
5187 over any conflicting provisions of this chapter.

5188 Section 58. Subsections (3) and (5) of section 550.334,  
5189 Florida Statutes, are amended to read:

5190 550.334 Quarter horse racing; substitutions.—

5191 (3) Quarter horses participating in such races must be duly  
5192 registered by the American Quarter Horse Association, and before  
5193 each race such horses must be examined and declared in fit  
5194 condition by a qualified person designated by the department  
5195 ~~division~~.

5196 (5) Any quarter horse racing permitholder operating under a  
5197 valid permit issued by the department ~~division~~ is authorized to  
5198 substitute races of other breeds of horses which are,  
5199 respectively, registered with the American Paint Horse  
5200 Association, Appaloosa Horse Club, Arabian Horse Registry of  
5201 America, Palomino Horse Breeders of America, United States



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5202 Trotting Association, Florida Cracker Horse Association, or  
5203 Jockey Club for no more than 50 percent of the quarter horse  
5204 races during its meet.

5205 Section 59. Section 550.3355, Florida Statutes, is amended  
5206 to read:

5207 550.3355 Harness track licenses for summer quarter horse  
5208 racing.—Any harness track licensed to operate under the  
5209 provisions of s. 550.375 may make application for, and shall be  
5210 issued by the department ~~division~~, a license to operate not more  
5211 than 50 quarter horse racing days during the summer season,  
5212 which shall extend from July 1 until October 1 of each year.  
5213 However, this license to operate quarter horse racing for 50  
5214 days is in addition to the racing days and dates provided in s.  
5215 550.375 for harness racing during the winter seasons; and, it  
5216 does not affect the right of such licensee to operate harness  
5217 racing at the track as provided in s. 550.375 during the winter  
5218 season. All provisions of this chapter governing quarter horse  
5219 racing not in conflict herewith apply to the operation of  
5220 quarter horse meetings authorized hereunder, except that all  
5221 quarter horse racing permitted hereunder shall be conducted at  
5222 night.

5223 Section 60. Subsections (3), (4), and (5) of section  
5224 550.3615, Florida Statutes, are amended to read:

5225 550.3615 Bookmaking on the grounds of a permitholder;  
5226 penalties; reinstatement; duties of track employees; penalty;  
5227 exceptions.—

5228 (3) Any person who has been convicted of bookmaking in this  
5229 state or any other state of the United States or any foreign  
5230 country shall be denied admittance to and may ~~shall~~ not attend



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5231 any racetrack or fronton in this state during its racing seasons  
5232 or operating dates, including any practice or preparational  
5233 days, for a period of 2 years after the date of conviction or  
5234 the date of final appeal. Following the conclusion of the period  
5235 of ineligibility, the department ~~director of the division~~ may  
5236 authorize the reinstatement of an individual following a hearing  
5237 on readmittance. Any such person who knowingly violates this  
5238 subsection commits ~~is guilty of~~ a misdemeanor of the first  
5239 degree, punishable as provided in s. 775.082 or s. 775.083.

5240 (4) If the activities of a person show that this law is  
5241 being violated, and such activities are either witnessed or are  
5242 common knowledge by any track or fronton employee, it is the  
5243 duty of that employee to bring the matter to the immediate  
5244 attention of the permit holder, manager, or her or his designee,  
5245 who shall notify a law enforcement agency having jurisdiction.  
5246 Willful failure on the part of any track or fronton employee to  
5247 comply with ~~the provisions of~~ this subsection is a ground for  
5248 the department ~~division~~ to suspend or revoke that employee's  
5249 license for track or fronton employment.

5250 (5) Each permittee shall display, in conspicuous places at  
5251 a track or fronton and in all race and jai alai daily programs,  
5252 a warning to all patrons concerning the prohibition and  
5253 penalties of bookmaking contained in this section and s. 849.25.  
5254 The department ~~division~~ shall adopt rules concerning the uniform  
5255 size of all warnings and the number of placements throughout a  
5256 track or fronton. Failure on the part of the permittee to  
5257 display such warnings may result in the imposition of a \$500  
5258 fine by the department ~~division~~ for each offense.

5259 Section 61. Section 550.495, Florida Statutes, is amended



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5260 to read:

5261 550.495 Totalisator licensing.—

5262 (1) A totalisator may not be operated at a pari-mutuel  
5263 facility in this state, or at a facility located in or out of  
5264 this state which is used as the primary totalisator for a race  
5265 or game conducted in this state, unless the totalisator company  
5266 possesses a business license issued by the department ~~division~~.

5267 (2) (a) Each totalisator company must apply to the  
5268 department ~~division~~ for an annual business license. The  
5269 application must include such information as the department  
5270 ~~division~~ by rule requires.

5271 (b) As a part of its license application, each totalisator  
5272 company must agree in writing to pay to the department ~~division~~  
5273 an amount equal to the loss of any state revenues from missed or  
5274 canceled races, games, or performances due to acts of the  
5275 totalisator company or its agents or employees or failures of  
5276 the totalisator system, except for circumstances beyond the  
5277 control of the totalisator company or agent or employee, as  
5278 determined by the department ~~division~~.

5279 (c) Each totalisator company must file with the department  
5280 ~~division~~ a performance bond, acceptable to the department  
5281 ~~division~~, in the sum of \$250,000 issued by a surety approved by  
5282 the department ~~division~~ or must file proof of insurance,  
5283 acceptable to the department ~~division~~, against financial loss in  
5284 the amount of \$250,000, insuring the state against such a  
5285 revenue loss.

5286 (d) In the event of a loss of state tax revenues, the  
5287 department ~~division~~ shall determine:

5288 1. The estimated revenue lost as a result of missed or



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5289 canceled races, games, or performances;

5290 2. The number of races, games, or performances which is  
5291 practicable for the permitholder to conduct in an attempt to  
5292 mitigate the revenue loss; and

5293 3. The amount of the revenue loss which the makeup races,  
5294 games, or performances will not recover and for which the  
5295 totalisator company is liable.

5296 (e) Upon the making of such determinations, the department  
5297 ~~division~~ shall issue to the totalisator company and to the  
5298 affected permitholder an order setting forth the determinations  
5299 of the department ~~division~~.

5300 (f) If the order is contested by either the totalisator  
5301 company or any affected permitholder, ~~the provisions of~~ chapter  
5302 120 applies ~~apply~~. If the totalisator company contests the order  
5303 on the grounds that the revenue loss was due to circumstances  
5304 beyond its control, the totalisator company has the burden of  
5305 proving that circumstances vary in fact beyond its control. For  
5306 purposes of this paragraph, strikes and acts of God are beyond  
5307 the control of the totalisator company.

5308 (g) Upon the failure of the totalisator company to make the  
5309 payment found to be due the state, the department ~~division~~ may  
5310 cause the forfeiture of the bond or may proceed against the  
5311 insurance contract, and the proceeds of the bond or contract  
5312 shall be deposited into the Pari-mutuel Wagering Trust Fund. If  
5313 that bond was not posted or insurance obtained, the department  
5314 ~~division~~ may proceed against any assets of the totalisator  
5315 company to collect the amounts due under this subsection.

5316 (3) If the applicant meets the requirements of this section  
5317 and department ~~division~~ rules and pays the license fee, the



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5318 department must ~~division shall~~ issue the license.

5319 (4) Each totalisator company shall conduct operations in  
5320 accordance with rules adopted by the department ~~division~~, in  
5321 such form, content, and frequency as the department ~~division~~ by  
5322 rule determines.

5323 (5) The department ~~division~~ and its representatives may  
5324 enter and inspect any area of the premises of a licensed  
5325 totalisator company, and may examine totalisator records, during  
5326 the licensee's regular business or operating hours.

5327 Section 62. Section 550.505, Florida Statutes, is amended  
5328 to read:

5329 550.505 Nonwagering permits.—

5330 (1) (a) Except as provided in this section, permits and  
5331 licenses issued by the department ~~division~~ are intended to be  
5332 used for pari-mutuel wagering operations in conjunction with  
5333 horseraces, dograces, or jai alai performances.

5334 (b) Subject to the requirements of this section, the  
5335 department may ~~division is authorized to~~ issue permits for the  
5336 conduct of horseracing meets without pari-mutuel wagering or any  
5337 other form of wagering being conducted in conjunction therewith.  
5338 Such permits shall be known as nonwagering permits and may be  
5339 issued only for horseracing meets. A horseracing permitholder  
5340 need not obtain an additional permit from the department  
5341 ~~division~~ for conducting nonwagering racing under this section,  
5342 but must apply to the department ~~division~~ for the issuance of a  
5343 license under this section. The holder of a nonwagering permit  
5344 is prohibited from conducting pari-mutuel wagering or any other  
5345 form of wagering in conjunction with racing conducted under the  
5346 permit. ~~Nothing in~~ This subsection does not prohibit ~~prohibits~~



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5347 horseracing for any stake, purse, prize, or premium.

5348 (c) The holder of a nonwagering permit is exempt from ~~the~~  
5349 ~~provisions of~~ s. 550.105 and is exempt from the imposition of  
5350 daily license fees and admission tax.

5351 (2) (a) Any person not prohibited from holding any type of  
5352 pari-mutuel permit under s. 550.1815 may ~~shall be allowed to~~  
5353 apply to the department ~~division~~ for a nonwagering permit. The  
5354 applicant must demonstrate that the location or locations where  
5355 the nonwagering permit will be used are available for such use  
5356 and that the applicant has the financial ability to satisfy the  
5357 reasonably anticipated operational expenses of the first racing  
5358 year following final issuance of the nonwagering permit. If the  
5359 racing facility is already built, the application must contain a  
5360 statement, with reasonable supporting evidence, that the  
5361 nonwagering permit will be used for horseracing within 1 year  
5362 after the date on which it is granted. If the facility is not  
5363 already built, the application must contain a statement, with  
5364 reasonable supporting evidence, that substantial construction  
5365 will be started within 1 year after the issuance of the  
5366 nonwagering permit.

5367 (b) The department ~~division~~ may conduct an eligibility  
5368 investigation to determine if the applicant meets the  
5369 requirements of paragraph (a).

5370 (3) (a) Upon receipt of a nonwagering permit, the  
5371 permitholder must apply to the department ~~division~~ before June 1  
5372 of each year for an annual nonwagering license for the next  
5373 succeeding calendar year. Such application must set forth the  
5374 days and locations at which the permitholder will conduct  
5375 nonwagering horseracing and must indicate any changes in



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5376 ownership or management of the permitholder occurring since the  
5377 date of application for the prior license.

5378 (b) On or before August 1 of each year, the department  
5379 ~~division~~ shall issue a license authorizing the nonwagering  
5380 permitholder to conduct nonwagering horseracing during the  
5381 succeeding calendar year during the period and for the number of  
5382 days set forth in the application, subject to all other  
5383 provisions of this section.

5384 (c) The department ~~division~~ may conduct an eligibility  
5385 investigation to determine the qualifications of any new  
5386 ownership or management interest in the permit.

5387 (4) Upon the approval of racing dates by the department  
5388 ~~division~~, the department ~~division~~ shall issue an annual  
5389 nonwagering license to the nonwagering permitholder.

5390 (5) Only horses registered with an established breed  
5391 registration organization, which organization shall be approved  
5392 by the department ~~division~~, shall be raced at any race meeting  
5393 authorized by this section.

5394 (6) The department ~~division~~ may order any person  
5395 participating in a nonwagering meet to cease and desist from  
5396 participating in such meet if it ~~the division~~ determines the  
5397 person to be not of good moral character in accordance with s.  
5398 550.1815. The department ~~division~~ may order the operators of a  
5399 nonwagering meet to cease and desist from operating the meet if  
5400 the department ~~division~~ determines the meet is being operated  
5401 for any illegal purpose.

5402 Section 63. Subsection (1) of section 550.5251, Florida  
5403 Statutes, is amended to read:

5404 550.5251 Florida thoroughbred racing; certain permits;



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5405 operating days.—

5406 (1) Each thoroughbred permitholder shall annually, during  
5407 the period commencing December 15 of each year and ending  
5408 January 4 of the following year, file in writing with the  
5409 department ~~division~~ its application to conduct one or more  
5410 thoroughbred racing meetings during the thoroughbred racing  
5411 season commencing on the following July 1. Each application  
5412 shall specify the number and dates of all performances that the  
5413 permitholder intends to conduct during that thoroughbred racing  
5414 season. On or before March 15 of each year, the department  
5415 ~~division~~ shall issue a license authorizing each permitholder to  
5416 conduct performances on the dates specified in its application.  
5417 Up to February 28 of each year, each permitholder may request  
5418 and shall be granted changes in its authorized performances; but  
5419 thereafter, as a condition precedent to the validity of its  
5420 license and its right to retain its permit, each permitholder  
5421 must operate the full number of days authorized on each of the  
5422 dates set forth in its license.

5423 Section 64. Subsection (3) of section 550.625, Florida  
5424 Statutes, is amended to read:

5425 550.625 Intertrack wagering; purses; breeders' awards.—If a  
5426 host track is a horse track:

5427 (3) The payment to a breeders' organization shall be  
5428 combined with any other amounts received by the respective  
5429 breeders' and owners' associations as so designated. Each  
5430 breeders' and owners' association receiving these funds shall be  
5431 allowed to withhold the same percentage as set forth in s.  
5432 550.2625 to be used for administering the payment of awards and  
5433 for the general promotion of their respective industries. If the



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5434 total combined amount received for thoroughbred breeders' awards  
5435 exceeds 15 percent of the purse required to be paid under  
5436 subsection (1), the breeders' and owners' association, as so  
5437 designated, notwithstanding any other provision of law, shall  
5438 submit a plan to the department ~~division~~ for approval which  
5439 would use the excess funds in promoting the breeding industry by  
5440 increasing the purse structure for Florida-breds. Preference  
5441 shall be given to the track generating such excess.

5442 Section 65. Subsection (2) of section 550.70, Florida  
5443 Statutes, is amended to read:

5444 550.70 Jai alai general provisions; chief court judges  
5445 required; extension of time to construct fronton; amateur jai  
5446 alai contests permitted under certain conditions; playing days'  
5447 limitations; locking of pari-mutuel machines.-

5448 (2) The time within which the holder of a ratified permit  
5449 for jai alai or pelota has to construct and complete a fronton  
5450 may be extended by the department ~~division~~ for a period of 24  
5451 months after the date of the issuance of the permit, anything to  
5452 the contrary in any statute notwithstanding.

5453 Section 66. Subsection (3) of section 550.902, Florida  
5454 Statutes, is amended to read:

5455 550.902 Purposes.-The purposes of this compact are to:

5456 (3) Authorize the Department of Gaming ~~Business and~~  
5457 ~~Professional Regulation~~ to participate in this compact.

5458 Section 67. Subsection (1) of section 550.907, Florida  
5459 Statutes, is amended to read:

5460 550.907 Compact committee.-

5461 (1) There is created an interstate governmental entity to  
5462 be known as the "compact committee," which shall be composed of



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5463 one official from the racing commission, or the equivalent  
5464 thereof, in each party state who shall be appointed, serve, and  
5465 be subject to removal in accordance with the laws of the party  
5466 state that she or he represents. The official from Florida shall  
5467 be appointed by the Gaming Commission ~~Secretary of Business and~~  
5468 ~~Professional Regulation~~. Pursuant to the laws of her or his  
5469 party state, each official shall have the assistance of her or  
5470 his state's racing commission, or the equivalent thereof, in  
5471 considering issues related to licensing of participants in pari-  
5472 mutuel wagering and in fulfilling her or his responsibilities as  
5473 the representative from her or his state to the compact  
5474 committee.

5475 Section 68. Section 551.103, Florida Statutes, is amended  
5476 to read:

5477 551.103 Powers and duties of the department ~~division~~ and  
5478 law enforcement.—

5479 (1) The department ~~division~~ shall adopt, pursuant to the  
5480 provisions of ss. 120.536(1) and 120.54, all rules necessary to  
5481 implement, administer, and regulate slot machine gaming as  
5482 authorized in this chapter. Such rules must include:

5483 (a) Procedures for applying for a slot machine license and  
5484 renewal of a slot machine license.

5485 (b) Technical requirements and the qualifications contained  
5486 in this chapter which ~~that~~ are necessary to receive a slot  
5487 machine license or slot machine occupational license.

5488 (c) Procedures to scientifically test and technically  
5489 evaluate slot machines for compliance with this chapter. The  
5490 department ~~division~~ may contract with an independent testing  
5491 laboratory to conduct any necessary testing under this section.



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5492 The independent testing laboratory must have a national  
5493 reputation and be ~~which is~~ demonstrably competent and qualified  
5494 to scientifically test and evaluate slot machines for compliance  
5495 with this chapter and to otherwise perform the functions  
5496 assigned to it in this chapter. An independent testing  
5497 laboratory may ~~shall~~ not be owned or controlled by a licensee.  
5498 The use of an independent testing laboratory for any purpose  
5499 related to the conduct of slot machine gaming by a licensee  
5500 under this chapter must ~~shall~~ be made from a list of one or more  
5501 laboratories approved by the department ~~division~~.

5502 (d) Procedures relating to slot machine revenues, including  
5503 verifying and accounting for such revenues, auditing, and  
5504 collecting taxes and fees consistent with this chapter.

5505 (e) Procedures for regulating, managing, and auditing the  
5506 operation, financial data, and program information relating to  
5507 slot machine gaming which ~~that~~ allow the department ~~division~~ and  
5508 the Department of Law Enforcement to audit the operation,  
5509 financial data, and program information of a slot machine  
5510 licensee, as required by the department ~~division~~ or the  
5511 Department of Law Enforcement, and provide the department  
5512 ~~division~~ and the Department of Law Enforcement with the ability  
5513 to monitor, at any time on a real-time basis, wagering patterns,  
5514 payouts, tax collection, and compliance with any rules adopted  
5515 by the department ~~division~~ for the regulation and control of  
5516 slot machines operated under this chapter. Such continuous and  
5517 complete access, at any time on a real-time basis, shall include  
5518 the ability of ~~either~~ the department ~~division~~ or the Department  
5519 of Law Enforcement to suspend play immediately on particular  
5520 slot machines if monitoring of the facilities-based computer



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5521 system indicates possible tampering or manipulation of those  
5522 slot machines or the ability to suspend play immediately of the  
5523 entire operation if the tampering or manipulation is of the  
5524 computer system itself. The department ~~division~~ shall notify the  
5525 Department of Law Enforcement or the Department of Law  
5526 Enforcement shall notify the department ~~division~~, as  
5527 appropriate, whenever there is a suspension of play under this  
5528 paragraph. The department ~~division~~ and the Department of Law  
5529 Enforcement shall exchange such information necessary for and  
5530 cooperate in the investigation of the circumstances requiring  
5531 suspension of play under this paragraph.

5532 (f) Procedures for requiring each licensee at his or her  
5533 own cost and expense to supply the department ~~division~~ with a  
5534 bond having the penal sum of \$2 million payable to the Governor  
5535 and his or her successors in office for each year of the  
5536 licensee's slot machine operations. Any bond shall be issued by  
5537 a surety or sureties approved by the department ~~division~~ and the  
5538 Chief Financial Officer, conditioned to faithfully make the  
5539 payments to the Chief Financial Officer in his or her capacity  
5540 as treasurer of the department ~~division~~. The licensee shall be  
5541 required to keep its books and records and make reports as  
5542 provided in this chapter and to conduct its slot machine  
5543 operations in conformity with this chapter and all other  
5544 provisions of law. Such bond shall be separate and distinct from  
5545 the bond required in s. 550.125.

5546 (g) Procedures for requiring licensees to maintain  
5547 specified records and submit any data, information, record, or  
5548 report, including financial and income records, required by this  
5549 chapter or determined by the department ~~division~~ to be necessary



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5550 to the proper implementation and enforcement of this chapter.

5551 (h) A requirement that the payout percentage of a slot  
5552 machine be no less than 85 percent.

5553 (i) Minimum standards for security of the facilities,  
5554 including floor plans, security cameras, and other security  
5555 equipment.

5556 (j) Procedures for requiring slot machine licensees to  
5557 implement and establish drug-testing programs for all slot  
5558 machine occupational licensees.

5559 (2) The department ~~division~~ shall conduct such  
5560 investigations necessary to fulfill its responsibilities under  
5561 the provisions of this chapter.

5562 (3) The Department of Law Enforcement and local law  
5563 enforcement agencies ~~shall~~ have concurrent jurisdiction to  
5564 investigate criminal violations of this chapter and may  
5565 investigate any other criminal violation of law occurring at the  
5566 facilities of a slot machine licensee, and such investigations  
5567 may be conducted in conjunction with the appropriate state  
5568 attorney.

5569 (4) (a) The department ~~division~~, the Department of Law  
5570 Enforcement, and local law enforcement agencies shall have  
5571 unrestricted access to the slot machine licensee's facility at  
5572 all times and shall require of each slot machine licensee strict  
5573 compliance with the laws of this state relating to the  
5574 transaction of such business. The department ~~division~~, the  
5575 Department of Law Enforcement, and local law enforcement  
5576 agencies may:

5577 1. Inspect and examine premises where slot machines are  
5578 offered for play.



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5579           2. Inspect slot machines and related equipment and  
5580 supplies.

5581           (b) In addition, the department ~~division~~ may:

5582           1. Collect taxes, assessments, fees, and penalties.

5583           2. Deny, revoke, suspend, or place conditions on the  
5584 license of a person who violates any provision of this chapter  
5585 or rule adopted pursuant thereto.

5586           (5) The department ~~division~~ shall revoke or suspend the  
5587 license of any person who is no longer qualified or who is  
5588 found, after receiving a license, to have been unqualified at  
5589 the time of application for the license.

5590           (6) This section does not:

5591           (a) Prohibit the Department of Law Enforcement or any law  
5592 enforcement authority whose jurisdiction includes a licensed  
5593 facility from conducting investigations of criminal activities  
5594 occurring at the facility of the slot machine licensee;

5595           (b) Restrict access to the slot machine licensee's facility  
5596 by the Department of Law Enforcement or any local law  
5597 enforcement authority whose jurisdiction includes the slot  
5598 machine licensee's facility; or

5599           (c) Restrict access by the Department of Law Enforcement or  
5600 local law enforcement authorities to information and records  
5601 necessary to the investigation of criminal activity which ~~that~~  
5602 are contained within the slot machine licensee's facility.

5603           Section 69. Section 551.1045, Florida Statutes, is amended  
5604 to read:

5605           551.1045 Temporary licenses.—

5606           (1) Notwithstanding any provision of s. 120.60 to the  
5607 contrary, the department ~~division~~ may issue a temporary



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5608 occupational license upon the receipt of a complete application  
5609 from the applicant and a determination that the applicant has  
5610 not been convicted of or had adjudication withheld on any  
5611 disqualifying criminal offense. The temporary occupational  
5612 license remains valid until such time as the department ~~division~~  
5613 grants an occupational license or notifies the applicant of its  
5614 intended decision to deny the applicant a license pursuant to  
5615 the provisions of s. 120.60. The department ~~division~~ shall adopt  
5616 rules to administer this subsection. However, not more than one  
5617 temporary license may be issued for any person in any year.

5618 (2) A temporary license issued under this section is  
5619 nontransferable.

5620 Section 70. Subsection (3) of section 551.105, Florida  
5621 Statutes, is amended to read:

5622 551.105 Slot machine license renewal.—

5623 (3) Upon determination by the department ~~division~~ that the  
5624 application for renewal is complete and qualifications have been  
5625 met, including payment of the renewal fee, the slot machine  
5626 license shall be renewed annually.

5627 Section 71. Section 551.107, Florida Statutes, is amended  
5628 to read:

5629 551.107 Slot machine occupational license; findings;  
5630 application; fee.—

5631 (1) The Legislature finds that individuals and entities  
5632 that are licensed under this section require heightened state  
5633 scrutiny, including the submission by the individual licensees  
5634 or persons associated with the entities described in this  
5635 chapter of fingerprints for a criminal history record check.

5636 (2) (a) The following slot machine occupational licenses



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5637 shall be issued to persons or entities that, by virtue of the  
5638 positions they hold, might be granted access to slot machine  
5639 gaming areas or to any other person or entity in one of the  
5640 following categories:

5641 1. General occupational licenses for general employees,  
5642 including food service, maintenance, and other similar service  
5643 and support employees having access to the slot machine gaming  
5644 area.

5645 2. Professional occupational licenses for any person,  
5646 proprietorship, partnership, corporation, or other entity that  
5647 is authorized by a slot machine licensee to manage, oversee, or  
5648 otherwise control daily operations as a slot machine manager, a  
5649 floor supervisor, security personnel, or any other similar  
5650 position of oversight of gaming operations, or any person who is  
5651 not an employee of the slot machine licensee and who provides  
5652 maintenance, repair, or upgrades or otherwise services a slot  
5653 machine or other slot machine equipment.

5654 3. Business occupational licenses for any slot machine  
5655 management company or company associated with slot machine  
5656 gaming, any person who manufactures, distributes, or sells slot  
5657 machines, slot machine paraphernalia, or other associated  
5658 equipment to slot machine licensees, or any company that sells  
5659 or provides goods or services associated with slot machine  
5660 gaming to slot machine licensees.

5661 (b) The department ~~division~~ may issue one license to  
5662 combine licenses under this section with pari-mutuel  
5663 occupational licenses and cardroom licenses pursuant to s.  
5664 550.105(2) (b). The department ~~division~~ shall adopt rules  
5665 pertaining to occupational licenses under this subsection. Such



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5666 rules may specify, but need not be limited to, requirements and  
5667 restrictions for licensed occupations and categories, procedures  
5668 to apply for any license or combination of licenses,  
5669 disqualifying criminal offenses for a licensed occupation or  
5670 categories of occupations, and which types of occupational  
5671 licenses may be combined into a single license under this  
5672 section. The fingerprinting requirements of subsection (7) apply  
5673 to any combination license that includes slot machine license  
5674 privileges under this section. The department ~~division~~ may not  
5675 adopt a rule allowing the issuance of an occupational license to  
5676 any person who does not meet the minimum background  
5677 qualifications under this section.

5678 (c) Slot machine occupational licenses are not  
5679 transferable.

5680 (3) A slot machine licensee may not employ or otherwise  
5681 allow a person to work at a licensed facility unless such person  
5682 holds the appropriate valid occupational license. A slot machine  
5683 licensee may not contract or otherwise do business with a  
5684 business required to hold a slot machine occupational license  
5685 unless the business holds such a license. A slot machine  
5686 licensee may not employ or otherwise allow a person to work in a  
5687 supervisory or management professional level at a licensed  
5688 facility unless such person holds a valid slot machine  
5689 occupational license. All slot machine occupational licensees,  
5690 while present in slot machine gaming areas, shall display on  
5691 their persons their occupational license identification cards.

5692 (4) (a) A person seeking a slot machine occupational license  
5693 or renewal thereof shall make application on forms prescribed by  
5694 the department ~~division~~ and include payment of the appropriate



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5695 application fee. Initial and renewal applications for slot  
5696 machine occupational licenses must contain all information that  
5697 the department division, by rule, determines is required to  
5698 ensure eligibility.

5699 (b) A slot machine license or combination license is valid  
5700 for the same term as a pari-mutuel occupational license issued  
5701 pursuant to s. 550.105(1).

5702 (c) Pursuant to rules adopted by the department division,  
5703 any person may apply for and, if qualified, be issued a slot  
5704 machine occupational license valid for a period of 3 years upon  
5705 payment of the full occupational license fee for each of the 3  
5706 years for which the license is issued. The slot machine  
5707 occupational license is valid during its specified term at any  
5708 licensed facility where slot machine gaming is authorized to be  
5709 conducted.

5710 (d) The slot machine occupational license fee for initial  
5711 application and annual renewal shall be determined by rule of  
5712 the department division but may not exceed \$50 for a general or  
5713 professional occupational license for an employee of the slot  
5714 machine licensee or \$1,000 for a business occupational license  
5715 for nonemployees of the licensee providing goods or services to  
5716 the slot machine licensee. License fees for general occupational  
5717 licensees shall be paid by the slot machine licensee. Failure to  
5718 pay the required fee constitutes grounds for disciplinary action  
5719 by the department division against the slot machine licensee,  
5720 but it is not a violation of this chapter or rules of the  
5721 department division by the general occupational licensee and  
5722 does not prohibit the initial issuance or the renewal of the  
5723 general occupational license.



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5724 (5) The department ~~division~~ may:

5725 (a) Deny an application for, or revoke, suspend, or place  
5726 conditions or restrictions on, a license of a person or entity  
5727 that has been refused a license by any other state gaming  
5728 commission, governmental department, agency, or other authority  
5729 exercising regulatory jurisdiction over the gaming of another  
5730 state or jurisdiction; or

5731 (b) Deny an application for, or suspend or place conditions  
5732 on, a license of any person or entity that is under suspension  
5733 or has unpaid fines in another state or jurisdiction.

5734 (6) (a) The department ~~division~~ may deny, suspend, revoke,  
5735 or refuse to renew any slot machine occupational license if the  
5736 applicant for such license or the licensee has violated the  
5737 provisions of this chapter or the rules of the department  
5738 ~~division~~ governing the conduct of persons connected with slot  
5739 machine gaming. In addition, the department ~~division~~ may deny,  
5740 suspend, revoke, or refuse to renew any slot machine  
5741 occupational license if the applicant for such license or the  
5742 licensee has been convicted in this state, in any other state,  
5743 or under the laws of the United States of a capital felony, a  
5744 felony, or an offense in any other state which ~~that~~ would be a  
5745 felony under the laws of this state involving arson; trafficking  
5746 in, conspiracy to traffic in, smuggling, importing, conspiracy  
5747 to smuggle or import, or delivery, sale, or distribution of a  
5748 controlled substance; racketeering; or a crime involving a lack  
5749 of good moral character, or has had a gaming license revoked by  
5750 this state or any other jurisdiction for any gaming-related  
5751 offense.

5752 (b) The department ~~division~~ may deny, revoke, or refuse to



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5753 renew any slot machine occupational license if the applicant for  
5754 such license or the licensee has been convicted of a felony or  
5755 misdemeanor in this state, in any other state, or under the laws  
5756 of the United States if such felony or misdemeanor is related to  
5757 gambling or bookmaking as described in s. 849.25.

5758 (c) For purposes of this subsection, the term "convicted"  
5759 means having been found guilty, with or without adjudication of  
5760 guilt, as a result of a jury verdict, nonjury trial, or entry of  
5761 a plea of guilty or nolo contendere.

5762 (7) Fingerprints for all slot machine occupational license  
5763 applications shall be taken in a manner approved by the  
5764 department ~~division~~ and shall be submitted electronically to the  
5765 Department of Law Enforcement for state processing and the  
5766 Federal Bureau of Investigation for national processing for a  
5767 criminal history record check. All persons as specified in s.  
5768 550.1815(1)(a) employed by or working within a licensed premises  
5769 shall submit fingerprints for a criminal history record check  
5770 and may not have been convicted of any disqualifying criminal  
5771 offenses specified in subsection (6). Department ~~Division~~  
5772 employees and law enforcement officers assigned by their  
5773 employing agencies to work within the premises as part of their  
5774 official duties are excluded from the criminal history record  
5775 check requirements under this subsection. For purposes of this  
5776 subsection, the term "convicted" means having been found guilty,  
5777 with or without adjudication of guilt, as a result of a jury  
5778 verdict, nonjury trial, or entry of a plea of guilty or nolo  
5779 contendere.

5780 (a) Fingerprints shall be taken in a manner approved by the  
5781 department ~~division~~ upon initial application, or as required



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5782 thereafter by rule of the department ~~division~~, and shall be  
5783 submitted electronically to the Department of Law Enforcement  
5784 for state processing. The Department of Law Enforcement shall  
5785 forward the fingerprints to the Federal Bureau of Investigation  
5786 for national processing. The results of the criminal history  
5787 record check shall be returned to the department ~~division~~ for  
5788 purposes of screening. Licensees shall provide necessary  
5789 equipment approved by the Department of Law Enforcement to  
5790 facilitate such electronic submission. The department ~~division~~  
5791 requirements under this subsection shall be instituted in  
5792 consultation with the Department of Law Enforcement.

5793 (b) The cost of processing fingerprints and conducting a  
5794 criminal history record check for a general occupational license  
5795 shall be borne by the slot machine licensee. The cost of  
5796 processing fingerprints and conducting a criminal history record  
5797 check for a business or professional occupational license shall  
5798 be borne by the person being checked. The Department of Law  
5799 Enforcement may submit an invoice to the department ~~division~~ for  
5800 the cost of fingerprints submitted each month.

5801 (c) All fingerprints submitted to the Department of Law  
5802 Enforcement and required by this section shall be retained by  
5803 the Department of Law Enforcement and entered into the statewide  
5804 automated biometric identification system as authorized by s.  
5805 943.05(2)(b) and shall be available for all purposes and uses  
5806 authorized for arrest fingerprints entered into the statewide  
5807 automated biometric identification system pursuant to s.  
5808 943.051.

5809 (d) The Department of Law Enforcement shall search all  
5810 arrest fingerprints received pursuant to s. 943.051 against the



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5811 fingerprints retained in the statewide automated biometric  
5812 identification system under paragraph (c). Any arrest record  
5813 that is identified with the retained fingerprints of a person  
5814 subject to the criminal history screening requirements of this  
5815 section shall be reported to the department ~~division~~. Each  
5816 licensed facility shall pay a fee to the department ~~division~~ for  
5817 the cost of retention of the fingerprints and the ongoing  
5818 searches under this paragraph. The department ~~division~~ shall  
5819 forward the payment to the Department of Law Enforcement. The  
5820 amount of the fee to be imposed for performing these searches  
5821 and the procedures for the retention of licensee fingerprints  
5822 shall be as established by rule of the Department of Law  
5823 Enforcement. The department ~~division~~ shall inform the Department  
5824 of Law Enforcement of any change in the license status of  
5825 licensees whose fingerprints are retained under paragraph (c).

5826 (e) The department ~~division~~ shall request the Department of  
5827 Law Enforcement to forward the fingerprints to the Federal  
5828 Bureau of Investigation for a national criminal history records  
5829 check every 3 years following issuance of a license. If the  
5830 fingerprints of a person who is licensed have not been retained  
5831 by the Department of Law Enforcement, the person must file a  
5832 complete set of fingerprints as provided for in paragraph (a).  
5833 The department ~~division~~ shall collect the fees for the cost of  
5834 the national criminal history record check under this paragraph  
5835 and shall forward the payment to the Department of Law  
5836 Enforcement. The cost of processing fingerprints and conducting  
5837 a criminal history record check under this paragraph for a  
5838 general occupational license shall be borne by the slot machine  
5839 licensee. The cost of processing fingerprints and conducting a



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5840 criminal history record check under this paragraph for a  
5841 business or professional occupational license shall be borne by  
5842 the person being checked. The Department of Law Enforcement may  
5843 submit an invoice to the department ~~division~~ for the cost of  
5844 fingerprints submitted each month. Under penalty of perjury,  
5845 each person who is licensed or who is fingerprinted as required  
5846 by this section must agree to inform the department ~~division~~  
5847 within 48 hours if he or she is convicted of or has entered a  
5848 plea of guilty or nolo contendere to any disqualifying offense,  
5849 regardless of adjudication.

5850 (8) All moneys collected pursuant to this section shall be  
5851 deposited into the Pari-mutuel Wagering Trust Fund.

5852 (9) The department ~~division~~ may deny, revoke, or suspend  
5853 any occupational license if the applicant or holder of the  
5854 license accumulates unpaid obligations, defaults in obligations,  
5855 or issues drafts or checks that are dishonored or for which  
5856 payment is refused without reasonable cause.

5857 (10) The department ~~division~~ may fine or suspend, revoke,  
5858 or place conditions upon the license of any licensee who  
5859 provides false information under oath regarding an application  
5860 for a license or an investigation by the department ~~division~~.

5861 (11) The department ~~division~~ may impose a civil fine of up  
5862 to \$5,000 for each violation of this chapter or the rules of the  
5863 department ~~division~~ in addition to or in lieu of any other  
5864 penalty provided for in this section. The department ~~division~~  
5865 may adopt a penalty schedule for violations of this chapter or  
5866 any rule adopted pursuant to this chapter for which it would  
5867 impose a fine in lieu of a suspension and adopt rules allowing  
5868 for the issuance of citations, including procedures to address



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5869 such citations, to persons who violate such rules. In addition  
5870 to any other penalty provided by law, the department ~~division~~  
5871 may exclude from all licensed slot machine facilities in this  
5872 state, for a period not to exceed the period of suspension,  
5873 revocation, or ineligibility, any person whose occupational  
5874 license application has been declared ineligible to hold an  
5875 occupational license or whose occupational license has been  
5876 suspended or revoked by the department ~~division~~.

5877 Section 72. Section 551.108, Florida Statutes, is amended  
5878 to read:

5879 551.108 Prohibited relationships.-

5880 (1) A person employed by or performing any function on  
5881 behalf of the department ~~division~~ may not:

5882 (a) Be an officer, director, owner, or employee of any  
5883 person or entity licensed by the department ~~division~~.

5884 (b) Have or hold any interest, direct or indirect, in or  
5885 engage in any commerce or business relationship with any person  
5886 licensed by the department ~~division~~.

5887 (2) A manufacturer or distributor of slot machines may not  
5888 enter into any contract with a slot machine licensee which ~~that~~  
5889 provides for any revenue sharing of any kind or nature or which  
5890 ~~that~~ is directly or indirectly calculated on the basis of a  
5891 percentage of slot machine revenues. Any maneuver, shift, or  
5892 device whereby this subsection is violated is a violation of  
5893 this chapter and renders any such agreement void.

5894 (3) A manufacturer or distributor of slot machines or any  
5895 equipment necessary for the operation of slot machines or an  
5896 officer, director, or employee of any such manufacturer or  
5897 distributor may not have any ownership or financial interest in



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5898 a slot machine license or in any business owned by the slot  
5899 machine licensee.

5900 (4) An employee of the department ~~division~~ or relative  
5901 living in the same household as the ~~such~~ employee of the  
5902 department ~~division~~ may not wager at any time on a slot machine  
5903 located at a facility licensed by the department ~~division~~.

5904 (5) An occupational licensee or relative living in the same  
5905 household as such occupational licensee may not wager at any  
5906 time on a slot machine located at a facility where that person  
5907 is employed.

5908 Section 73. Subsections (2) and (7) of section 551.109,  
5909 Florida Statutes, are amended to read:

5910 551.109 Prohibited acts; penalties.—

5911 (2) Except as otherwise provided by law and in addition to  
5912 any other penalty, any person who possesses a slot machine  
5913 without the license required by this chapter or who possesses a  
5914 slot machine at any location other than at the slot machine  
5915 licensee's facility is subject to an administrative fine or  
5916 civil penalty of up to \$10,000 per machine. The prohibition in  
5917 this subsection does not apply to:

5918 (a) Slot machine manufacturers or slot machine distributors  
5919 that hold appropriate licenses issued by the department ~~division~~  
5920 who are authorized to maintain a slot machine storage and  
5921 maintenance facility at any location in a county in which slot  
5922 machine gaming is authorized by this chapter. The department  
5923 ~~division~~ may adopt rules regarding security and access to the  
5924 storage facility and inspections by the department ~~division~~.

5925 (b) Certified educational facilities that are authorized to  
5926 maintain slot machines for the sole purpose of education and



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5927 licensure, if any, of slot machine technicians, inspectors, or  
5928 investigators. The department ~~division~~ and the Department of Law  
5929 Enforcement may possess slot machines for training and testing  
5930 purposes. The department ~~division~~ may adopt rules regarding the  
5931 regulation of any such slot machines used for educational,  
5932 training, or testing purposes.

5933 (7) All penalties imposed and collected under this section  
5934 must be deposited into the Pari-mutuel Wagering Trust Fund ~~of~~  
5935 ~~the Department of Business and Professional Regulation.~~

5936 Section 74. Section 551.112, Florida Statutes, is amended  
5937 to read:

5938 551.112 Exclusions of certain persons.—In addition to the  
5939 power to exclude certain persons from any facility of a slot  
5940 machine licensee in this state, the department ~~division~~ may  
5941 exclude any person from any facility of a slot machine licensee  
5942 in this state for conduct that would constitute, if the person  
5943 were a licensee, a violation of this chapter or the rules of the  
5944 department ~~division~~. The department ~~division~~ may exclude from  
5945 any facility of a slot machine licensee any person who has been  
5946 ejected from a facility of a slot machine licensee in this state  
5947 or who has been excluded from any facility of a slot machine  
5948 licensee or gaming facility in another state by the governmental  
5949 department, agency, commission, or authority exercising  
5950 regulatory jurisdiction over the gaming in such other state.  
5951 This section does not abrogate the common law right of a slot  
5952 machine licensee to exclude a patron absolutely in this state.

5953 Section 75. Section 551.117, Florida Statutes, is amended  
5954 to read:

5955 551.117 Penalties.—The department ~~division~~ may revoke or



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5956 suspend any slot machine license issued under this chapter upon  
5957 the willful violation by the slot machine licensee of any  
5958 provision of this chapter or of any rule adopted under this  
5959 chapter. In lieu of suspending or revoking a slot machine  
5960 license, the department ~~division~~ may impose a civil penalty  
5961 against the slot machine licensee for a violation of this  
5962 chapter or any rule adopted by the department ~~division~~. Except  
5963 as otherwise provided in this chapter, the penalty so imposed  
5964 may not exceed \$100,000 for each count or separate offense. All  
5965 penalties imposed and collected must be deposited into the Pari-  
5966 mutuel Wagering Trust Fund ~~of the Department of Business and~~  
5967 ~~Professional Regulation.~~

5968 Section 76. Section 551.118, Florida Statutes, is amended  
5969 to read:

5970 551.118 Compulsive or addictive gambling prevention  
5971 program.—

5972 (1) The slot machine licensee shall offer training to  
5973 employees on responsible gaming and shall work with a compulsive  
5974 or addictive gambling prevention program to recognize problem  
5975 gaming situations and to implement responsible gaming programs  
5976 and practices.

5977 (2) The department ~~division~~ shall, subject to competitive  
5978 bidding, contract for provision of services related to the  
5979 prevention of compulsive and addictive gambling. The contract  
5980 shall provide for an advertising program to encourage  
5981 responsible gaming practices and to publicize a gambling  
5982 telephone help line. Such advertisements must be made both  
5983 publicly and inside the designated slot machine gaming areas of  
5984 the licensee's facilities. The terms of any contract for the



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5985 provision of such services shall include accountability  
5986 standards that must be met by any private provider. The failure  
5987 of any private provider to meet any material terms of the  
5988 contract, including the accountability standards, shall  
5989 constitute a breach of contract or grounds for nonrenewal. The  
5990 department ~~division~~ may consult with the Department of the  
5991 Lottery in the development of the program and the development  
5992 and analysis of any procurement for contractual services for the  
5993 compulsive or addictive gambling prevention program.

5994 (3) The compulsive or addictive gambling prevention program  
5995 shall be funded from an annual nonrefundable regulatory fee of  
5996 \$250,000 paid by the licensee to the department ~~division~~.

5997 Section 77. Section 551.122, Florida Statutes, is amended  
5998 to read:

5999 551.122 Rulemaking.—The department ~~division~~ may adopt rules  
6000 pursuant to ss. 120.536(1) and 120.54 to administer the  
6001 provisions of this chapter.

6002 Section 78. Section 551.123, Florida Statutes, is amended  
6003 to read:

6004 551.123 Legislative authority; administration of chapter.—  
6005 The Legislature finds and declares that it has exclusive  
6006 authority over the conduct of all wagering occurring at a slot  
6007 machine facility in this state. As provided by law, only the  
6008 Department of Gaming ~~Division of Pari-mutuel Wagering~~ and other  
6009 authorized state agencies shall administer this chapter and  
6010 regulate the slot machine gaming industry, including operation  
6011 of slot machine facilities, games, slot machines, and  
6012 facilities-based computer systems authorized in this chapter and  
6013 the rules adopted by the department ~~division~~.



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6014 Section 79. Subsection (5) of section 565.02, Florida  
6015 Statutes, is amended to read:

6016 565.02 License fees; vendors; clubs; caterers; and others.—

6017 (5) A caterer at a horse or dog racetrack or jai alai  
6018 fronton may obtain a license upon the payment of an annual state  
6019 license tax of \$675. Such caterer's license shall permit sales  
6020 only within the enclosure in which such races or jai alai games  
6021 are conducted, and such licensee shall be permitted to sell only  
6022 during the period beginning 10 days before and ending 10 days  
6023 after racing or jai alai under the authority of the ~~Division of~~  
6024 ~~Pari-mutuel Wagering of the~~ Department of Gaming Business and  
6025 ~~Professional Regulation~~ is conducted at such racetrack or jai  
6026 alai fronton. Except as otherwise provided in this subsection  
6027 ~~otherwise provided~~, caterers licensed hereunder shall be treated  
6028 as vendors licensed to sell by the drink the beverages mentioned  
6029 herein and shall be subject to all the provisions hereof  
6030 relating to such vendors.

6031 Section 80. Section 817.37, Florida Statutes, is amended to  
6032 read:

6033 817.37 Touting; defining; providing punishment; ejection  
6034 from racetracks.—

6035 (1) Any person who knowingly and designedly by false  
6036 representation attempts to, or does persuade, procure, or cause  
6037 another person to wager on a horse in a race to be run in this  
6038 state or elsewhere, and upon which money is wagered in this  
6039 state, and who asks or demands compensation as a reward for  
6040 information or purported information given in such case is a  
6041 tout, and commits ~~is guilty of~~ touting.

6042 (2) Any person who is a tout, or who attempts or conspires



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6043 to commit touting, commits ~~shall be guilty of~~ a misdemeanor of  
6044 the second degree, punishable as provided in s. 775.082 or s.  
6045 775.083.

6046 (3) Any person who in the commission of touting falsely  
6047 uses the name of any official of the Department of Gaming  
6048 ~~Florida Division of Pari-mutuel Wagering~~, its inspectors or  
6049 attaches, or of any official of any racetrack association, or  
6050 the names of any owner, trainer, jockey, or other person  
6051 licensed by the Department of Gaming ~~Florida Division of Pari-~~  
6052 ~~mutuel Wagering~~, as the source of any information or purported  
6053 information commits ~~shall be guilty of~~ a felony of the third  
6054 degree, punishable as provided in s. 775.082, s. 775.083, or s.  
6055 775.084.

6056 (4) Any person who has been convicted of touting by any  
6057 court, and the record of whose conviction on such charge is on  
6058 file in the office of the Department of Gaming ~~Florida Division~~  
6059 ~~of Pari-mutuel Wagering~~, any court of this state, or of the  
6060 Federal Bureau of Investigation, or any person who has been  
6061 ejected from any racetrack of this or any other state for  
6062 touting or practices inimical to the public interest shall be  
6063 excluded from all racetracks in this state and if such person  
6064 returns to a racetrack he or she commits ~~shall be guilty of~~ a  
6065 misdemeanor of the second degree, punishable as provided in s.  
6066 775.082 or s. 775.083. Any such person who refuses to leave such  
6067 track when ordered to do so by inspectors of the Department of  
6068 Gaming ~~Florida Division of Pari-mutuel Wagering~~ or by any peace  
6069 officer, or by an accredited attache of a racetrack or  
6070 association commits ~~shall be guilty of~~ a separate offense that  
6071 is ~~which shall be~~ a misdemeanor of the second degree, punishable



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6072 as provided in s. 775.083.

6073       Section 81. The provisions of this act are not severable.  
6074 If this act or any portion of this act is determined to be  
6075 unconstitutional or the applicability thereof to any person or  
6076 circumstance is held invalid:

6077       (1) Such determination shall render all other provisions or  
6078 applications of this act invalid; and

6079       (2) This act is deemed never to have become law.

6080       Section 82. This act shall take effect only if Senate  
6081 Proposed Bill 7074, 2016 Regular Session, or similar legislation  
6082 becomes law ratifying the Gaming Compact between the Seminole  
6083 Tribe of Florida and the State of Florida executed by the  
6084 Governor and the Seminole Tribe of Florida on December 7, 2015,  
6085 under the Indian Gaming Regulatory Act of 1988, and only if such  
6086 compact is approved or deemed approved, and not voided by the  
6087 United States Department of the Interior, and except as  
6088 otherwise expressly provided and except for this section, which  
6089 shall take effect upon becoming a law, this act shall take  
6090 effect on the date that the approved compact is published in the  
6091 Federal Register.

6092  
6093 ===== T I T L E   A M E N D M E N T =====

6094 And the title is amended as follows:

6095       Delete everything before the enacting clause  
6096 and insert:

6097                       A bill to be entitled  
6098       An act relating to gaming; creating s. 20.318, F.S.;  
6099       creating the Department of Gaming; providing that the  
6100       head of the Department of Gaming is the Gaming



6101 Commission; providing for the appointment and  
6102 composition of the commission; requiring that certain  
6103 appointees to the commission have specified areas of  
6104 experience; prohibiting a person from being appointed  
6105 to or serving as a member of the commission in certain  
6106 circumstances; providing for staggered terms for the  
6107 initial appointments of the commission; requiring the  
6108 Governor to appoint successors to the commission;  
6109 providing for the filling of vacancies on the  
6110 commission; prohibiting a member of the commission  
6111 from serving more than two full terms; providing the  
6112 headquarters of the commission; authorizing the  
6113 commission to establish field offices as necessary;  
6114 requiring the initial meeting of the commission to be  
6115 held by a specified date; requiring the members of the  
6116 commission to elect a chairman; requiring the  
6117 commission to meet at least monthly, upon the call of  
6118 the chairman or upon the call of the majority of the  
6119 commission; requiring the commission to appoint an  
6120 executive director; authorizing the executive director  
6121 to hire specified assistants and employees;  
6122 prohibiting certain persons from having a specified  
6123 financial interest, engaging in any political  
6124 activity, and engaging in specified outside  
6125 employment; requiring certain persons to file annual  
6126 financial disclosures and disclose other specified  
6127 matters; establishing divisions within the department;  
6128 defining terms; specifying powers and duties of the  
6129 department; authorizing the department to take



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6130 testimony; authorizing the department to exclude  
6131 specified persons from certain gaming establishments;  
6132 authorizing the department to conduct investigations  
6133 and collect fines; requiring the department to issue  
6134 advisory opinions under certain circumstances;  
6135 authorizing the department to employ law enforcement  
6136 officers; directing the Department of Gaming to  
6137 contract with the Department of Revenue for tax  
6138 collection and financial audit services; authorizing  
6139 the Department of Revenue to investigate certain  
6140 violations; providing licensing powers of the  
6141 Department of Gaming; transferring and reassigning  
6142 certain functions and responsibilities, including  
6143 records, personnel, property, and unexpended balances  
6144 of appropriations and other resources, from the  
6145 Division of Pari-mutuel Wagering within the Department  
6146 of Business and Professional Regulation to the  
6147 Department of Gaming by a type two transfer; providing  
6148 for the continued validity of pending judicial or  
6149 administrative actions to which the division is a  
6150 party; providing for the continued validity of lawful  
6151 orders issued by the division; transferring certain  
6152 rules created by the division to the Department of  
6153 Gaming; providing for the continued validity of  
6154 licenses, permits, and certifications issued by the  
6155 division; amending s. 20.165, F.S.; conforming  
6156 provisions to changes made by the act; amending s.  
6157 120.80, F.S.; providing exemptions for the Department  
6158 of Gaming from hearing and notice requirements;



6159 requiring the Department of Gaming to adopt rules  
6160 establishing certain procedures; amending s. 550.002,  
6161 F.S.; redefining the term "full schedule of live  
6162 racing or games"; defining the term "video race  
6163 system"; amending s. 550.01215, F.S.; revising  
6164 provisions for applications for pari-mutuel operating  
6165 licenses; authorizing a greyhound racing permitholder  
6166 to specify certain intentions on its application;  
6167 authorizing a greyhound racing permitholder to receive  
6168 an operating license to conduct pari-mutuel wagering  
6169 activities at another permitholder's greyhound racing  
6170 facility; limiting the number of pari-mutuel wagering  
6171 operating licenses that may be issued each year;  
6172 authorizing the Department of Gaming to approve  
6173 changes in racing dates for greyhound racing  
6174 permitholders under certain circumstances; providing  
6175 requirements for licensure of certain jai alai  
6176 permitholders; deleting a provision for conversion of  
6177 certain converted permits to jai alai permits;  
6178 amending s. 550.0251, F.S.; requiring the department  
6179 to annually report to the Governor and the  
6180 Legislature; specifying requirements for the content  
6181 of the report; amending s. 550.054, F.S.; requiring  
6182 the department to revoke a pari-mutuel wagering  
6183 operating permit under certain circumstances;  
6184 prohibiting issuance or approval of new pari-mutuel  
6185 permits after a specified date; authorizing a  
6186 permitholder to apply to the department to place a  
6187 permit in inactive status; revising provisions that



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6188 prohibit transfer or assignment of a pari-mutuel  
6189 permit; prohibiting transfer or assignment of a pari-  
6190 mutuel permit or license under certain conditions;  
6191 prohibiting relocation of a pari-mutuel facility,  
6192 cardroom, or slot machine facility or conversion of  
6193 pari-mutuel permits to a different class; providing  
6194 for approval of the relocation of such permits;  
6195 deleting provisions for certain converted permits;  
6196 repealing s. 550.0555, F.S., relating to the  
6197 relocation of greyhound racing permits; repealing s.  
6198 550.0745, F.S., relating to the conversion of pari-  
6199 mutuel permits to summer jai alai permits; amending s.  
6200 550.0951, F.S.; deleting provisions for certain  
6201 credits for a greyhound racing permitholder; revising  
6202 the tax on handle for live greyhound racing and  
6203 intertrack wagering if the host track is a greyhound  
6204 racing track; requiring a tax on handle and fees for  
6205 video race licensees; specifying how fees may be used  
6206 by the department and the Department of Law  
6207 Enforcement; amending s. 550.09511, F.S.; conforming a  
6208 cross-reference; amending s. 550.09512, F.S.;  
6209 providing for the revocation of certain harness horse  
6210 racing permits; specifying that a revoked permit may  
6211 not be reissued; amending s. 550.09514, F.S.; deleting  
6212 certain provisions that prohibit tax on handle until a  
6213 specified amount of tax savings have resulted;  
6214 revising purse requirements of a greyhound racing  
6215 permitholder that conducts live racing; amending s.  
6216 550.09515, F.S.; providing for the revocation of



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6217 certain thoroughbred racing permits; specifying that a  
6218 revoked permit may not be reissued; amending s.  
6219 550.1625, F.S.; deleting the requirement that a  
6220 greyhound racing permitholder pay the breaks tax;  
6221 repealing s. 550.1647, F.S., relating to unclaimed  
6222 tickets and breaks held by greyhound racing  
6223 permitholders; amending s. 550.1648, F.S.; revising  
6224 requirements for a greyhound racing permitholder to  
6225 provide a greyhound adoption booth at its facility;  
6226 requiring sterilization of greyhounds before adoption;  
6227 authorizing the fee for such sterilization to be  
6228 included in the cost of adoption; defining the term  
6229 "bona fide organization that promotes or encourages  
6230 the adoption of greyhounds"; creating s. 550.1751,  
6231 F.S.; defining terms; authorizing certain pari-mutuel  
6232 permitholders to enter into agreements to sell and  
6233 transfer permits to certain bidders; requiring that  
6234 such permits be surrendered to the department and  
6235 voided; creating s. 550.1752, F.S.; creating the  
6236 permit reduction program within the department;  
6237 providing a purpose for the program; providing for  
6238 funding for the program up to a specified maximum  
6239 amount; requiring the department to purchase pari-  
6240 mutuel permits from permitholders under certain  
6241 circumstances; requiring that permitholders who wish  
6242 to make an offer to sell meet certain requirements;  
6243 requiring the department to adopt a certain form by  
6244 rule; requiring that the department establish the  
6245 value of a pari-mutuel permit based on the valuation



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6246 of one or more independent appraisers; authorizing the  
6247 department to establish a value that is lower than the  
6248 valuation of the independent appraiser; requiring the  
6249 department to accept the offers that best utilize  
6250 available funding; requiring the department to cancel  
6251 permits that it purchases through the program;  
6252 providing for expiration of the program; creating s.  
6253 550.2416, F.S.; requiring injuries to racing  
6254 greyhounds to be reported within a certain timeframe  
6255 on a form adopted by the department; requiring such  
6256 form to be completed and signed under oath or  
6257 affirmation by certain individuals; providing  
6258 penalties; specifying information that must be  
6259 included in the form; requiring the department to  
6260 maintain the forms as public records for a specified  
6261 time; specifying disciplinary action that may be taken  
6262 against a licensee of the Department of Business and  
6263 Professional Regulation who fails to report an injury  
6264 or who makes false statements on an injury form;  
6265 exempting injuries to certain animals from reporting  
6266 requirements; requiring the department to adopt rules;  
6267 amending s. 550.26165, F.S.; conforming a cross-  
6268 reference; amending s. 550.3345, F.S.; revising  
6269 provisions for a permit previously converted from a  
6270 quarter horse racing permit to a limited thoroughbred  
6271 racing permit; amending s. 550.3551, F.S.; deleting a  
6272 provision that limits the number of out-of-state races  
6273 on which wagers are accepted by a greyhound racing  
6274 permitholder; deleting a provision prohibiting a



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6275 permitholder from conducting fewer than eight live  
6276 races or games under certain circumstances; deleting a  
6277 provision requiring certain permitholders to conduct a  
6278 full schedule of live racing to receive certain full-  
6279 card broadcasts and accept certain wagers; amending s.  
6280 550.375, F.S.; conforming a cross-reference; amending  
6281 s. 550.615, F.S.; revising provisions relating to  
6282 intertrack wagering; amending s. 550.6305, F.S.;

6283 revising provisions requiring that certain simulcast  
6284 signals be made available to certain permitholders;  
6285 authorizing certain permitholders of a converted  
6286 permit to accept wagers on certain rebroadcasts;  
6287 amending s. 550.6308, F.S.; revising the number of  
6288 days of thoroughbred horse sales required to obtain a  
6289 limited intertrack wagering license; revising  
6290 provisions for such wagering; amending s. 551.101,  
6291 F.S.; revising provisions that authorize slot machine  
6292 gaming at certain facilities; amending s. 551.102,  
6293 F.S.; revising definitions of the terms "eligible  
6294 facility" and "slot machine licensee" for purposes of  
6295 provisions relating to slot machines; amending s.  
6296 551.104, F.S.; providing that an application to  
6297 conduct slot machine gaming may be authorized only if  
6298 it would not trigger a reduction in revenue-sharing  
6299 under the Gaming Compact between the Seminole Tribe of  
6300 Florida and the State of Florida; specifying the  
6301 facilities that may be authorized by the department to  
6302 conduct slot machine gaming; exempting certain  
6303 greyhound racing and thoroughbred racing permitholders



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6304 from a requirement that they conduct a full schedule  
6305 of live racing as a condition of maintaining authority  
6306 to conduct slot machine gaming; requiring licensees to  
6307 withhold a specified percentage of net revenue from  
6308 specified sources; creating s. 551.1041, F.S.;

6309 authorizing an additional slot machine license to be  
6310 issued to a pari-mutuel permitholder for a facility in  
6311 Miami-Dade County and in Palm Beach County, subject to  
6312 approval by a majority of voters in a referendum in  
6313 each county; providing for the conduct of the  
6314 referendum; establishing the process for the issuance  
6315 of new licenses; requiring that applications be made  
6316 by sealed bids to the department, subject to specified  
6317 prequalification procedures and requirements;

6318 specifying a minimum bid amount; authorizing a  
6319 specified number of slot machines and video race  
6320 terminals for play; providing requirements for slot  
6321 machines and video race terminals; defining the term  
6322 "video race terminal"; providing requirements for the  
6323 use of net revenue withheld from certain slot machine  
6324 licensees; creating s. 551.1042, F.S.; prohibiting the  
6325 transfer of a slot machine license or relocation of a  
6326 slot machine facility; amending s. 551.106, F.S.;

6327 deleting obsolete provisions; revising the tax rate on  
6328 slot machine revenues under certain conditions;

6329 amending s. 551.114, F.S.; decreasing the number of  
6330 slot machines available for play at certain  
6331 facilities; requiring that specified permitholders'  
6332 designated slot machine gaming areas be located within



6333 the eligible facility for which the initial license  
6334 was issued; amending s. 551.116, F.S.; deleting a  
6335 restriction on the number of hours that slot machine  
6336 gaming areas may be open; amending s. 551.121, F.S.;  
6337 authorizing the serving of complimentary or reduced-  
6338 cost alcoholic beverages to a person playing a slot  
6339 machine; authorizing the location of an automated  
6340 teller machine or similar device within designated  
6341 slot machine gaming areas; amending s. 849.086, F.S.;  
6342 amending legislative intent; revising definitions;  
6343 authorizing certain thoroughbred racing permitholders  
6344 to operate a cardroom at a specified slot facility  
6345 under certain circumstances; deleting certain license  
6346 renewal requirements; authorizing certain cardroom  
6347 operators to offer certain designated player games;  
6348 providing limits on wagers for such games; providing  
6349 playing requirements for designated players; requiring  
6350 each seated player to be afforded the temporary  
6351 opportunity to be the designated player; prohibiting  
6352 certain persons from being designated players;  
6353 providing requirements for designated player games;  
6354 providing that the department may only approve  
6355 cardroom operators to conduct certain designated  
6356 player games; requiring certain harness horse racing  
6357 permitholders to use at least 50 percent of monthly  
6358 net proceeds in specified ways; conforming provisions  
6359 to changes made by the act; directing the department  
6360 to revoke certain pari-mutuel permits; specifying that  
6361 the revoked permits may not be reissued; amending ss.



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6362 285.710, 550.0115, 550.0235, 550.0351, 550.0651,  
6363 550.105, 550.1155, 550.125, 550.135, 550.155, 550.175,  
6364 550.1815, 550.24055, 550.2415, 550.2614, 550.2625,  
6365 550.26352, 550.2704, 550.334, 550.3355, 550.3615,  
6366 550.495, 550.505, 550.5251, 550.625, 550.70, 550.902,  
6367 550.907, 551.103, 551.1045, 551.105, 551.107, 551.108,  
6368 551.109, 551.112, 551.117, 551.118, 551.122, 551.123,  
6369 565.02, and 817.37, F.S.; conforming provisions to  
6370 changes made by the act; conforming cross-references;  
6371 deleting obsolete language; providing for  
6372 nonseverability; providing a contingent effective  
6373 date.



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LEGISLATIVE ACTION

Senate	.	House
Comm: OO	.	
02/19/2016	.	
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The Committee on Regulated Industries (Negron) recommended the following:

**Senate Amendment (with title amendment)**

Before line 208

insert:

Section 1. Section 546.11, Florida Statutes, is created to read:

546.11 Short title.—Sections 546.11-546.20 may be cited as the "Fantasy Contest Amusement Act."

Section 2. Section 546.12, Florida Statutes, is created to read:

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11           546.12 Legislative intent.—It is the intent of the  
12 Legislature to ensure public confidence in the integrity of  
13 fantasy contests and fantasy contest operators. This act is  
14 designed to strictly regulate the operators of fantasy contests  
15 and individuals who participate in such contests and to adopt  
16 consumer protections related to fantasy contests. Furthermore,  
17 the Legislature finds that fantasy contests, as that term is  
18 defined in s. 546.13, involve the skill of contest participants  
19 and do not constitute gambling, gaming, or games of chance.

20           Section 3. Section 546.13, Florida Statutes, is created to  
21 read:

22           546.13 Definitions.—As used in ss. 546.11-546.19, the term:

23           (1) "Confidential information" means information related to  
24 the playing of fantasy contests by contest participants which is  
25 obtained solely as a result of a person's employment with or  
26 work as an agent of a contest operator.

27           (2) "Contest operator" means a person or an entity other  
28 than a noncommercial contest operator which offers fantasy  
29 contests that require an entry fee for a cash prize to members  
30 of the public.

31           (3) "Contest participant" means a person who pays an entry  
32 fee for the ability to participate in a fantasy contest offered  
33 by a contest operator.

34           (4) "Entry fee" means the cash or cash equivalent amount  
35 that is required to be paid by a fantasy contest player to a  
36 fantasy contest operator to participate in a fantasy contest.

37           (5) "Fantasy contest" means a fantasy or simulation sports  
38 game or contest offered by a contest operator or a noncommercial  
39 contest operator in which a contest participant manages a



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40 fantasy or simulation sports team composed of athletes from an  
41 amateur or professional sports organization and which meets the  
42 following conditions:

43 (a) All prizes and awards offered to winning participants  
44 are established and made known to the participants in advance of  
45 the game or contest and their value is not determined by the  
46 number of participants or the amount of any fees paid by those  
47 participants.

48 (b) All winning outcomes reflect the relative knowledge and  
49 skill of the participants and are determined predominantly by  
50 accumulated statistical results of the performance of the  
51 athletes participating in multiple real-world sporting or other  
52 events. However, a winning outcome may not be based:

53 1. On the score, point spread, or any performance or  
54 performances of a single real-world team or any combination of  
55 such teams; or

56 2. Solely on any single performance of an individual  
57 athlete in a single real-world sporting or other event.

58 (6) "Noncommercial contest operator" means a person who  
59 organizes and conducts a fantasy contest, or who makes available  
60 a fantasy contest software platform, in which participants may  
61 be charged fees for the right to participate; fees are  
62 collected, maintained, and distributed by the same person; and  
63 all fees are returned to the players in the form of prizes.

64 (7) "Office" means the Office of Amusements created in s.  
65 546.14.

66 Section 4. Section 546.14, Florida Statutes is created to  
67 read:

68 546.14 Office of Amusements.—



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69           (1) The Office of Amusements is created within the  
70 Department of Business and Professional Regulation. The office  
71 shall operate under the supervision of a senior manager exempt  
72 under s. 110.205 in the Senior Management Service and appointed  
73 by the secretary.

74           (2) The duties of the office include, but are not limited  
75 to, administering and enforcing this act and any rules adopted  
76 pursuant thereto and any other duties authorized by the  
77 Secretary of Business and Professional Regulation. The office  
78 may work with department personnel as needed to assist in  
79 fulfilling its duties.

80           (3) The office may:

81           (a) Conduct investigations and monitor the operation and  
82 play of fantasy contests.

83           (b) Review the books, accounts, and records of any current  
84 or former contest operator.

85           (c) Suspend or revoke any license, after hearing, for any  
86 violation of state law or rule.

87           (d) Take testimony, issue summons and subpoenas for any  
88 witness, and issue subpoenas duces tecum in connection with any  
89 matter within its jurisdiction.

90           (e) Monitor and ensure the proper collection and  
91 safeguarding of contest fees and the payment of contest prizes  
92 in accordance with consumer protection procedures adopted  
93 pursuant to s. 546.16.

94           (4) The office may adopt rules to implement this act.

95           Section 5. Section 546.15, Florida Statutes, is created to  
96 read:

97           546.15 Licensing.-



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98           (1) A contest operator that offers fantasy contests for  
99 play by persons in this state must be licensed by the office to  
100 conduct fantasy contests within this state. The initial license  
101 application fee is \$500,000 and the annual license renewal fee  
102 is \$100,000, however, the respective fees may not exceed 10  
103 percent of the amount of entry fees collected by a contest  
104 operator from the operation of fantasy contests in this state,  
105 less the amount of cash or cash equivalents paid to contest  
106 participants. The office shall require the contest operator to  
107 provide written evidence of the proposed amount of entry fees  
108 and cash or cash equivalents to be paid to contest participants  
109 during the annual license period. Prior to renewing a license,  
110 the contest operator shall provide written evidence to the  
111 office of the actual entry fees collected and cash or cash  
112 equivalents paid to contest participants during the previous  
113 period of licensure. The contest operator shall remit to the  
114 office any difference in license fee that results from the  
115 difference between the proposed amount of entry fees and cash or  
116 cash equivalents paid to contest participants and the actual  
117 amounts collected and paid.

118           (2) The office shall grant or deny a complete application  
119 within 120 days after receipt, and a completed application that  
120 is not acted upon by the office within 120 days after receipt is  
121 deemed approved, and the office shall issue the license.  
122 Applications for a contest operator's license are exempt from  
123 the 90-day licensure timeframe imposed in s. 120.60(1).

124           (3) The application must include:  
125           (a) The full name of the applicant.  
126           (b) If the applicant is a corporation, the name of the



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127 state in which the applicant is incorporated and the names and  
128 addresses of the officers, directors, and shareholders of the  
129 corporation who hold 5 percent or more equity.

130 (c) If the applicant is a business entity other than a  
131 corporation, the names and addresses of the principals,  
132 partners, or shareholders who hold 5 percent or more equity.

133 (d) The names and addresses of the ultimate equitable  
134 owners of the corporation or other business entity, if different  
135 from those provided under paragraphs (b) and (c), unless the  
136 securities of the corporation or entity are registered pursuant  
137 to s. 12 of the Securities Exchange Act of 1934, 15 U.S.C. ss.  
138 78a-78kk, and:

139 1. The corporation or entity files with the United States  
140 Securities and Exchange Commission, the reports required by s.  
141 13 of that act; or

142 2. The securities of the corporation or entity are  
143 regularly traded on an established securities market in the  
144 United States.

145 (e) The estimated number of fantasy sports contests to be  
146 conducted by the applicant annually.

147 (f) A statement of the assets and liabilities of the  
148 applicant.

149 (g) If required by the office, the names and addresses of  
150 the officers and directors of any debtor of the applicant and of  
151 stockholders who hold more than 10 percent of the stock of the  
152 debtor.

153 (h) For each individual listed in the application as an  
154 officer or director, a complete set of fingerprints taken by an  
155 authorized law enforcement officer. The office shall submit such



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156 fingerprints to the Federal Bureau of Investigation for national  
157 processing. Foreign nationals shall submit such documents as  
158 necessary to allow the office to conduct criminal history  
159 records checks in the individual's home country. The applicant  
160 must pay the full cost of processing fingerprints and required  
161 documentation. The office also may charge a \$2 handling fee for  
162 each set of fingerprints submitted.

163 (4) A person or entity is not eligible for licensure as a  
164 contest operator or licensure renewal if he or she or an officer  
165 or director of the entity is determined by the office, after  
166 investigation, not to be of good moral character or if found to  
167 have been convicted of a felony in this state, any offense in  
168 another jurisdiction which would be considered a felony if  
169 committed in this state, or a felony under the laws of the  
170 United States. For purposes of this subsection, the term  
171 "convicted" means having been found guilty, with or without  
172 adjudication of guilt, as a result of a jury verdict, nonjury  
173 trial, or entry of a plea of guilty or nolo contendere.

174 (5) The contest operator shall provide evidence of a surety  
175 bond in the amount of \$1 million, payable to the state,  
176 furnished by a corporate surety authorized to do business. The  
177 surety bond shall be kept in full force and effect by the  
178 contest operator during the term of the license and any renewal  
179 thereof. The office shall adopt by rule the form required for  
180 such surety bond.

181 (6) The office may not issue a license pursuant to this  
182 section unless the Gaming Compact between the Seminole Tribe of  
183 Florida and the State of Florida, authorized pursuant to s.  
184 285.710(3)(b), indicates that fantasy contests operated by such



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185 fantasy contest operator do not violate any of the compact's  
186 provisions.

187 (7) The office may suspend, revoke, or deny the license of  
188 a contest operator who fails to comply with this act or rules  
189 adopted pursuant thereto.

190 Section 6. Section 546.16, Florida Statutes, is created to  
191 read:

192 546.16 Consumer protection.—

193 (1) A contest operator who charges an entry fee to contest  
194 participants shall implement procedures for fantasy sports  
195 contests which:

196 (a) Prevent employees of the fantasy contest operator, and  
197 relatives living in the same household as such employees, from  
198 competing in a fantasy contest in which a cash prize is awarded.

199 (b) Prohibit the contest operator from being a contest  
200 participant in a fantasy contest that he or she offers.

201 (c) Prevent the employees or agents of the contest operator  
202 from sharing with third parties confidential information that  
203 could affect fantasy contest play until the information has been  
204 made publicly available.

205 (d) Verify that contest participants are 18 years of age or  
206 older.

207 (e) Restrict an individual who is a player, a game  
208 official, or another participant in a real-world game or  
209 competition from participating in a fantasy contest that is  
210 determined, in whole or in part, on the performance of that  
211 individual, the individual's real-world team, or the accumulated  
212 statistical results of the sport or competition in which he or  
213 she is a player, game official, or other participant.



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214 (f) Allow individuals to restrict or prevent their own  
215 access to a fantasy contest and take reasonable steps to prevent  
216 those individuals from entering a fantasy sports contest.

217 (g) Limit the number of entries a single contest  
218 participant may submit to each fantasy contest and take  
219 reasonable steps to prevent participants from submitting more  
220 than the allowable number of entries.

221 (h) Segregate contest participants' funds from operational  
222 funds and maintain a reserve in the form of cash, cash  
223 equivalents, an irrevocable letter of credit, a bond, or a  
224 combination thereof in the total amount of deposits in contest  
225 participants' accounts for the benefit and protection of  
226 authorized contest participants' funds held in fantasy contest  
227 accounts.

228 (2) A contest operator that offers fantasy contests in this  
229 state which require contest participants to pay an entry fee  
230 shall annually contract with a third party to perform an  
231 independent audit, consistent with the standards established by  
232 the Public Company Accounting Oversight Board, to ensure  
233 compliance with this act. The contest operator shall submit the  
234 results of the independent audit to the office.

235 Section 7. Section 546.17, Florida Statutes is created to  
236 read:

237 546.17 Records and reports.-

238 (1) Each contest operator shall keep and maintain daily  
239 records of its operations relevant to compliance with ss. 546.15  
240 and 546.16 and shall maintain such records for a period of at  
241 least 3 years. The records must sufficiently detail all  
242 financial transactions to determine compliance with the



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243 requirements of this section and must be available for audit and  
244 inspection by the office or other law enforcement agencies  
245 during the contest operator's regular business hours. The office  
246 shall adopt rules to implement this subsection.

247 (2) Each contest operator shall file quarterly with the  
248 office a report that includes the required records and any  
249 additional information deemed necessary by the office. The  
250 report shall be submitted on forms prescribed by the office, and  
251 are deemed public records once filed.

252 Section 8. Section 546.18, Florida Statutes, is created to  
253 read:

254 549.18 Consent required.—A contest operator who charges an  
255 entry fee to contest participants shall ensure that any fantasy  
256 contests involving horseracing have received the consent  
257 specified in the Interstate Horseracing Act of 1978, 92 Stat.  
258 1811, 15 U.S.C. ss. 3001 et seq.

259 Section 9. Section 546.19, Florida Statutes, is created to  
260 read:

261 546.19 Penalties.—In addition to other applicable  
262 administrative, civil, and criminal sanctions, a contest  
263 operator, or an employee or agent thereof, who violates this act  
264 is subject to a civil penalty not to exceed \$5,000 for each  
265 violation, not to exceed \$100,000 in the aggregate, which shall  
266 accrue to the state. An action to recover such penalties may be  
267 brought by the office or the Department of Legal Affairs in the  
268 circuit courts in the name and on behalf of the state.

269 Section 10. Section 546.20, Florida Statutes, is created to  
270 read:

271 546.20 Exemption.—Fantasy contests conducted by a contest



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272 operator or noncommercial contest operator in accordance with  
273 this act are not subject to s. 849.01, s. 849.08, s. 849.09, s.  
274 849.11, s. 849.14, or s. 849.25.

275 Section 11. The penalty provisions established by s.  
276 546.18, Florida Statutes, do not apply to a contest operator who  
277 applies for a license within 90 days after the effective date of  
278 this act and receives a license within 240 days after the  
279 effective date of this act.

280  
281 ===== T I T L E A M E N D M E N T =====

282 And the title is amended as follows:

283 Delete line 2  
284 and insert:

285 An act relating to gaming; creating s. 546.11, F.S.;

286 providing a short title; creating s. 546.12, F.S.;

287 providing legislative findings and intent; creating s.

288 546.13, F.S.; defining terms; creating s. 545.14,

289 F.S.; creating the Office of Amusements within the

290 Department of Business and Professional Regulation;

291 requiring that the office be under the supervision of

292 a senior manager who is exempt from the Career Service

293 System and is appointed by the secretary of the

294 department; providing duties of the office; providing

295 for rulemaking; creating s. 546.15, F.S.; providing

296 licensing requirements for contest operators offering

297 fantasy contests; requiring the office to grant or

298 deny a license within a specified timeframe; providing

299 that a completed application is deemed approved 120

300 days after receipt by the office under certain



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301 circumstances; providing requirements for the license  
302 application; providing that persons or entities are  
303 not eligible for licensure under certain  
304 circumstances; providing a definition; requiring a  
305 contest operator to provide evidence of a surety bond;  
306 requiring the surety bond to be kept during the term  
307 of the license and any renewal term thereafter;  
308 providing that a license may not be issued if it  
309 violates the Gaming Compact; authorizing the office to  
310 suspend, revoke, or deny a license under certain  
311 circumstances; creating s. 546.16, F.S.; requiring a  
312 contest operator to implement specified consumer  
313 protection procedures; requiring a contest operator to  
314 annually contract with a third party to perform an  
315 independent audit; requiring a contest operator to  
316 submit the audit results to the department; creating  
317 s. 546.17, F.S.; requiring contest operators to keep  
318 and maintain certain records for a specified period;  
319 providing requirements; providing for rulemaking;  
320 requiring a contest operator to file a quarterly  
321 report with the office; creating s. 546.18, F.S.;  
322 requiring a contest operator to obtain certain consent  
323 for certain fantasy contests; creating s. 546.19,  
324 F.S.; providing a civil penalty; creating s. 546.20,  
325 F.S.; exempting fantasy contests from certain  
326 provisions in ch. 849, F.S.; providing applicability  
327 of penalty provisions; amending s. 550.002, F.S.;



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LEGISLATIVE ACTION

Senate	.	House
Comm: FAV	.	
02/19/2016	.	
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The Committee on Regulated Industries (Richter) recommended the following:

**Senate Amendment (with title amendment)**

Before line 208

insert:

Section 1. Effective upon becoming a law, section 24.103, Florida Statutes, is reordered and amended to read:

24.103 Definitions.—As used in this act, the term:

(1) "Department" means the Department of the Lottery.

(6)~~(2)~~ "Secretary" means the secretary of the department.

(3) "Person" means any individual, firm, association, joint



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11 adventure, partnership, estate, trust, syndicate, fiduciary,  
12 corporation, or other group or combination and includes an ~~shall~~  
13 ~~include any~~ agency or political subdivision of the state.

14 (4) "Point-of-sale terminal" means an electronic device  
15 used to process credit card, debit card, or other similar charge  
16 card payments at retail locations which is supported by networks  
17 that enable verification, payment, transfer of funds, and  
18 logging of transactions.

19 (2)~~(4)~~ "Major procurement" means a procurement for a  
20 contract for the printing of tickets for use in any lottery  
21 game, consultation services for the startup of the lottery, any  
22 goods or services involving the official recording for lottery  
23 game play purposes of a player's selections in any lottery game  
24 involving player selections, any goods or services involving the  
25 receiving of a player's selection directly from a player in any  
26 lottery game involving player selections, any goods or services  
27 involving the drawing, determination, or generation of winners  
28 in any lottery game, the security report services provided for  
29 in this act, or any goods and services relating to marketing and  
30 promotion which exceed a value of \$25,000.

31 (5) "Retailer" means a person who sells lottery tickets on  
32 behalf of the department pursuant to a contract.

33 (7)~~(6)~~ "Vendor" means a person who provides or proposes to  
34 provide goods or services to the department, but does not  
35 include an employee of the department, a retailer, or a state  
36 agency.

37 Section 2. Effective upon becoming a law, present  
38 subsections (19) and (20) of section 24.105, Florida Statutes,  
39 are redesignated as subsections (20) and (21), respectively, and



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40 a new subsection (19) is added to that section, to read:

41 24.105 Powers and duties of department.—The department  
42 shall:

43 (19) Have the authority to create a program that allows a  
44 person who is at least 18 years of age to purchase a lottery  
45 ticket or game at a point-of-sale terminal. The department may  
46 adopt rules to administer the program. Such rules shall include,  
47 but are not limited to, the following:

48 (a) Limiting the dollar amount of lottery tickets or games  
49 that a person may purchase at point-of-sale terminals;

50 (b) Creating a process to enable a customer to restrict or  
51 prevent his or her own access to lottery tickets or games; and

52 (c) Ensuring that the program is administered in a manner  
53 that does not breach the exclusivity provisions of any Indian  
54 gaming compact to which this state is a party.

55 Section 3. Effective upon becoming a law, section 24.112,  
56 Florida Statutes, is amended to read:

57 24.112 Retailers of lottery tickets; ~~authorization of~~  
58 ~~vending machines; point-of-sale terminals to dispense lottery~~  
59 ~~tickets.—~~

60 (1) The department shall promulgate rules specifying the  
61 terms and conditions for contracting with retailers who will  
62 best serve the public interest and promote the sale of lottery  
63 tickets.

64 (2) In the selection of retailers, the department shall  
65 consider factors such as financial responsibility, integrity,  
66 reputation, accessibility of the place of business or activity  
67 to the public, security of the premises, the sufficiency of  
68 existing retailers to serve the public convenience, and the



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69 projected volume of the sales for the lottery game involved. In  
70 the consideration of these factors, the department may require  
71 the information it deems necessary of any person applying for  
72 authority to act as a retailer. However, the department may not  
73 establish a limitation upon the number of retailers and shall  
74 make every effort to allow small business participation as  
75 retailers. It is the intent of the Legislature that retailer  
76 selections be based on business considerations and the public  
77 convenience and that retailers be selected without regard to  
78 political affiliation.

79 (3) The department may ~~shall~~ not contract with any person  
80 as a retailer who:

81 (a) Is less than 18 years of age.

82 (b) Is engaged exclusively in the business of selling  
83 lottery tickets; however, this paragraph may ~~shall~~ not preclude  
84 the department from selling lottery tickets.

85 (c) Has been convicted of, or entered a plea of guilty or  
86 nolo contendere to, a felony committed in the preceding 10  
87 years, regardless of adjudication, unless the department  
88 determines that:

89 1. The person has been pardoned or the person's civil  
90 rights have been restored;

91 2. Subsequent to such conviction or entry of plea the  
92 person has engaged in the kind of law-abiding commerce and good  
93 citizenship that would reflect well upon the integrity of the  
94 lottery; or

95 3. If the person is a firm, association, partnership,  
96 trust, corporation, or other entity, the person has terminated  
97 its relationship with the individual whose actions directly



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98 contributed to the person's conviction or entry of plea.

99 (4) The department shall issue a certificate of authority  
100 to each person with whom it contracts as a retailer for purposes  
101 of display pursuant to subsection (6). The issuance of the  
102 certificate may ~~shall~~ not confer upon the retailer any right  
103 apart from that specifically granted in the contract. The  
104 authority to act as a retailer may ~~shall~~ not be assignable or  
105 transferable.

106 (5) A ~~Any~~ contract executed by the department pursuant to  
107 this section shall specify the reasons for any suspension or  
108 termination of the contract by the department, including, but  
109 not limited to:

110 (a) Commission of a violation of this act or rule adopted  
111 pursuant thereto.

112 (b) Failure to accurately account for lottery tickets,  
113 revenues, or prizes as required by the department.

114 (c) Commission of any fraud, deceit, or misrepresentation.

115 (d) Insufficient sale of tickets.

116 (e) Conduct prejudicial to public confidence in the  
117 lottery.

118 (f) Any material change in any matter considered by the  
119 department in executing the contract with the retailer.

120 (6) Each ~~Every~~ retailer shall post and keep conspicuously  
121 displayed in a location on the premises accessible to the public  
122 its certificate of authority and, with respect to each game, a  
123 statement supplied by the department of the estimated odds of  
124 winning a ~~some~~ prize for the game.

125 (7) A ~~No~~ contract with a retailer may not ~~shall~~ authorize  
126 the sale of lottery tickets at more than one location, and a



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127 retailer may sell lottery tickets only at the location stated on  
128 the certificate of authority.

129 (8) With respect to any retailer whose rental payments for  
130 premises are contractually computed, in whole or in part, on the  
131 basis of a percentage of retail sales, and where such  
132 computation of retail sales is not explicitly defined to include  
133 sales of tickets in a state-operated lottery, the compensation  
134 received by the retailer from the department shall be deemed to  
135 be the amount of the retail sale for the purposes of such  
136 contractual compensation.

137 (9) (a) The department may require each ~~every~~ retailer to  
138 post an appropriate bond as determined by the department, using  
139 an insurance company acceptable to the department, in an amount  
140 not to exceed twice the average lottery ticket sales of the  
141 retailer for the period within which the retailer is required to  
142 remit lottery funds to the department. For the first 90 days of  
143 sales of a new retailer, the amount of the bond may not exceed  
144 twice the average estimated lottery ticket sales for the period  
145 within which the retailer is required to remit lottery funds to  
146 the department. This paragraph does ~~shall~~ not apply to lottery  
147 tickets that ~~which~~ are prepaid by the retailer.

148 (b) In lieu of such bond, the department may purchase  
149 blanket bonds covering all or selected retailers or may allow a  
150 retailer to deposit and maintain with the Chief Financial  
151 Officer securities that are interest bearing or accruing and  
152 that, with the exception of those specified in subparagraphs 1.  
153 and 2., are rated in one of the four highest classifications by  
154 an established nationally recognized investment rating service.  
155 Securities eligible under this paragraph shall be limited to:



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156           1. Certificates of deposit issued by solvent banks or  
157 savings associations organized and existing under the laws of  
158 this state or under the laws of the United States and having  
159 their principal place of business in this state.

160           2. United States bonds, notes, and bills for which the full  
161 faith and credit of the government of the United States is  
162 pledged for the payment of principal and interest.

163           3. General obligation bonds and notes of any political  
164 subdivision of the state.

165           4. Corporate bonds of any corporation that is not an  
166 affiliate or subsidiary of the depositor.

167  
168 Such securities shall be held in trust and shall have at all  
169 times a market value at least equal to an amount required by the  
170 department.

171           (10) Each ~~Every~~ contract entered into by the department  
172 pursuant to this section shall contain a provision for payment  
173 of liquidated damages to the department for any breach of  
174 contract by the retailer.

175           (11) The department shall establish procedures by which  
176 each retailer shall account for all tickets sold by the retailer  
177 and account for all funds received by the retailer from such  
178 sales. The contract with each retailer shall include provisions  
179 relating to the sale of tickets, payment of moneys to the  
180 department, reports, service charges, and interest and  
181 penalties, if necessary, as the department shall deem  
182 appropriate.

183           (12) ~~No~~ Payment by a retailer to the department for tickets  
184 may not shall be in cash. All such payments shall be in the form



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185 of a check, bank draft, electronic fund transfer, or other  
186 financial instrument authorized by the secretary.

187 (13) Each retailer shall provide accessibility for disabled  
188 persons on habitable grade levels. This subsection does not  
189 apply to a retail location that ~~which~~ has an entrance door  
190 threshold more than 12 inches above ground level. As used in  
191 ~~herein and for purposes of~~ this subsection only, the term  
192 "accessibility for disabled persons on habitable grade levels"  
193 means that retailers shall provide ramps, platforms, aisles and  
194 pathway widths, turnaround areas, and parking spaces to the  
195 extent these are required for the retailer's premises by the  
196 particular jurisdiction where the retailer is located.  
197 Accessibility shall be required to only one point of sale of  
198 lottery tickets for each lottery retailer location. The  
199 requirements of this subsection shall be deemed to have been met  
200 if, in lieu of the foregoing, disabled persons can purchase  
201 tickets from the retail location by means of a drive-up window,  
202 provided the hours of access at the drive-up window are not less  
203 than those provided at any other entrance at that lottery  
204 retailer location. Inspections for compliance with this  
205 subsection shall be performed by those enforcement authorities  
206 responsible for enforcement pursuant to s. 553.80 in accordance  
207 with procedures established by those authorities. Those  
208 enforcement authorities shall provide to the Department of the  
209 Lottery a certification of noncompliance for any lottery  
210 retailer not meeting such requirements.

211 (14) The secretary may, after filing with the Department of  
212 State his or her manual signature certified by the secretary  
213 under oath, execute or cause to be executed contracts between



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214 the department and retailers by means of engraving, imprinting,  
215 stamping, or other facsimile signature.

216 (15) A vending machine may be used to dispense online  
217 lottery tickets, instant lottery tickets, or both online and  
218 instant lottery tickets.

219 (a) The vending machine must:

220 1. Dispense a lottery ticket after a purchaser inserts a  
221 coin or currency in the machine.

222 2. Be capable of being electronically deactivated for a  
223 period of 5 minutes or more.

224 3. Be designed to prevent its use for any purpose other  
225 than dispensing a lottery ticket.

226 (b) In order to be authorized to use a vending machine to  
227 dispense lottery tickets, a retailer must:

228 1. Locate the vending machine in the retailer's direct line  
229 of sight to ensure that purchases are only made by persons at  
230 least 18 years of age.

231 2. Ensure that at least one employee is on duty when the  
232 vending machine is available for use. However, if the retailer  
233 has previously violated s. 24.1055, at least two employees must  
234 be on duty when the vending machine is available for use.

235 (c) A vending machine that dispenses a lottery ticket may  
236 dispense change to a purchaser but may not be used to redeem any  
237 type of winning lottery ticket.

238 (d) The vending machine, or any machine or device linked to  
239 the vending machine, may not include or make use of video reels  
240 or mechanical reels or other video depictions of slot machine or  
241 casino game themes or titles for game play. This does not  
242 preclude the use of casino game themes or titles on such tickets



243 or signage or advertising displays on the machines.

244 (16) The department, a retailer operating from one or more  
245 locations, or a vendor approved by the department may use a  
246 point-of-sale terminal to facilitate the sale of a lottery  
247 ticket or game.

248 (a) A point-of-sale terminal must:

249 1. Dispense a paper lottery ticket with numbers selected by  
250 the purchaser or selected randomly by the machine after the  
251 purchaser uses a credit card, debit card, or other similar  
252 charge card issued by a bank, savings association, credit union,  
253 or charge card company or issued by a retailer pursuant to part  
254 II of chapter 520 for payment;

255 2. Recognize a valid driver license or use another age  
256 verification process approved by the department to ensure that  
257 only persons at least 18 years of age may purchase a lottery  
258 ticket or game;

259 3. Process a lottery transaction through a platform that is  
260 certified or otherwise approved by the department; and

261 4. Be in compliance with all applicable department  
262 requirements related to the lottery ticket or game offered for  
263 sale.

264 (b) A point-of-sale terminal does not reveal winning  
265 numbers, which are selected at a subsequent time and different  
266 location through a drawing by the state lottery.

267 (c) A point-of-sale terminal, or any machine or device  
268 linked to the point-of-sale terminal, may not include or make  
269 use of video reels or mechanical reels or other video depictions  
270 of slot machine or casino game themes or titles for game play.  
271 This does not preclude the use of casino game themes or titles



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272 on a lottery ticket or game or on the signage or advertising  
273 displays on the terminal.

274 (d) A point-of-sale terminal may not be used to redeem a  
275 winning ticket.

276

277 Delete line 2331

278 and insert:

279 United States Department of the Interior, and except as  
280 otherwise expressly provided and except for this section, which  
281 shall take effect upon becoming a law, this act shall

282

283 ===== T I T L E A M E N D M E N T =====

284 And the title is amended as follows:

285 Delete lines 2 - 204

286 and insert:

287 An act relating to gaming; amending s. 24.103, F.S.;  
288 defining the term "point-of-sale terminal"; amending  
289 s. 24.105, F.S.; authorizing the Department of the  
290 Lottery to create a program that authorizes certain  
291 persons to purchase a ticket or game at a point-of-  
292 sale terminal; authorizing the department to adopt  
293 rules; providing requirements for the rules; amending  
294 s. 24.112, F.S.; authorizing the department, a  
295 retailer operating from one or more locations, or a  
296 vendor approved by the department to use a point-of-  
297 sale terminal to sell a lottery ticket or game;  
298 requiring a point-of-sale terminal to perform certain  
299 functions; specifying that the point-of-sale terminal  
300 may not reveal winning numbers; prohibiting a point-



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301 of-sale terminal from including or making use of video  
302 reels or mechanical reels or other video depictions of  
303 slot machine or casino game themes or titles for game  
304 play; prohibiting a point-of-sale terminal from being  
305 used to redeem a winning ticket; amending s. 550.002,  
306 F.S.; amending s. 550.002, F.S.; redefining the term  
307 "full schedule of live racing or games"; defining the  
308 term "video race system"; amending s. 550.01215, F.S.;  
309 revising provisions for applications for pari-mutuel  
310 operating licenses; authorizing a greyhound racing  
311 permitholder to specify certain intentions on its  
312 application; authorizing a greyhound racing  
313 permitholder to receive an operating license to  
314 conduct pari-mutuel wagering activities at another  
315 permitholder's greyhound racing facility; limiting the  
316 number of pari-mutuel wagering operating licenses that  
317 may be issued each year; authorizing the Division of  
318 Pari-mutuel Wagering of the Department of Business and  
319 Professional Regulation to approve changes in racing  
320 dates for greyhound racing permitholders under certain  
321 circumstances; providing requirements for licensure of  
322 certain jai alai permitholders; deleting a provision  
323 for conversion of certain converted permits to jai  
324 alai permits; amending s. 550.0251, F.S.; requiring  
325 the division to annually report to the Governor and  
326 the Legislature; specifying requirements for the  
327 content of the report; amending s. 550.054, F.S.;  
328 requiring the division to revoke a pari-mutuel  
329 wagering operating permit under certain circumstances;



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330 prohibiting issuance or approval of new pari-mutuel  
331 permits after a specified date; authorizing a  
332 permitholder to apply to the division to place a  
333 permit in inactive status; revising provisions that  
334 prohibit transfer or assignment of a pari-mutuel  
335 permit; prohibiting transfer or assignment of a pari-  
336 mutuel permit or license under certain conditions;  
337 prohibiting relocation of a pari-mutuel facility,  
338 cardroom, or slot machine facility or conversion of  
339 pari-mutuel permits to a different class; providing  
340 for approval of the relocation of such permits;  
341 deleting provisions for certain converted permits;  
342 repealing s. 550.0555, F.S., relating to the  
343 relocation of greyhound racing permits; repealing s.  
344 550.0745, F.S., relating to the conversion of pari-  
345 mutuel permits to summer jai alai permits; amending s.  
346 550.0951, F.S.; deleting provisions for certain  
347 credits for a greyhound racing permitholder; revising  
348 the tax on handle for live greyhound racing and  
349 intertrack wagering if the host track is a greyhound  
350 racing track; requiring a tax on handle and fees for  
351 video race licensees; specifying how fees may be used  
352 by the department and the Department of Law  
353 Enforcement; amending s. 550.09511, F.S.; conforming a  
354 cross-reference; amending s. 550.09512, F.S.;  
355 providing for the revocation of certain harness horse  
356 racing permits; specifying that a revoked permit may  
357 not be reissued; amending s. 550.09514, F.S.; deleting  
358 certain provisions that prohibit tax on handle until a



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359 specified amount of tax savings have resulted;  
360 revising purse requirements of a greyhound racing  
361 permitholder that conducts live racing; amending s.  
362 550.09515, F.S.; providing for the revocation of  
363 certain thoroughbred racing permits; specifying that a  
364 revoked permit may not be reissued; amending s.  
365 550.1625, F.S.; deleting the requirement that a  
366 greyhound racing permitholder pay the breaks tax;  
367 repealing s. 550.1647, F.S., relating to unclaimed  
368 tickets and breaks held by greyhound racing  
369 permitholders; amending s. 550.1648, F.S.; revising  
370 requirements for a greyhound racing permitholder to  
371 provide a greyhound adoption booth at its facility;  
372 requiring sterilization of greyhounds before adoption;  
373 authorizing the fee for such sterilization to be  
374 included in the cost of adoption; defining the term  
375 "bona fide organization that promotes or encourages  
376 the adoption of greyhounds"; creating s. 550.1751,  
377 F.S.; defining terms; authorizing certain pari-mutuel  
378 permitholders to enter into agreements to sell and  
379 transfer permits to certain bidders; requiring that  
380 such permits be surrendered to the division and  
381 voided; creating s. 550.1752, F.S.; creating the  
382 permit reduction program within the division;  
383 providing a purpose for the program; providing for  
384 funding for the program up to a specified maximum  
385 amount; requiring the division to purchase pari-mutuel  
386 permits from permitholders under certain  
387 circumstances; requiring that permitholders who wish



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388 to make an offer to sell meet certain requirements;  
389 requiring the division to adopt a certain form by  
390 rule; requiring that the division establish the value  
391 of a pari-mutuel permit based on the valuation of one  
392 or more independent appraisers; authorizing the  
393 division to establish a value that is lower than the  
394 valuation of the independent appraiser; requiring the  
395 division to accept the offers that best utilize  
396 available funding; requiring the division to cancel  
397 permits that it purchases through the program;  
398 providing for expiration of the program; creating s.  
399 550.2416, F.S.; requiring injuries to racing  
400 greyhounds to be reported within a certain timeframe  
401 on a form adopted by the division; requiring such form  
402 to be completed and signed under oath or affirmation  
403 by certain individuals; providing penalties;  
404 specifying information that must be included in the  
405 form; requiring the division to maintain the forms as  
406 public records for a specified time; specifying  
407 disciplinary action that may be taken against a  
408 licensee of the Department of Business and  
409 Professional Regulation who fails to report an injury  
410 or who makes false statements on an injury form;  
411 exempting injuries to certain animals from reporting  
412 requirements; requiring the division to adopt rules;  
413 amending s. 550.26165, F.S.; conforming a cross-  
414 reference; amending s. 550.3345, F.S.; revising  
415 provisions for a permit previously converted from a  
416 quarter horse racing permit to a limited thoroughbred



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417 racing permit; amending s. 550.3551, F.S.; deleting a  
418 provision that limits the number of out-of-state races  
419 on which wagers are accepted by a greyhound racing  
420 permitholder; deleting a provision prohibiting a  
421 permitholder from conducting fewer than eight live  
422 races or games under certain circumstances; deleting a  
423 provision requiring certain permitholders to conduct a  
424 full schedule of live racing to receive certain full-  
425 card broadcasts and accept certain wagers; amending s.  
426 550.375, F.S.; conforming a cross-reference; amending  
427 s. 550.615, F.S.; revising provisions relating to  
428 intertrack wagering; amending s. 550.6305, F.S.;  
429 revising provisions requiring that certain simulcast  
430 signals be made available to certain permitholders;  
431 authorizing certain permitholders of a converted  
432 permit to accept wagers on certain rebroadcasts;  
433 amending s. 550.6308, F.S.; revising the number of  
434 days of thoroughbred horse sales required to obtain a  
435 limited intertrack wagering license; revising  
436 provisions for such wagering; amending s. 551.101,  
437 F.S.; revising provisions that authorize slot machine  
438 gaming at certain facilities; amending s. 551.102,  
439 F.S.; revising definitions of the terms "eligible  
440 facility" and "slot machine licensee" for purposes of  
441 provisions relating to slot machines; amending s.  
442 551.104, F.S.; providing that an application to  
443 conduct slot machine gaming may be authorized only if  
444 it would not trigger a reduction in revenue-sharing  
445 under the Gaming Compact between the Seminole Tribe of



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446 Florida and the State of Florida; specifying the  
447 facilities that may be authorized by the division to  
448 conduct slot machine gaming; exempting certain  
449 greyhound racing and thoroughbred racing permitholders  
450 from a requirement that they conduct a full schedule  
451 of live racing as a condition of maintaining authority  
452 to conduct slot machine gaming; requiring licensees to  
453 withhold a specified percentage of net revenue from  
454 specified sources; creating s. 551.1041, F.S.;

455 authorizing an additional slot machine license to be  
456 issued to a pari-mutuel permitholder for a facility in  
457 Miami-Dade County and in Palm Beach County, subject to  
458 approval by a majority of voters in a referendum in  
459 each county; providing for the conduct of the  
460 referendum; establishing the process for the issuance  
461 of new licenses; requiring that applications be made  
462 by sealed bids to the division, subject to specified  
463 prequalification procedures and requirements;

464 specifying a minimum bid amount; authorizing a  
465 specified number of slot machines and video race  
466 terminals for play; providing requirements for slot  
467 machines and video race terminals; defining the term  
468 "video race terminal"; providing requirements for the  
469 use of net revenue withheld from certain slot machine  
470 licensees; creating s. 551.1042, F.S.; prohibiting the  
471 transfer of a slot machine license or relocation of a  
472 slot machine facility; amending s. 551.106, F.S.;

473 deleting obsolete provisions; revising the tax rate on  
474 slot machine revenues under certain conditions;



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475 amending s. 551.114, F.S.; decreasing the number of  
476 slot machines available for play at certain  
477 facilities; requiring that specified permit holders'  
478 designated slot machine gaming areas be located within  
479 the eligible facility for which the initial license  
480 was issued; amending s. 551.116, F.S.; deleting a  
481 restriction on the number of hours that slot machine  
482 gaming areas may be open; amending s. 551.121, F.S.;  
483 authorizing the serving of complimentary or reduced-  
484 cost alcoholic beverages to a person playing a slot  
485 machine; authorizing the location of an automated  
486 teller machine or similar device within designated  
487 slot machine gaming areas; amending s. 849.086, F.S.;  
488 amending legislative intent; revising definitions;  
489 authorizing certain thoroughbred racing permit holders  
490 to operate a cardroom at a specified slot facility  
491 under certain circumstances; deleting certain license  
492 renewal requirements; authorizing certain cardroom  
493 operators to offer certain designated player games;  
494 providing limits on wagers for such games; providing  
495 playing requirements for designated players; requiring  
496 each seated player to be afforded the temporary  
497 opportunity to be the designated player; prohibiting  
498 certain persons from being designated players;  
499 providing requirements for designated player games;  
500 providing that the division may only approve cardroom  
501 operators to conduct certain designated player games;  
502 requiring certain harness horse racing permit holders  
503 to use at least 50 percent of monthly net proceeds in



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504 specified ways; conforming provisions to changes made  
505 by the act; directing the division to revoke certain  
506 pari-mutuel permits; specifying that the revoked  
507 permits may not be reissued; providing for  
508 nonseverability; providing a contingent effective  
509 date.



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LEGISLATIVE ACTION

Senate	.	House
Comm: WD	.	
02/19/2016	.	
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The Committee on Regulated Industries (Negrón) recommended the following:

**Senate Amendment (with title amendment)**

Delete lines 473 - 520

and insert:

(14) ~~(a) The holder 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;~~



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11           ~~2. Such permit was not previously converted from any other~~  
12 ~~class of permit; and~~

13           ~~3. The holder of the permit has not conducted jai alai~~  
14 ~~games during a period of 10 years immediately preceding his or~~  
15 ~~her application for conversion under this subsection.~~

16           ~~(b) The division, upon application from the holder of a jai~~  
17 ~~alai permit meeting all conditions of this section, shall~~  
18 ~~convert the permit and shall issue to the permitholder a permit~~  
19 ~~to conduct greyhound racing. A permitholder of a permit~~  
20 ~~converted pursuant to former s. 550.054(14), Florida Statutes~~  
21 ~~2015, as created by s. 6, chapter 2009-170, Laws of Florida,~~  
22 ~~must under this section shall be required to apply for and~~  
23 ~~conduct a full schedule of live racing each fiscal year to be~~  
24 ~~eligible for any tax credit provided by this chapter. Upon~~  
25 ~~application from the holder of a permit converted pursuant to~~  
26 ~~former s. 550.054(14), Florida Statutes 2015, as created by s.~~  
27 ~~6, chapter 2009-170, Laws of Florida, this subsection or any~~  
28 ~~holder of a permit to conduct greyhound racing located in a~~  
29 ~~county for in which it is the only one permit has been issued~~  
30 ~~pursuant to this section and which who operates at a leased~~  
31 ~~facility pursuant to s. 550.475, the division may approve the~~  
32 ~~relocation may move the location for which the permit has been~~  
33 ~~issued to another location within a 30-mile radius of the~~  
34 ~~location fixed in the permit if the application is received by~~  
35 ~~July 31, 2018, the location is within the same issued in that~~  
36 ~~county, provided the move does not cross the county boundary,~~  
37 ~~and the such location is approved under the zoning regulations~~  
38 ~~of the county or municipality in which the permit is located.~~  
39 ~~and Upon such relocation, the permitholder may use the permit~~



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40 for the conduct of pari-mutuel wagering and the operation of a  
41 cardroom. Section ~~The provisions of s.~~ 550.6305(9) (d) and (f)  
42 ~~shall~~ apply to any permit converted under this subsection and  
43 shall continue to apply to any permit which was previously  
44 included under and subject to those ~~such~~ provisions before a  
45 conversion pursuant to this section occurred.

46

47 ===== T I T L E A M E N D M E N T =====

48 And the title is amended as follows:

49 Delete lines 33 - 38

50 and insert:

51 license under certain conditions; deleting provisions  
52 authorizing jai alai permitholders to convert such  
53 permits to permits to conduct greyhound racing under  
54 certain circumstances; providing that such provisions  
55 still apply to permits that have been converted under  
56 certain circumstances; repealing s. 550.0555,



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LEGISLATIVE ACTION

Senate	.	House
Comm: FAV	.	
02/19/2016	.	
	.	
	.	
	.	

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The Committee on Regulated Industries (Negron) recommended the following:

**Senate Amendment (with title amendment)**

Delete lines 1105 - 2309

and insert:

Section 15. Section 550.1752, Florida Statutes, is created to read:

550.1752 Permit reduction program.-

(1) The permit reduction program is created in the Division of Pari-mutuel Wagering for the purpose of purchasing and cancelling active pari-mutuel permits. The program shall be



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11 funded from revenue share payments made by the Seminole Tribe of  
12 Florida under the compact ratified by s. 285.710(3) and received  
13 by the state after October 31, 2015. Compact payments payable  
14 for the program shall be calculated on a monthly basis until  
15 such time as the division determines that sufficient funds are  
16 available to fund the program. The total funding allocated to  
17 the program may not exceed \$20 million.

18 (2) The division shall purchase pari-mutuel permits from  
19 pari-mutuel permit holders when sufficient moneys are available  
20 for such purchases. A pari-mutuel permit holder may not submit an  
21 offer to sell a permit unless it is actively conducting pari-  
22 mutuel racing or jai alai as required by law and satisfies all  
23 applicable requirements for the permit. The division shall adopt  
24 by rule the form to be used by a pari-mutuel permit holder for an  
25 offer to sell a permit and shall establish a schedule for the  
26 consideration of offers.

27 (3) The division shall establish the value of a pari-mutuel  
28 permit based upon the valuation of one or more independent  
29 appraisers selected by the division. The valuation of a permit  
30 must be based on the permit's fair market value and may not  
31 include the value of the real estate or personal property. The  
32 division may establish a value for the permit that is lower than  
33 the amount determined by an independent appraiser but may not  
34 establish a higher value.

35 (4) The division must accept the offer or offers that best  
36 utilize available funding; however, the division may also accept  
37 the offers that it determines are most likely to reduce the  
38 incidence of gaming in this state.

39 (5) The division shall cancel any permit purchased under



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40 this section.

41 (6) This section shall expire on July 1, 2018, unless  
42 reenacted by the Legislature.

43 Section 16. Effective July 1, 2018, section 550.1752,  
44 Florida Statutes, as amended by this act, is amended to read:  
45 550.1752 Thoroughbred purse supplement ~~Permit reduction~~  
46 program.-

47 (1) The thoroughbred purse supplement ~~permit reduction~~  
48 program is created in the Division of Pari-mutuel Wagering for  
49 the purpose of maintaining an active and viable live  
50 thoroughbred racing, owning, and breeding industry in the state  
51 ~~purchasing and cancelling active pari-mutuel permits~~. The  
52 program shall be funded from revenue share payments made by the  
53 Seminole Tribe of Florida under the compact ratified by s.  
54 285.710(3) and received by the state after July 1, 2018 ~~October~~  
55 ~~31, 2015~~. Compact payments payable for the program shall be  
56 calculated on a monthly basis until such time as the division  
57 determines that sufficient funds are available to fund the  
58 program. The total annual funding allocated to the program is  
59 ~~may not exceed~~ \$20 million.

60 (2) ~~The division shall purchase pari-mutuel permits from~~  
61 ~~pari-mutuel permitholders when sufficient moneys are available~~  
62 ~~for such purchases. A pari-mutuel permitholder may not submit an~~  
63 ~~offer to sell a permit unless it is actively conducting pari-~~  
64 ~~mutuel racing or jai alai as required by law and satisfies all~~  
65 ~~applicable requirements for the permit~~. The division shall adopt  
66 by rule the form to be used by a pari-mutuel permitholder for  
67 applying to receive purse assistance from the program to be used  
68 to supplement purses for its live racing meet ~~an offer to sell a~~



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69 ~~permit and shall establish a schedule for the consideration of~~  
70 ~~offers.~~

71       (3) The division shall distribute the purse supplement  
72 funds on a pro rata basis based upon the number of live race  
73 days to be conducted by each thoroughbred permitholder pursuant  
74 to its annual racing license ~~establish the value of a pari-~~  
75 ~~mutuel permit based upon the valuation of one or more~~  
76 ~~independent appraisers selected by the division. The valuation~~  
77 ~~of a permit must be based on the permit's fair market value and~~  
78 ~~may not include the value of the real estate or personal~~  
79 ~~property. The division may establish a value for the permit that~~  
80 ~~is lower than the amount determined by an independent appraiser~~  
81 ~~but may not establish a higher value.~~

82       (4) If a thoroughbred permitholder fails to conduct a live  
83 race day, the thoroughbred permitholder must return the unused  
84 purse supplement fund allocated for that day, and the division  
85 shall reapportion the allocation of purse supplement funds to  
86 the remaining race days to be conducted during the state fiscal  
87 year by that thoroughbred permitholder ~~The division must accept~~  
88 ~~the offer or offers that best utilize available funding;~~  
89 ~~however, the division may also accept the offers that it~~  
90 ~~determines are most likely to reduce the incidence of gaming in~~  
91 ~~this state.~~

92       (5) The division may adopt rules necessary to implement  
93 this section ~~shall cancel any permit purchased under this~~  
94 ~~section.~~

95       (6) ~~This section shall expire on July 1, 2018, unless~~  
96 ~~reenacted by the Legislature.~~

97       Section 17. Section 550.2416, Florida Statutes, is created



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98 to read:

99 550.2416 Reporting of racing greyhound injuries.-

100 (1) An injury to a racing greyhound which occurs while the  
101 greyhound is located in this state must be reported on a form  
102 adopted by the division within 7 days after the date on which  
103 the injury occurred or is believed to have occurred. The  
104 division may adopt rules defining the term "injury."

105 (2) The form shall be completed and signed under oath or  
106 affirmation by the:

107 (a) Racetrack veterinarian or director of racing, if the  
108 injury occurred at the racetrack facility; or

109 (b) Owner, trainer, or kennel operator who had knowledge of  
110 the injury, if the injury occurred at a location other than the  
111 racetrack facility, including during transportation.

112 (3) The division may fine, suspend, or revoke the license  
113 of any individual who knowingly violates this section.

114 (4) The form must include the following:

115 (a) The greyhound's registered name, right-ear and left-ear  
116 tattoo numbers, and, if any, the microchip manufacturer and  
117 number.

118 (b) The name, business address, and telephone number of the  
119 greyhound owner, the trainer, and the kennel operator.

120 (c) The color, weight, and sex of the greyhound.

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

124 (e) If the injury occurred when the greyhound was racing:

125 1. The racetrack where the injury occurred;

126 2. The distance, grade, race, and post position of the



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127 greyhound when the injury occurred; and  
128 3. The weather conditions, time, and track conditions when  
129 the injury occurred.  
130 (f) If the injury occurred when the greyhound was not  
131 racing:  
132 1. The location where the injury occurred, including, but  
133 not limited to, a kennel, a training facility, or a  
134 transportation vehicle; and  
135 2. The circumstances surrounding the injury.  
136 (g) Other information that the division determines is  
137 necessary to identify injuries to racing greyhounds in this  
138 state.  
139 (5) An injury form created pursuant to this section must be  
140 maintained as a public record by the division for at least 7  
141 years after the date it was received.  
142 (6) A licensee of the department who knowingly makes a  
143 false statement concerning an injury or fails to report an  
144 injury is subject to disciplinary action under this chapter or  
145 chapters 455 and 474.  
146 (7) This section does not apply to injuries to a service  
147 animal, personal pet, or greyhound that has been adopted as a  
148 pet.  
149 (8) The division shall adopt rules to implement this  
150 section.  
151 Section 18. Subsection (1) of section 550.26165, Florida  
152 Statutes, is amended to read:  
153 550.26165 Breeders' awards.—  
154 (1) The purpose of this section is to encourage the  
155 agricultural activity of breeding and training racehorses in



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156 this state. Moneys dedicated in this chapter for use as  
157 breeders' awards and stallion awards are to be used for awards  
158 to breeders of registered Florida-bred horses winning horseraces  
159 and for similar awards to the owners of stallions who sired  
160 Florida-bred horses winning stakes races, if the stallions are  
161 registered as Florida stallions standing in this state. Such  
162 awards shall be given at a uniform rate to all winners of the  
163 awards, may ~~shall~~ not be greater than 20 percent of the  
164 announced gross purse, and may ~~shall~~ not be less than 15 percent  
165 of the announced gross purse if funds are available. In  
166 addition, at least ~~no less than~~ 17 percent, but not ~~nor~~ more  
167 than 40 percent, as determined by the Florida Thoroughbred  
168 Breeders' Association, of the moneys dedicated in this chapter  
169 for use as breeders' awards and stallion awards for  
170 thoroughbreds shall be returned pro rata to the permitholders  
171 that generated the moneys for special racing awards to be  
172 distributed by the permitholders to owners of thoroughbred  
173 horses participating in prescribed thoroughbred stakes races,  
174 nonstakes races, or both, all in accordance with a written  
175 agreement establishing the rate, procedure, and eligibility  
176 requirements for such awards entered into by the permitholder,  
177 the Florida Thoroughbred Breeders' Association, and the Florida  
178 Horsemen's Benevolent and Protective Association, Inc., except  
179 that the plan for the distribution by any permitholder located  
180 in the area described in s. 550.615(7) ~~s. 550.615(9)~~ shall be  
181 agreed upon by that permitholder, the Florida Thoroughbred  
182 Breeders' Association, and the association representing a  
183 majority of the thoroughbred racehorse owners and trainers at  
184 that location. Awards for thoroughbred races are to be paid



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185 through the Florida Thoroughbred Breeders' Association, and  
186 awards for standardbred races are to be paid through the Florida  
187 Standardbred Breeders and Owners Association. Among other  
188 sources specified in this chapter, moneys for thoroughbred  
189 breeders' awards will come from the 0.955 percent of handle for  
190 thoroughbred races conducted, received, broadcast, or simulcast  
191 under this chapter as provided in s. 550.2625(3). The moneys for  
192 quarter horse and harness breeders' awards will come from the  
193 breaks and uncashed tickets on live quarter horse and harness  
194 horse racing performances and 1 percent of handle on intertrack  
195 wagering. The funds for these breeders' awards shall be paid to  
196 the respective breeders' associations by the permitholders  
197 conducting the races.

198 Section 19. Section 550.3345, Florida Statutes, is amended  
199 to read:

200 550.3345 ~~Conversion of quarter horse permit to a~~ Limited  
201 thoroughbred racing permit.-

202 (1) In recognition of the important and long-standing  
203 economic contribution of the thoroughbred horse breeding  
204 industry to this state and the state's vested interest in  
205 promoting the continued viability of this agricultural activity,  
206 the state intends to provide a limited opportunity for the  
207 conduct of live thoroughbred horse racing with the net revenues  
208 from such racing dedicated to the enhancement of thoroughbred  
209 purses and breeders', stallion, and special racing awards under  
210 this chapter; the general promotion of the thoroughbred horse  
211 breeding industry; and the care in this state of thoroughbred  
212 horses retired from racing.

213 (2) A limited thoroughbred racing permit previously



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214 ~~converted from~~ Notwithstanding any other provision of law, the  
215 ~~holder of~~ a quarter horse racing permit pursuant to chapter  
216 2010-29, Laws of Florida, issued under s. 550.334 may only be  
217 held by, ~~within 1 year after the effective date of this section,~~  
218 ~~apply to the division for a transfer of the quarter horse racing~~  
219 ~~permit to~~ a not-for-profit corporation formed under state law to  
220 serve the purposes of the state as provided in subsection (1).  
221 The board of directors of the not-for-profit corporation must be  
222 composed ~~comprised~~ of 11 members, 4 of whom shall be designated  
223 by the applicant, 4 of whom shall be designated by the Florida  
224 Thoroughbred Breeders' Association, and 3 of whom shall be  
225 designated by the other 8 directors, with at least 1 of these 3  
226 members being an authorized representative of another  
227 thoroughbred racing permitholder in this state. A limited  
228 thoroughbred racing ~~The not-for-profit corporation shall submit~~  
229 ~~an application to the division for review and approval of the~~  
230 ~~transfer in accordance with s. 550.054. Upon approval of the~~  
231 ~~transfer by the division, and notwithstanding any other~~  
232 ~~provision of law to the contrary, the not-for-profit corporation~~  
233 ~~may, within 1 year after its receipt of the permit, request that~~  
234 ~~the division convert the quarter horse racing permit to a permit~~  
235 ~~authorizing the holder to conduct pari-mutuel wagering meets of~~  
236 ~~thoroughbred racing. Neither the transfer of the quarter horse~~  
237 ~~racing permit nor its conversion to a limited thoroughbred~~  
238 ~~permit shall be subject to the mileage limitation or the~~  
239 ~~ratification election as set forth under s. 550.054(2) or s.~~  
240 ~~550.0651. Upon receipt of the request for such conversion, the~~  
241 ~~division shall timely issue a converted permit. The converted~~  
242 ~~permit and the not-for-profit corporation~~ are ~~shall be~~ subject



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243 to the following requirements:

244 (a) All net revenues derived by the not-for-profit  
245 corporation under the thoroughbred ~~horse~~ racing permit, after  
246 the funding of operating expenses and capital improvements,  
247 shall be dedicated to the enhancement of thoroughbred purses and  
248 breeders', stallion, and special racing awards under this  
249 chapter; the general promotion of the thoroughbred horse  
250 breeding industry; and the care in this state of thoroughbred  
251 horses retired from racing.

252 (b) From December 1 through April 30, ~~no~~ live thoroughbred  
253 racing may not be conducted under the permit on any day during  
254 which another thoroughbred racing permitholder is conducting  
255 live thoroughbred racing within 125 air miles of the not-for-  
256 profit corporation's pari-mutuel facility unless the other  
257 thoroughbred racing permitholder gives its written consent.

258 (c) ~~After the conversion of the quarter horse racing permit~~  
259 ~~and~~ the issuance of its initial license to conduct pari-mutuel  
260 wagering meets of thoroughbred racing, the not-for-profit  
261 corporation shall annually apply to the division for a license  
262 pursuant to s. 550.5251.

263 (d) Racing under the permit may take place only at the  
264 location for which the original quarter horse racing permit was  
265 issued, which may be leased by the not-for-profit corporation  
266 for that purpose; however, the not-for-profit corporation may,  
267 without the conduct of any ratification election pursuant to s.  
268 550.054(13) or s. 550.0651, move the location of the permit to  
269 another location in the same county or counties, if a permit is  
270 situated in such a manner that it is located in more than one  
271 county, provided that such relocation is approved under the



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272 zoning and land use regulations of the applicable county or  
273 municipality.

274 (e) A limited thoroughbred racing ~~Ne~~ permit may not be  
275 transferred ~~converted under this section is eligible for~~  
276 ~~transfer~~ to another person or entity.

277 (3) Unless otherwise provided in this section, ~~after~~  
278 ~~conversion,~~ the permit and the not-for-profit corporation shall  
279 be treated under the laws of this state as a thoroughbred racing  
280 permit and as a thoroughbred racing permitholder, respectively,  
281 with the exception of ss. 550.054(9)(c) and (d) and s.  
282 550.09515(3).

283 Section 20. Subsection (6) of section 550.3551, Florida  
284 Statutes, is amended to read:

285 550.3551 Transmission of racing and jai alai information;  
286 commingling of pari-mutuel pools.—

287 (6) (a) ~~A maximum of 20 percent of the total number of races~~  
288 ~~on which wagers are accepted by a greyhound permitholder not~~  
289 ~~located as specified in s. 550.615(6) may be received from~~  
290 ~~locations outside this state. A permitholder may not conduct~~  
291 ~~fewer than eight live races or games on any authorized race day~~  
292 ~~except as provided in this subsection.~~ A thoroughbred racing  
293 permitholder may not conduct fewer than eight live races on any  
294 race day without the written approval of the Florida  
295 Thoroughbred Breeders' Association and the Florida Horsemen's  
296 Benevolent and Protective Association, Inc., unless it is  
297 determined by the department that another entity represents a  
298 majority of the thoroughbred racehorse owners and trainers in  
299 the state. A harness horse racing permitholder may conduct fewer  
300 than eight live races on any authorized race day, except that



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

315 (b) Notwithstanding any other provision of this chapter,  
316 any harness horse racing permitholder accepting broadcasts of  
317 out-of-state harness horse races when such permitholder is not  
318 conducting live races must make the out-of-state signal  
319 available to all permitholders eligible to conduct intertrack  
320 wagering and shall pay to guest tracks located as specified in  
321 s. ss. 550.615(6) and 550.6305(9) (d) 50 percent of the net  
322 proceeds after taxes and fees to the out-of-state host track on  
323 harness horse race wagers which they accept. A harness horse  
324 racing permitholder shall be required to pay into its purse  
325 account 50 percent of the net income retained by the  
326 permitholder on account of wagering on the out-of-state  
327 broadcasts received pursuant to this subsection. Nine-tenths of  
328 a percent of all harness horse race wagering proceeds on the  
329 broadcasts received pursuant to this subsection shall be paid to



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330 the Florida Standardbred Breeders and Owners Association under  
331 the provisions of s. 550.2625(4) for the purposes provided  
332 therein.

333 Section 21. Subsection (4) of section 550.375, Florida  
334 Statutes, is amended to read:

335 550.375 Operation of certain harness tracks.—

336 (4) The permitholder conducting a harness horse race meet  
337 must pay the daily license fee, the admission tax, the tax on  
338 breaks, and the tax on pari-mutuel handle provided in s.  
339 550.0951 and is subject to all penalties and sanctions provided  
340 in s. 550.0951(7) ~~s. 550.0951(6)~~.

341 Section 22. Section 550.475, Florida Statutes, is amended  
342 to read:

343 550.475 Lease of pari-mutuel facilities by pari-mutuel  
344 permitholders.—Holders of valid pari-mutuel permits for the  
345 conduct of any jai alai games, dogracing, or thoroughbred and  
346 standardbred horse racing in this state are entitled to lease  
347 any and all of their facilities to any other holder of a same  
348 class, valid pari-mutuel permit for jai alai games, dogracing,  
349 or thoroughbred or standardbred horse racing, when they are  
350 located within a 35-mile radius of each other, and such lessee  
351 is entitled to a permit and license to operate its race meet or  
352 jai alai games at the leased premises. A permitholder may not  
353 lease facilities from a pari-mutuel permitholder that is not  
354 conducting a full schedule of live racing.

355 Section 23. Subsection (1) of section 550.5251, Florida  
356 Statutes, is amended, and present subsections (2) and (3) of  
357 that section are redesignated as subsections (1) and (2),  
358 respectively, to read:



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359           550.5251 Florida thoroughbred racing; certain permits;  
360 operating days.—

361           ~~(1) Each thoroughbred permitholder shall annually, during~~  
362 ~~the period commencing December 15 of each year and ending~~  
363 ~~January 4 of the following year, file in writing with the~~  
364 ~~division its application to conduct one or more thoroughbred~~  
365 ~~racing meetings during the thoroughbred racing season commencing~~  
366 ~~on the following July 1. Each application shall specify the~~  
367 ~~number and dates of all performances that the permitholder~~  
368 ~~intends to conduct during that thoroughbred racing season. On or~~  
369 ~~before March 15 of each year, the division shall issue a license~~  
370 ~~authorizing each permitholder to conduct performances on the~~  
371 ~~dates specified in its application. Up to February 28 of each~~  
372 ~~year, each permitholder may request and shall be granted changes~~  
373 ~~in its authorized performances; but thereafter, as a condition~~  
374 ~~precedent to the validity of its license and its right to retain~~  
375 ~~its permit, each permitholder must operate the full number of~~  
376 ~~days authorized on each of the dates set forth in its license.~~

377           Section 24. Subsections (2), (4), (6), and (7) of section  
378 550.615, Florida Statutes, are amended, present subsections (8),  
379 (9), and (10) of that section are redesignated as subsections  
380 (6), (7), and (8), respectively, present subsection (9) of that  
381 section is amended, and a new subsection (9) is added to that  
382 section, to read:

383           550.615 Intertrack wagering.—

384           (2) A Any track or fronton licensed under this chapter  
385 which has conducted a full schedule of live racing for at least  
386 5 consecutive calendar years since 2010 in the preceding year  
387 ~~conducted a full schedule of live racing is qualified to, at any~~



388 time, receive broadcasts of any class of pari-mutuel race or  
389 game and accept wagers on such races or games conducted by any  
390 class of permitholders licensed under this chapter.

391 (4) An In no event shall any intertrack wager may not be  
392 accepted on the same class of live races or games of any  
393 permitholder without the written consent of such operating  
394 permitholders conducting the same class of live races or games  
395 if the guest track is within the market area of such operating  
396 permitholder. A greyhound racing permitholder licensed under  
397 this chapter which accepts intertrack wagers on live greyhound  
398 signals is not required to obtain the written consent required  
399 by this subsection from any operating greyhound racing  
400 permitholder within its market area.

401 ~~(6) Notwithstanding the provisions of subsection (3), in~~  
402 ~~any area of the state where there are three or more horserace~~  
403 ~~permitholders within 25 miles of each other, intertrack wagering~~  
404 ~~between permitholders in said area of the state shall only be~~  
405 ~~authorized under the following conditions: Any permitholder,~~  
406 ~~other than a thoroughbred permitholder, may accept intertrack~~  
407 ~~wagers on races or games conducted live by a permitholder of the~~  
408 ~~same class or any harness permitholder located within such area~~  
409 ~~and any harness permitholder may accept wagers on games~~  
410 ~~conducted live by any jai alai permitholder located within its~~  
411 ~~market area and from a jai alai permitholder located within the~~  
412 ~~area specified in this subsection when no jai alai permitholder~~  
413 ~~located within its market area is conducting live jai alai~~  
414 ~~performances; any greyhound or jai alai permitholder may receive~~  
415 ~~broadcasts of and accept wagers on any permitholder of the other~~  
416 ~~class provided that a permitholder, other than the host track,~~



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417 ~~of such other class is not operating a contemporaneous live~~  
418 ~~performance within the market area.~~

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

429 ~~(7)~~ (9) In any two contiguous counties of the state in which  
430 there are located only four active permits, one for thoroughbred  
431 horse racing, two for greyhound racing ~~dogracing~~, and one for  
432 jai alai games, an ~~no~~ intertrack wager may not be accepted on  
433 the same class of live races or games of any permitholder  
434 without the written consent of such operating permitholders  
435 conducting the same class of live races or games if the guest  
436 track is within the market area of such operating permitholder.

437 (9) A greyhound racing permitholder that is eligible to  
438 receive broadcasts pursuant to subsection (2) and is operating  
439 pursuant to a current year operating license that specifies that  
440 no live performances will be conducted may accept wagers on live  
441 races conducted at out-of-state greyhound tracks only on the  
442 days when the permitholder receives all live races that any  
443 greyhound host track in this state makes available.

444 Section 25. Subsections (1), (4), and (5) of section  
445 550.6308, Florida Statutes, are amended to read:



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446           550.6308 Limited intertrack wagering license.—In  
447 recognition of the economic importance of the thoroughbred  
448 breeding industry to this state, its positive impact on tourism,  
449 and of the importance of a permanent thoroughbred sales facility  
450 as a key focal point for the activities of the industry, a  
451 limited license to conduct intertrack wagering is established to  
452 ensure the continued viability and public interest in  
453 thoroughbred breeding in Florida.

454           (1) Upon application to the division on or before January  
455 31 of each year, any person that is licensed to conduct public  
456 sales of thoroughbred horses pursuant to s. 535.01 and, that has  
457 conducted at least 8 ~~15~~ days of thoroughbred horse sales at a  
458 permanent sales facility in this state for at least 3  
459 consecutive years, ~~and that has conducted at least 1 day of~~  
460 ~~nonwagering thoroughbred racing in this state, with a purse~~  
461 ~~structure of at least \$250,000 per year for 2 consecutive years~~  
462 before such application, shall be issued a license, subject to  
463 the conditions set forth in this section, to conduct intertrack  
464 wagering at such a permanent sales facility ~~during the following~~  
465 ~~periods:~~

- 466           ~~(a) Up to 21 days in connection with thoroughbred sales;~~
- 467           ~~(b) Between November 1 and May 8;~~
- 468           ~~(c) Between May 9 and October 31 at such times and on such~~  
469 ~~days as any thoroughbred, jai alai, or a greyhound permitholder~~  
470 ~~in the same county is not conducting live performances; provided~~  
471 ~~that any such permitholder may waive this requirement, in whole~~  
472 ~~or in part, and allow the licensee under this section to conduct~~  
473 ~~intertrack wagering during one or more of the permitholder's~~  
474 ~~live performances; and~~



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475 ~~(d) During the weekend of the Kentucky Derby, the~~  
476 ~~Preakness, the Belmont, and a Breeders' Cup Meet that is~~  
477 ~~conducted before November 1 and after May 8.~~

478  
479 Only ~~No more than~~ one such license may be issued, and no such  
480 license may be issued for a facility located within 50 miles of  
481 any for-profit thoroughbred permitholder's track.

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

489 (4) ~~(5)~~ The licensee shall be considered a guest track under  
490 this chapter. ~~The licensee shall pay 2.5 percent of the total~~  
491 ~~contributions to the daily pari-mutuel pool on wagers accepted~~  
492 ~~at the licensee's facility on greyhound races or jai alai games~~  
493 ~~to the thoroughbred permitholder that is conducting live races~~  
494 ~~for purses to be paid during its current racing meet. If more~~  
495 ~~than one thoroughbred permitholder is conducting live races on a~~  
496 ~~day during which the licensee is conducting intertrack wagering~~  
497 ~~on greyhound races or jai alai games, the licensee shall~~  
498 ~~allocate these funds between the operating thoroughbred~~  
499 ~~permitholders on a pro rata basis based on the total live handle~~  
500 ~~at the operating permitholders' facilities.~~

501 Section 26. Section 551.101, Florida Statutes, is amended  
502 to read:

503 551.101 Slot machine gaming authorized.—A ~~Any~~ licensed



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504 ~~eligible pari-mutuel facility located in Miami-Dade County or~~  
505 ~~Broward County existing at the time of adoption of s. 23, Art. X~~  
506 ~~of the State Constitution that has conducted live racing or~~  
507 ~~games during calendar years 2002 and 2003~~ may possess slot  
508 machines and conduct slot machine gaming at the location where  
509 the pari-mutuel permitholder is authorized to conduct pari-  
510 mutuel wagering activities pursuant to such permitholder's valid  
511 pari-mutuel permit or as otherwise authorized by law ~~provided~~  
512 ~~that a majority of voters in a countywide referendum have~~  
513 ~~approved slot machines at such facility in the respective~~  
514 ~~county.~~ Notwithstanding any other ~~provision of~~ law, it is not a  
515 crime for a person to participate in slot machine gaming at a  
516 pari-mutuel facility licensed to possess slot machines and  
517 conduct slot machine gaming or to participate in slot machine  
518 gaming described in this chapter.

519 Section 27. Subsections (4), (10), and (11) of section  
520 551.102, Florida Statutes, are amended to read:

521 551.102 Definitions.—As used in this chapter, the term:

522 (4) "Eligible facility" means a ~~any~~ licensed pari-mutuel  
523 facility located in Miami-Dade County or Broward County existing  
524 at the time of adoption of s. 23, Art. X of the State  
525 Constitution which ~~that has~~ conducted live racing or games  
526 during calendar years 2002 and 2003 and has been approved by a  
527 majority of voters in a countywide referendum to have slot  
528 machines at such facility in the respective county; ~~any licensed~~  
529 ~~pari-mutuel facility located within a county as defined in s.~~  
530 ~~125.011, provided such facility has conducted live racing for 2~~  
531 ~~consecutive calendar years immediately preceding its application~~  
532 ~~for a slot machine license, pays the required license fee, and~~



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

543 (10) "Slot machine license" means a license issued by the  
544 division authorizing a pari-mutuel permitholder to place and  
545 operate slot machines as provided in ~~by s. 23, Art. X of the~~  
546 ~~State Constitution, the provisions of this chapter,~~ and by  
547 division rule ~~rules~~.

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

553 Section 28. Subsections (1) and (2), paragraph (c) of  
554 subsection (4), and paragraphs (a) and (c) of subsection (10) of  
555 section 551.104, Florida Statutes, are amended to read:

556 551.104 License to conduct slot machine gaming.-

557 (1) Upon application, and a finding by the division, after  
558 investigation, that the application is complete and that the  
559 applicant is qualified, and payment of the initial license fee,  
560 the division may issue a license to conduct slot machine gaming  
561 in the designated slot machine gaming area of the eligible



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562 facility. Once licensed, slot machine gaming may be conducted  
563 subject to ~~the requirements of~~ this chapter and rules adopted  
564 pursuant thereto. The division may not issue a slot machine  
565 license to any pari-mutuel permitholder that includes, or  
566 previously included within its ownership group, an ultimate  
567 equitable owner that was also an ultimate equitable owner of a  
568 pari-mutuel permitholder whose permit was voluntarily or  
569 involuntarily surrendered, suspended, or revoked by the division  
570 within 10 years before the date of permitholder's filing of an  
571 application for a slot machine license.

572 (2) An application may be approved by the division only  
573 after the voters of the county where the applicant's eligible  
574 facility is located have authorized by referendum slot machines  
575 within pari-mutuel facilities in that county ~~as specified in s.~~  
576 ~~23, Art. X of the State Constitution.~~

577 (4) As a condition of licensure and to maintain continued  
578 authority for the conduct of slot machine gaming, the slot  
579 machine licensee shall:

580 (c) 1. If conducting live racing or games, conduct no fewer  
581 than a full schedule of live racing or games as defined in s.  
582 550.002(11). A permitholder's responsibility to conduct a full  
583 schedule ~~such number~~ of live races or games shall be reduced by  
584 the number of races or games that could not be conducted due to  
585 the direct result of fire, war, hurricane, or other disaster or  
586 event beyond the control of the permitholder. The races or games  
587 may be conducted at the facility of the slot machine licensee or  
588 at another pari-mutuel facility leased pursuant to s. 550.3345;  
589 or

590 2. If not licensed to conduct a full schedule of live



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591 racing or games, remit for the payment of purses on live races  
592 an amount equal to the lesser of \$2 million or 3 percent of its  
593 slot machine revenues from the previous state fiscal year to a  
594 slot machine licensee licensed to conduct not fewer than 160  
595 days of thoroughbred racing. If no slot machine licensee is  
596 licensed for at least 160 days of live thoroughbred racing, no  
597 payments for purses are required. A slot machine licensee that  
598 meets the requirements of subsection (10) shall receive a  
599 dollar-for-dollar credit to be applied toward the payments  
600 required under this subparagraph which are made pursuant to the  
601 binding agreement after the effective date of this act.

602 (10) (a) ~~1-~~ A ~~No~~ slot machine license or renewal thereof may  
603 not shall be issued to an applicant holding a permit under  
604 chapter 550 to conduct pari-mutuel wagering meets of  
605 thoroughbred racing unless the applicant has on file with the  
606 division a binding written agreement between the applicant and  
607 the Florida Horsemen's Benevolent and Protective Association,  
608 Inc., governing the payment of purses on live thoroughbred races  
609 conducted at the licensee's pari-mutuel facility. In addition, a  
610 ~~no~~ slot machine license or renewal thereof may not shall be  
611 issued to such an applicant unless the applicant has on file  
612 with the division a binding written agreement between the  
613 applicant and the Florida Thoroughbred Breeders' Association,  
614 Inc., governing the payment of breeders', stallion, and special  
615 racing awards on live thoroughbred races conducted at the  
616 licensee's pari-mutuel facility. The agreement governing purses  
617 and the agreement governing awards may direct the payment of  
618 such purses and awards from revenues generated by any wagering  
619 or gaming the applicant is authorized to conduct under Florida



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620 law. All purses and awards are ~~shall be~~ subject to the terms of  
621 chapter 550. All sums for breeders', stallion, and special  
622 racing awards shall be remitted monthly to the Florida  
623 Thoroughbred Breeders' Association, Inc., for the payment of  
624 awards subject to the administrative fee authorized in s.  
625 550.2625(3). This paragraph does not apply to a summer  
626 thoroughbred racing permitholder.

627 ~~2. No slot machine license or renewal thereof shall be~~  
628 ~~issued to an applicant holding a permit under chapter 550 to~~  
629 ~~conduct pari-mutuel wagering meets of quarter horse racing~~  
630 ~~unless the applicant has on file with the division a binding~~  
631 ~~written agreement between the applicant and the Florida Quarter~~  
632 ~~Horse Racing Association or the association representing a~~  
633 ~~majority of the horse owners and trainers at the applicant's~~  
634 ~~eligible facility, governing the payment of purses on live~~  
635 ~~quarter horse races conducted at the licensee's pari-mutuel~~  
636 ~~facility. The agreement governing purses may direct the payment~~  
637 ~~of such purses from revenues generated by any wagering or gaming~~  
638 ~~the applicant is authorized to conduct under Florida law. All~~  
639 ~~purses shall be subject to the terms of chapter 550.~~

640 (c)1. If an agreement required under paragraph (a) cannot  
641 be reached prior to the initial issuance of the slot machine  
642 license, either party may request arbitration or, in the case of  
643 a renewal, if an agreement required under paragraph (a) is not  
644 in place 120 days prior to the scheduled expiration date of the  
645 slot machine license, the applicant shall immediately ask the  
646 American Arbitration Association to furnish a list of 11  
647 arbitrators, each of whom shall have at least 5 years of  
648 commercial arbitration experience and no financial interest in



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649 or prior relationship with any of the parties or their  
650 affiliated or related entities or principals. Each required  
651 party to the agreement shall select a single arbitrator from the  
652 list provided by the American Arbitration Association within 10  
653 days of receipt, and the individuals so selected shall choose  
654 one additional arbitrator from the list within the next 10 days.

655         2. If an agreement required under paragraph (a) is not in  
656 place 60 days after the request under subparagraph 1. in the  
657 case of an initial slot machine license or, in the case of a  
658 renewal, 60 days prior to the scheduled expiration date of the  
659 slot machine license, the matter shall be immediately submitted  
660 to mandatory binding arbitration to resolve the disagreement  
661 between the parties. The three arbitrators selected pursuant to  
662 subparagraph 1. shall constitute the panel that shall arbitrate  
663 the dispute between the parties pursuant to the American  
664 Arbitration Association Commercial Arbitration Rules and chapter  
665 682.

666         3. At the conclusion of the proceedings, which shall be no  
667 later than 90 days after the request under subparagraph 1. in  
668 the case of an initial slot machine license or, in the case of a  
669 renewal, 30 days prior to the scheduled expiration date of the  
670 slot machine license, the arbitration panel shall present to the  
671 parties a proposed agreement that the majority of the panel  
672 believes equitably balances the rights, interests, obligations,  
673 and reasonable expectations of the parties. The parties shall  
674 immediately enter into such agreement, which shall satisfy the  
675 requirements of paragraph (a) and permit issuance of the pending  
676 annual slot machine license or renewal. The agreement produced  
677 by the arbitration panel under this subparagraph shall be



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678 effective until the last day of the license or renewal period or  
679 until the parties enter into a different agreement. Each party  
680 shall pay its respective costs of arbitration and shall pay one-  
681 half of the costs of the arbitration panel, unless the parties  
682 otherwise agree. If the agreement produced by the arbitration  
683 panel under this subparagraph remains in place 120 days prior to  
684 the scheduled issuance of the next annual license renewal, then  
685 the arbitration process established in this paragraph will begin  
686 again.

687         4. In the event that ~~neither of~~ the agreements required  
688 under subparagraph (a)1. ~~or the agreement required under~~  
689 ~~subparagraph (a)2.~~ are in place by the deadlines established in  
690 this paragraph, arbitration regarding each agreement will  
691 proceed independently, with separate lists of arbitrators,  
692 arbitration panels, arbitration proceedings, and resulting  
693 agreements.

694         5. With respect to the agreements required under paragraph  
695 (a) governing the payment of purses, the arbitration and  
696 resulting agreement called for under this paragraph shall be  
697 limited to the payment of purses from slot machine revenues  
698 only.

699         Section 29. Effective July 1, 2036, paragraph (c) of  
700 subsection (4) of section 551.104, Florida Statutes, as amended  
701 by this act, is amended to read:

702         551.104 License to conduct slot machine gaming.-

703         (4) As a condition of licensure and to maintain continued  
704 authority for the conduct of slot machine gaming, the slot  
705 machine licensee shall:

706         (c)~~1.~~ If conducting live racing or games, conduct no fewer



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707 than a full schedule of live racing or games as defined in s.  
708 550.002(11). A permitholder's responsibility to conduct a full  
709 schedule of live races or games shall be reduced by the number  
710 of races or games that could not be conducted due to the direct  
711 result of fire, war, hurricane, or other disaster or event  
712 beyond the control of the permitholder. The races or games may  
713 be conducted at the facility of the slot machine licensee or at  
714 another pari-mutuel facility leased pursuant to s. 550.3345.; ~~or~~

715 ~~2. If not licensed to conduct a full schedule of live~~  
716 ~~racing or games, remit for the payment of purses on live races~~  
717 ~~an amount equal to the lesser of \$2 million or 3 percent of its~~  
718 ~~slot machine revenues from the previous state fiscal year to a~~  
719 ~~slot machine licensee licensed to conduct not fewer than 160~~  
720 ~~days of thoroughbred racing. If no slot machine licensee is~~  
721 ~~licensed for at least 160 days of live thoroughbred racing, no~~  
722 ~~payments for purses are required. A slot machine licensee that~~  
723 ~~meets the requirements of subsection (10) shall receive a~~  
724 ~~dollar-for-dollar credit to be applied toward the payments~~  
725 ~~required under this subparagraph which are made pursuant to the~~  
726 ~~binding agreement after the effective date of this act.~~

727 Section 30. Section 551.1042, Florida Statutes, is created  
728 to read:

729 551.1042 Transfer or relocation of slot machine license  
730 prohibited.—A slot machine license issued under this chapter may  
731 not be transferred or reissued when such reissuance is in the  
732 nature of a transfer so as to permit or authorize a licensee to  
733 change the location of a slot machine facility.

734 Section 31. Section 551.1043, Florida Statutes, is created  
735 to read:



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736           551.1043 Slot machine license to enhance live pari-mutuel  
737 activity.—In recognition of the important and long-standing  
738 economic contribution of the pari-mutuel industry to this state  
739 and the state’s vested interest in the revenue generated  
740 therefrom and in the interest of promoting the continued  
741 viability of the important statewide agricultural activities  
742 that the industry supports, the Legislature finds that it is in  
743 the state’s interest to provide a limited opportunity for the  
744 establishment of an additional slot machine license to be  
745 awarded and renewed annually to a pari-mutuel permitholder  
746 located within a county as defined in s. 125.011.

747           (1) (a) Within 120 days after the effective date of this  
748 act, any pari-mutuel permitholder that is located in a county as  
749 defined in s. 125.011 and that is not a slot machine licensee  
750 may apply to the division pursuant to s. 551.104 for the slot  
751 machine license created by this section.

752           (b) The application shall be accompanied by a license  
753 application fee of \$2 million, which is nonrefundable. The  
754 license application fee shall be deposited into the Pari-mutuel  
755 Wagering Trust Fund of the Department of Business and  
756 Professional Regulation to be used by the division and the  
757 Department of Law Enforcement for investigations, the regulation  
758 of slot machine gaming, and the enforcement of slot machine  
759 gaming under this chapter. In the event of a successful award,  
760 the application fee shall be credited toward the license fee  
761 required by s. 551.106.

762           (2) If there is more than one applicant for the new slot  
763 machine license, the division shall award the license to the  
764 applicant that receives the highest score based on the following



765 criteria:

766 (a) The amount of slot machine revenues to be dedicated to  
767 the enhancement of pari-mutuel purses; breeder's, stallion, and  
768 special racing or player awards to be awarded to pari-mutuel  
769 activities conducted pursuant to chapter 550;

770 (b) The amount of slot machine revenues to be dedicated to  
771 the general promotion of the state's pari-mutuel industry;

772 (c) The amount of slot machine revenues to be dedicated to  
773 care provided in this state to injured or retired animals,  
774 jockeys, or jai alai players;

775 (d) The amount by which the proposed slot machine facility  
776 will increase tourism, generate jobs, provide revenue to the  
777 local economy, and provide revenue to the state. The applicant  
778 and its partners shall document their previous experience in  
779 constructing premier facilities with high-quality amenities  
780 which complement a local tourism industry;

781 (e) The financial history of the applicant and its partners  
782 in making capital investments in slot machine gaming and pari-  
783 mutuel facilities and its bona fide plan for future community  
784 involvement and financial investment;

785 (f) The history of investment by the applicant and its  
786 partners in the communities in which its previous developments  
787 have been located;

788 (g) The ability to purchase and maintain a surety bond in  
789 an amount established by the division to represent the projected  
790 annual revenues generated by the proposed slot machine facility;

791 (h) The ability to demonstrate the financial wherewithal to  
792 adequately capitalize, develop, construct, maintain, and operate  
793 a proposed slot machine facility. The applicant must demonstrate



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794 the ability to commit not less than \$100 million for hard costs  
795 related to construction and development of the facility,  
796 exclusive of the purchase price and costs associated with the  
797 acquisition of real property and any impact fees. The applicant  
798 must also demonstrate the ability to meet any projected secured  
799 and unsecured debt obligations and to complete construction  
800 within 2 years after receiving the award of the slot machine  
801 license;

802 (i) The ability to implement a program to train and employ  
803 residents of South Florida to work at the facility and contract  
804 with local business owners for goods and services; and

805 (j) The ability to generate, with its partners, substantial  
806 gross gaming revenue following the award of gaming licenses  
807 through a competitive bidding process.

808  
809 The division shall award additional points in the evaluation of  
810 the applications for proposed projects located within 0.5 miles  
811 of two forms of public transportation and located in a  
812 designated community redevelopment area or district.

813 (3) (a) Notwithstanding the timeframes established in s.  
814 120.60, the division shall complete its evaluations at least 120  
815 days after the submission of applications and shall notice its  
816 intent to award the license within that timeframe. Within 30  
817 days after the submission of an application, the division shall  
818 issue, if necessary, requests for additional information or any  
819 notices of deficiency to the applicant, who must respond within  
820 15 days. Failure to timely and sufficiently respond to such  
821 requests or to correct identified deficiencies is grounds for  
822 denial of the application.



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823       (b) Any protest of the intent to award the license shall be  
824 forwarded to the Division of Administrative Hearings, which  
825 shall conduct an administrative hearing on the matter before an  
826 administrative law judge at least 30 days after the notice of  
827 intent to award. The administrative law judge shall issue a  
828 proposed recommended order at least 30 days after the completion  
829 of the final hearing. The division shall issue a final order at  
830 least 15 days after receipt of the proposed recommended order.

831       (c) Any appeal of a license denial shall be made to the  
832 First District Court of Appeal and must be accompanied by the  
833 posting of a supersedeas bond in an amount determined by the  
834 division to be equal to the amount of projected annual slot  
835 machine revenue to be generated by the successful licensee.

836       (4) The division is authorized to adopt emergency rules  
837 pursuant to s. 120.54 to implement this section. The Legislature  
838 finds that such emergency rulemaking power is necessary for the  
839 preservation of the rights and welfare of the people in order to  
840 provide additional funds to benefit the public. The Legislature  
841 further finds that the unique nature of the competitive award of  
842 the slot machine license under this section requires that the  
843 department respond as quickly as is practicable to implement  
844 this section. Therefore, in adopting such emergency rules, the  
845 division is exempt from s. 120.54(4)(a). Emergency rules adopted  
846 under this section are exempt from s. 120.54(4)(c) and shall  
847 remain in effect until replaced by other emergency rules or by  
848 rules adopted pursuant to chapter 120.

849       Section 32. Section 551.1044, Florida Statutes, is created  
850 to read:

851       551.1044 House banked blackjack table games authorized.—



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852           (1) The pari-mutuel permitholder of each of the following  
853 pari-mutuel wagering facilities may operate up to 25 house  
854 banked blackjack table games at the permitholder's facility:

855           (a) A licensed pari-mutuel facility where live racing or  
856 games were conducted during calendar years 2002 and 2003,  
857 located in Miami-Dade County or Broward County, and authorized  
858 for slot machine licensure pursuant to s. 23, Art. X of the  
859 State Constitution; and

860           (b) A licensed pari-mutuel facility where a full schedule  
861 of live horseracing has been conducted for 2 consecutive  
862 calendar years immediately preceding its application for a slot  
863 machine license and located within a county as defined in s.  
864 125.011.

865           (2) Wagers on authorized house banked blackjack table games  
866 may not exceed \$100 for each initial two card wager. Subsequent  
867 wagers on splits or double downs are allowed but may not exceed  
868 the initial two card wager. Single side bets of not more than \$5  
869 are also allowed.

870           Section 33. Subsection (1) and paragraph (a) of subsection  
871 (2) of section 551.106, Florida Statutes, are amended to read:

872           551.106 License fee; tax rate; penalties.—

873           (1) LICENSE FEE.—

874           ~~(a) Upon submission of the initial application for a slot~~  
875 ~~machine license and annually thereafter, on the anniversary date~~  
876 ~~of the issuance of the initial license, the licensee must pay to~~  
877 ~~the division a nonrefundable license fee of \$3 million for the~~  
878 ~~succeeding 12 months of licensure. In the 2010-2011 fiscal year,~~  
879 ~~the licensee must pay the division a nonrefundable license fee~~  
880 ~~of \$2.5 million for the succeeding 12 months of licensure. In~~



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881 ~~the 2011-2012 fiscal year and for every fiscal year thereafter,~~  
882 ~~the licensee must pay the division a nonrefundable license fee~~  
883 ~~of \$2 million for the succeeding 12 months of licensure. The~~  
884 license fee shall be deposited into the Pari-mutuel Wagering  
885 Trust Fund of the Department of Business and Professional  
886 Regulation to be used by the division and the Department of Law  
887 Enforcement for investigations, regulation of slot machine  
888 gaming, and enforcement of slot machine gaming provisions under  
889 this chapter. These payments shall be accounted for separately  
890 from taxes or fees paid pursuant to the provisions of chapter  
891 550.

892 ~~(b) Prior to January 1, 2007, the division shall evaluate~~  
893 ~~the license fee and shall make recommendations to the President~~  
894 ~~of the Senate and the Speaker of the House of Representatives~~  
895 ~~regarding the optimum level of slot machine license fees in~~  
896 ~~order to adequately support the slot machine regulatory program.~~

897 (2) TAX ON SLOT MACHINE REVENUES.—

898 (a) The tax rate on slot machine revenues at each facility  
899 shall be 25 ~~35~~ percent. If, during any state fiscal year, the  
900 aggregate amount of tax paid to the state by all slot machine  
901 licensees in Broward and Miami-Dade Counties is less than the  
902 aggregate amount of tax paid to the state by all slot machine  
903 licensees in the 2008-2009 fiscal year, each slot machine  
904 licensee shall pay to the state within 45 days after the end of  
905 the state fiscal year a surcharge equal to its pro rata share of  
906 an amount equal to the difference between the aggregate amount  
907 of tax paid to the state by all slot machine licensees in the  
908 2008-2009 fiscal year and the amount of tax paid during the  
909 fiscal year. Each licensee's pro rata share shall be an amount



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910 determined by dividing the number 1 by the number of facilities  
911 licensed to operate slot machines during the applicable fiscal  
912 year, regardless of whether the facility is operating such  
913 machines.

914 Section 34. Subsection (2) of section 551.108, Florida  
915 Statutes, is amended to read:

916 551.108 Prohibited relationships.—

917 (2) A manufacturer or distributor of slot machines may not  
918 enter into any contract with a slot machine licensee that  
919 provides for any revenue sharing of any kind or nature that is  
920 directly or indirectly calculated on the basis of a percentage  
921 of slot machine revenues. Any maneuver, shift, or device whereby  
922 this subsection is violated is a violation of this chapter and  
923 renders any such agreement void. This subsection does not apply  
924 to contracts related to a progressive system used in conjunction  
925 with slot machines.

926 Section 35. Subsections (2) and (4) of section 551.114,  
927 Florida Statutes, are amended to read:

928 551.114 Slot machine gaming areas.—

929 (2) If such races or games are available to the slot  
930 machine licensee, the slot machine licensee shall display pari-  
931 mutuel races or games within the designated slot machine gaming  
932 areas and offer patrons within the designated slot machine  
933 gaming areas the ability to engage in pari-mutuel wagering on  
934 any live, intertrack, and simulcast races conducted or offered  
935 to patrons of the licensed facility.

936 (4) Designated slot machine gaming areas shall ~~may~~ be  
937 located anywhere within the property described in a slot machine  
938 licensee's pari-mutuel permit ~~within the current live gaming~~



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939 ~~facility or in an existing building that must be contiguous and~~  
940 ~~connected to the live gaming facility. If a designated slot~~  
941 ~~machine gaming area is to be located in a building that is to be~~  
942 ~~constructed, that new building must be contiguous and connected~~  
943 ~~to the live gaming facility.~~

944 Section 36. Section 551.116, Florida Statutes, is amended  
945 to read:

946 551.116 Days and hours of operation.—Slot machine gaming  
947 areas may be open 24 hours per day, 7 days a week daily  
948 throughout the year. ~~The slot machine gaming areas may be open a~~  
949 ~~cumulative amount of 18 hours per day on Monday through Friday~~  
950 ~~and 24 hours per day on Saturday and Sunday and on those~~  
951 ~~holidays specified in s. 110.117(1).~~

952 Section 37. Subsections (1) and (3) of section 551.121,  
953 Florida Statutes, are amended to read:

954 551.121 Prohibited activities and devices; exceptions.—

955 (1) Complimentary or reduced-cost alcoholic beverages may  
956 ~~not~~ be served to a person ~~persons~~ playing a slot machine.

957 ~~Alcoholic beverages served to persons playing a slot machine~~  
958 ~~shall cost at least the same amount as alcoholic beverages~~  
959 ~~served to the general public at a bar within the facility.~~

960 (3) A slot machine licensee may ~~not~~ allow any automated  
961 teller machine or similar device designed to provide credit or  
962 dispense cash to be located within the designated slot machine  
963 gaming areas of a facility of a slot machine licensee.

964 Section 38. Present subsections (9) through (17) of section  
965 849.086, Florida Statutes, are redesignated as subsections (10)  
966 through (18), respectively, a new subsection (9) is added to  
967 that section, and subsections (1) and (2), paragraph (b) of



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968 subsection (5), paragraphs (a), (b), and (c) of subsection (7),  
969 paragraphs (a) and (b) of subsection (8), present subsection  
970 (12), paragraphs (d) and (h) of present subsection (13), and  
971 present subsection (17) of section 849.086, Florida Statutes,  
972 are amended, to read:

973 849.086 Cardrooms authorized.—

974 (1) LEGISLATIVE INTENT.—It is the intent of the Legislature  
975 to provide additional entertainment choices for the residents of  
976 and visitors to the state, promote tourism in the state, provide  
977 revenues to support the continuation of live pari-mutuel  
978 activity, and provide additional state revenues through the  
979 authorization of the playing of certain games in the state at  
980 facilities known as cardrooms which are to be located at  
981 licensed pari-mutuel facilities. To ensure the public confidence  
982 in the integrity of authorized cardroom operations, this act is  
983 designed to strictly regulate the facilities, persons, and  
984 procedures related to cardroom operations. Furthermore, the  
985 Legislature finds that authorized games of cards and dominoes ~~as~~  
986 ~~herein defined~~ are considered to be pari-mutuel style games and  
987 not casino gaming because the participants play against each  
988 other instead of against the house.

989 (2) DEFINITIONS.—As used in this section:

990 (a) "Authorized game" means a game or series of card and  
991 domino games that of poker or dominoes which are played in  
992 conformance with this section ~~a nonbanking manner~~.

993 (b) "Banking game" means a game in which the house is a  
994 participant in the game, taking on players, paying winners, and  
995 collecting from losers ~~or in which the cardroom establishes a~~  
996 ~~bank against which participants play~~. A designated player game



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997 is not a banking game.

998 (c) "Cardroom" means a facility where authorized games are  
999 played for money or anything of value and to which the public is  
1000 invited to participate in such games and charged a fee for  
1001 participation by the operator of such facility. Authorized games  
1002 and cardrooms do not constitute casino gaming operations if  
1003 conducted at an eligible facility.

1004 (d) "Cardroom management company" means any individual not  
1005 an employee of the cardroom operator, any proprietorship,  
1006 partnership, corporation, or other entity that enters into an  
1007 agreement with a cardroom operator to manage, operate, or  
1008 otherwise control the daily operation of a cardroom.

1009 (e) "Cardroom distributor" means any business that  
1010 distributes cardroom paraphernalia such as card tables, betting  
1011 chips, chip holders, dominoes, dominoes tables, drop boxes,  
1012 banking supplies, playing cards, card shufflers, and other  
1013 associated equipment to authorized cardrooms.

1014 (f) "Cardroom operator" means a licensed pari-mutuel  
1015 permitholder that ~~which~~ holds a valid permit and license issued  
1016 by the division pursuant to chapter 550 and which also holds a  
1017 valid cardroom license issued by the division pursuant to this  
1018 section which authorizes such person to operate a cardroom and  
1019 to conduct authorized games in such cardroom.

1020 (g) "Designated player" means the player identified as the  
1021 player in the dealer position and seated at a traditional player  
1022 position in a designated player game and who pays winning  
1023 players and collects from losing players.

1024 (h) "Designated player game" means a game in which the  
1025 players compare their cards only to the cards of the designated



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1026 player or to a combination of cards held by the designated  
1027 player and cards common and available for play by all players.

1028 (i)~~(g)~~ "Division" means the Division of Pari-mutuel  
1029 Wagering of the Department of Business and Professional  
1030 Regulation.

1031 (j)~~(h)~~ "Dominoes" means a game of dominoes typically played  
1032 with a set of 28 flat rectangular blocks, called "bones," which  
1033 are marked on one side and divided into two equal parts, with  
1034 zero to six dots, called "pips," in each part. The term also  
1035 includes larger sets of blocks that contain a correspondingly  
1036 higher number of pips. The term also means the set of blocks  
1037 used to play the game.

1038 (k)~~(i)~~ "Gross receipts" means the total amount of money  
1039 received by a cardroom from any person for participation in  
1040 authorized games.

1041 (l)~~(j)~~ "House" means the cardroom operator and all  
1042 employees of the cardroom operator.

1043 (m)~~(k)~~ "Net proceeds" means the total amount of gross  
1044 receipts received by a cardroom operator from cardroom  
1045 operations less direct operating expenses related to cardroom  
1046 operations, including labor costs, admission taxes only if a  
1047 separate admission fee is charged for entry to the cardroom  
1048 facility, gross receipts taxes imposed on cardroom operators by  
1049 this section, the annual cardroom license fees imposed by this  
1050 section on each table operated at a cardroom, and reasonable  
1051 promotional costs excluding officer and director compensation,  
1052 interest on capital debt, legal fees, real estate taxes, bad  
1053 debts, contributions or donations, or overhead and depreciation  
1054 expenses not directly related to the operation of the cardrooms.



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1055           (n)~~(l)~~ "Rake" means a set fee or percentage of the pot  
1056 assessed by a cardroom operator for providing the services of a  
1057 dealer, table, or location for playing the authorized game.

1058           (o)~~(m)~~ "Tournament" means a series of games that have more  
1059 than one betting round involving one or more tables and where  
1060 the winners or others receive a prize or cash award.

1061           (5) LICENSE REQUIRED; APPLICATION; FEES.—No person may  
1062 operate a cardroom in this state unless such person holds a  
1063 valid cardroom license issued pursuant to this section.

1064           (b) After the initial cardroom license is granted, the  
1065 application for the annual license renewal shall be made in  
1066 conjunction with the applicant's annual application for its  
1067 pari-mutuel license. ~~If a permitholder has operated a cardroom  
1068 during any of the 3 previous fiscal years and fails to include a  
1069 renewal request for the operation of the cardroom in its annual  
1070 application for license renewal, the permitholder may amend its  
1071 annual application to include operation of the cardroom. In  
1072 order for a cardroom license to be renewed the applicant must  
1073 have requested, as part of its pari-mutuel annual license  
1074 application, to conduct at least 90 percent of the total number  
1075 of live performances conducted by such permitholder during  
1076 either the state fiscal year in which its initial cardroom  
1077 license was issued or the state fiscal year immediately prior  
1078 thereto if the permitholder ran at least a full schedule of live  
1079 racing or games in the prior year. If the application is for a  
1080 harness permitholder cardroom, the applicant must have requested  
1081 authorization to conduct a minimum of 140 live performances  
1082 during the state fiscal year immediately prior thereto. If more  
1083 than one permitholder is operating at a facility, each~~



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1084 ~~permitholder must have applied for a license to conduct a full~~  
1085 ~~schedule of live racing.~~

1086 (7) CONDITIONS FOR OPERATING A CARDROOM.—

1087 (a) A cardroom may be operated only at the location  
1088 specified on the cardroom license issued by the division, and  
1089 such location may only be the location at which the pari-mutuel  
1090 permitholder is authorized to conduct pari-mutuel wagering  
1091 activities pursuant to such permitholder's valid pari-mutuel  
1092 permit or as otherwise authorized by law. ~~Cardroom operations~~  
1093 ~~may not be allowed beyond the hours provided in paragraph (b)~~  
1094 ~~regardless of the number of cardroom licenses issued for~~  
1095 ~~permitholders operating at the pari-mutuel facility.~~

1096 (b) Any cardroom operator may operate a cardroom at the  
1097 pari-mutuel facility daily throughout the year, if the  
1098 permitholder meets the requirements under paragraph (5) (b). The  
1099 cardroom may be open ~~a cumulative amount of 18 hours per day on~~  
1100 ~~Monday through Friday and 24 hours per day on Saturday and~~  
1101 ~~Sunday and on the holidays specified in s. 110.117(1).~~

1102 (c) For authorized games of poker or dominoes at a  
1103 cardroom, a cardroom operator must at all times employ and  
1104 provide a nonplaying live dealer at ~~for~~ each table on which the  
1105 authorized ~~card~~ games ~~which traditionally use a dealer~~ are  
1106 conducted ~~at the cardroom~~. Such dealers may not have a  
1107 participatory interest in any game other than the dealing of  
1108 cards and may not have an interest in the outcome of the game.  
1109 The providing of such dealers by a licensee does not constitute  
1110 the conducting of a banking game by the cardroom operator.

1111 (8) METHOD OF WAGERS; LIMITATION.—

1112 (a) ~~Ne~~ Wagering may not be conducted using money or other



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1113 negotiable currency. Games may only be played utilizing a  
1114 wagering system whereby all players' money is first converted by  
1115 the house to tokens or chips that may ~~which shall~~ be used for  
1116 wagering only at that specific cardroom.

1117 (b) For authorized games of poker or dominoes, the cardroom  
1118 operator may limit the amount wagered in any game or series of  
1119 games.

1120 (9) DESIGNATED PLAYER GAMES AUTHORIZED.—

1121 (a) A cardroom operator may offer designated player games  
1122 consisting of players making wagers against the designated  
1123 player. The designated player must be licensed pursuant to  
1124 paragraph (6) (b).

1125 (b) A cardroom operator may not serve as a designated  
1126 player in any game. The cardroom operator may not have a  
1127 financial interest in a designated player in any game. A  
1128 cardroom operator may collect a rake in accordance with the rake  
1129 structure posted at the table.

1130 (c) If there are multiple designated players at a table,  
1131 the dealer button shall be rotated in a clockwise rotation after  
1132 each hand.

1133 (d) A cardroom operator may not allow a designated player  
1134 to pay an opposing player who holds a lower ranked hand.

1135 (13)-(12) PROHIBITED ACTIVITIES.—

1136 (a) A ~~Ne~~ person licensed to operate a cardroom may not  
1137 conduct any banking game or any game not specifically authorized  
1138 by this section. For purposes of this section, a designated  
1139 player game shall be deemed a banking game if any of the  
1140 following elements apply:

1141 1. Any designated player is required by the rules of a game



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1142 or by the rules of a cardroom to cover all wagers posted by  
1143 opposing players;

1144 2. The dealer button remains in a fixed position without  
1145 being offered for rotation;

1146 3. The cardroom, or any cardroom licensee, contracts with  
1147 or receives compensation other than a posted table rake from any  
1148 player to participate in any game to serve as a designated  
1149 player; or

1150 4. In any designated player game in which the designated  
1151 player possesses a higher ranked hand, the designated player is  
1152 required to pay on an opposing player's wager who holds a lower  
1153 ranked hand.

1154 (b) A ~~No~~ person who is younger than ~~under~~ 18 years of age  
1155 may ~~not~~ be permitted to hold a cardroom or employee license, or  
1156 to engage in any game conducted therein.

1157 (c) With the exception of mechanical card shufflers, ~~No~~  
1158 electronic or mechanical devices, ~~except mechanical card~~  
1159 ~~shufflers,~~ may ~~not~~ be used to conduct any authorized game in a  
1160 cardroom.

1161 (d) ~~No~~ Cards, game components, or game implements may not  
1162 be used in playing an authorized game unless they have ~~such has~~  
1163 been furnished or provided to the players by the cardroom  
1164 operator.

1165 (14) ~~(13)~~ TAXES AND OTHER PAYMENTS.—

1166 (d)1. Each ~~greyhound and jai alai~~ permitholder that  
1167 operates a cardroom facility shall use at least 4 percent of  
1168 such permitholder's cardroom monthly gross receipts to  
1169 supplement ~~greyhound~~ purses or jai alai prize money,  
1170 respectively, during the permitholder's next ensuing pari-mutuel



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1171 meet.

1172       2. A cardroom license or renewal thereof may not be issued  
1173 to a permitholder conducting less than a full schedule of live  
1174 racing or games unless the applicant has on file with the  
1175 division a binding written contract with a thoroughbred  
1176 permitholder that is licensed to conduct live racing and that  
1177 does not possess a slot machine license. This contract must  
1178 provide that the permitholder will pay an amount equal to 4  
1179 percent of its monthly cardroom gross receipts to the  
1180 thoroughbred permitholder conducting the live racing for use as  
1181 purses during the current or ensuing live racing meet of the  
1182 thoroughbred permitholder. If there is not a thoroughbred  
1183 permitholder that does not possess a slot machine license, no  
1184 payments for purses are required, and the cardroom licensee  
1185 shall retain such funds for its use. ~~Each thoroughbred and~~  
1186 ~~harness horse racing permitholder that operates a cardroom~~  
1187 ~~facility shall use at least 50 percent of such permitholder's~~  
1188 ~~cardroom monthly net proceeds as follows: 47 percent to~~  
1189 ~~supplement purses and 3 percent to supplement breeders' awards~~  
1190 ~~during the permitholder's next ensuing racing meet.~~

1191       3. ~~No cardroom license or renewal thereof shall be issued~~  
1192 ~~to an applicant holding a permit under chapter 550 to conduct~~  
1193 ~~pari-mutuel wagering meets of quarter horse racing unless the~~  
1194 ~~applicant has on file with the division a binding written~~  
1195 ~~agreement between the applicant and the Florida Quarter Horse~~  
1196 ~~Racing Association or the association representing a majority of~~  
1197 ~~the horse owners and trainers at the applicant's eligible~~  
1198 ~~facility, governing the payment of purses on live quarter horse~~  
1199 ~~races conducted at the licensee's pari-mutuel facility. The~~



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1200 ~~agreement governing purses may direct the payment of such purses~~  
1201 ~~from revenues generated by any wagering or gaming the applicant~~  
1202 ~~is authorized to conduct under Florida law. All purses shall be~~  
1203 ~~subject to the terms of chapter 550.~~

1204 (h) One-quarter of the moneys deposited into the Pari-  
1205 mutuel Wagering Trust Fund pursuant to paragraph (g) shall, by  
1206 October 1 of each year, be distributed to the local government  
1207 that approved the cardroom under subsection (17) ~~subsection~~  
1208 ~~(16)~~; however, if two or more pari-mutuel racetracks are located  
1209 within the same incorporated municipality, the cardroom funds  
1210 shall be distributed to the municipality. If a pari-mutuel  
1211 facility is situated in such a manner that it is located in more  
1212 than one county, the site of the cardroom facility shall  
1213 determine the location for purposes of disbursement of tax  
1214 revenues under this paragraph. The division shall, by September  
1215 1 of each year, determine: the amount of taxes deposited into  
1216 the Pari-mutuel Wagering Trust Fund pursuant to this section  
1217 from each cardroom licensee; the location by county of each  
1218 cardroom; whether the cardroom is located in the unincorporated  
1219 area of the county or within an incorporated municipality; and,  
1220 the total amount to be distributed to each eligible county and  
1221 municipality.

1222 (18) ~~(17)~~ CHANGE OF LOCATION; REFERENDUM.—

1223 ~~(a)~~ Notwithstanding ~~any provisions of~~ this section, a ~~no~~  
1224 cardroom gaming license issued under this section may not ~~shall~~  
1225 be transferred, or reissued when such reissuance is in the  
1226 nature of a transfer, so as to permit or authorize a licensee to  
1227 change the location of the cardroom ~~except upon proof in such~~  
1228 ~~form as the division may prescribe that a referendum election~~



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1229 ~~has been held:~~

1230 ~~1. If the proposed new location is within the same county~~  
1231 ~~as the already licensed location, in the county where the~~  
1232 ~~licensee desires to conduct cardroom gaming and that a majority~~  
1233 ~~of the electors voting on the question in such election voted in~~  
1234 ~~favor of the transfer of such license. However, the division~~  
1235 ~~shall transfer, without requirement of a referendum election,~~  
1236 ~~the cardroom license of any permit holder that relocated its~~  
1237 ~~permit pursuant to s. 550.0555.~~

1238 ~~2. If the proposed new location is not within the same~~  
1239 ~~county as the already licensed location, in the county where the~~  
1240 ~~licensee desires to conduct cardroom gaming and that a majority~~  
1241 ~~of the electors voting on that question in each such election~~  
1242 ~~voted in favor of the transfer of such license.~~

1243 ~~(b) The expense of each referendum held under the~~  
1244 ~~provisions of this subsection shall be borne by the licensee~~  
1245 ~~requesting the transfer.~~

1246  
1247 ===== T I T L E A M E N D M E N T =====

1248 And the title is amended as follows:

1249 Delete lines 72 - 200

1250 and insert:

1251 the adoption of greyhounds"; creating s. 550.1752,  
1252 F.S.; creating the permit reduction program within the  
1253 division; providing a purpose for the program;  
1254 providing for funding for the program up to a  
1255 specified maximum amount; requiring the division to  
1256 purchase pari-mutuel permits from permit holders under  
1257 certain circumstances; requiring that permit holders



1258 who wish to make an offer to sell meet certain  
1259 requirements; requiring the division to adopt a  
1260 certain form by rule; requiring that the division  
1261 establish the value of a pari-mutuel permit based on  
1262 the valuation of one or more independent appraisers;  
1263 authorizing the division to establish a value that is  
1264 lower than the valuation of the independent appraiser;  
1265 requiring the division to accept the offers that best  
1266 utilize available funding; requiring the division to  
1267 cancel permits that it purchases through the program;  
1268 providing for expiration of the program; renaming the  
1269 permit reduction program as the thoroughbred purse  
1270 supplement program; revising the purpose of the  
1271 program; deleting provisions requiring the division to  
1272 purchase pari-mutuel permits; revising the form the  
1273 division shall adopt by rule; requiring the division  
1274 to apportion purse supplement funds in a certain  
1275 manner; requiring a thoroughbred permitholder to  
1276 return any unused portion of a purse supplement fund  
1277 under certain circumstances; and authorizing  
1278 rulemaking, as of a specified date; creating s.  
1279 550.2416, F.S.; requiring injuries to racing  
1280 greyhounds to be reported within a certain timeframe  
1281 on a form adopted by the division; requiring such form  
1282 to be completed and signed under oath or affirmation  
1283 by certain individuals; providing penalties;  
1284 specifying information that must be included on the  
1285 form; requiring the division to maintain the forms as  
1286 public records for a specified time; specifying



1287 disciplinary action that may be taken against a  
1288 licensee of the Department of Business and  
1289 Professional Regulation who makes false statements on  
1290 an injury form or who fails to report an injury;  
1291 exempting injuries to certain animals from reporting  
1292 requirements; requiring the division to adopt rules;  
1293 amending s. 550.26165, F.S.; conforming a cross-  
1294 reference; amending s. 550.3345, F.S.; deleting  
1295 obsolete provisions; revising requirements for a  
1296 permit previously converted from a quarter horse  
1297 racing permit to a limited thoroughbred racing permit;  
1298 amending s. 550.3551, F.S.; deleting a provision that  
1299 limits the number of out-of-state races on which  
1300 wagers are accepted by a greyhound racing  
1301 permitholder; deleting a provision prohibiting a  
1302 permitholder from conducting fewer than eight live  
1303 races or games under certain circumstances; deleting a  
1304 provision requiring certain permitholders to conduct a  
1305 full schedule of live racing to receive certain full-  
1306 card broadcasts and accept certain wagers; amending s.  
1307 550.375, F.S.; conforming a cross-reference; amending  
1308 s. 550.475, F.S.; prohibiting a permitholder from  
1309 leasing from certain pari-mutuel permitholders;  
1310 amending s. 550.5251, F.S., deleting a provision  
1311 relating to requirements for thoroughbred  
1312 permitholders; amending s. 550.615, F.S.; revising  
1313 eligibility requirements for certain pari-mutuel  
1314 facilities to qualify to receive certain broadcasts;  
1315 providing that certain greyhound racing permitholders



1316 are not required to obtain certain written consent;  
1317 deleting requirements to conduct intertrack wagering  
1318 between certain permitholders; deleting a provision  
1319 prohibiting certain intertrack wagering in certain  
1320 counties; specifying conditions under which greyhound  
1321 racing permitholders may accept wagers; amending s.  
1322 550.6308, F.S.; revising the number of days of  
1323 thoroughbred horse sales required for an applicant to  
1324 obtain a limited intertrack wagering license; revising  
1325 eligibility requirements for such licenses; revising  
1326 requirements for such wagering; deleting provisions  
1327 requiring a licensee to make certain payments to the  
1328 daily pari-mutuel pool; amending s. 551.101, F.S.;  
1329 revising the facilities that may possess slot machines  
1330 and conduct slot machine gaming; deleting certain  
1331 provisions requiring a countywide referendum to  
1332 approve slot machines at certain facilities; amending  
1333 s. 551.102, F.S.; revising definitions; amending s.  
1334 551.104, F.S.; prohibiting the division from issuing a  
1335 slot machine license to certain pari-mutuel  
1336 permitholders; revising conditions of licensure and to  
1337 maintain authority to conduct slot machine gaming;  
1338 exempting a summer thoroughbred racing permitholder  
1339 from certain purse requirements; providing  
1340 applicability; deleting a provision prohibiting the  
1341 division from issuing or renewing a license for an  
1342 applicant holding a permit under ch. 550, F.S., under  
1343 certain circumstances; deleting a provision requiring  
1344 certain slot machine licensees to remit a certain



1345 amount for the payment of purses on live races, as of  
1346 a certain date; conforming provisions to changes made  
1347 by the act; creating s. 551.1042, F.S.; prohibiting  
1348 the transfer of a slot machine license or relocation  
1349 of a slot machine facility; creating s. 551.1043,  
1350 F.S.; providing legislative findings; authorizing an  
1351 additional slot machine license to be awarded and  
1352 renewed annually to a pari-mutuel permitholder located  
1353 in a certain county; authorizing certain pari-mutuel  
1354 permitholders to apply for such a license; providing  
1355 an application fee; requiring the deposit of the fee  
1356 in the Pari-mutuel Wagering Trust Fund; requiring the  
1357 division to award the license to the applicant that  
1358 bests meets the selection criteria; providing  
1359 selection criteria; requiring the division to complete  
1360 a certain evaluation by a specified date; specifying  
1361 grounds for denial of an application; providing that  
1362 certain protests be forwarded to the Division of  
1363 Administrative Hearings; providing requirements for  
1364 appeals; authorizing the division to adopt certain  
1365 emergency rules; creating s. 551.1044, F.S.;  
1366 authorizing blackjack table games at certain pari-  
1367 mutuel facilities; specifying limits on wagers;  
1368 amending s. 551.106, F.S.; deleting obsolete  
1369 provisions; revising the tax rate on slot machine  
1370 revenues under certain conditions; amending s.  
1371 551.108, F.S.; providing applicability; amending s.  
1372 551.114, F.S.; revising the areas where a designated  
1373 slot machine gaming area may be located; amending s.



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1374 551.116, F.S.; deleting a restriction on the number of  
1375 hours per day that slot machine gaming areas may be  
1376 open; amending s. 551.121, F.S.; authorizing the  
1377 serving of complimentary or reduced-cost alcoholic  
1378 beverages to a person playing a slot machine;  
1379 authorizing the location of an automated teller  
1380 machine or similar device within designated slot  
1381 machine gaming areas; amending s. 849.086, F.S.;

1382 amending legislative intent; revising definitions;  
1383 deleting certain license renewal requirements;  
1384 deleting provisions relating to restrictions of hours  
1385 of operation; authorizing certain cardroom operators  
1386 to offer certain designated player games; requiring  
1387 the designated player to be licensed; prohibiting  
1388 cardroom operators from serving as the designated  
1389 player in a game and from having a financial interest  
1390 in a designated player; authorizing a cardroom  
1391 operator to collect a rake, subject to certain  
1392 requirements; requiring the dealer button to be  
1393 rotated under certain circumstances; prohibiting a  
1394 cardroom operator from allowing a designated player to  
1395 pay an opposing player under certain circumstances;  
1396 providing elements of a designated player game;  
1397 revising requirements for a cardroom license to be  
1398 issued or renewed; requiring a certain written  
1399 agreement with a thoroughbred permitholder; providing  
1400 contract requirements for the agreement; conforming  
1401 provisions to changes made



888770

LEGISLATIVE ACTION

Senate	.	House
Comm: WD	.	
02/19/2016	.	
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The Committee on Regulated Industries (Stargel) recommended the following:

1           **Senate Amendment to Amendment (897172) (with title**  
2 **amendment)**

3  
4           Delete lines 501 - 726  
5 and insert:

6           Section 26. Section 551.101, Florida Statutes, is amended  
7 to read:

8           551.101 Slot machine gaming authorized.—Possession of slot  
9 machines and conduct of slot machine gaming are authorized only  
10 at licensed facilities eligible under this chapter. Any licensed



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

25 Section 27. Subsections (4) and (11) of section 551.102,  
26 Florida Statutes, are amended to read:

27 551.102 Definitions.—As used in this chapter, the term:

28 (4) "Eligible facility" means a ~~any~~ licensed pari-mutuel  
29 facility that meets the requirements of s. 551.104 ~~located in~~  
30 ~~Miami-Dade County or Broward County existing at the time of~~  
31 ~~adoption of s. 23, Art. X of the State Constitution that has~~  
32 ~~conducted live racing or games during calendar years 2002 and~~  
33 ~~2003 and has been approved by a majority of voters in a~~  
34 ~~countywide referendum to have slot machines at such facility in~~  
35 ~~the respective county; any licensed pari-mutuel facility located~~  
36 ~~within a county as defined in s. 125.011, provided such facility~~  
37 ~~has conducted live racing for 2 consecutive calendar years~~  
38 ~~immediately preceding its application for a slot machine~~  
39 ~~license, pays the required license fee, and meets the other~~



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40 ~~requirements of this chapter; or any licensed pari-mutuel~~  
41 ~~facility in any other county in which a majority of voters have~~  
42 ~~approved slot machines at such facilities in a countywide~~  
43 ~~referendum held pursuant to a statutory or constitutional~~  
44 ~~authorization after the effective date of this section in the~~  
45 ~~respective county, provided such facility has conducted a full~~  
46 ~~schedule of live racing for 2 consecutive calendar years~~  
47 ~~immediately preceding its application for a slot machine~~  
48 ~~license, pays the required license ~~licensed~~ fee, and meets the~~  
49 ~~other requirements of this chapter and chapters 550 and 849.~~

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

56 Section 28. Subsection (2) and paragraph (c) of subsection  
57 (4) of section 551.104, Florida Statutes, are amended, paragraph  
58 (e) is added to subsection (10) of that section, and subsection  
59 (3) of that section is republished, to read:

60 551.104 License to conduct slot machine gaming.—

61 (2) If it is determined that the application would not  
62 trigger a reduction in revenue-sharing payments under the Gaming  
63 Compact between the Seminole Tribe of Florida and the State of  
64 Florida, an application may be approved by the division, but  
65 only for:

66 (a) A licensed pari-mutuel facility where live racing or  
67 games were conducted during calendar years 2002 and 2003 which  
68 is located in Miami-Dade County or Broward County and is



69 authorized for slot machine licensure pursuant to s. 23, Art. X  
70 of the State Constitution; or

71 (b) A licensed pari-mutuel facility where a full schedule  
72 of live horseracing has been conducted for 2 consecutive  
73 calendar years immediately preceding its application for a slot  
74 machine license and which is located within a county as defined  
75 in s. 125.011 after the voters of the county where the  
76 applicant's facility is located have authorized by referendum  
77 slot machines within pari-mutuel facilities in that county as  
78 specified in s. 23, Art. X of the State Constitution.

79 (3) A slot machine license may be issued only to a licensed  
80 pari-mutuel permitholder, and slot machine gaming may be  
81 conducted only at the eligible facility at which the  
82 permitholder is authorized under its valid pari-mutuel wagering  
83 permit to conduct pari-mutuel wagering activities.

84 (4) As a condition of licensure and to maintain continued  
85 authority for the conduct of slot machine gaming, the slot  
86 machine licensee shall:

87 (c) Conduct ~~no fewer than~~ a full schedule of live racing or  
88 games as defined in s. 550.002(11), excluding any. ~~A~~  
89 ~~permitholder's responsibility to conduct such number of live~~  
90 ~~races or games shall be reduced by the number of races or games~~  
91 ~~that could not be conducted as a due to the direct result of~~  
92 ~~fire, war, hurricane, or other disaster or event beyond the~~  
93 ~~control of the permitholder. This paragraph does not apply to a~~  
94 harness racing permitholder, jai alai permitholder, quarter  
95 horse racing permitholder, greyhound racing permitholder that  
96 conducted a full schedule of live racing for a period of at  
97 least 10 consecutive state fiscal years after the 2002-2003



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98 state fiscal year, or thoroughbred racing permitholder that  
99 holds a slot machine license if it has entered into an agreement  
100 with another thoroughbred racing permitholder to conduct its  
101 race meet at the other thoroughbred racing permitholder's  
102 facility.

103 (10)

104 (e) Each slot machine licensee that does not offer live  
105 racing shall withhold 2 percent of the licensee's net revenue  
106 after taxes from slot machines to be deposited into a purse pool  
107 to be paid as purses to licensed pari-mutuel facilities offering  
108 live racing or games.

110 ===== T I T L E A M E N D M E N T =====

111 And the title is amended as follows:

112 Delete lines 1329 - 1347

113 and insert:

114 revising provisions that authorize slot machine gaming  
115 at certain facilities; amending s. 551.102, F.S.;

116 revising definitions of the terms "eligible facility"  
117 and "slot machine licensee" for purposes of provisions  
118 relating to slot machines; amending s. 551.104, F.S.;

119 providing that an application to conduct slot machine  
120 gaming may be approved only if the application would  
121 not trigger a reduction in revenue-sharing payments  
122 under the Gaming Compact between the Seminole Tribe of  
123 Florida and the State of Florida; specifying the  
124 facilities that may be authorized by the division to  
125 conduct slot machine gaming; exempting certain  
126 permitholders from a requirement that they conduct a



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127 full schedule of live racing as a condition of  
128 maintaining authority to conduct slot machine gaming;  
129 requiring licensees to withhold a specified percentage  
130 of net revenue after taxes from specified sources  
131 under certain circumstances; creating s. 551.1042,  
132 F.S.; prohibiting



238012

LEGISLATIVE ACTION

Senate	.	House
Comm: WD	.	
02/19/2016	.	
	.	
	.	
	.	

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The Committee on Regulated Industries (Abruzzo) recommended the following:

1           **Senate Amendment to Amendment (897172)**

2

3           Delete line 568

4           and insert:

5           pari-mutuel permitholder whose permit was



898094

LEGISLATIVE ACTION

Senate	.	House
Comm: UNFAV	.	
02/19/2016	.	
	.	
	.	
	.	

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The Committee on Regulated Industries (Stargel) recommended the following:

- 1       **Senate Amendment to Amendment (897172)**
- 2
- 3       Delete line 899
- 4       and insert:
- 5       shall be 30 ~~35~~ percent. If, during any state fiscal year, the



667902

LEGISLATIVE ACTION

Senate	.	House
Comm: UNFAV	.	
02/19/2016	.	
	.	
	.	
	.	

The Committee on Regulated Industries (Margolis) recommended the following:

**Senate Amendment (with title amendment)**

Delete lines 1934 - 1935

and insert:

(1) ~~Complimentary or reduced-cost~~ Alcoholic beverages may not be served to a person ~~persons~~ playing a slot machine or card games.

===== T I T L E A M E N D M E N T =====

And the title is amended as follows:



667902

11           Delete lines 179 - 181  
12 and insert:  
13           revising the provisions prohibiting certain alcoholic  
14           beverages from being served to a person playing a slot  
15           machine; prohibiting the serving of alcoholic  
16           beverages to a person playing card games; authorizing  
17           the location of an automated



283940

LEGISLATIVE ACTION

Senate	.	House
Comm: WD	.	
02/19/2016	.	
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	.	
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The Committee on Regulated Industries (Abruzzo) recommended the following:

**Senate Amendment (with title amendment)**

Delete lines 2324 - 2333

and insert:

Section 37. Section 551.1015, Florida Statutes, is created to read:

551.1015 Class III gaming or games authorized.-

(1) LEGISLATIVE INTENT.-It is the intent of the Legislature to provide additional entertainment choices for the residents of and visitors to the state, to promote tourism, and to provide



283940

11 additional state revenues through the authorization of certain  
12 slot machine gaming and other class III gaming or games at  
13 licensed pari-mutuel facilities. To ensure the public confidence  
14 in the integrity of authorized slot machine gaming and other  
15 class III gaming operations, this section is designed to  
16 strictly regulate the facilities, persons, and procedures  
17 related to cardroom operations. Furthermore, the Legislature  
18 finds that games authorized under this section are considered to  
19 be pari-mutuel style games and not casino gaming because the  
20 participants play against each other instead of against the  
21 house.

22 (2) DEFINITIONS.—For purposes of this section, the term  
23 “class III gaming or games” means the operation of slot  
24 machines, video race terminals, banked card games, raffles and  
25 drawings, and live table games at a licensed pari-mutuel  
26 facility pursuant to chapters 550 and 551, in conformity with  
27 rules promulgated by the Division of Pari-Mutuel Wagering.

28 (3) AUTHORIZATION.—

29 (a) A licensed pari-mutuel facility located in the state  
30 may possess slot machines and conduct slot machine gaming or  
31 other class III gaming or games at the location where the pari-  
32 mutuel permit holder is authorized to conduct pari-mutuel  
33 wagering activities pursuant to such permit holder’s valid pari-  
34 mutuel permit, if:

35 1. A majority of voters in a countywide referendum in the  
36 county in which the facility is located have approved slot  
37 machines at the facility;

38 2. A majority of voters in a countywide referendum in the  
39 county in which the facility is located have approved the



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40 operation of class III gaming or games within the county at the  
41 facility; and

42 3. The governing body of the municipality, or the governing  
43 body of the county if the facility is not located in a  
44 municipality, has provided its approval under s. 551.1041.

45 (b) A licensed pari-mutuel permitholder authorized to  
46 conduct slot machine gaming on or before July 1, 2016, may  
47 conduct class III gaming or games at the location where the  
48 pari-mutuel permitholder is authorized to conduct pari-mutuel  
49 wagering activities pursuant to such permitholder's valid pari-  
50 mutuel permit.

51 (c) A licensed pari-mutuel facility located in Orange  
52 County may not be authorized to possess slot machines and  
53 conduct slot machine gaming or other class III gaming or games.

54 (d) The expense of a referendum held under this subsection  
55 shall be borne by the pari-mutuel permitholder or permitholders  
56 who wish to conduct slot machine gaming or class III gaming or  
57 games within a county. If a special election is not held, the  
58 referendum shall be conducted at the next general election in  
59 that county.

60 (e)1. Thirty-five percent of the net revenues from  
61 authorized class III gaming operations at a licensed pari-mutuel  
62 facility shall be designated as the local government share and  
63 shall be distributed to the governing body of the municipality,  
64 or the governing body of the county if the facility is not  
65 located in a municipality, for reduction of property taxes in  
66 the respective county or municipality.

67 2. The calculations necessary to determine the local  
68 government share of distributions shall be made by the Division



283940

69 of Pari-mutuel Wagering. The method of payment of the local  
70 government share attributable to each pari-mutuel facility shall  
71 be as required by the governing body as a condition of local  
72 government approval under subsection (4).

73 (4) LOCAL GOVERNMENT APPROVAL.—

74 (a) The Division of Pari-mutuel Wagering may not issue an  
75 initial license under this section except upon proof, in such  
76 form as the division may prescribe, that the local government  
77 where the applicant desires to conduct slot machine gaming or  
78 class III gaming or games has voted to approve such activity by  
79 a majority vote of the governing body of the municipality, or  
80 the governing body of the county if the facility is not located  
81 in a municipality. If the local government considers approval of  
82 such activity and a majority vote of the governing body of the  
83 municipality, or the governing body of the county if the  
84 facility is not located in a municipality, does not approve slot  
85 machine gaming, other class III gaming or games, or both, the  
86 matter may not be reconsidered for a period of 5 years after the  
87 date of the vote of the governing body. The governing body of  
88 the municipality, or the governing body of the county if the  
89 facility is not located in a municipality, and the pari-mutuel  
90 permitholder shall agree on the documentation required for  
91 confirmation and transmittal of the local government share  
92 payable by the permitholder.

93 (b) The division may not issue a license for slot machine  
94 gaming or other class III gaming or games for any location in  
95 Orange County.

96 (c) Notwithstanding any other law, it is not a crime for a  
97 person to participate in:



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98           1. Slot machine gaming at a pari-mutuel facility licensed  
99 to possess slot machines and conduct slot machine gaming or to  
100 participate in slot machine gaming described in this section.

101           2. Class III gaming or games at a pari-mutuel facility  
102 licensed to possess class III gaming or games and to conduct  
103 class III gaming or games or to participate in class III gaming  
104 or games described in this section.

105           (5) RULEMAKING.—The division may adopt rules necessary to  
106 implement this section.

107           Section 38. This act shall take effect on July 1, 2016.

109 ===== T I T L E   A M E N D M E N T =====

110 And the title is amended as follows:

111           Delete line 204

112 and insert:

113           nonseverability; creating s. 551.1015, F.S.; providing  
114           legislative intent; defining the term "class III  
115           gaming or games"; authorizing certain licensed pari-  
116           mutuel facilities to possess slot machines and conduct  
117           slot machine gaming or other class III gaming or games  
118           at a specified location under certain circumstances;  
119           providing that the expense of a referendum shall be  
120           borne by the pari-mutuel permitholder or permitholders  
121           who wish to conduct slot machine gaming or other class  
122           III gaming or games; providing requirements for the  
123           referendum to vote on the issue of slot machine  
124           gaming; requiring that a specified percentage of  
125           revenues from authorized class III gaming be  
126           designated as the local government share; providing



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127 distribution requirements for the local government  
128 share; providing requirements for the division to  
129 approve an initial license; providing that it is not a  
130 crime for a person to participate in slot machine  
131 gaming or other class III gaming or games under  
132 certain circumstances; authorizing rulemaking;  
133 providing an effective date.

**FOR CONSIDERATION** By the Committee on Regulated Industries

580-03037-16

20167072pb

1                   A bill to be entitled  
2           An act relating to gaming; amending s. 550.002, F.S.;  
3           redefining the term "full schedule of live racing or  
4           games"; defining the term "video race system";  
5           amending s. 550.01215, F.S.; revising provisions for  
6           applications for pari-mutuel operating licenses;  
7           authorizing a greyhound racing permitholder to specify  
8           certain intentions on its application; authorizing a  
9           greyhound racing permitholder to receive an operating  
10          license to conduct pari-mutuel wagering activities at  
11          another permitholder's greyhound racing facility;  
12          limiting the number of pari-mutuel wagering operating  
13          licenses that may be issued each year; authorizing the  
14          Division of Pari-mutuel Wagering of the Department of  
15          Business and Professional Regulation to approve  
16          changes in racing dates for greyhound racing  
17          permitholders under certain circumstances; providing  
18          requirements for licensure of certain jai alai  
19          permitholders; deleting a provision for conversion of  
20          certain converted permits to jai alai permits;  
21          amending s. 550.0251, F.S.; requiring the division to  
22          annually report to the Governor and the Legislature;  
23          specifying requirements for the content of the report;  
24          amending s. 550.054, F.S.; requiring the division to  
25          revoke a pari-mutuel wagering operating permit under  
26          certain circumstances; prohibiting issuance or  
27          approval of new pari-mutuel permits after a specified  
28          date; authorizing a permitholder to apply to the  
29          division to place a permit in inactive status;  
30          revising provisions that prohibit transfer or  
31          assignment of a pari-mutuel permit; prohibiting  
32          transfer or assignment of a pari-mutuel permit or

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33 license under certain conditions; prohibiting  
34 relocation of a pari-mutuel facility, cardroom, or  
35 slot machine facility or conversion of pari-mutuel  
36 permits to a different class; providing for approval  
37 of the relocation of such permits; deleting provisions  
38 for certain converted permits; repealing s. 550.0555,  
39 F.S., relating to the relocation of greyhound racing  
40 permits; repealing s. 550.0745, F.S., relating to the  
41 conversion of pari-mutuel permits to summer jai alai  
42 permits; amending s. 550.0951, F.S.; deleting  
43 provisions for certain credits for a greyhound racing  
44 permitholder; revising the tax on handle for live  
45 greyhound racing and intertrack wagering if the host  
46 track is a greyhound racing track; requiring a tax on  
47 handle and fees for video race licensees; specifying  
48 how fees may be used by the department and the  
49 Department of Law Enforcement; amending s. 550.09511,  
50 F.S.; conforming a cross-reference; amending s.  
51 550.09512, F.S.; providing for the revocation of  
52 certain harness horse racing permits; specifying that  
53 a revoked permit may not be reissued; amending s.  
54 550.09514, F.S.; deleting certain provisions that  
55 prohibit tax on handle until a specified amount of tax  
56 savings have resulted; revising purse requirements of  
57 a greyhound racing permitholder that conducts live  
58 racing; amending s. 550.09515, F.S.; providing for the  
59 revocation of certain thoroughbred racing permits;  
60 specifying that a revoked permit may not be reissued;  
61 amending s. 550.1625, F.S.; deleting the requirement

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62 that a greyhound racing permitholder pay the breaks  
63 tax; repealing s. 550.1647, F.S., relating to  
64 unclaimed tickets and breaks held by greyhound racing  
65 permitholders; amending s. 550.1648, F.S.; revising  
66 requirements for a greyhound racing permitholder to  
67 provide a greyhound adoption booth at its facility;  
68 requiring sterilization of greyhounds before adoption;  
69 authorizing the fee for such sterilization to be  
70 included in the cost of adoption; defining the term  
71 "bona fide organization that promotes or encourages  
72 the adoption of greyhounds"; creating s. 550.1751,  
73 F.S.; defining terms; authorizing certain pari-mutuel  
74 permitholders to enter into agreements to sell and  
75 transfer permits to certain bidders; requiring that  
76 such permits be surrendered to the division and  
77 voided; creating s. 550.1752, F.S.; creating the  
78 permit reduction program within the division;  
79 providing a purpose for the program; providing for  
80 funding for the program up to a specified maximum  
81 amount; requiring the division to purchase pari-mutuel  
82 permits from permitholders under certain  
83 circumstances; requiring that permitholders who wish  
84 to make an offer to sell meet certain requirements;  
85 requiring the division to adopt a certain form by  
86 rule; requiring that the division establish the value  
87 of a pari-mutuel permit based on the valuation of one  
88 or more independent appraisers; authorizing the  
89 division to establish a value that is lower than the  
90 valuation of the independent appraiser; requiring the

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91 division to accept the offers that best utilize  
92 available funding; requiring the division to cancel  
93 permits that it purchases through the program;  
94 providing for expiration of the program; creating s.  
95 550.2416, F.S.; requiring injuries to racing  
96 greyhounds to be reported within a certain timeframe  
97 on a form adopted by the division; requiring such form  
98 to be completed and signed under oath or affirmation  
99 by certain individuals; providing penalties;  
100 specifying information that must be included in the  
101 form; requiring the division to maintain the forms as  
102 public records for a specified time; specifying  
103 disciplinary action that may be taken against a  
104 licensee of the Department of Business and  
105 Professional Regulation who fails to report an injury  
106 or who makes false statements on an injury form;  
107 exempting injuries to certain animals from reporting  
108 requirements; requiring the division to adopt rules;  
109 amending s. 550.26165, F.S.; conforming a cross-  
110 reference; amending s. 550.3345, F.S.; revising  
111 provisions for a permit previously converted from a  
112 quarter horse racing permit to a limited thoroughbred  
113 racing permit; amending s. 550.3551, F.S.; deleting a  
114 provision that limits the number of out-of-state races  
115 on which wagers are accepted by a greyhound racing  
116 permitholder; deleting a provision prohibiting a  
117 permitholder from conducting fewer than eight live  
118 races or games under certain circumstances; deleting a  
119 provision requiring certain permitholders to conduct a

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120 full schedule of live racing to receive certain full-  
121 card broadcasts and accept certain wagers; amending s.  
122 550.375, F.S.; conforming a cross-reference; amending  
123 s. 550.615, F.S.; revising provisions relating to  
124 intertrack wagering; amending s. 550.6305, F.S.;  
125 revising provisions requiring that certain simulcast  
126 signals be made available to certain permitholders;  
127 authorizing certain permitholders of a converted  
128 permit to accept wagers on certain rebroadcasts;  
129 amending s. 550.6308, F.S.; revising the number of  
130 days of thoroughbred horse sales required to obtain a  
131 limited intertrack wagering license; revising  
132 provisions for such wagering; amending s. 551.101,  
133 F.S.; revising provisions that authorize slot machine  
134 gaming at certain facilities; amending s. 551.102,  
135 F.S.; revising definitions of the terms "eligible  
136 facility" and "slot machine licensee" for purposes of  
137 provisions relating to slot machines; amending s.  
138 551.104, F.S.; providing that an application to  
139 conduct slot machine gaming may be authorized only if  
140 it would not trigger a reduction in revenue-sharing  
141 under the Gaming Compact between the Seminole Tribe of  
142 Florida and the State of Florida; specifying the  
143 facilities that may be authorized by the division to  
144 conduct slot machine gaming; exempting certain  
145 greyhound racing and thoroughbred racing permitholders  
146 from a requirement that they conduct a full schedule  
147 of live racing as a condition of maintaining authority  
148 to conduct slot machine gaming; requiring licensees to

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149 withhold a specified percentage of net revenue from  
150 specified sources; creating s. 551.1041, F.S.;  
151 authorizing an additional slot machine license to be  
152 issued to a pari-mutuel permit holder for a facility in  
153 Miami-Dade County and in Palm Beach County, subject to  
154 approval by a majority of voters in a referendum in  
155 each county; providing for the conduct of the  
156 referendum; establishing the process for the issuance  
157 of new licenses; requiring that applications be made  
158 by sealed bids to the division, subject to specified  
159 prequalification procedures and requirements;  
160 specifying a minimum bid amount; authorizing a  
161 specified number of slot machines and video race  
162 terminals for play; providing requirements for slot  
163 machines and video race terminals; defining the term  
164 "video race terminal"; providing requirements for the  
165 use of net revenue withheld from certain slot machine  
166 licensees; creating s. 551.1042, F.S.; prohibiting the  
167 transfer of a slot machine license or relocation of a  
168 slot machine facility; amending s. 551.106, F.S.;  
169 deleting obsolete provisions; revising the tax rate on  
170 slot machine revenues under certain conditions;  
171 amending s. 551.114, F.S.; decreasing the number of  
172 slot machines available for play at certain  
173 facilities; requiring that specified permit holders'  
174 designated slot machine gaming areas be located within  
175 the eligible facility for which the initial license  
176 was issued; amending s. 551.116, F.S.; deleting a  
177 restriction on the number of hours that slot machine

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178 gaming areas may be open; amending s. 551.121, F.S.;

179 authorizing the serving of complimentary or reduced-

180 cost alcoholic beverages to a person playing a slot

181 machine; authorizing the location of an automated

182 teller machine or similar device within designated

183 slot machine gaming areas; amending s. 849.086, F.S.;

184 amending legislative intent; revising definitions;

185 authorizing certain thoroughbred racing permitholders

186 to operate a cardroom at a specified slot facility

187 under certain circumstances; deleting certain license

188 renewal requirements; authorizing certain cardroom

189 operators to offer certain designated player games;

190 providing limits on wagers for such games; providing

191 playing requirements for designated players; requiring

192 each seated player to be afforded the temporary

193 opportunity to be the designated player; prohibiting

194 certain persons from being designated players;

195 providing requirements for designated player games;

196 providing that the division may only approve cardroom

197 operators to conduct certain designated player games;

198 requiring certain harness horse racing permitholders

199 to use at least 50 percent of monthly net proceeds in

200 specified ways; conforming provisions to changes made

201 by the act; directing the division to revoke certain

202 pari-mutuel permits; specifying that the revoked

203 permits may not be reissued; providing for

204 nonseverability; providing an effective date.

205

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

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207

208 Section 1. Subsection (11) of section 550.002, Florida  
209 Statutes, is amended, present subsections (15) through (39) of  
210 that section are redesignated as subsections (16) through (40),  
211 respectively, and a new subsection (15) is added to that  
212 section, to read:

213 550.002 Definitions.—As used in this chapter, the term:

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

215 1. For a greyhound racing permitholder or jai alai  
216 permitholder, the conduct of a combination of at least 100 live  
217 evening or matinee performances during the preceding year.† ~~for~~  
218 ~~a permitholder who has a converted permit or filed an~~  
219 ~~application on or before June 1, 1990, for a converted permit,~~  
220 ~~the conduct of a combination of at least 100 live evening and~~  
221 ~~matinee wagering performances during either of the 2 preceding~~  
222 ~~years;†~~

223 2. For a jai alai permitholder that ~~who~~ does not operate  
224 slot machines in its pari-mutuel facility, ~~who~~ has conducted at  
225 least 100 live performances per year for at least 10 years after  
226 December 31, 1992, and has had ~~whose~~ handle on live jai alai  
227 games conducted at its pari-mutuel facility which was ~~has been~~  
228 less than \$4 million per state fiscal year for at least 2  
229 consecutive years after June 30, 1992, the conduct of ~~a~~  
230 ~~combination of~~ at least 40 live ~~evening or matinee~~ performances  
231 during the preceding year.†

232 3. For a jai alai permitholder that ~~who~~ operates slot  
233 machines in its pari-mutuel facility, the conduct of ~~a~~  
234 ~~combination of~~ at least 150 performances during the preceding  
235 year.†

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236 4. For a summer jai alai permitholder, the conduct of at  
237 least 58 live performances during the preceding year, unless the  
238 permitholder meets the requirements of subparagraph 2.

239 5. For a harness horse racing permitholder, the conduct of  
240 at least 100 live regular wagering performances during the  
241 preceding year.

242 6. For a quarter horse racing permitholder at its facility,  
243 unless an alternative schedule of at least 20 live regular  
244 wagering performances each year is agreed upon by the  
245 permitholder and either the Florida Quarter Horse Racing  
246 Association or the horsemen horsemen's association representing  
247 the majority of the quarter horse owners and trainers at the  
248 facility and filed with the division along with its annual  
249 operating license date application.

250 a. In the 2010-2011 fiscal year, the conduct of at least 20  
251 regular wagering performances.

252 b. In the 2011-2012 and 2012-2013 fiscal years, the conduct  
253 of at least 30 live regular wagering performances. ~~and~~

254 c. For every fiscal year after the 2012-2013 fiscal year,  
255 the conduct of at least 40 live regular wagering performances.

256 7. For a quarter horse racing permitholder leasing another  
257 licensed racetrack, the conduct of 160 events at the leased  
258 facility during the preceding year. ~~and~~

259 8. For a thoroughbred racing permitholder, the conduct of  
260 at least 40 live regular wagering performances during the  
261 preceding year.

262 ~~(b) For a permitholder which is restricted by statute to~~  
263 ~~certain operating periods within the year when other members of~~  
264 ~~its same class of permit are authorized to operate throughout~~

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265 ~~the year, the specified number of live performances which~~  
266 ~~constitute a full schedule of live racing or games shall be~~  
267 ~~adjusted pro rata in accordance with the relationship between~~  
268 ~~its authorized operating period and the full calendar year and~~  
269 ~~the resulting specified number of live performances shall~~  
270 ~~constitute the full schedule of live games for such permit holder~~  
271 ~~and all other permit holders of the same class within 100 air~~  
272 ~~miles of such permit holder. A live performance must consist of~~  
273 ~~no fewer than eight races or games conducted live for each of a~~  
274 ~~minimum of three performances each week at the permit holder's~~  
275 ~~licensed facility under a single admission charge.~~

276 (15) "Video race system" or "video race" means a form of  
277 pari-mutuel wagering based on video signals of previously  
278 conducted in-state or out-of-state thoroughbred races which are  
279 sent from an in-state server that is operated by a licensed  
280 totalizator company and displayed at individual wagering  
281 terminals.

282 Section 2. Subsections (1), (3), and (6) of section  
283 550.01215, Florida Statutes, are amended to read:

284 550.01215 License application; periods of operation; bond,  
285 conversion of permit.-

286 (1) Each permit holder shall annually, during the period  
287 between December 15 and January 4, file in writing with the  
288 division its application for an operating a license to conduct  
289 pari-mutuel wagering during the next fiscal year, including  
290 intertrack and simulcast race wagering for greyhound  
291 permit holders, jai alai permit holders, harness horse racing  
292 permit holders, and quarter horse racing permit holders that do  
293 not to conduct live performances during the next state fiscal

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294 ~~year~~. Each application for live performances must ~~shall~~ specify  
295 the number, dates, and starting times of all live performances  
296 that ~~which~~ the permitholder intends to conduct. It must ~~shall~~  
297 also specify which performances will be conducted as charity or  
298 scholarship performances.

299 (a) ~~In addition,~~ Each application for an operating a  
300 license also must ~~shall~~ include:  
301

301 1. For each permitholder that ~~which~~ elects to accept wagers  
302 on broadcast events, the dates for all such events.

303 2. For each permitholder that elects to operate a cardroom,  
304 the dates and periods of operation the permitholder intends to  
305 operate the cardroom. ~~or,~~

306 3. For each thoroughbred racing permitholder that ~~which~~  
307 elects to receive or rebroadcast out-of-state races after 7  
308 p.m., the dates for all performances which the permitholder  
309 intends to conduct.

310 (b) A greyhound racing permitholder that conducted a full  
311 schedule of live racing for a period of at least 10 consecutive  
312 state fiscal years after the 1996-1997 state fiscal year, or  
313 that converted its permit to a permit to conduct greyhound  
314 racing after that fiscal year, may specify in its application  
315 for an operating license that it does not intend to conduct live  
316 racing, or that it intends to conduct less than a full schedule  
317 of live racing, in the next state fiscal year. A greyhound  
318 racing permitholder may receive an operating license to conduct  
319 pari-mutuel wagering activities at another permitholder's  
320 greyhound racing facility pursuant to s. 550.475.

321 (c) Permitholders may ~~shall be entitled to~~ amend their  
322 applications through February 28.

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323 (3) The division shall issue each license no later than  
324 March 15. Each permitholder shall operate all performances at  
325 the date and time specified on its license. The division shall  
326 have the authority to approve minor changes in racing dates  
327 after a license has been issued. The division may approve  
328 changes in racing dates after a license has been issued when  
329 there is no objection from any operating permitholder located  
330 within 50 miles of the permitholder requesting the changes in  
331 operating dates. In the event of an objection, the division  
332 shall approve or disapprove the change in operating dates based  
333 upon the impact on operating permitholders located within 50  
334 miles of the permitholder requesting the change in operating  
335 dates. In making the determination to change racing dates, the  
336 division shall take into consideration the impact of such  
337 changes on state revenues. Notwithstanding any other provision  
338 of law, and for the 2016-2017 fiscal year only, the division may  
339 approve changes in racing dates for greyhound racing  
340 permitholders if the request for such changes is received before  
341 August 31, 2016.

342 (6) A summer jai alai permitholder may apply for an  
343 operating license to operate a jai alai fronton only during the  
344 summer season beginning May 1 and ending November 30 of each  
345 year on such dates as may be selected by the permitholder. Such  
346 permitholder is subject to the same taxes, rules, and provisions  
347 of this chapter which apply to the operation of winter jai alai  
348 frontons. A summer jai alai permitholder is not eligible for  
349 licensure to conduct a cardroom or a slot machine facility. A  
350 summer jai alai permitholder and a winter jai alai permitholder  
351 may not operate on the same days or in competition with each

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352 other. This subsection does not prevent a summer jai alai  
353 licensee from leasing the facilities of a winter jai alai  
354 licensee for the operation of a summer meet ~~Any permit which was~~  
355 ~~converted from a jai alai permit to a greyhound permit may be~~  
356 ~~converted to a jai alai permit at any time if the permitholder~~  
357 ~~never conducted greyhound racing or if the permitholder has not~~  
358 ~~conducted greyhound racing for a period of 12 consecutive~~  
359 ~~months.~~

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

362 550.0251 The powers and duties of the Division of Pari-  
363 mutuel Wagering of the Department of Business and Professional  
364 Regulation.—The division shall administer this chapter and  
365 regulate the pari-mutuel industry under this chapter and the  
366 rules adopted pursuant thereto, and:

367 (1) The division shall make an annual report to the  
368 Governor, the President of the Senate, and the Speaker of the  
369 House of Representatives. The report shall include, at a  
370 minimum:

371 (a) Recent events in the gaming industry, including pending  
372 litigation; pending permitholder, facility, cardroom, slot, or  
373 operating license applications; and new and pending rules.

374 (b) Actions of the department relating to the  
375 implementation and administration of this chapter.

376 (c) The state revenues and expenses associated with each  
377 form of authorized gaming. Revenues and expenses associated with  
378 pari-mutuel wagering must be further delineated by the class of  
379 license.

380 (d) The performance of each pari-mutuel wagering licensee,

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381 cardroom licensee, and slot machine licensee.

382 (e) A summary of disciplinary actions taken by the  
383 department.

384 (f) Any suggestions to more effectively achieve ~~showing its~~  
385 ~~own actions, receipts derived under the provisions of this~~  
386 ~~chapter, the practical effects of the application of this~~  
387 ~~chapter, and any suggestions it may approve for the more~~  
388 ~~effectual accomplishments of the purposes of this chapter.~~

389 Section 4. Paragraph (b) of subsection (9) of section  
390 550.054, Florida Statutes, is amended, paragraphs (c) through  
391 (g) are added to that subsection, and paragraph (a) of  
392 subsection (11) and subsections (13) and (14) of that section  
393 are amended, to read:

394 550.054 Application for permit to conduct pari-mutuel  
395 wagering.—

396 (9)

397 (b) The division may revoke or suspend any permit or  
398 license issued under this chapter upon a ~~the~~ willful violation  
399 by the permitholder or licensee ~~of any provision~~ of this chapter  
400 or rules ~~of any rule~~ adopted pursuant thereto ~~under this~~  
401 ~~chapter.~~ With the exception of the revocation of permits  
402 required in paragraphs (c), (d), (f), and (g), ~~In lieu of~~  
403 ~~suspending or revoking a permit or license,~~ the division may, in  
404 lieu of suspending or revoking a permit or license, impose a  
405 civil penalty against the permitholder or licensee for a  
406 violation of this chapter or rules adopted pursuant thereto ~~any~~  
407 ~~rule adopted by the division.~~ The penalty so imposed may not  
408 exceed \$1,000 for each count or separate offense. All penalties  
409 imposed and collected must be deposited with the Chief Financial

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410 Officer to the credit of the General Revenue Fund.

411 (c) Unless a failure to obtain an operating license and to  
412 operate was the direct result of fire, strike, war, or other  
413 disaster or event beyond the permitholder's control, the  
414 division shall revoke the permit of any permitholder that has  
415 not obtained an operating license in accordance with s.  
416 550.01215 for a period of more than 24 consecutive months after  
417 June 30, 2012. The division shall revoke the permit upon  
418 adequate notice to the permitholder. Financial hardship to the  
419 permitholder does not, in and of itself, constitute just cause  
420 for failure to operate.

421 (d) The division shall revoke the permit of any  
422 permitholder that fails to make payments pursuant to s.  
423 550.0951(5) for more than 24 consecutive months unless such  
424 failure to pay tax on handle was the direct result of fire,  
425 strike, war, or other disaster or event beyond the  
426 permitholder's control. Financial hardship to the permitholder  
427 does not, in and of itself, constitute just cause for failure to  
428 pay tax on handle.

429 (e) Notwithstanding any other provision of law, a new  
430 permit to conduct pari-mutuel wagering may not be approved or  
431 issued after July 1, 2016.

432 (f) A permit revoked under this subsection is void and may  
433 not be reissued.

434 (g) A permitholder may apply to the division to place the  
435 permit into inactive status for a period of 12 months pursuant  
436 to the rules adopted under this chapter. The division, upon good  
437 cause shown by the permitholder, may renew inactive status for a  
438 period of up to 12 months, but a permit may not be in inactive

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439 status for a period of more than 24 consecutive months. Holders  
440 of permits in inactive status are not eligible for licensure for  
441 pari-mutuel wagering, slot machines, or cardrooms.

442 (11) (a) A permit granted under this chapter may not be  
443 transferred or assigned except upon written approval by the  
444 division pursuant to s. 550.1815, ~~except that the holder of any~~  
445 ~~permit that has been converted to a jai alai permit may lease or~~  
446 ~~build anywhere within the county in which its permit is located.~~

447 (13) ~~(a)~~ Notwithstanding any provision ~~provisions~~ of this  
448 chapter or chapter 551, a pari-mutuel ~~no thoroughbred horse~~  
449 ~~racine~~ permit or license issued under this chapter or chapter  
450 551 may not shall be transferred, or reissued when such  
451 reissuance is in the nature of a transfer so as to permit or  
452 authorize a licensee to change the location of a pari-mutuel  
453 facility, cardroom, or slot machine facility. ~~thoroughbred horse~~  
454 ~~racetrack except upon proof in such form as the division may~~  
455 ~~prescribe that a referendum election has been held:~~

456 1. ~~If the proposed new location is within the same county~~  
457 ~~as the already licensed location, in the county where the~~  
458 ~~licensee desires to conduct the race meeting and that a majority~~  
459 ~~of the electors voting on that question in such election voted~~  
460 ~~in favor of the transfer of such license.~~

461 2. ~~If the proposed new location is not within the same~~  
462 ~~county as the already licensed location, in the county where the~~  
463 ~~licensee desires to conduct the race meeting and in the county~~  
464 ~~where the licensee is already licensed to conduct the race~~  
465 ~~meeting and that a majority of the electors voting on that~~  
466 ~~question in each such election voted in favor of the transfer of~~  
467 ~~such license.~~

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468 ~~(b) Each referendum held under the provisions of this~~  
469 ~~subsection shall be held in accordance with the electoral~~  
470 ~~procedures for ratification of permits, as provided in s.~~  
471 ~~550.0651. The expense of each such referendum shall be borne by~~  
472 ~~the licensee requesting the transfer.~~

473 (14) (a) Notwithstanding any other provision of law, a pari-  
474 mutuel facility, cardroom, or slot machine facility may not be  
475 relocated except as provided in paragraph (b), and a pari-mutuel  
476 permit may not be converted to another class of permit. Any  
477 ~~holder of a permit to conduct jai alai may apply to the division~~  
478 ~~to convert such permit to a permit to conduct greyhound racing~~  
479 ~~in lieu of jai alai if:~~

480 ~~1. Such permit is located in a county in which the division~~  
481 ~~has issued only two pari-mutuel permits pursuant to this~~  
482 ~~section;~~

483 ~~2. Such permit was not previously converted from any other~~  
484 ~~class of permit; and~~

485 ~~3. The holder of the permit has not conducted jai alai~~  
486 ~~games during a period of 10 years immediately preceding his or~~  
487 ~~her application for conversion under this subsection.~~

488 (b) Upon application from the holder of a permit to conduct  
489 greyhound racing which was converted from a permit to conduct  
490 jai alai pursuant to former s. 550.054(14), Florida Statutes  
491 2014, as created by s. 6, chapter 2009-170, Laws of Florida, the  
492 division may approve the relocation of such permit to another  
493 location within a 30-mile radius of the location fixed in the  
494 permit if the application is received by July 31, 2018, the new  
495 location is within the same county, and the new location is  
496 approved under the zoning regulations of the county or

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497 municipality in which the permit is located ~~The division, upon~~  
498 ~~application from the holder of a jai alai permit meeting all~~  
499 ~~conditions of this section, shall convert the permit and shall~~  
500 ~~issue to the permitholder a permit to conduct greyhound racing.~~  
501 ~~A permitholder of a permit converted under this section shall be~~  
502 ~~required to apply for and conduct a full schedule of live racing~~  
503 ~~each fiscal year to be eligible for any tax credit provided by~~  
504 ~~this chapter. The holder of a permit converted pursuant to this~~  
505 ~~subsection or any holder of a permit to conduct greyhound racing~~  
506 ~~located in a county in which it is the only permit issued~~  
507 ~~pursuant to this section who operates at a leased facility~~  
508 ~~pursuant to s. 550.475 may move the location for which the~~  
509 ~~permit has been issued to another location within a 30-mile~~  
510 ~~radius of the location fixed in the permit issued in that~~  
511 ~~county, provided the move does not cross the county boundary and~~  
512 ~~such location is approved under the zoning regulations of the~~  
513 ~~county or municipality in which the permit is located, and upon~~  
514 ~~such relocation may use the permit for the conduct of pari-~~  
515 ~~mutuel wagering and the operation of a cardroom. The provisions~~  
516 ~~of s. 550.6305(9)(d) and (f) shall apply to any permit converted~~  
517 ~~under this subsection and shall continue to apply to any permit~~  
518 ~~which was previously included under and subject to such~~  
519 ~~provisions before a conversion pursuant to this section~~  
520 ~~occurred.~~

521 Section 5. Section 550.0555, Florida Statutes, is repealed.

522 Section 6. Section 550.0745, Florida Statutes, is repealed.

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

525 550.0951 Payment of daily license fee and taxes;

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526 penalties.—

527 (1)~~(a)~~ DAILY LICENSE FEE.—Each person engaged in the  
528 business of conducting horserace meets ~~race meetings~~ or jai alai  
529 games under this chapter, hereinafter referred to as the  
530 “permitholder,” “licensee,” or “permittee,” shall pay ~~to the~~  
531 ~~division, for the use of the division,~~ a daily license fee on  
532 each live or simulcast pari-mutuel event of \$100 for each  
533 horserace, and \$80 for each greyhound race, ~~dograce~~ and \$40 for  
534 each jai alai game, any of which is conducted at a racetrack or  
535 fronton licensed under this chapter. A ~~In addition to the tax~~  
536 ~~exemption specified in s. 550.09514(1) of \$360,000 or \$500,000~~  
537 ~~per greyhound permitholder per state fiscal year, each greyhound~~  
538 ~~permitholder shall receive in the current state fiscal year a~~  
539 ~~tax credit equal to the number of live greyhound races conducted~~  
540 ~~in the previous state fiscal year times the daily license fee~~  
541 ~~specified for each dograce in this subsection applicable for the~~  
542 ~~previous state fiscal year. This tax credit and the exemption in~~  
543 ~~s. 550.09514(1) shall be applicable to any tax imposed by this~~  
544 ~~chapter or the daily license fees imposed by this chapter except~~  
545 ~~during any charity or scholarship performances conducted~~  
546 ~~pursuant to s. 550.0351. Each horserace permitholder may not be~~  
547 required to shall pay daily license fees in excess of not to  
548 ~~exceed~~ \$500 per day on any simulcast races or games on which  
549 such permitholder accepts wagers, regardless of the number of  
550 out-of-state events taken or the number of out-of-state  
551 locations from which such events are taken. This license fee  
552 shall be deposited with the Chief Financial Officer to the  
553 credit of the Pari-mutuel Wagering Trust Fund.

554 ~~(b) Each permitholder that cannot utilize the full amount~~

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555 ~~of the exemption of \$360,000 or \$500,000 provided in s.~~  
556 ~~550.09514(1) or the daily license fee credit provided in this~~  
557 ~~section may, after notifying the division in writing, elect once~~  
558 ~~per state fiscal year on a form provided by the division to~~  
559 ~~transfer such exemption or credit or any portion thereof to any~~  
560 ~~greyhound permitholder which acts as a host track to such~~  
561 ~~permitholder for the purpose of intertrack wagering. Once an~~  
562 ~~election to transfer such exemption or credit is filed with the~~  
563 ~~division, it shall not be rescinded. The division shall~~  
564 ~~disapprove the transfer when the amount of the exemption or~~  
565 ~~credit or portion thereof is unavailable to the transferring~~  
566 ~~permitholder or when the permitholder who is entitled to~~  
567 ~~transfer the exemption or credit or who is entitled to receive~~  
568 ~~the exemption or credit owes taxes to the state pursuant to a~~  
569 ~~deficiency letter or administrative complaint issued by the~~  
570 ~~division. Upon approval of the transfer by the division, the~~  
571 ~~transferred tax exemption or credit shall be effective for the~~  
572 ~~first performance of the next payment period as specified in~~  
573 ~~subsection (5). The exemption or credit transferred to such host~~  
574 ~~track may be applied by such host track against any taxes~~  
575 ~~imposed by this chapter or daily license fees imposed by this~~  
576 ~~chapter. The greyhound permitholder host track to which such~~  
577 ~~exemption or credit is transferred shall reimburse such~~  
578 ~~permitholder the exact monetary value of such transferred~~  
579 ~~exemption or credit as actually applied against the taxes and~~  
580 ~~daily license fees of the host track. The division shall ensure~~  
581 ~~that all transfers of exemption or credit are made in accordance~~  
582 ~~with this subsection and shall have the authority to adopt rules~~  
583 ~~to ensure the implementation of this section.~~

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584 (2) ADMISSION TAX.—

585 (a) An admission tax equal to 15 percent of the admission  
586 charge for entrance to the permitholder's facility and  
587 grandstand area, or 10 cents, whichever is greater, is imposed  
588 on each person attending a horserace, greyhound race ~~dog race~~, or  
589 jai alai game. The permitholder is ~~shall be~~ responsible for  
590 collecting the admission tax.

591 (b) The ~~No~~ admission tax imposed under this chapter and ~~or~~  
592 chapter 212 may not ~~shall~~ be imposed on any free passes or  
593 complimentary cards issued to persons for which there is no cost  
594 to the person for admission to pari-mutuel events.

595 (c) A permitholder may issue tax-free passes to its  
596 officers, officials, and employees and to ~~or~~ other persons  
597 actually engaged in working at the racetrack, including  
598 accredited media ~~press~~ representatives such as reporters and  
599 editors, and may also issue tax-free passes to other  
600 permitholders for the use of their officers and officials. The  
601 permitholder shall file with the division a list of all persons  
602 to whom tax-free passes are issued under this paragraph.

603 (3) TAX ON HANDLE.—Each permitholder shall pay a tax on  
604 contributions to pari-mutuel pools, the aggregate of which is  
605 hereinafter referred to as "handle," on races or games conducted  
606 by the permitholder. The tax is imposed daily and is based on  
607 the total contributions to all pari-mutuel pools conducted  
608 during the daily performance. If a permitholder conducts more  
609 than one performance daily, the tax is imposed on each  
610 performance separately.

611 (a) The tax on handle for quarter horse racing is 1.0  
612 percent of the handle.

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613 (b)1. The tax on handle for greyhound racing ~~dogracing~~ is  
614 1.28 ~~5.5~~ percent of the handle, ~~except that for live charity~~  
615 ~~performances held pursuant to s. 550.0351, and for intertrack~~  
616 ~~wagering on such charity performances at a guest greyhound track~~  
617 ~~within the market area of the host, the tax is 7.6 percent of~~  
618 ~~the handle.~~

619 2. The tax on handle for jai alai is 7.1 percent of the  
620 handle.

621 (c)1. The tax on handle for intertrack wagering is:

622 a. If the host track is a horse track, 2.0 percent of the  
623 handle.

624 b. If the host track is a harness horse racetrack track,  
625 3.3 percent of the handle.

626 c. If the host track is a greyhound racing harness track,  
627 1.28 ~~5.5~~ percent of the handle, to be remitted by the guest  
628 track. ~~if the host track is a dog track, and~~

629 d. If the host track is a jai alai fronton, 7.1 percent of  
630 the handle ~~if the host track is a jai alai fronton.~~

631 e. ~~The tax on handle for intertrack wagering is 0.5~~  
632 ~~percent~~ If the host track and the guest track are thoroughbred  
633 racing permitholders or if the guest track is located outside  
634 the market area of a the host track that is not a greyhound  
635 racing track and within the market area of a thoroughbred racing  
636 permitholder currently conducting a live race meet, 0.5 percent  
637 of the handle.

638 f. ~~The tax on handle~~ For intertrack wagering on  
639 rebroadcasts of simulcast thoroughbred horseraces, ~~is~~ 2.4  
640 percent of the handle and ~~1.5 percent of the handle~~ for  
641 intertrack wagering on rebroadcasts of simulcast harness

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642 horseraces, 1.5 percent of the handle.

643 2. The tax collected under subparagraph 1. shall be  
644 deposited into the Pari-mutuel Wagering Trust Fund.

645 ~~3.2.~~ The tax on handle for intertrack wagers accepted by  
646 any greyhound racing ~~dog~~ track located in an area of the state  
647 in which there are only three permitholders, all of which are  
648 greyhound racing permitholders, located in three contiguous  
649 counties, from any greyhound racing permitholder also located  
650 within such area or any greyhound racing ~~dog~~ track or jai alai  
651 fronton located as specified in s. 550.615(7) ~~s. 550.615(6) or~~  
652 ~~(9)~~, on races or games received from any jai alai the same class  
653 of permitholder located within the same market area is 3.9  
654 percent of the handle if the host facility is a greyhound racing  
655 permitholder. ~~and,~~ If the host facility is a jai alai  
656 permitholder, the tax is rate shall be 6.1 percent of the handle  
657 until ~~except that it shall be 2.3 percent on handle at~~ such time  
658 as the total tax on intertrack handle paid to the division by  
659 the permitholder during the current state fiscal year exceeds  
660 the total ~~tax on intertrack handle~~ paid to the division by the  
661 permitholder during the 1992-1993 state fiscal year, in which  
662 case the tax is 2.3 percent of the handle.

663 (d) Notwithstanding any other provision of this chapter, in  
664 order to protect the Florida jai alai industry, effective July  
665 1, 2000, a jai alai permitholder may not be taxed on live handle  
666 at a rate higher than 2 percent.

667 (4) BREAKS TAX.—Effective October 1, 1996, each  
668 permitholder conducting jai alai performances shall pay a tax  
669 equal to the breaks. As used in this subsection, the term  
670 "breaks" means the money that remains in each pari-mutuel pool

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671 after funds are ~~The "breaks" represents that portion of each~~  
672 ~~pari-mutuel pool which is not~~ redistributed to the contributors  
673 and commissions are ~~or~~ withheld by the permitholder ~~as~~  
674 ~~commission.~~

675 (5) VIDEO RACE TERMINALS; TAX AND FEE.—

676 (a) Each permitholder under this chapter which conducts  
677 play on video race terminals pursuant to s. 551.1041 shall pay a  
678 tax equal to 2 percent of the handle from the video race  
679 terminals located at its facility.

680 (b) Upon authorization to conduct play on video race  
681 terminals pursuant to s. 551.1041, and annually thereafter on  
682 the anniversary date of the authorization, the licensee shall  
683 pay a \$50,000 fee to the department. The fee shall be deposited  
684 into the Pari-mutuel Wagering Trust Fund to be used by the  
685 division and the Department of Law Enforcement for regulation of  
686 video race, enforcement of video race provisions, and related  
687 investigations.

688 (6)~~(5)~~ PAYMENT AND DISPOSITION OF FEES AND TAXES.—Payments  
689 imposed by this section shall be paid to the division. The  
690 division shall deposit such payments ~~these sums~~ with the Chief  
691 Financial Officer, to the credit of the Pari-mutuel Wagering  
692 Trust Fund, hereby established. The permitholder shall remit to  
693 the division payment for the daily license fee, the admission  
694 tax, the tax on handle, and the breaks tax. Such payments must  
695 ~~shall~~ be remitted by 3 p.m. on Wednesday of each week for taxes  
696 imposed and collected for the preceding week ending on Sunday.  
697 Beginning on July 1, 2012, such payments must ~~shall~~ be remitted  
698 by 3 p.m. on the 5th day of each calendar month for taxes  
699 imposed and collected for the preceding calendar month. If the

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700 5th day of the calendar month falls on a weekend, payments must  
701 ~~shall~~ be remitted by 3 p.m. the first Monday following the  
702 weekend. Permitholders shall file a report under oath by the 5th  
703 day of each calendar month for all taxes remitted during the  
704 preceding calendar month. Such payments must ~~shall~~ be  
705 accompanied by a report under oath showing the total of all  
706 admissions, the pari-mutuel wagering activities for the  
707 preceding calendar month, and any ~~such~~ other information ~~as may~~  
708 ~~be~~ prescribed by the division.

709 (7) ~~(6)~~ PENALTIES.—

710 (a) The failure of any permitholder to make payments as  
711 prescribed in subsection (6) ~~(5)~~ is a violation of this section,  
712 and the ~~permitholder may be subjected by the division~~ may impose  
713 ~~to~~ a civil penalty against the permitholder of up to \$1,000 for  
714 each day the tax payment is not remitted. All penalties imposed  
715 and collected shall be deposited in the General Revenue Fund. If  
716 a permitholder fails to pay penalties imposed by order of the  
717 division under this subsection, the division may suspend or  
718 revoke the license of the permitholder, cancel the permit of the  
719 permitholder, or deny issuance of any further license or permit  
720 to the permitholder.

721 (b) In addition to the civil penalty prescribed in  
722 paragraph (a), any willful or wanton failure by any permitholder  
723 to make payments of the daily license fee, admission tax, tax on  
724 handle, or breaks tax constitutes sufficient grounds for the  
725 division to suspend or revoke the license of the permitholder,  
726 to cancel the permit of the permitholder, or to deny issuance of  
727 any further license or permit to the permitholder.

728 Section 8. Paragraph (e) of subsection (2) of section

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729 550.09511, Florida Statutes, is amended to read:

730 550.09511 Jai alai taxes; abandoned interest in a permit  
731 for nonpayment of taxes.-

732 (2) Notwithstanding the provisions of s. 550.0951(3)(b),  
733 wagering on live jai alai performances shall be subject to the  
734 following taxes:

735 (e) The payment of taxes pursuant to paragraphs (b), (c),  
736 and (d) shall be calculated and commence beginning the day in  
737 which the permitholder is first entitled to the reduced rate  
738 specified in this section and the report of taxes required by s.  
739 550.0951(6) ~~s. 550.0951(5)~~ is submitted to the division.

740 Section 9. Section 550.09512, Florida Statutes, is amended  
741 to read:

742 550.09512 Harness horse racing taxes; abandoned interest in  
743 a permit for nonpayment of taxes.-

744 (1) Pari-mutuel wagering at harness horse racetracks in  
745 this state is an important business enterprise, and taxes  
746 derived therefrom constitute a part of the tax structure which  
747 funds operation of the state. Harness horse racing permitholders  
748 should pay their fair share of these taxes to the state. This  
749 business interest should not be taxed to such an extent as to  
750 cause any racetrack which is operated under sound business  
751 principles to be forced out of business. Due to the need to  
752 protect the public health, safety, and welfare, the gaming laws  
753 of the state provide for the harness horse racing industry to be  
754 highly regulated and taxed. The state recognizes that there  
755 exist identifiable differences between harness horse racing  
756 permitholders based upon their ability to operate under such  
757 regulation and tax system.

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758 (2) (a) The tax on handle for live harness horse racing  
759 performances is 0.5 percent of handle per performance.

760 (b) For purposes of this section, the term "handle" shall  
761 have the same meaning as in s. 550.0951, and shall not include  
762 handle from intertrack wagering.

763 (3) ~~(a)~~ The division shall revoke the permit of a harness  
764 horse racing permitholder that ~~who~~ does not pay tax on handle  
765 for live harness horse racing performances for a full schedule  
766 of live races for more than 24 consecutive months ~~during any 2~~  
767 ~~consecutive state fiscal years shall be void and shall escheat~~  
768 ~~to and become the property of the state unless such failure to~~  
769 ~~operate and pay tax on handle was the direct result of fire,~~  
770 ~~strike, war, or other disaster or event beyond the ability of~~  
771 ~~the permitholder to control. Financial hardship to the~~  
772 ~~permitholder~~ does shall not, in and of itself, constitute just  
773 cause for failure to operate and pay tax on handle. A permit  
774 revoked under this subsection is void and may not be reissued.

775 ~~(b) In order to maximize the tax revenues to the state, the~~  
776 ~~division shall reissue an escheated harness horse permit to a~~  
777 ~~qualified applicant pursuant to the provisions of this chapter~~  
778 ~~as for the issuance of an initial permit. However, the~~  
779 ~~provisions of this chapter relating to referendum requirements~~  
780 ~~for a pari-mutuel permit shall not apply to the reissuance of an~~  
781 ~~escheated harness horse permit. As specified in the application~~  
782 ~~and upon approval by the division of an application for the~~  
783 ~~permit, the new permitholder shall be authorized to operate a~~  
784 ~~harness horse facility anywhere in the same county in which the~~  
785 ~~escheated permit was authorized to be operated, notwithstanding~~  
786 ~~the provisions of s. 550.054(2) relating to mileage limitations.~~

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787 (4) In the event that a court of competent jurisdiction  
788 determines any of the provisions of this section to be  
789 unconstitutional, it is the intent of the Legislature that the  
790 provisions contained in this section shall be null and void and  
791 that the provisions of s. 550.0951 shall apply to all harness  
792 horse racing permitholders beginning on the date of such  
793 judicial determination. To this end, the Legislature declares  
794 that it would not have enacted any of the provisions of this  
795 section individually and, to that end, expressly finds them not  
796 to be severable.

797 Section 10. Section 550.09514, Florida Statutes, is amended  
798 to read:

799 550.09514 Greyhound racing ~~degracing~~ taxes; purse  
800 requirements.-

801 ~~(1) Wagering on greyhound racing is subject to a tax on~~  
802 ~~handle for live greyhound racing as specified in s. 550.0951(3).~~  
803 ~~However, each permitholder shall pay no tax on handle until such~~  
804 ~~time as this subsection has resulted in a tax savings per state~~  
805 ~~fiscal year of \$360,000. Thereafter, each permitholder shall pay~~  
806 ~~the tax as specified in s. 550.0951(3) on all handle for the~~  
807 ~~remainder of the permitholder's current race meet. For the three~~  
808 ~~permitholders that conducted a full schedule of live racing in~~  
809 ~~1995, and are closest to another state that authorizes greyhound~~  
810 ~~pari-mutuel wagering, the maximum tax savings per state fiscal~~  
811 ~~year shall be \$500,000. The provisions of this subsection~~  
812 ~~relating to tax exemptions shall not apply to any charity or~~  
813 ~~scholarship performances conducted pursuant to s. 550.0351.~~

814 (1)(2)(a) The division shall determine for each greyhound  
815 racing permitholder the annual purse percentage rate of live

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816 handle for the state fiscal year 1993-1994 by dividing total  
817 purses paid on live handle by the permitholder, exclusive of  
818 payments made from outside sources, during the 1993-1994 state  
819 fiscal year by the permitholder's live handle for the 1993-1994  
820 state fiscal year. A greyhound racing ~~Each~~ permitholder  
821 conducting live racing during a fiscal year shall pay as purses  
822 for such live races conducted during its current race meet a  
823 percentage of its live handle not less than the percentage  
824 determined under this paragraph, exclusive of payments made by  
825 outside sources, for its 1993-1994 state fiscal year.

826 (b) Except as otherwise set forth herein, in addition to  
827 the minimum purse percentage required by paragraph (a), each  
828 greyhound racing permitholder conducting live racing during a  
829 fiscal year shall pay as purses an annual amount of \$60 for each  
830 live race conducted ~~equal to 75 percent of the daily license~~  
831 ~~fees paid by the greyhound racing each permitholder in for the~~  
832 preceding 1994-1995 fiscal year. These ~~This~~ ~~purse supplement~~  
833 ~~shall be disbursed weekly during the permitholder's race meet in~~  
834 ~~an amount determined by dividing the annual purse supplement by~~  
835 ~~the number of performances approved for the permitholder~~  
836 ~~pursuant to its annual license and multiplying that amount by~~  
837 ~~the number of performances conducted each week. For the~~  
838 ~~greyhound permitholders in the county where there are two~~  
839 ~~greyhound permitholders located as specified in s. 550.615(6),~~  
840 ~~such permitholders shall pay in the aggregate an amount equal to~~  
841 ~~75 percent of the daily license fees paid by such permitholders~~  
842 ~~for the 1994-1995 fiscal year. These permitholders shall be~~  
843 ~~jointly and severally liable for such purse payments. The~~  
844 ~~additional purses provided by this paragraph~~ must be used

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845 exclusively for purses other than stakes and must be disbursed  
846 weekly during the permitholder's race meet. The division shall  
847 conduct audits necessary to ensure compliance with this section.

848 (c)1. Each greyhound racing permitholder, when conducting  
849 at least three live performances during any week, shall pay  
850 purses in that week on wagers it accepts as a guest track on  
851 intertrack and simulcast greyhound races at the same rate as it  
852 pays on live races. Each greyhound racing permitholder, when  
853 conducting at least three live performances during any week,  
854 shall pay purses in that week, at the same rate as it pays on  
855 live races, on wagers accepted on greyhound races at a guest  
856 track that ~~which~~ is not conducting live racing and is located  
857 within the same market area as the greyhound racing permitholder  
858 conducting at least three live performances during any week.

859 2. Each host greyhound racing permitholder shall pay purses  
860 on its simulcast and intertrack broadcasts of greyhound races to  
861 guest facilities that are located outside its market area in an  
862 amount equal to one quarter of an amount determined by  
863 subtracting the transmission costs of sending the simulcast or  
864 intertrack broadcasts from an amount determined by adding the  
865 fees received for greyhound simulcast races plus 3 percent of  
866 the greyhound intertrack handle at guest facilities that are  
867 located outside the market area of the host and that paid  
868 contractual fees to the host for such broadcasts of greyhound  
869 races.

870 (d) The division shall require sufficient documentation  
871 from each greyhound racing permitholder regarding purses paid on  
872 live racing to assure that the annual purse percentage rates  
873 paid by each greyhound racing permitholder conducting ~~on the~~

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874 live races are not reduced below those paid during the 1993-1994  
875 state fiscal year. The division shall require sufficient  
876 documentation from each greyhound racing permitholder to assure  
877 that the purses paid by each permitholder on the greyhound  
878 intertrack and simulcast broadcasts are in compliance with the  
879 requirements of paragraph (c).

880 (e) In addition to the purse requirements of paragraphs  
881 (a)-(c), each greyhound racing permitholder conducting live  
882 races shall pay as purses an amount equal to one-third of the  
883 amount of the tax reduction on live and simulcast handle  
884 applicable to such permitholder as a result of the reductions in  
885 tax rates provided by s. 6, chapter 2000-354, Laws of Florida  
886 ~~this act through the amendments to s. 550.0951(3)~~. With respect  
887 to intertrack wagering when the host and guest tracks are  
888 greyhound racing permitholders not within the same market area,  
889 an amount equal to the tax reduction applicable to the guest  
890 track handle as a result of the reduction in tax rate provided  
891 by s. 6, chapter 2000-354, Laws of Florida, ~~this act through the~~  
892 ~~amendment to s. 550.0951(3)~~ shall be distributed to the guest  
893 track, one-third of which amount shall be paid as purses at the  
894 guest track. However, if the guest track is a greyhound racing  
895 permitholder within the market area of the host or if the guest  
896 track is not a greyhound racing permitholder, an amount equal to  
897 such tax reduction applicable to the guest track handle shall be  
898 retained by the host track, one-third of which amount shall be  
899 paid as purses at the host track. These purse funds shall be  
900 disbursed in the week received if the permitholder conducts at  
901 least one live performance during that week. If the permitholder  
902 does not conduct at least one live performance during the week

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903 in which the purse funds are received, the purse funds shall be  
904 disbursed weekly during the permitholder's next race meet in an  
905 amount determined by dividing the purse amount by the number of  
906 performances approved for the permitholder pursuant to its  
907 annual license, and multiplying that amount by the number of  
908 performances conducted each week. The division shall conduct  
909 audits necessary to ensure compliance with this paragraph.

910 (f) Each greyhound racing permitholder conducting live  
911 racing shall, during the permitholder's race meet, supply kennel  
912 operators and the Division of Pari-Mutuel Wagering with a weekly  
913 report showing purses paid on live greyhound races and all  
914 greyhound intertrack and simulcast broadcasts, including both as  
915 a guest and a host together with the handle or commission  
916 calculations on which such purses were paid and the transmission  
917 costs of sending the simulcast or intertrack broadcasts, so that  
918 the kennel operators may determine statutory and contractual  
919 compliance.

920 (g) Each greyhound racing permitholder conducting live  
921 racing shall make direct payment of purses to the greyhound  
922 owners who have filed with such permitholder appropriate federal  
923 taxpayer identification information based on the percentage  
924 amount agreed upon between the kennel operator and the greyhound  
925 owner.

926 (h) At the request of a majority of kennel operators under  
927 contract with a greyhound racing permitholder conducting live  
928 racing, the permitholder shall make deductions from purses paid  
929 to each kennel operator electing such deduction and shall make a  
930 direct payment of such deductions to the local association of  
931 greyhound kennel operators formed by a majority of kennel

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932 operators under contract with the permitholder. The amount of  
933 the deduction shall be at least 1 percent of purses, as  
934 determined by the local association of greyhound kennel  
935 operators. ~~No~~ Deductions may not be taken pursuant to this  
936 paragraph without a kennel operator's specific approval before  
937 or after the effective date of this act.

938 (2)~~(3)~~ For the purpose of this section, the term "live  
939 handle" means the handle from wagers placed at the  
940 permitholder's establishment on the live greyhound races  
941 conducted at the permitholder's establishment.

942 Section 11. Section 550.09515, Florida Statutes, is amended  
943 to read:

944 550.09515 Thoroughbred racing ~~horse~~ taxes; abandoned  
945 interest in a permit for nonpayment of taxes.—

946 (1) Pari-mutuel wagering at thoroughbred horse racetracks  
947 in this state is an important business enterprise, and taxes  
948 derived therefrom constitute a part of the tax structure which  
949 funds operation of the state. Thoroughbred horse permitholders  
950 should pay their fair share of these taxes to the state. This  
951 business interest should not be taxed to such an extent as to  
952 cause any racetrack which is operated under sound business  
953 principles to be forced out of business. Due to the need to  
954 protect the public health, safety, and welfare, the gaming laws  
955 of the state provide for the thoroughbred horse industry to be  
956 highly regulated and taxed. The state recognizes that there  
957 exist identifiable differences between thoroughbred horse  
958 permitholders based upon their ability to operate under such  
959 regulation and tax system and at different periods during the  
960 year.

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961 (2) (a) The tax on handle for live thoroughbred horserace  
962 performances shall be 0.5 percent.

963 (b) For purposes of this section, the term "handle" shall  
964 have the same meaning as in s. 550.0951, and shall not include  
965 handle from intertrack wagering.

966 (3) ~~(a)~~ The division shall revoke the permit of a  
967 thoroughbred racing horse permitholder that ~~who~~ does not pay tax  
968 on handle for live thoroughbred horse performances for a full  
969 schedule of live races for more than 24 consecutive months  
970 ~~during any 2 consecutive state fiscal years shall be void and~~  
971 ~~shall escheat to and become the property of the state unless~~  
972 such failure to operate and pay tax on handle was the direct  
973 result of fire, strike, war, or other disaster or event beyond  
974 the ability of the permitholder to control. Financial hardship  
975 to the permitholder does shall not, in and of itself, constitute  
976 just cause for failure to operate and pay tax on handle. A  
977 permit revoked under this subsection is void and may not be  
978 reissued.

979 ~~(b) In order to maximize the tax revenues to the state, the~~  
980 ~~division shall reissue an escheated thoroughbred horse permit to~~  
981 ~~a qualified applicant pursuant to the provisions of this chapter~~  
982 ~~as for the issuance of an initial permit. However, the~~  
983 ~~provisions of this chapter relating to referendum requirements~~  
984 ~~for a pari-mutuel permit shall not apply to the reissuance of an~~  
985 ~~escheated thoroughbred horse permit. As specified in the~~  
986 ~~application and upon approval by the division of an application~~  
987 ~~for the permit, the new permitholder shall be authorized to~~  
988 ~~operate a thoroughbred horse facility anywhere in the same~~  
989 ~~county in which the escheated permit was authorized to be~~

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990 ~~operated, notwithstanding the provisions of s. 550.054(2)~~  
991 ~~relating to mileage limitations.~~

992 (4) In the event that a court of competent jurisdiction  
993 determines any of the provisions of this section to be  
994 unconstitutional, it is the intent of the Legislature that the  
995 provisions contained in this section shall be null and void and  
996 that the provisions of s. 550.0951 shall apply to all  
997 thoroughbred horse permitholders beginning on the date of such  
998 judicial determination. To this end, the Legislature declares  
999 that it would not have enacted any of the provisions of this  
1000 section individually and, to that end, expressly finds them not  
1001 to be severable.

1002 (5) Notwithstanding the provisions of s. 550.0951(3)(c),  
1003 the tax on handle for intertrack wagering on rebroadcasts of  
1004 simulcast horseraces is 2.4 percent of the handle; provided  
1005 however, that if the guest track is a thoroughbred track located  
1006 more than 35 miles from the host track, the host track shall pay  
1007 a tax of .5 percent of the handle, and additionally the host  
1008 track shall pay to the guest track 1.9 percent of the handle to  
1009 be used by the guest track solely for purses. The tax shall be  
1010 deposited into the Pari-mutuel Wagering Trust Fund.

1011 (6) A credit equal to the amount of contributions made by a  
1012 thoroughbred racing permitholder during the taxable year  
1013 directly to the Jockeys' Guild or its health and welfare fund to  
1014 be used to provide health and welfare benefits for active,  
1015 disabled, and retired Florida jockeys and their dependents  
1016 pursuant to reasonable rules of eligibility established by the  
1017 Jockeys' Guild is allowed against taxes on live handle due for a  
1018 taxable year under this section. A thoroughbred racing

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1019 permitholder may not receive a credit greater than an amount  
1020 equal to 1 percent of its paid taxes for the previous taxable  
1021 year.

1022 (7) If a thoroughbred racing permitholder fails to operate  
1023 all performances on its 2001-2002 license, failure to pay tax on  
1024 handle for a full schedule of live races for those performances  
1025 in the 2001-2002 fiscal year does not constitute failure to pay  
1026 taxes on handle for a full schedule of live races in a fiscal  
1027 year for the purposes of subsection (3). This subsection may not  
1028 be construed as forgiving a thoroughbred racing permitholder  
1029 from paying taxes on performances conducted at its facility  
1030 pursuant to its 2001-2002 license other than for failure to  
1031 operate all performances on its 2001-2002 license. This  
1032 subsection expires July 1, 2003.

1033 Section 12. Section 550.1625, Florida Statutes, is amended  
1034 to read:

1035 550.1625 Greyhound racing ~~dogracing~~; taxes.—

1036 (1) The operation of a greyhound racing ~~dog~~ track and  
1037 legalized pari-mutuel betting at greyhound racing ~~dog~~ tracks in  
1038 this state is a privilege and is an operation that requires  
1039 strict supervision and regulation in the best interests of the  
1040 state. Pari-mutuel wagering at greyhound racing ~~dog~~ tracks in  
1041 this state is a substantial business, and taxes derived  
1042 therefrom constitute part of the tax structures of the state and  
1043 the counties. The operators of greyhound racing ~~dog~~ tracks  
1044 should pay their fair share of taxes to the state; at the same  
1045 time, this substantial business interest should not be taxed to  
1046 such an extent as to cause a track that is operated under sound  
1047 business principles to be forced out of business.

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1048 (2) A permitholder that conducts a greyhound race ~~degrace~~  
1049 meet under this chapter must pay the daily license fee, the  
1050 admission tax, ~~the breaks tax,~~ and the tax on pari-mutuel handle  
1051 as provided in s. 550.0951 and is subject to all penalties and  
1052 sanctions provided in s. 550.0951(7) ~~s. 550.0951(6)~~.

1053 Section 13. Section 550.1647, Florida Statutes, is  
1054 repealed.

1055 Section 14. Section 550.1648, Florida Statutes, is amended  
1056 to read:

1057 550.1648 Greyhound adoptions.—

1058 ~~(1) A greyhound racing~~ Each degreacing permitholder that  
1059 conducts live racing at ~~operating~~ a greyhound racing ~~degreacing~~  
1060 facility in this state shall provide for a greyhound adoption  
1061 booth to be located at the facility.

1062 (1) (a) The greyhound adoption booth must be operated on  
1063 weekends by personnel or volunteers from a bona fide  
1064 organization that promotes or encourages the adoption of  
1065 greyhounds pursuant to s. 550.1647. Such bona fide organization,  
1066 as a condition of adoption, must provide sterilization of  
1067 greyhounds by a licensed veterinarian before relinquishing  
1068 custody of the greyhound to the adopter. The fee for  
1069 sterilization may be included in the cost of adoption. As used  
1070 in this section, the term "weekend" includes the hours during  
1071 which live greyhound racing is conducted on Friday, Saturday, or  
1072 Sunday, and the term "bona fide organization that promotes or  
1073 encourages the adoption of greyhounds" means an organization  
1074 that provides evidence of compliance with chapter 496 and  
1075 possesses a valid exemption from federal taxation issued by the  
1076 Internal Revenue Service. Information pamphlets and application

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1077 forms shall be provided to the public upon request.

1078 (b) ~~In addition,~~ The kennel operator or owner shall notify  
1079 the permitholder that a greyhound is available for adoption and  
1080 the permitholder shall provide information concerning the  
1081 adoption of a greyhound in each race program and shall post  
1082 adoption information at conspicuous locations throughout the  
1083 greyhound racing ~~dogracing~~ facility. Any greyhound that is  
1084 participating in a race and that will be available for future  
1085 adoption must be noted in the race program. The permitholder  
1086 shall allow greyhounds to be walked through the track facility  
1087 to publicize the greyhound adoption program.

1088 (2) In addition to the charity days authorized under s.  
1089 550.0351, a greyhound racing permitholder may fund the greyhound  
1090 adoption program by holding a charity racing day designated as  
1091 "Greyhound Adopt-A-Pet Day." All profits derived from the  
1092 operation of the charity day must be placed into a fund used to  
1093 support activities at the racing facility which promote the  
1094 adoption of greyhounds. The division may adopt rules for  
1095 administering the fund. ~~Proceeds from the charity day authorized~~  
1096 ~~in this subsection may not be used as a source of funds for the~~  
1097 ~~purposes set forth in s. 550.1647.~~

1098 (3) (a) Upon a violation of this section by a permitholder  
1099 or licensee, the division may impose a penalty as provided in s.  
1100 550.0251(10) and require the permitholder to take corrective  
1101 action.

1102 (b) A penalty imposed under s. 550.0251(10) does not  
1103 exclude a prosecution for cruelty to animals or for any other  
1104 criminal act.

1105 Section 15. Section 550.1751, Florida Statutes, is created

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1106 to read:

1107 550.1751 Reduction in the number of pari-mutuel permits.-

1108 (1) As used in this section, the term:

1109 (a) "Active pari-mutuel permit" means a pari-mutuel permit  
1110 that is actively used for the conduct of pari-mutuel racing or  
1111 jai alai and under which the permitholder is operating all  
1112 performances at the dates and times specified on its operating  
1113 license.

1114 (b) "Bidder for an additional slot machine license" means a  
1115 person who submits a bid or intends to submit a bid for an  
1116 additional slot machine license in Miami-Dade County or Palm  
1117 Beach County, as provided in s. 551.1041.

1118 (2) A pari-mutuel permitholder may enter into an agreement  
1119 for the sale and transfer of an active pari-mutuel permit to a  
1120 bidder for an additional slot machine license. An active pari-  
1121 mutuel permit sold and transferred to the highest bidder under  
1122 the process in s. 551.1041 must be surrendered to the division  
1123 and voided.

1124 Section 16. Section 550.1752, Florida Statutes, is created  
1125 to read:

1126 550.1752 Permit reduction program.-

1127 (1) The permit reduction program is created in the Division  
1128 of Pari-mutuel Wagering for the purpose of purchasing and  
1129 cancelling active pari-mutuel permits. The program shall be  
1130 funded from revenue share payments made by the Seminole Tribe of  
1131 Florida under the compact ratified by s. 285.710(3) and received  
1132 by the state after October 31, 2015. Compact payments payable  
1133 for the program shall be calculated on a monthly basis until  
1134 such time as the division determines that sufficient funds are

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1135 available to fund the program. The total funding allocated to  
1136 the program may not exceed \$20 million.

1137 (2) The division shall purchase pari-mutuel permits from  
1138 pari-mutuel permit holders when sufficient moneys are available  
1139 for such purchases. A pari-mutuel permit holder may not submit an  
1140 offer to sell a permit unless it is actively conducting pari-  
1141 mutuel racing or jai alai as required by law and satisfies all  
1142 applicable requirements for the permit. The division shall adopt  
1143 by rule the form to be used by a pari-mutuel permit holder for an  
1144 offer to sell a permit and shall establish a schedule for the  
1145 consideration of offers.

1146 (3) The division shall establish the value of a pari-mutuel  
1147 permit based upon the valuation of one or more independent  
1148 appraisers selected by the division. The valuation of a permit  
1149 must be based on the permit's fair market value and may not  
1150 include the value of the real estate or personal property. The  
1151 division may establish a value for the permit that is lower than  
1152 the amount determined by an independent appraiser but may not  
1153 establish a higher value.

1154 (4) The division must accept the offer or offers that best  
1155 utilize available funding; however, the division may also accept  
1156 the offers that it determines are most likely to reduce the  
1157 incidence of gaming in this state.

1158 (5) The division shall cancel any permit purchased under  
1159 this section.

1160 (6) This section shall expire on July 1, 2018, unless  
1161 reenacted by the Legislature.

1162 Section 17. Section 550.2416, Florida Statutes, is created  
1163 to read:

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1164 550.2416 Reporting of racing greyhound injuries.-

1165 (1) An injury to a racing greyhound which occurs while the  
1166 greyhound is located in this state must be reported on a form  
1167 adopted by the division within 7 days after the date on which  
1168 the injury occurred or is believed to have occurred. The  
1169 division may adopt rules defining the term "injury."

1170 (2) The form shall be completed and signed under oath or  
1171 affirmation by the:

1172 (a) Racetrack veterinarian or director of racing, if the  
1173 injury occurred at the racetrack facility; or

1174 (b) Owner, trainer, or kennel operator who had knowledge of  
1175 the injury, if the injury occurred at a location other than the  
1176 racetrack facility, including during transportation.

1177 (3) The division may fine, suspend, or revoke the license  
1178 of any individual who knowingly violates this section.

1179 (4) The form must include the following:

1180 (a) The greyhound's registered name, right-ear and left-ear  
1181 tattoo numbers, and, if any, the microchip manufacturer and  
1182 number.

1183 (b) The name, business address, and telephone number of the  
1184 greyhound owner, the trainer, and the kennel operator.

1185 (c) The color, weight, and sex of the greyhound.

1186 (d) The specific type and bodily location of the injury,  
1187 the cause of the injury, and the estimated recovery time from  
1188 the injury.

1189 (e) If the injury occurred when the greyhound was racing:

1190 1. The racetrack where the injury occurred;

1191 2. The distance, grade, race, and post position of the  
1192 greyhound when the injury occurred; and

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1193 3. The weather conditions, time, and track conditions when  
1194 the injury occurred.

1195 (f) If the injury occurred when the greyhound was not  
1196 racing:

1197 1. The location where the injury occurred, including, but  
1198 not limited to, a kennel, a training facility, or a  
1199 transportation vehicle; and

1200 2. The circumstances surrounding the injury.

1201 (g) Other information that the division determines is  
1202 necessary to identify injuries to racing greyhounds in this  
1203 state.

1204 (5) An injury form created pursuant to this section must be  
1205 maintained as a public record by the division for at least 7  
1206 years after the date it was received.

1207 (6) A licensee of the department who knowingly makes a  
1208 false statement concerning an injury or fails to report an  
1209 injury is subject to disciplinary action under this chapter or  
1210 chapters 455 and 474.

1211 (7) This section does not apply to injuries to a service  
1212 animal, personal pet, or greyhound that has been adopted as a  
1213 pet.

1214 (8) The division shall adopt rules to implement this  
1215 section.

1216 Section 18. Subsection (1) of section 550.26165, Florida  
1217 Statutes, is amended to read:

1218 550.26165 Breeders' awards.—

1219 (1) The purpose of this section is to encourage the  
1220 agricultural activity of breeding and training racehorses in  
1221 this state. Moneys dedicated in this chapter for use as

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1222 breeders' awards and stallion awards are to be used for awards  
1223 to breeders of registered Florida-bred horses winning horseraces  
1224 and for similar awards to the owners of stallions who sired  
1225 Florida-bred horses winning stakes races, if the stallions are  
1226 registered as Florida stallions standing in this state. Such  
1227 awards shall be given at a uniform rate to all winners of the  
1228 awards, may ~~shall~~ not be greater than 20 percent of the  
1229 announced gross purse, and may ~~shall~~ not be less than 15 percent  
1230 of the announced gross purse if funds are available. In  
1231 addition, at least ~~no less than~~ 17 percent, but not ~~not~~ more  
1232 than 40 percent, as determined by the Florida Thoroughbred  
1233 Breeders' Association, of the moneys dedicated in this chapter  
1234 for use as breeders' awards and stallion awards for  
1235 thoroughbreds shall be returned pro rata to the permitholders  
1236 that generated the moneys for special racing awards to be  
1237 distributed by the permitholders to owners of thoroughbred  
1238 horses participating in prescribed thoroughbred stakes races,  
1239 nonstakes races, or both, all in accordance with a written  
1240 agreement establishing the rate, procedure, and eligibility  
1241 requirements for such awards entered into by the permitholder,  
1242 the Florida Thoroughbred Breeders' Association, and the Florida  
1243 Horsemen's Benevolent and Protective Association, Inc., except  
1244 that the plan for the distribution by any permitholder located  
1245 in the area described in s. 550.615(7) ~~s. 550.615(9)~~ shall be  
1246 agreed upon by that permitholder, the Florida Thoroughbred  
1247 Breeders' Association, and the association representing a  
1248 majority of the thoroughbred racehorse owners and trainers at  
1249 that location. Awards for thoroughbred races are to be paid  
1250 through the Florida Thoroughbred Breeders' Association, and

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1251 awards for standardbred races are to be paid through the Florida  
1252 Standardbred Breeders and Owners Association. Among other  
1253 sources specified in this chapter, moneys for thoroughbred  
1254 breeders' awards will come from the 0.955 percent of handle for  
1255 thoroughbred races conducted, received, broadcast, or simulcast  
1256 under this chapter as provided in s. 550.2625(3). The moneys for  
1257 quarter horse and harness breeders' awards will come from the  
1258 breaks and uncashed tickets on live quarter horse and harness  
1259 horse racing performances and 1 percent of handle on intertrack  
1260 wagering. The funds for these breeders' awards shall be paid to  
1261 the respective breeders' associations by the permitholders  
1262 conducting the races.

1263 Section 19. Section 550.3345, Florida Statutes, is amended  
1264 to read:

1265 550.3345 ~~Conversion of quarter horse permit to a Limited~~  
1266 thoroughbred racing permit.-

1267 (1) In recognition of the important and long-standing  
1268 economic contribution of the thoroughbred horse breeding  
1269 industry to this state and the state's vested interest in  
1270 promoting the continued viability of this agricultural activity,  
1271 the state intends to provide a limited opportunity for the  
1272 conduct of live thoroughbred horse racing with the net revenues  
1273 from such racing dedicated to the enhancement of thoroughbred  
1274 purses and breeders', stallion, and special racing awards under  
1275 this chapter; the general promotion of the thoroughbred horse  
1276 breeding industry; and the care in this state of thoroughbred  
1277 horses retired from racing.

1278 (2) A limited thoroughbred racing permit previously  
1279 converted from ~~Notwithstanding any other provision of law, the~~

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1280 ~~holder of a quarter horse racing permit pursuant to chapter~~  
1281 ~~2010-29, Laws of Florida, issued under s. 550.334 may only be~~  
1282 ~~held by, within 1 year after the effective date of this section,~~  
1283 ~~apply to the division for a transfer of the quarter horse racing~~  
1284 ~~permit to a not-for-profit corporation formed under state law to~~  
1285 ~~serve the purposes of the state as provided in subsection (1).~~  
1286 ~~The board of directors of the not-for-profit corporation must be~~  
1287 ~~composed~~ comprised of 11 members, 4 of whom shall be designated  
1288 by the applicant, 4 of whom shall be designated by the Florida  
1289 Thoroughbred Breeders' Association, and 3 of whom shall be  
1290 designated by the other 8 directors, with at least 1 of these 3  
1291 members being an authorized representative of another  
1292 thoroughbred racing permitholder in this state. A limited  
1293 thoroughbred racing ~~The not-for-profit corporation shall submit~~  
1294 ~~an application to the division for review and approval of the~~  
1295 ~~transfer in accordance with s. 550.054. Upon approval of the~~  
1296 ~~transfer by the division, and notwithstanding any other~~  
1297 ~~provision of law to the contrary, the not-for-profit corporation~~  
1298 ~~may, within 1 year after its receipt of the permit, request that~~  
1299 ~~the division convert the quarter horse racing permit to a permit~~  
1300 ~~authorizing the holder to conduct pari-mutuel wagering meets of~~  
1301 ~~thoroughbred racing. Neither the transfer of the quarter horse~~  
1302 ~~racing permit nor its conversion to a limited thoroughbred~~  
1303 ~~permit shall be subject to the mileage limitation or the~~  
1304 ~~ratification election as set forth under s. 550.054(2) or s.~~  
1305 ~~550.0651. Upon receipt of the request for such conversion, the~~  
1306 ~~division shall timely issue a converted permit. The converted~~  
1307 ~~permit and the not-for-profit corporation~~ are ~~shall be~~ subject  
1308 to the following requirements:

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1309 (a) All net revenues derived by the not-for-profit  
1310 corporation under the thoroughbred ~~horse~~ racing permit, after  
1311 the funding of operating expenses and capital improvements,  
1312 shall be dedicated to the enhancement of thoroughbred purses and  
1313 breeders', stallion, and special racing awards under this  
1314 chapter; the general promotion of the thoroughbred horse  
1315 breeding industry; and the care in this state of thoroughbred  
1316 horses retired from racing.

1317 (b) From December 1 through April 30, ~~no~~ live thoroughbred  
1318 racing may not be conducted under the permit on any day during  
1319 which another thoroughbred racing permitholder is conducting  
1320 live thoroughbred racing within 125 air miles of the not-for-  
1321 profit corporation's pari-mutuel facility unless the other  
1322 thoroughbred racing permitholder gives its written consent.

1323 (c) ~~After the conversion of the quarter horse racing permit~~  
1324 ~~and~~ the issuance of its initial license to conduct pari-mutuel  
1325 wagering meets of thoroughbred racing, the not-for-profit  
1326 corporation shall annually apply to the division for a license  
1327 pursuant to s. 550.5251.

1328 (d) Racing under the permit may take place only at the  
1329 location for which the original quarter horse racing permit was  
1330 issued, which may be leased by the not-for-profit corporation  
1331 for that purpose; ~~however, the not-for-profit corporation may,~~  
1332 ~~without the conduct of any ratification election pursuant to s.~~  
1333 ~~550.054(13) or s. 550.0651, move the location of the permit to~~  
1334 ~~another location in the same county provided that such~~  
1335 ~~relocation is approved under the zoning and land use regulations~~  
1336 ~~of the applicable county or municipality.~~

1337 (e) A limited thoroughbred racing ~~no~~ permit may not be

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1338 ~~transferred~~ converted under this section is eligible for  
1339 ~~transfer~~ to another person or entity.

1340 (3) Unless otherwise provided in this section, ~~after~~  
1341 ~~conversion,~~ the permit and the not-for-profit corporation shall  
1342 be treated under the laws of this state as a thoroughbred racing  
1343 permit and as a thoroughbred racing permitholder, respectively,  
1344 with the exception of ss. 550.054(9)(c) and (d) and s.  
1345 550.09515(3).

1346 Section 20. Paragraphs (a) and (b) of subsection (6) of  
1347 section 550.3551, Florida Statutes, are amended to read:

1348 550.3551 Transmission of racing and jai alai information;  
1349 commingling of pari-mutuel pools.—

1350 (6) (a) ~~A maximum of 20 percent of the total number of races~~  
1351 ~~on which wagers are accepted by a greyhound permitholder not~~  
1352 ~~located as specified in s. 550.615(6) may be received from~~  
1353 ~~locations outside this state. A permitholder may not conduct~~  
1354 ~~fewer than eight live races or games on any authorized race day~~  
1355 ~~except as provided in this subsection.~~ A thoroughbred racing  
1356 permitholder may not conduct fewer than eight live races on any  
1357 race day without the written approval of the Florida  
1358 Thoroughbred Breeders' Association and the Florida Horsemen's  
1359 Benevolent and Protective Association, Inc., unless it is  
1360 determined by the department that another entity represents a  
1361 majority of the thoroughbred racehorse owners and trainers in  
1362 the state. A harness horse racing permitholder may conduct fewer  
1363 than eight live races on any authorized race day, except that  
1364 such permitholder must conduct a full schedule of live racing  
1365 during its race meet consisting of at least eight live races per  
1366 authorized race day for at least 100 days. ~~Any harness horse~~

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1367 ~~permitholder that during the preceding racing season conducted a~~  
1368 ~~full schedule of live racing may, at any time during its current~~  
1369 ~~race meet, receive full-card broadcasts of harness horse races~~  
1370 ~~conducted at harness racetracks outside this state at the~~  
1371 ~~harness track of the permitholder and accept wagers on such~~  
1372 ~~harness races.~~ With specific authorization from the division for  
1373 special racing events, a permitholder may conduct fewer than  
1374 eight live races or games when the permitholder also broadcasts  
1375 out-of-state races or games. The division may not grant more  
1376 than two such exceptions a year for a permitholder in any 12-  
1377 month period, and those two exceptions may not be consecutive.

1378 (b) Notwithstanding any other provision of this chapter,  
1379 any harness horse racing permitholder accepting broadcasts of  
1380 out-of-state harness horse races when such permitholder is not  
1381 conducting live races must make the out-of-state signal  
1382 available to all permitholders eligible to conduct intertrack  
1383 wagering and shall pay to guest tracks located as specified in  
1384 s. ss. 550.615(6) and 550.6305(9) (d) 50 percent of the net  
1385 proceeds after taxes and fees to the out-of-state host track on  
1386 harness horse race wagers which they accept. A harness horse  
1387 racing permitholder shall be required to pay into its purse  
1388 account 50 percent of the net income retained by the  
1389 permitholder on account of wagering on the out-of-state  
1390 broadcasts received pursuant to this subsection. Nine-tenths of  
1391 a percent of all harness horse race wagering proceeds on the  
1392 broadcasts received pursuant to this subsection shall be paid to  
1393 the Florida Standardbred Breeders and Owners Association under  
1394 the provisions of s. 550.2625(4) for the purposes provided  
1395 therein.

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1396 Section 21. Subsection (4) of section 550.375, Florida  
1397 Statutes, is amended to read:

1398 550.375 Operation of certain harness tracks.—

1399 (4) The permitholder conducting a harness horse race meet  
1400 must pay the daily license fee, the admission tax, the tax on  
1401 breaks, and the tax on pari-mutuel handle provided in s.  
1402 550.0951 and is subject to all penalties and sanctions provided  
1403 in s. 550.0951(7) ~~s. 550.0951(6)~~.

1404 Section 22. Subsections (2), (4), (6), and (7) of section  
1405 550.615, Florida Statutes, are amended, present subsections (8),  
1406 (9), and (10) of that section are redesignated as subsections  
1407 (6), (7), and (8), respectively, and amended, and a new  
1408 subsection (9) is added to that section, to read:

1409 550.615 Intertrack wagering.—

1410 (2) A ~~Any~~ track or fronton licensed under this chapter  
1411 which conducted a full schedule of live racing or games in the  
1412 preceding year and any greyhound racing permitholder that  
1413 conducted a full schedule of live racing for a period of at  
1414 least 10 consecutive state fiscal years after the 1996-1997  
1415 state fiscal year or that converted its permit to a permit to  
1416 conduct greyhound racing after that fiscal year is qualified to,  
1417 at any time, receive broadcasts of any class of pari-mutuel race  
1418 or game and accept wagers on such races or games conducted by  
1419 any class of permitholders licensed under this chapter.

1420 (4) An ~~In no event shall any~~ intertrack wager may not be  
1421 accepted on the same class of live races or games of any  
1422 permitholder without the written consent of such operating  
1423 permitholders conducting the same class of live races or games  
1424 if the guest track is within the market area of such operating

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1425 permitholder. A greyhound racing permitholder licensed under  
1426 this chapter which accepts intertrack wagers on live greyhound  
1427 signals is not required to obtain the written consent required  
1428 by this subsection from any operating greyhound racing  
1429 permitholder within its market area.

1430 ~~(6) Notwithstanding the provisions of subsection (3), in~~  
1431 ~~any area of the state where there are three or more horserace~~  
1432 ~~permitholders within 25 miles of each other, intertrack wagering~~  
1433 ~~between permitholders in said area of the state shall only be~~  
1434 ~~authorized under the following conditions: Any permitholder,~~  
1435 ~~other than a thoroughbred permitholder, may accept intertrack~~  
1436 ~~wagers on races or games conducted live by a permitholder of the~~  
1437 ~~same class or any harness permitholder located within such area~~  
1438 ~~and any harness permitholder may accept wagers on games~~  
1439 ~~conducted live by any jai alai permitholder located within its~~  
1440 ~~market area and from a jai alai permitholder located within the~~  
1441 ~~area specified in this subsection when no jai alai permitholder~~  
1442 ~~located within its market area is conducting live jai alai~~  
1443 ~~performances; any greyhound or jai alai permitholder may receive~~  
1444 ~~broadcasts of and accept wagers on any permitholder of the other~~  
1445 ~~class provided that a permitholder, other than the host track,~~  
1446 ~~of such other class is not operating a contemporaneous live~~  
1447 ~~performance within the market area.~~

1448 ~~(7) In any county of the state where there are only two~~  
1449 ~~permits, one for dogracing and one for jai alai, no intertrack~~  
1450 ~~wager may be taken during the period of time when a permitholder~~  
1451 ~~is not licensed to conduct live races or games without the~~  
1452 ~~written consent of the other permitholder that is conducting~~  
1453 ~~live races or games. However, if neither permitholder is~~

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1454 ~~conducting live races or games, either permitholder may accept~~  
1455 ~~intertrack wagers on horseraces or on the same class of races or~~  
1456 ~~games, or on both horseraces and the same class of races or~~  
1457 ~~games as is authorized by its permit.~~

1458 (6)~~(8)~~ In any three contiguous counties of the state where  
1459 there are only three permitholders, all of which are greyhound  
1460 racing permitholders, if a greyhound racing any permitholder  
1461 leases the facility of another greyhound racing permitholder for  
1462 the purpose of conducting all or any portion of ~~the conduct of~~  
1463 its live race meet pursuant to s. 550.475, such lessee may  
1464 conduct intertrack wagering at its pre-lease permitted facility  
1465 throughout the entire year, including while its live race meet  
1466 is being conducted at the leased facility,~~if such permitholder~~  
1467 ~~has conducted a full schedule of live racing during the~~  
1468 ~~preceding fiscal year at its pre-lease permitted facility or at~~  
1469 ~~a leased facility, or combination thereof.~~

1470 (7)~~(9)~~ In any two contiguous counties of the state in which  
1471 there are located only four active permits, one for thoroughbred  
1472 horse racing, two for greyhound racing ~~dogracing~~, and one for  
1473 jai alai games, an ~~no~~ intertrack wager may not be accepted on  
1474 the same class of live races or games of any permitholder  
1475 without the written consent of such operating permitholders  
1476 conducting the same class of live races or games if the guest  
1477 track is within the market area of such operating permitholder.

1478 (8)~~(10)~~ All costs of receiving the transmission of the  
1479 broadcasts shall be borne by the guest track; and all costs of  
1480 sending the broadcasts shall be borne by the host track.

1481 (9) A greyhound racing permitholder, as provided in  
1482 subsection (2), operating pursuant to a current year's operating

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1483 license that specifies no live performances or less than a full  
1484 schedule of live performances is qualified to:

1485 (a) Receive broadcasts at any time of any class of pari-  
1486 mutuel race or game and accept wagers on such races or games  
1487 conducted by any class of permitholder licensed under this  
1488 chapter; and

1489 (b) Accept wagers on live races conducted at out-of-state  
1490 greyhound tracks only on the days when such permitholder  
1491 receives all live races that any greyhound host track in this  
1492 state makes available.

1493 Section 23. Paragraphs (d), (f), and (g) of subsection (9)  
1494 of section 550.6305, Florida Statutes, are amended to read:

1495 550.6305 Intertrack wagering; guest track payments;  
1496 accounting rules.-

1497 (9) A host track that has contracted with an out-of-state  
1498 horse track to broadcast live races conducted at such out-of-  
1499 state horse track pursuant to s. 550.3551(5) may broadcast such  
1500 out-of-state races to any guest track and accept wagers thereon  
1501 in the same manner as is provided in s. 550.3551.

1502 (d) Any permitholder located in any area of the state where  
1503 there are only two permits, one for greyhound racing ~~dogracing~~  
1504 and one for jai alai, and any permitholder that converted its  
1505 permit to conduct jai alai to a permit to conduct greyhound  
1506 racing in lieu of jai alai under s. 550.054(14), Florida  
1507 Statutes 2014, as created by s. 6, chapter 2009-170, Laws of  
1508 Florida, may accept wagers on rebroadcasts of out-of-state  
1509 thoroughbred horse races from an in-state thoroughbred horse  
1510 racing permitholder and is ~~shall~~ not be subject to the  
1511 provisions of paragraph (b) if such thoroughbred ~~horse~~ racing

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1512 permitholder located within the area specified in this paragraph  
1513 is both conducting live races and accepting wagers on out-of-  
1514 state horseraces. In such case, the guest permitholder is ~~shall~~  
1515 ~~be~~ entitled to 45 percent of the net proceeds on wagers accepted  
1516 at the guest facility. The remaining proceeds shall be  
1517 distributed as follows: one-half shall be retained by the host  
1518 facility and one-half shall be paid by the host facility as  
1519 purses at the host facility.

1520 (f) Any permitholder located in any area of the state where  
1521 there are only two permits, one for greyhound racing ~~dog racing~~  
1522 and one for jai alai, and any permitholder that converted its  
1523 permit to conduct jai alai to a permit to conduct greyhound  
1524 racing in lieu of jai alai under s. 550.054(14), Florida  
1525 Statutes 2014, as created by s. 6, chapter 2009-170, Laws of  
1526 Florida, may accept wagers on rebroadcasts of out-of-state  
1527 harness horse races from an in-state harness horse racing  
1528 permitholder and may ~~shall~~ not be subject to ~~the provisions of~~  
1529 paragraph (b) if such harness horse racing permitholder located  
1530 within the area specified in this paragraph is conducting live  
1531 races. In such case, the guest permitholder is ~~shall be~~ entitled  
1532 to 45 percent of the net proceeds on wagers accepted at the  
1533 guest facility. The remaining proceeds shall be distributed as  
1534 follows: one-half shall be retained by the host facility and  
1535 one-half shall be paid by the host facility as purses at the  
1536 host facility.

1537 (g)1.a. Any thoroughbred racing permitholder that ~~which~~  
1538 accepts wagers on a simulcast signal must make the signal  
1539 available to any permitholder that is eligible to conduct  
1540 intertrack wagering under the provisions of ss. 550.615-

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1541 550.6345.

1542 ~~b.2.~~ Any thoroughbred racing permitholder that ~~which~~  
1543 accepts wagers on a simulcast signal received after 6 p.m. must  
1544 make such signal available to any permitholder that is eligible  
1545 to conduct intertrack wagering under the provisions of ss.  
1546 550.615-550.6345, ~~including any permitholder located as~~  
1547 ~~specified in s. 550.615(6)~~. Such guest permitholders are  
1548 authorized to accept wagers on such simulcast signal,  
1549 notwithstanding any other provision of this chapter to the  
1550 contrary.

1551 ~~c.3.~~ Any thoroughbred racing permitholder that ~~which~~  
1552 accepts wagers on a simulcast signal received after 6 p.m. must  
1553 make such signal available to any permitholder that is eligible  
1554 to conduct intertrack wagering under ~~the provisions of~~ ss.  
1555 550.615-550.6345, ~~including any permitholder located as~~  
1556 ~~specified in s. 550.615(9)~~. Such guest permitholders are  
1557 authorized to accept wagers on such simulcast signals for a  
1558 number of performances not to exceed that which constitutes a  
1559 full schedule of live races for a quarter horse racing  
1560 permitholder pursuant to s. 550.002(11), notwithstanding any  
1561 other provision of this chapter to the contrary, ~~except that the~~  
1562 ~~restrictions provided in s. 550.615(9)(a) apply to wagers on~~  
1563 ~~such simulcast signals.~~

1564 2. A ~~No~~ thoroughbred racing permitholder is not ~~shall be~~  
1565 required to continue to rebroadcast a simulcast signal to any  
1566 in-state permitholder if the average per performance gross  
1567 receipts returned to the host permitholder over the preceding  
1568 30-day period were less than \$100. Subject to the provisions of  
1569 s. 550.615(4), as a condition of receiving rebroadcasts of

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1570 thoroughbred simulcast signals under this paragraph, a guest  
1571 permitholder must accept intertrack wagers on all live races  
1572 conducted by all then-operating thoroughbred racing  
1573 permitholders.

1574 Section 24. Section 550.6308, Florida Statutes, is amended  
1575 to read:

1576 550.6308 Limited intertrack wagering license.—In  
1577 recognition of the economic importance of the thoroughbred  
1578 breeding industry to this state, its positive impact on tourism,  
1579 and of the importance of a permanent thoroughbred sales facility  
1580 as a key focal point for the activities of the industry, a  
1581 limited license to conduct intertrack wagering is established to  
1582 ensure the continued viability and public interest in  
1583 thoroughbred breeding in Florida.

1584 (1) (a) Upon application to the division on or before  
1585 January 31 of each year, any person that is licensed to conduct  
1586 public sales of thoroughbred horses pursuant to s. 535.01 and~~7~~  
1587 that has conducted at least 8 ~~15~~ days of thoroughbred horse  
1588 sales at a permanent sales facility in this state for at least 3  
1589 consecutive years, ~~and that has conducted at least 1 day of~~  
1590 ~~nonwagering thoroughbred racing in this state, with a purse~~  
1591 ~~structure of at least \$250,000 per year for 2 consecutive years~~  
1592 ~~before such application,~~ shall be issued a license, subject to  
1593 the conditions set forth in this section, to conduct intertrack  
1594 wagering at such a permanent sales facility during the following  
1595 periods:

1596 1.(a) Up to 21 days in connection with thoroughbred sales;

1597 2.(b) Between November 1 and May 8;

1598 3.(c) Between May 9 and October 31 at such times and on

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1599 such days as any thoroughbred racing, jai alai, or a greyhound  
1600 racing permitholder in the same county is not conducting live  
1601 performances; provided that any such permitholder may waive this  
1602 requirement, in whole or in part, and allow the licensee under  
1603 this section to conduct intertrack wagering during one or more  
1604 of the permitholder's live performances; and

1605 4.~~(d)~~ During the weekend of the Kentucky Derby, the  
1606 Preakness, the Belmont, and a Breeders' Cup Meet that is  
1607 conducted before November 1 and after May 8.

1608 (b) Only ~~no more than~~ one such license may be issued, and  
1609 the no-such license may not be issued for a facility located  
1610 within 50 miles of any for-profit thoroughbred racing  
1611 permitholder's licensed track.

1612 (2) If more than one application is submitted for such  
1613 license, the division shall determine which applicant shall be  
1614 granted the license. In making its determination, the division  
1615 shall grant the license to the applicant demonstrating superior  
1616 capabilities, as measured by the length of time the applicant  
1617 has been conducting thoroughbred sales within this state or  
1618 elsewhere, the applicant's total volume of thoroughbred horse  
1619 sales, within this state or elsewhere, the length of time the  
1620 applicant has maintained a permanent thoroughbred sales facility  
1621 in this state, and the quality of the facility.

1622 (3) The applicant must comply with the provisions of ss.  
1623 550.125 and 550.1815.

1624 ~~(4) Intertrack wagering under this section may be conducted~~  
1625 ~~only on thoroughbred horse racing, except that intertrack~~  
1626 ~~wagering may be conducted on any class of pari-mutuel race or~~  
1627 ~~game conducted by any class of permitholders licensed under this~~

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1628 ~~chapter if all thoroughbred, jai alai, and greyhound~~  
1629 ~~permitholders in the same county as the licensee under this~~  
1630 ~~section give their consent.~~

1631 (4)~~(5)~~ The licensee shall be considered a guest track under  
1632 this chapter. The licensee shall pay 2.5 percent of the total  
1633 contributions to the daily pari-mutuel pool on wagers accepted  
1634 at the licensee's facility on greyhound races or jai alai games  
1635 to the thoroughbred racing permitholder that is conducting live  
1636 races for purses to be paid during its current racing meet. If  
1637 more than one thoroughbred racing permitholder is conducting  
1638 live races on a day during which the licensee is conducting  
1639 intertrack wagering on greyhound races or jai alai games, the  
1640 licensee shall allocate these funds between the operating  
1641 thoroughbred racing permitholders on a pro rata basis based on  
1642 the total live handle at the operating permitholders'  
1643 facilities.

1644 Section 25. Section 551.101, Florida Statutes, is amended  
1645 to read:

1646 551.101 Slot machine gaming authorized.~~Possession of slot~~  
1647 machines and conduct of slot machine gaming is authorized only  
1648 at licensed facilities eligible pursuant to this chapter ~~Any~~  
1649 ~~licensed pari-mutuel facility located in Miami-Dade County or~~  
1650 ~~Broward County existing at the time of adoption of s. 23, Art. X~~  
1651 ~~of the State Constitution that has conducted live racing or~~  
1652 ~~games during calendar years 2002 and 2003 may possess slot~~  
1653 ~~machines and conduct slot machine gaming at the location where~~  
1654 ~~the pari-mutuel permitholder is authorized to conduct pari-~~  
1655 ~~mutuel wagering activities pursuant to such permitholder's valid~~  
1656 ~~pari-mutuel permit provided that a majority of voters in a~~

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1657 ~~countywide referendum have approved slot machines at such~~  
1658 ~~facility in the respective county.~~ Notwithstanding any other  
1659 ~~provision of law,~~ it is not a crime for a person to participate  
1660 in slot machine gaming at a pari-mutuel facility licensed to  
1661 possess slot machines and conduct slot machine gaming or to  
1662 participate in slot machine gaming described in this chapter.

1663 Section 26. Subsections (4) and (11) of section 551.102,  
1664 Florida Statutes, are amended to read:

1665 551.102 Definitions.—As used in this chapter, the term:

1666 (4) "Eligible facility" means a any licensed pari-mutuel  
1667 facility that meets the requirements of ss. 551.104 and 551.1041  
1668 ~~located in Miami-Dade County or Broward County existing at the~~  
1669 ~~time of adoption of s. 23, Art. X of the State Constitution that~~  
1670 ~~has conducted live racing or games during calendar years 2002~~  
1671 ~~and 2003 and has been approved by a majority of voters in a~~  
1672 ~~countywide referendum to have slot machines at such facility in~~  
1673 ~~the respective county; any licensed pari-mutuel facility located~~  
1674 ~~within a county as defined in s. 125.011, provided such facility~~  
1675 ~~has conducted live racing for 2 consecutive calendar years~~  
1676 ~~immediately preceding its application for a slot machine~~  
1677 ~~license, pays the required license fee, and meets the other~~  
1678 ~~requirements of this chapter; or any licensed pari-mutuel~~  
1679 ~~facility in any other county in which a majority of voters have~~  
1680 ~~approved slot machines at such facilities in a countywide~~  
1681 ~~referendum held pursuant to a statutory or constitutional~~  
1682 ~~authorization after the effective date of this section in the~~  
1683 ~~respective county, provided such facility has conducted a full~~  
1684 ~~schedule of live racing for 2 consecutive calendar years~~  
1685 ~~immediately preceding its application for a slot machine~~

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1686 ~~license~~, pays the required license ~~licensed~~ fee, and meets the  
1687 other requirements of this chapter.

1688 (11) "Slot machine licensee" means a pari-mutuel  
1689 permitholder that ~~who~~ holds a license issued by the division  
1690 pursuant to this chapter which ~~that~~ authorizes such person to  
1691 possess a slot machine within facilities as provided in this  
1692 chapter specified in s. 23, Art. X of the State Constitution and  
1693 allows slot machine gaming.

1694 Section 27. Subsection (2) and paragraph (c) of subsection  
1695 (4) of section 551.104, Florida Statutes, are amended, paragraph  
1696 (e) is added to subsection (10) of that section, and subsection  
1697 (3) of that section is republished, to read:

1698 551.104 License to conduct slot machine gaming.—

1699 (2) If it is determined that the application would not  
1700 trigger a reduction in revenue-sharing payments under the Gaming  
1701 Compact between the Seminole Tribe of Florida and the State of  
1702 Florida, an application may be approved by the division, but  
1703 only for:

1704 (a) A licensed pari-mutuel facility where live racing or  
1705 games were conducted during calendar years 2002 and 2003 which  
1706 is located in Miami-Dade County or Broward County and is  
1707 authorized for slot machine licensure pursuant to s. 23, Art. X  
1708 of the State Constitution.

1709 (b) A licensed pari-mutuel facility where a full schedule  
1710 of live horseracing has been conducted for 2 consecutive  
1711 calendar years immediately preceding its application for a slot  
1712 machine license and which is located within a county as defined  
1713 in s. 125.011.

1714 (c) A licensed pari-mutuel facility authorized under s.

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1715 ~~551.1041 after the voters of the county where the applicant's~~  
1716 ~~facility is located have authorized by referendum slot machines~~  
1717 ~~within pari-mutuel facilities in that county as specified in s.~~  
1718 ~~23, Art. X of the State Constitution.~~

1719 (3) A slot machine license may be issued only to a licensed  
1720 pari-mutuel permitholder, and slot machine gaming may be  
1721 conducted only at the eligible facility at which the  
1722 permitholder is authorized under its valid pari-mutuel wagering  
1723 permit to conduct pari-mutuel wagering activities.

1724 (4) As a condition of licensure and to maintain continued  
1725 authority for the conduct of slot machine gaming, the slot  
1726 machine licensee shall:

1727 (c) Conduct ~~no fewer than~~ a full schedule of live racing or  
1728 games as defined in s. 550.002(11), excluding any. ~~A~~  
1729 ~~permitholder's responsibility to conduct such number of live~~  
1730 ~~races or games shall be reduced by the number of~~ races or games  
1731 that could not be conducted as a due to the direct result of  
1732 fire, war, hurricane, or other disaster or event beyond the  
1733 control of the permitholder. This paragraph does not apply to a  
1734 greyhound racing permitholder that conducted a full schedule of  
1735 live racing for a period of at least 10 consecutive state fiscal  
1736 years after the 2002-2003 state fiscal year or to a thoroughbred  
1737 racing permitholder that holds a slot machine license if it has  
1738 entered into an agreement with another thoroughbred racing  
1739 permitholder to conduct its race meet at the other thoroughbred  
1740 racing permitholder's facility.

1741 (10)

1742 (e) Each slot machine licensee that does not offer live  
1743 racing shall withhold 2 percent of its net revenue from slot

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1744 machines to be deposited into a purse pool to be paid as purses  
1745 to licensed pari-mutuel facilities offering live racing or  
1746 games. This paragraph does not apply to slot machine licenses  
1747 issued pursuant to subsection (1).

1748 Section 28. Section 551.1041, Florida Statutes, is created  
1749 to read:

1750 551.1041 Additional slot machine licenses.-

1751 (1) An additional slot machine license is authorized and  
1752 may be issued to a pari-mutuel permitholder for a slot machine  
1753 facility in Miami-Dade County.

1754 (2) An additional slot machine license is authorized and  
1755 may be issued to a pari-mutuel permitholder for a slot machine  
1756 facility in Palm Beach County.

1757 (3) A slot machine license may not be issued under this  
1758 section until a majority of the voters of the county where the  
1759 facility is located approve slot machines at the facility in a  
1760 referendum held after July 1, 2016. The referendum may be  
1761 conducted pursuant to s. 550.0651. If a special election is not  
1762 held, the referendum shall be conducted at the next general  
1763 election in that county.

1764 (4) Application for a slot machine license must be made by  
1765 sealed bid to the division, with the license awarded to the  
1766 highest bidder. Before the advertisement or notice of bid  
1767 solicitations, the division shall publish prequalification  
1768 procedures and requirements that, at minimum, meet the criteria  
1769 in subsection (5). The division shall adopt by rule the form for  
1770 the bid. The form shall include the applicant's bid amount and  
1771 evidence that the applicant meets the prequalification criteria.  
1772 The bids may not be opened until the day, time, and place

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1773 designated by the division and provided in the notice, at which  
1774 time all bids shall be opened at a public meeting pursuant to s.  
1775 286.011. Any challenge or protest of the award is subject to s.  
1776 120.57(3). Section 120.60(1) does not apply to the bid process  
1777 established by this section.

1778 (5) At minimum, the prequalification criteria must include:

1779 (a) Evidence that the bidder meets the qualifications in  
1780 chapters 550 and 551, as applicable; and

1781 (b) Evidence that the bidder has purchased, or entered into  
1782 an agreement to purchase and transfer, an active pari-mutuel  
1783 permit with the intent to surrender and void such permit, as  
1784 provided in s. 550.1751.

1785 (6) To be eligible for a slot machine license under this  
1786 section, the applicant must submit a minimum bid of \$3 million.  
1787 If no minimum bids are received, the slot machine license will  
1788 not be issued and the division may restart the bid process on  
1789 its own initiative or upon the receipt of a petition by a  
1790 potential bidder to start the bid process.

1791 (7) A slot machine licensee who is awarded a license under  
1792 this section may make available for play the following machines:

1793 (a) After the issuance of the initial slot machine license  
1794 and before October 1, 2018, up to a total of 500 slot machines  
1795 and 250 video race terminals.

1796 (b) On or after October 1, 2018, up to a total of 750 slot  
1797 machines and 750 video race terminals.

1798 (8) The following requirements apply to slot machines and  
1799 video race terminals authorized under this section:

1800 (a) A wager on a slot machine or a video race terminal may  
1801 not exceed \$5 per game or race.

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1802       (b) Only one game or race may be played at any given time  
1803 on a slot machine or video race terminal, and a player may not  
1804 wager on a new game or race until the previous game or race has  
1805 been completed.

1806       (c) Slot machines and video race terminals may not offer  
1807 games that use tangible playing cards, but may have games that  
1808 use electronic or virtual cards.

1809       (9) As used in subsections (7) and (8), the term "video  
1810 race terminal" means an individual racing terminal linked to a  
1811 central server as part of a network-based video game in which  
1812 the terminals allow pari-mutuel wagering by players on the  
1813 results of previously conducted horse races, but only if the  
1814 game is certified in advance by an independent testing  
1815 laboratory licensed or contracted by the division as complying  
1816 with all of the following requirements:

1817       (a) All data on previously conducted horse races must be  
1818 stored in a secure format on the central server, which must be  
1819 located at the pari-mutuel facility.

1820       (b) Only horse races that were recorded at licensed pari-  
1821 mutuel facilities in the United States after January 1, 2005,  
1822 may be used.

1823       (c) After each wager is placed, the video race terminal  
1824 must display a video of at least the final seconds of the horse  
1825 race before any prize is awarded or indicated on the video race  
1826 terminal.

1827       (d) The display of the video of the horse race must be  
1828 shown on the video race terminal's video screen.

1829       (e) Mechanical reel displays are prohibited.

1830       (f) A video race terminal may not contain more than one

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1831 player position for placing wagers.

1832 (g) Coins, currency, or tokens may not be dispensed from a  
1833 video race terminal.

1834 (h) Prizes must be awarded based solely on the results of a  
1835 previously conducted horse race, and no additional element of  
1836 chance may be used. However, a random number generator must be  
1837 used to select from the central server the race to be displayed  
1838 to the player(s) and to select numbers or other designations of  
1839 race entrants that will be used in the various bet types for any  
1840 "Quick Pick" bets. To prevent an astute player from recognizing  
1841 the race based on the entrants and thus knowing the results  
1842 before placing a wager, the entrants of the race may not be  
1843 identified until after all wagers for that race have been  
1844 placed.

1845 (10) Each slot machine licensee under this section shall  
1846 withhold 1 percent of the net revenue from the slot machines and  
1847 video race terminals authorized by this section to be deposited  
1848 into a purse pool to be paid as purses for thoroughbred horse  
1849 racing at a licensed pari-mutuel facility that is not authorized  
1850 to conduct slot machine gaming.

1851 Section 29. Section 551.1042, Florida Statutes, is created  
1852 to read:

1853 551.1042 Transfer or relocation of slot machine license  
1854 prohibited.—A slot machine license issued under this chapter may  
1855 not be transferred or reissued when such reissuance is in the  
1856 nature of a transfer so as to permit or authorize a licensee to  
1857 change the location of a slot machine facility.

1858 Section 30. Paragraph (a) of subsection (1) and paragraph  
1859 (a) of subsection (2) of section 551.106, Florida Statutes, are

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1860 amended to read:

1861 551.106 License fee; tax rate; penalties.—

1862 (1) LICENSE FEE.—

1863 (a) Upon submission of the initial application for a slot  
1864 machine license and annually thereafter, on the anniversary date  
1865 of the issuance of the initial license, the licensee must pay to  
1866 the division a nonrefundable license fee of ~~\$3 million for the~~  
1867 ~~succeeding 12 months of licensure. In the 2010-2011 fiscal year,~~  
1868 ~~the licensee must pay the division a nonrefundable license fee~~  
1869 ~~of \$2.5 million for the succeeding 12 months of licensure. In~~  
1870 ~~the 2011-2012 fiscal year and for every fiscal year thereafter,~~  
1871 ~~the licensee must pay the division a nonrefundable license fee~~  
1872 ~~of \$2 million for the succeeding 12 months of licensure. The~~  
1873 license fee shall be deposited into the Pari-mutuel Wagering  
1874 Trust Fund of the Department of Business and Professional  
1875 Regulation to be used by the division and the Department of Law  
1876 Enforcement for investigations, regulation of slot machine  
1877 gaming, and enforcement of slot machine gaming provisions under  
1878 this chapter. These payments shall be accounted for separately  
1879 from taxes or fees paid pursuant to the provisions of chapter  
1880 550.

1881 (2) TAX ON SLOT MACHINE REVENUES.—

1882 (a) The tax rate on slot machine revenues at each facility  
1883 shall be 30 ~~35~~ percent. If, during any state fiscal year, the  
1884 aggregate amount of tax paid to the state by all slot machine  
1885 licensees in Broward and Miami-Dade Counties is less than the  
1886 aggregate amount of tax paid to the state by all slot machine  
1887 licensees in the 2008-2009 fiscal year, each slot machine  
1888 licensee shall pay to the state within 45 days after the end of

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1889 the state fiscal year a surcharge equal to its pro rata share of  
1890 an amount equal to the difference between the aggregate amount  
1891 of tax paid to the state by all slot machine licensees in the  
1892 2008-2009 fiscal year and the amount of tax paid during the  
1893 fiscal year. Each licensee's pro rata share shall be an amount  
1894 determined by dividing the number 1 by the number of facilities  
1895 licensed to operate slot machines during the applicable fiscal  
1896 year, regardless of whether the facility is operating such  
1897 machines.

1898 Section 31. Subsections (1), (2), and (4) of section  
1899 551.114, Florida Statutes, are amended to read:

1900 551.114 Slot machine gaming areas.—

1901 (1) A slot machine licensee may make available for play up  
1902 to 1,700 ~~2,000~~ slot machines within the property of the  
1903 facilities of the slot machine licensee.

1904 (2) The slot machine licensee shall display pari-mutuel  
1905 races or games within the designated slot machine gaming areas  
1906 and offer patrons within the designated slot machine gaming  
1907 areas the ability to engage in pari-mutuel wagering on any live,  
1908 intertrack, and simulcast races conducted or offered to patrons  
1909 of the licensed facility.

1910 (4) Designated slot machine gaming areas may be located  
1911 within the current live gaming facility or in an existing  
1912 building that must be contiguous and connected to the live  
1913 gaming facility. If a designated slot machine gaming area is to  
1914 be located in a building that is to be constructed, that new  
1915 building must be contiguous and connected to the live gaming  
1916 facility. For a greyhound racing permitholder, jai alai  
1917 permitholder, harness horse racing permitholder, or quarter

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1918 horse permitholder licensed to conduct pari-mutuel activities  
1919 pursuant to a current year's operating license that does not  
1920 require live performances or games, designated slot machine  
1921 gaming areas may be located only within the eligible facility  
1922 for which the initial annual slot machine license was issued.

1923 Section 32. Section 551.116, Florida Statutes, is amended  
1924 to read:

1925 551.116 Days and hours of operation.—Slot machine gaming  
1926 areas may be open 24 hours per day, 7 days a week daily  
1927 throughout the year. ~~The slot machine gaming areas may be open a~~  
1928 ~~cumulative amount of 18 hours per day on Monday through Friday~~  
1929 ~~and 24 hours per day on Saturday and Sunday and on those~~  
1930 ~~holidays specified in s. 110.117(1).~~

1931 Section 33. Subsections (1) and (3) of section 551.121,  
1932 Florida Statutes, are amended to read:

1933 551.121 Prohibited activities and devices; exceptions.—

1934 (1) Complimentary or reduced-cost alcoholic beverages may  
1935 ~~not~~ be served to a person ~~persons~~ playing a slot machine.  
1936 ~~Alcoholic beverages served to persons playing a slot machine~~  
1937 ~~shall cost at least the same amount as alcoholic beverages~~  
1938 ~~served to the general public at a bar within the facility.~~

1939 (3) A slot machine licensee may ~~not~~ allow any automated  
1940 teller machine or similar device designed to provide credit or  
1941 dispense cash to be located within the designated slot machine  
1942 gaming areas of a facility of a slot machine licensee.

1943 Section 34. Present subsections (9) through (17) of section  
1944 849.086, Florida Statutes, are redesignated as subsections (10)  
1945 through (18), respectively, a new subsection (9) is added to  
1946 that section, and subsections (1), (2), (4), and (5), paragraphs

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1947 (b) and (c) of subsection (7), subsection (8), present  
1948 subsections (10) and (12), paragraphs (d) and (h) of present  
1949 subsection (13), and present subsections (16) and (17) of that  
1950 section are amended, to read:

1951 849.086 Cardrooms authorized.—

1952 (1) LEGISLATIVE INTENT.—It is the intent of the Legislature  
1953 to provide additional entertainment choices for the residents of  
1954 and visitors to the state, promote tourism in the state, and  
1955 provide additional state revenues through the authorization of  
1956 the playing of certain games in the state at facilities known as  
1957 cardrooms which are to be located at licensed pari-mutuel  
1958 facilities. To ensure the public confidence in the integrity of  
1959 authorized cardroom operations, this act is designed to strictly  
1960 regulate the facilities, persons, and procedures related to  
1961 cardroom operations. Furthermore, the Legislature finds that  
1962 authorized games of card and dominoes ~~as herein defined~~ are  
1963 considered to be pari-mutuel style games and not casino gaming  
1964 because the participants play against each other instead of  
1965 against the house.

1966 (2) DEFINITIONS.—As used in this section:

1967 (a) "Authorized game" means a game or series of card and  
1968 domino games that of poker or dominoes which are played in  
1969 conformance with this section ~~a nonbanking manner.~~

1970 (b) "Banking game" means a game in which the house is a  
1971 participant in the game, taking on players, paying winners, and  
1972 collecting from losers ~~or in which the cardroom establishes a~~  
1973 ~~bank against which participants play.~~

1974 (c) "Cardroom" means a facility where authorized games are  
1975 played for money or anything of value and to which the public is

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1976 invited to participate in such games and charged a fee for  
1977 participation by the operator of such facility. Authorized games  
1978 and cardrooms do not constitute casino gaming operations if  
1979 conducted at an eligible facility.

1980 (d) "Cardroom management company" means any individual not  
1981 an employee of the cardroom operator, any proprietorship,  
1982 partnership, corporation, or other entity that enters into an  
1983 agreement with a cardroom operator to manage, operate, or  
1984 otherwise control the daily operation of a cardroom.

1985 (e) "Cardroom distributor" means any business that  
1986 distributes cardroom paraphernalia such as card tables, betting  
1987 chips, chip holders, dominoes, dominoes tables, drop boxes,  
1988 banking supplies, playing cards, card shufflers, and other  
1989 associated equipment to authorized cardrooms.

1990 (f) "Cardroom operator" means a licensed pari-mutuel  
1991 permitholder that ~~which~~ holds a valid permit and license issued  
1992 by the division pursuant to chapter 550 and which also holds a  
1993 valid cardroom license issued by the division pursuant to this  
1994 section which authorizes such person to operate a cardroom and  
1995 to conduct authorized games in such cardroom.

1996 (g) "Designated player" means the player identified as the  
1997 player in the dealer position and seated at a traditional player  
1998 position in a designated player game and who pays winning  
1999 players and collects from losing players.

2000 (h) "Designated player game" means a game consisting of at  
2001 least three cards in which the players compare their cards only  
2002 to the cards of the designated player.

2003 (i) ~~(g)~~ "Division" means the Division of Pari-mutuel  
2004 Wagering of the Department of Business and Professional

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2005 Regulation.

2006 (j)~~(h)~~ "Dominoes" means a game of dominoes typically played  
2007 with a set of 28 flat rectangular blocks, called "bones," which  
2008 are marked on one side and divided into two equal parts, with  
2009 zero to six dots, called "pips," in each part. The term also  
2010 includes larger sets of blocks that contain a correspondingly  
2011 higher number of pips. The term also means the set of blocks  
2012 used to play the game.

2013 (k)~~(i)~~ "Gross receipts" means the total amount of money  
2014 received by a cardroom from any person for participation in  
2015 authorized games.

2016 (l)~~(j)~~ "House" means the cardroom operator and all  
2017 employees of the cardroom operator.

2018 (m)~~(k)~~ "Net proceeds" means the total amount of gross  
2019 receipts received by a cardroom operator from cardroom  
2020 operations less direct operating expenses related to cardroom  
2021 operations, including labor costs, admission taxes only if a  
2022 separate admission fee is charged for entry to the cardroom  
2023 facility, gross receipts taxes imposed on cardroom operators by  
2024 this section, the annual cardroom license fees imposed by this  
2025 section on each table operated at a cardroom, and reasonable  
2026 promotional costs excluding officer and director compensation,  
2027 interest on capital debt, legal fees, real estate taxes, bad  
2028 debts, contributions or donations, or overhead and depreciation  
2029 expenses not directly related to the operation of the cardrooms.

2030 (n)~~(l)~~ "Rake" means a set fee or percentage of the pot  
2031 assessed by a cardroom operator for providing the services of a  
2032 dealer, table, or location for playing the authorized game.

2033 (o)~~(m)~~ "Tournament" means a series of games that have more

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2034 than one betting round involving one or more tables and where  
2035 the winners or others receive a prize or cash award.

2036 (4) AUTHORITY OF DIVISION.—The Division of Pari-mutuel  
2037 Wagering of the Department of Business and Professional  
2038 Regulation shall administer this section and regulate the  
2039 operation of cardrooms under this section and the rules adopted  
2040 ~~pursuant thereto~~, and is hereby authorized to:

2041 (a) Adopt rules, including, but not limited to: the  
2042 issuance of cardroom and employee licenses for cardroom  
2043 operations; the operation of a cardroom and games; recordkeeping  
2044 and reporting requirements; and the collection of all fees and  
2045 taxes imposed by this section.

2046 (b) Conduct investigations and monitor the operation of  
2047 cardrooms and the playing of authorized games at the cardrooms  
2048 ~~therein~~.

2049 (c) Review the books, accounts, and records of any current  
2050 or former cardroom operator.

2051 (d) Suspend or revoke any license or permit, after hearing,  
2052 for any violation of the provisions of this section or the  
2053 administrative rules adopted pursuant thereto.

2054 (e) Take testimony, issue summons and subpoenas for any  
2055 witness, and issue subpoenas duces tecum in connection with any  
2056 matter within its jurisdiction.

2057 (f) Monitor and ensure the proper collection of taxes and  
2058 fees imposed by this section. Permitholder internal controls are  
2059 mandated to ensure no compromise of state funds. To that end, a  
2060 roaming division auditor will monitor and verify the cash flow  
2061 and accounting of cardroom revenue for any given operating day.

2062 (5) LICENSE REQUIRED; APPLICATION; FEES.—A ~~No~~ person may

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2063 not operate a cardroom in this state unless such person holds a  
2064 valid cardroom license issued pursuant to this section.

2065 (a) Only those persons holding a valid cardroom license  
2066 issued by the division may operate a cardroom. A cardroom  
2067 license may only be issued to a licensed pari-mutuel  
2068 permitholder, and an authorized cardroom may only be operated at  
2069 the same facility at which the permitholder is authorized under  
2070 its valid pari-mutuel wagering permit to conduct pari-mutuel  
2071 wagering activities if the permitholder offers live racing or  
2072 games. However, a thoroughbred racing permitholder that holds a  
2073 slot machine license and has entered into an agreement with  
2074 another thoroughbred racing permitholder to conduct its race  
2075 meet at the other thoroughbred racing permitholder's facility  
2076 may operate a cardroom at the slot facility stated in the  
2077 permitholder's slot machine license. An initial cardroom license  
2078 shall be issued to a pari-mutuel permitholder only after its  
2079 facilities are in place and after it conducts its first day of  
2080 live racing or games if the permitholder offers live racing or  
2081 games.

2082 (b) After the initial cardroom license is granted, the  
2083 application for the annual license renewal shall be made in  
2084 conjunction with the applicant's annual application for its  
2085 pari-mutuel license. If a permitholder has operated a cardroom  
2086 during any of the 3 previous fiscal years and fails to include a  
2087 renewal request for the operation of the cardroom in its annual  
2088 application for license renewal, the permitholder may amend its  
2089 annual application to include operation of the cardroom. ~~In~~  
2090 ~~order for a cardroom license to be renewed the applicant must~~  
2091 ~~have requested, as part of its pari-mutuel annual license~~

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2092 application, to conduct at least 90 percent of the total number  
2093 of live performances conducted by such permitholder during  
2094 either the state fiscal year in which its initial cardroom  
2095 license was issued or the state fiscal year immediately prior  
2096 thereto if the permitholder ran at least a full schedule of live  
2097 racing or games in the prior year. If the application is for a  
2098 harness permitholder cardroom, the applicant must have requested  
2099 authorization to conduct a minimum of 140 live performances  
2100 during the state fiscal year immediately prior thereto. If more  
2101 than one permitholder is operating at a facility, each  
2102 permitholder must have applied for a license to conduct a full  
2103 schedule of live racing.

2104 (c) A greyhound racing permitholder is exempt from the live  
2105 racing requirements of this subsection if it conducted a full  
2106 schedule of live racing for a period of at least 10 consecutive  
2107 state fiscal years after the 1996-1997 state fiscal year or if  
2108 it converted its permit to a permit to conduct greyhound racing  
2109 after that fiscal year. However, as a condition of cardroom  
2110 licensure, greyhound racing permitholders who are not conducting  
2111 a full schedule of live racing must conduct intertrack wagering  
2112 on thoroughbred signals, to the extent available, on each day of  
2113 cardroom operation.

2114 (d)-(e) Persons seeking a license or a renewal thereof to  
2115 operate a cardroom shall make application on forms prescribed by  
2116 the division. Applications for cardroom licenses shall contain  
2117 all of the information the division, by rule, may determine is  
2118 required to ensure eligibility.

2119 (e)-(d) The annual cardroom license fee for each facility  
2120 shall be \$1,000 for each table to be operated at the cardroom.

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2121 The license fee shall be deposited by the division with the  
2122 Chief Financial Officer to the credit of the Pari-mutuel  
2123 Wagering Trust Fund.

2124 (7) CONDITIONS FOR OPERATING A CARDROOM.—

2125 (b) Any cardroom operator may operate a cardroom at the  
2126 pari-mutuel facility daily throughout the year, if the  
2127 permitholder meets the requirements under paragraph (5) (b). The  
2128 cardroom may be open ~~a cumulative amount of 18 hours per day on~~  
2129 ~~Monday through Friday and 24 hours per day on Saturday and~~  
2130 ~~Sunday and on the holidays specified in s. 110.117(1).~~

2131 (c) For authorized games of poker or dominoes at a  
2132 cardroom, a cardroom operator must at all times employ and  
2133 provide a nonplaying live dealer at ~~for~~ each table on which the  
2134 authorized card games ~~which traditionally use a dealer~~ are  
2135 conducted ~~at the cardroom~~. Such dealers may not have a  
2136 participatory interest in any game other than the dealing of  
2137 cards and may not have an interest in the outcome of the game.  
2138 The providing of such dealers by a licensee does not constitute  
2139 the conducting of a banking game by the cardroom operator.

2140 (8) METHOD OF WAGERS; LIMITATION.—

2141 (a) ~~Ne~~ Wagering may not be conducted using money or other  
2142 negotiable currency. Games may only be played utilizing a  
2143 wagering system whereby all players' money is first converted by  
2144 the house to tokens or chips that may ~~which shall~~ be used for  
2145 wagering only at that specific cardroom.

2146 (b) For authorized games of poker or dominoes, the cardroom  
2147 operator may limit the amount wagered in any game or series of  
2148 games.

2149 (c) A tournament shall consist of a series of games. The

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2150 entry fee for a tournament may be set by the cardroom operator.  
2151 Tournaments may be played only with tournament chips that are  
2152 provided to all participants in exchange for an entry fee and  
2153 any subsequent re-buys. All players must receive an equal number  
2154 of tournament chips for their entry fee. Tournament chips have  
2155 no cash value and represent tournament points only. There is no  
2156 limitation on the number of tournament chips that may be used  
2157 for a bet except as otherwise determined by the cardroom  
2158 operator. Tournament chips may never be redeemed for cash or for  
2159 any other thing of value. The distribution of prizes and cash  
2160 awards must be determined by the cardroom operator before entry  
2161 fees are accepted. For purposes of tournament play only, the  
2162 term "gross receipts" means the total amount received by the  
2163 cardroom operator for all entry fees, player re-buys, and fees  
2164 for participating in the tournament less the total amount paid  
2165 to the winners or others as prizes.

2166 (9) DESIGNATED PLAYER GAMES AUTHORIZED.—

2167 (a) A cardroom operator that does not possess slot machines  
2168 or a slot machine license may offer designated player games  
2169 consisting of players making wagers against another player. The  
2170 maximum wager in such games may not exceed \$25.

2171 (b) The designated player must occupy a playing position at  
2172 the table and may not be required to cover all wagers or cover  
2173 more than 10 times the minimum posted wager for players seated  
2174 during a single game.

2175 (c) Each seated player shall be afforded the temporary  
2176 opportunity to be the designated player to wager against  
2177 multiple players at the same table, provided that this position  
2178 is rotated among the other seated players in the game. The

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2179 opportunity to be a designated player must be offered to each  
2180 player, in a clockwise rotation, after each hand. The  
2181 opportunity to be the designated player may be declined by a  
2182 player. A player participating as a designated player for 30  
2183 consecutive hands must subsequently play as a nondesignated  
2184 player for at least 2 hands before he or she may resume as the  
2185 designated player.

2186 (d) The cardroom operator may not serve as a designated  
2187 player in any game. The cardroom operator may not have any  
2188 direct or indirect financial or pecuniary interest in a  
2189 designated player in any game.

2190 (e) A designated player may only wager personal funds or  
2191 funds from a sole proprietorship. A designated player may not be  
2192 directly or indirectly financed or controlled by another party.  
2193 A designated player shall operate independently.

2194 (f) Designated player games offered by a cardroom operator  
2195 may not make up more than 25 percent of the total authorized  
2196 game tables at the cardroom.

2197 (g) Licensed pari-mutuel facilities that offer slot machine  
2198 gaming or video race terminals may not offer designated player  
2199 games.

2200 (h) The division may only approve cardroom operators to  
2201 conduct designated player games only if such games would not  
2202 trigger a reduction in revenue-sharing payments under the Gaming  
2203 Compact between the Seminole Tribe of Florida and the State of  
2204 Florida.

2205 (11)-(10) FEE FOR PARTICIPATION.-The cardroom operator may  
2206 charge a fee for the right to participate in poker or dominoes  
2207 games conducted at the cardroom. Such fee may be either a flat

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2208 fee or hourly rate for the use of a seat at a table or a rake  
2209 subject to the posted maximum amount but may not be based on the  
2210 amount won by players. The rake-off, if any, must be made in an  
2211 obvious manner and placed in a designated rake area which is  
2212 clearly visible to all players. Notice of the amount of the  
2213 participation fee charged shall be posted in a conspicuous place  
2214 in the cardroom and at each table at all times.

2215 (13)~~(12)~~ PROHIBITED ACTIVITIES.—

2216 (a) A ~~No~~ person licensed to operate a cardroom may not  
2217 conduct ~~any banking game or~~ any game not specifically authorized  
2218 by this section.

2219 (b) A ~~No~~ person under 18 years of age may not be allowed  
2220 ~~permitted~~ to hold a cardroom or employee license, or to engage  
2221 in any game conducted in the cardroom ~~therein~~.

2222 (c) With the exception of mechanical card shufflers, ~~No~~  
2223 electronic or mechanical devices, ~~except mechanical card~~  
2224 ~~shufflers,~~ may not be used to conduct any authorized game in a  
2225 cardroom.

2226 (d) ~~No~~ Cards, game components, or game implements may not  
2227 be used in playing an authorized game unless such have ~~has~~ been  
2228 furnished or provided to the players by the cardroom operator.

2229 (14)~~(13)~~ TAXES AND OTHER PAYMENTS.—

2230 (d)1. Each greyhound racing permitholder conducting live  
2231 racing and jai alai permitholder that operates a cardroom  
2232 facility shall use at least 4 percent of such permitholder's  
2233 cardroom monthly gross receipts to supplement greyhound purses  
2234 or jai alai prize money, respectively, during the permitholder's  
2235 current or next ensuing pari-mutuel meet.

2236 2. Each thoroughbred and harness horse racing permitholder

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2237 that operates a cardroom facility shall use at least 50 percent  
2238 of such permitholder's cardroom monthly net proceeds as follows:  
2239 47 percent to supplement purses and 3 percent to supplement  
2240 breeders' awards during the permitholder's next ensuing racing  
2241 meet.

2242 3. Each harness horse racing permitholder that operates a  
2243 cardroom facility shall use at least 50 percent of such  
2244 permitholder's cardroom monthly net proceeds as follows: 47  
2245 percent to supplement purses and 3 percent to supplement  
2246 breeders' awards during the permitholder's next ensuing racing  
2247 meet if the permitholder offers live races or games.

2248 4.3. No cardroom license or renewal thereof shall be issued  
2249 to an applicant holding a permit under chapter 550 to conduct  
2250 pari-mutuel wagering meets of quarter horse racing unless the  
2251 applicant has on file with the division a binding written  
2252 agreement between the applicant and the Florida Quarter Horse  
2253 Racing Association or the association representing a majority of  
2254 the horse owners and trainers at the applicant's eligible  
2255 facility, governing the payment of purses on live quarter horse  
2256 races conducted at the licensee's pari-mutuel facility. The  
2257 agreement governing purses may direct the payment of such purses  
2258 from revenues generated by any wagering or gaming the applicant  
2259 is authorized to conduct under Florida law. All purses shall be  
2260 subject to the terms of chapter 550.

2261 (h) One-quarter of the moneys deposited into the Pari-  
2262 mutuel Wagering Trust Fund pursuant to paragraph (g) shall, by  
2263 October 1 of each year, be distributed to the local government  
2264 that approved the cardroom under subsection (17) ~~(16)~~; however,  
2265 if two or more pari-mutuel racetracks are located within the

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2266 same incorporated municipality, the cardroom funds shall be  
 2267 distributed to the municipality. If a pari-mutuel facility is  
 2268 situated in such a manner that it is located in more than one  
 2269 county, the site of the cardroom facility shall determine the  
 2270 location for purposes of disbursement of tax revenues under this  
 2271 paragraph. The division shall, by September 1 of each year,  
 2272 determine: the amount of taxes deposited into the Pari-mutuel  
 2273 Wagering Trust Fund pursuant to this section from each cardroom  
 2274 licensee; the location by county of each cardroom; whether the  
 2275 cardroom is located in the unincorporated area of the county or  
 2276 within an incorporated municipality; and, the total amount to be  
 2277 distributed to each eligible county and municipality.

2278 (17)~~(16)~~ LOCAL GOVERNMENT APPROVAL.—The Division of Pari-  
 2279 mutuel Wagering may ~~shall~~ not issue any initial license under  
 2280 this section except upon proof in such form as the division may  
 2281 prescribe that the local government where the applicant for such  
 2282 license desires to conduct cardroom gaming has voted to approve  
 2283 such activity by a majority vote of the governing body of the  
 2284 municipality or the governing body of the county if the facility  
 2285 is not located in a municipality.

2286 (18)~~(17)~~ CHANGE OF LOCATION; ~~REFERENDUM.~~—

2287 ~~(a)~~ Notwithstanding any provisions of this section, a ~~no~~  
 2288 cardroom gaming license issued under this section may not ~~shall~~  
 2289 be transferred, or reissued when such reissuance is in the  
 2290 nature of a transfer, so as to permit or authorize a licensee to  
 2291 change the location of the cardroom ~~except upon proof in such~~  
 2292 ~~form as the division may prescribe that a referendum election~~  
 2293 ~~has been held:~~

2294 ~~1. If the proposed new location is within the same county~~

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2295 ~~as the already licensed location, in the county where the~~  
2296 ~~licensee desires to conduct cardroom gaming and that a majority~~  
2297 ~~of the electors voting on the question in such election voted in~~  
2298 ~~favor of the transfer of such license. However, the division~~  
2299 ~~shall transfer, without requirement of a referendum election,~~  
2300 ~~the cardroom license of any permit holder that relocated its~~  
2301 ~~permit pursuant to s. 550.0555.~~

2302 ~~2. If the proposed new location is not within the same~~  
2303 ~~county as the already licensed location, in the county where the~~  
2304 ~~licensee desires to conduct cardroom gaming and that a majority~~  
2305 ~~of the electors voting on that question in each such election~~  
2306 ~~voted in favor of the transfer of such license.~~

2307 ~~(b) The expense of each referendum held under the~~  
2308 ~~provisions of this subsection shall be borne by the licensee~~  
2309 ~~requesting the transfer.~~

2310 Section 35. The Division of Pari-mutuel Wagering of the  
2311 Department of Business and Professional Regulation shall revoke  
2312 any permit to conduct pari-mutuel wagering if a permit holder has  
2313 not conducted live events within the 24 months preceding the  
2314 effective date of this act, unless the permit was issued under  
2315 s. 550.3345, Florida Statutes. A permit revoked under this  
2316 section may not be reissued.

2317 Section 36. The provisions of this act are not severable.  
2318 If this act or any portion of this act is determined to be  
2319 unconstitutional or the applicability thereof to any person or  
2320 circumstance is held invalid:

2321 (1) Such determination shall render all other provisions or  
2322 applications of this act invalid; and

2323 (2) This act is deemed never to have become law.

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2324           Section 37. This act shall take effect only if Senate  
2325 Proposed Bill 7074, 2016 Regular Session, or similar legislation  
2326 becomes law ratifying the Gaming Compact between the Seminole  
2327 Tribe of Florida and the State of Florida executed by the  
2328 Governor and the Seminole Tribe of Florida on December 7, 2015,  
2329 under the Indian Gaming Regulatory Act of 1988, and only if such  
2330 compact is approved or deemed approved, and not voided by the  
2331 United States Department of the Interior, and this act shall  
2332 take effect on the date that the approved compact is published  
2333 in the Federal Register.

THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2/17/16

Meeting Date

7072

Bill Number (if applicable)

354378

Amendment Barcode (if applicable)

Topic Point of Sales/Gaming

Name Brewster Bevis

Job Title Senior Vice President

Address 516 W Adams St

Street

Phone 224-7173

Tallah

City

FL

State

32301

Zip

Email bbevis@atl.com

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Associated Industries of Florida

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/14/14)

THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2/17/14

Meeting Date

SPB 7072

Bill Number (if applicable)

Topic GAMING

Amendment Barcode (if applicable)

Name STEVE FISCH, DVM

Job Title VETERINARIAN

Address 9085 MANOLIA HILL DRIVE

Phone 850-310-9250

Street

City

TALLAHASSEE, FL 32308

State

Zip

Email SFISCHDVM@AUSSEQUINEHOSPITAL.COM

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Florida Quarter Horse Racing Association

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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THE FLORIDA SENATE

APPEARANCE RECORD

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2/17/16

Meeting Date

SPB 7072  
SB

Bill Number (if applicable)

Topic Decoupling

Amendment Barcode (if applicable)

Name BILL White

Job Title TRAINER - President Florida Horsemen Benevolent Assn

Address 2839 Morning Glory Circle

Phone 954-303-5448

Street

DAVIE

City

FL

State

33328

Zip

Email White-DActive@Comcast.net

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Horsemen

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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# APPEARANCE RECORD

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2/17/16

Meeting Date

7072

Bill Number (if applicable)

Topic GAMIAL

Amendment Barcode (if applicable)

Name DOUG RUSSELL

Job Title \_\_\_\_\_

Address 9604 DEER VALLEY DR  
Street

Phone 850.445.0206

TALL FL 32312  
City State Zip

Email \_\_\_\_\_

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing INT'L JAI ALAI PLAYERS ASSN

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

*While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.*

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THE FLORIDA SENATE

APPEARANCE RECORD

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2/17/16

Meeting Date

SPB 7072

Bill Number (if applicable)

Topic Decoupling

Amendment Barcode (if applicable)

Name DIANE BILLEN

Job Title Horse trainer Thoroughbred

Address 9025 SW Hwy 200

Phone 352 304 2393

Street

Ocala

FL

34481

City

State

Zip

Email thoroughbred1956@yahoo.com

Speaking: For [ ] Against [x] Information [ ]

Waive Speaking: In Support [ ] Against [x] (The Chair will read this information into the record.)

Representing Florida Thoroughbred Racing

Appearing at request of Chair: Yes [ ] No [x]

Lobbyist registered with Legislature: Yes [ ] No [x]

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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# APPEARANCE RECORD

2/17/16

Meeting Date

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

SPB 7072

Bill Number (if applicable)

Topic Greyhound Protection Issues

Amendment Barcode (if applicable)

Name Kate Macfall

Job Title FL State Director

Address 1624 Metropolitan Blvd.

Phone 850 508-1001

Street

Tallahassee FL 32308

City

State

Zip

Email KMacfall@homersociety.org

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Humane Society of the United States

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2/17/16

Meeting Date

SPB 7072

Bill Number (if applicable)

Topic Greyhound Protection Issues

Amendment Barcode (if applicable)

Name Carey Theil

Job Title Executive Director

Address PO Box F

Phone 617-501-6276

Street

Arlington, MA 02476

City

State

Zip

Email Carey@grey2kusa.org

Speaking: [X] For [ ] Against [ ] Information

Waive Speaking: [ ] In Support [ ] Against (The Chair will read this information into the record.)

Representing GREY2K USA

Appearing at request of Chair: [ ] Yes [X] No

Lobbyist registered with Legislature: [X] Yes [ ] No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2.17.16

Meeting Date

7012

Bill Number (if applicable)

Topic GAMING

Amendment Barcode (if applicable)

Name BILL BUNKLEY

Job Title PRESIDENT

Address PO BOX 341644

Phone 813.264.2977

Street

TAMPA FL 33694

City

State

Zip

Email

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing FLORIDA ETHICS AND RELIGIOUS LIBERTY COMMISSION

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2/17/16

Meeting Date

7072

Bill Number (if applicable)

Topic Gaming

Amendment Barcode (if applicable)

Name Amber Kelly

Job Title Legislative Affairs

Address 4853 S. Orange Ave.

Phone (407) 418-0250

Street

Orlando

FL

32806

City

State

Zip

Email

Speaking: [ ] For [X] Against [ ] Information

Waive Speaking: [ ] In Support [ ] Against (The Chair will read this information into the record.)

Representing FL Family Action

Appearing at request of Chair: [ ] Yes [X] No

Lobbyist registered with Legislature: [X] Yes [ ] No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2-17-2016  
Meeting Date

7072  
Bill Number (if applicable)

Topic Seminole Compact/Gamble

Amendment Barcode (if applicable)

Name John Sawinski

Job Title President, No Casinos

Address 201 S. Orange Ave, Suite 880  
Street

Phone 407-608-5904

Orlando FL 32806  
City State Zip

Email sawinski@orange.com

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing \_\_\_\_\_

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2/17/16

Meeting Date

7072

Bill Number (if applicable)

Topic

Amendment Barcode (if applicable)

Name Jeff KOTTKAMP

Job Title

Address Street

Phone

City

State

Zip

Email

Speaking: For [ ] Against [x] Information [ ]

Waive Speaking: In Support [ ] Against [ ] (The Chair will read this information into the record.)

Representing FLA. Greyhound Assoc.

Appearing at request of Chair: Yes [ ] No [ ]

Lobbyist registered with Legislature: Yes [x] No [ ]

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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THE FLORIDA SENATE  
**APPEARANCE RECORD**

AS AMENDED

2/16/17

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

7072

Meeting Date

Bill Number (if applicable)

Topic Gaming / compact

Amendment Barcode (if applicable)

Name JACK CORY

Job Title ~~PO BOX 10245~~

Address TALL FL 32302

Phone 850 893 0995

Street

City

State

Zip

Email JACK CORY CPA CONSULTANT

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing FL GrayHorn Assoc

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2/17/16

Meeting Date

7072

Bill Number (if applicable)

Topic Gaming - Decoupling

Amendment Barcode (if applicable)

Name Bryan Rice

Job Title Horse Trainer

Address 11580 NE Hwy 315

Phone 352-620-4005

Street

Ft. McCoy, FL 32134

Email Woodsideranch@gmail.com

City

State

Zip

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Farm Bureau - Equine Committee - Chair

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2/17/14

Meeting Date

SB13 7072

Bill Number (if applicable)

Topic decoupling

Amendment Barcode (if applicable)

Name Julie Braswell

Job Title owner Professional Vet Lab Inc

Address 10481 N US Hwy 27

Phone 352 732 3338

Street

Ocala

City

FL

State

34482

Zip

Email provvetlab@embargo.net

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Fla horseman breeders small business owners

Appearing at request of Chair:  Yes  No  
Lobbyist registered with Legislature:  Yes  No  
who depend on horse industry

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2/17/16

Meeting Date

SPB 7072

Bill Number (if applicable)

Topic Gaming

Amendment Barcode (if applicable)

Name Dr. Richard Alker

Job Title Realtor

Address 11401 N. Magnolia Ave

Phone 850-814-9962

Street

Ocala FL 34475

City

State

Zip

Email richael@tsgsobs.com

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Marion County Realtors

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

02/17/16  
Meeting Date

SPB 7072  
Bill Number (if applicable)

Topic DECOUPLING

Amendment Barcode (if applicable)

Name DIJANA FOLEY

Job Title RE BROKER

Address 8899 SW 57th CT RD

Phone 239-285-2856

Street

Ocala

City

FL

State

34476

Zip

Email HOUSE SOLD REALTY@LINE.COM

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing REAL ESTATE

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2/17/16  
Meeting Date

SPB 7072  
Bill Number (if applicable)

Topic Decoupling

Amendment Barcode (if applicable)

Name Tonya Jurgens

Job Title horse owner

Address 4505 NW 74th Terrace

Phone 303-870-8072

Ocala FL 34482  
City State Zip

Email stakefilly@gmail.com

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Florida Horsemen

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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THE FLORIDA SENATE

APPEARANCE RECORD

2-17-16

Meeting Date

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

SPB 7072

Bill Number (if applicable)

Topic no degrading

Amendment Barcode (if applicable)

Name Teresa Palmer

Job Title Farm Owner

Address 6694 N.W. 150th Ave.

Phone 561-310-1162

Street

City

State

Zip

Morrisville FL 32668

Email teresa@wycyclot.com

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Self

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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# APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2/17/16  
Meeting Date

SB 7072  
Bill Number (if applicable)

~~01571014~~  
Amendment Barcode (if applicable)  
897172

Topic \_\_\_\_\_

Name Ron Book

Job Title \_\_\_\_\_

Address 104 West Jefferson St  
Street  
TLH Fla 32301  
City State Zip

Phone 850-224-3427

Email RonWRBookPA.com

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Naples - Fort Myers Kennel Club

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2/17/16

Meeting Date

7072

Bill Number (if applicable)

897712

Amendment Barcode (if applicable)

Topic GAMING

Name JACK CORY

Job Title PRESIDENT

Address TULLY RD 32301

Street

City

State

Zip

Phone 850 5669175

Email Jackcory@PAConsulting.com

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing FLORIDA Greyhound Assoc

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

Meeting Date \_\_\_\_\_

7072  
Bill Number (if applicable)

Topic Gaming Compact

897172 and 898770  
Amendment Barcode (if applicable)

Name Antino Jefferson

Job Title \_\_\_\_\_

Address \_\_\_\_\_  
Street

Phone \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Email \_\_\_\_\_

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Bretna

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2/17/16

Meeting Date

7072

Bill Number (if applicable)

897172

Amendment Barcode (if applicable)

Topic \_\_\_\_\_

Name Anthony Viegabesie, Ph.D

Job Title Gadsden County Commissioner

Address Quincy Florida

Street

Phone \_\_\_\_\_

City

State

Zip

Email \_\_\_\_\_

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Gadsden County Commission

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2/17/14  
Meeting Date

7072  
Bill Number (if applicable)

897172  
Amendment Barcode (if applicable)

Topic \_\_\_\_\_

Name Brenda Holt

Job Title Chair Commissioner Gadsden County

Address Jefferson St Phone \_\_\_\_\_  
Street

Quincy FL 32351 Email \_\_\_\_\_  
City State Zip

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
*(The Chair will read this information into the record.)*

Representing Gadsden County Commissioner

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2/17/16  
Meeting Date

7072  
Bill Number (if applicable)

888 770  
Amendment Barcode (if applicable)

Topic \_\_\_\_\_

Name Brenda Holt

Job Title Chair Commissioner Gadsden County

Address Jefferson St Phone \_\_\_\_\_

City Quincy State Fl Zip 32357 Email \_\_\_\_\_

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Gadsden County Commission

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

7072  
Bill Number (if applicable)

888970  
Amendment Barcode (if applicable)

Meeting Date \_\_\_\_\_

Topic \_\_\_\_\_

Name Anthony Viebesie PhD

Job Title Gadsden County Commissioner

Address Jefferson st - Quincy Fl -

Street

Phone \_\_\_\_\_

City

State

Zip

Email \_\_\_\_\_

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Gadsden County Commission

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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THE FLORIDA SENATE

APPEARANCE RECORD

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2/17/16

Meeting Date

7072

Bill Number (if applicable)

897172

Amendment Barcode (if applicable)

Topic SB 7072 - GAMING

Name TOM VENTURA

Job Title PRESIDENT OCALA BREEDERS SALES

Address P.O. BOX 99

Phone 352 237-2154

Street

OCALA FL 34478

Email

City

State

Zip

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing OCALA BREEDERS SALES Co.

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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THE FLORIDA SENATE

APPEARANCE RECORD

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2/17/16

Meeting Date

SB7072

Bill Number (if applicable)

897172

Amendment Barcode (if applicable)

Topic Gaming

Name Brewster Bevis

Job Title Senior Vice President

Address 516 N Adams St

Phone 224-7173

Talx  
City

FL  
State

32301  
Zip

Email bbevis@afic.com

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Associated Industries of Florida

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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WAIVE IN OPPOSITION

THE FLORIDA SENATE

APPEARANCE RECORD

2/14/17  
Meeting Date

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

7072

Bill Number (if applicable)

897712

Amendment Barcode (if applicable)

Topic GAMING

Name RAMON MAURY

Job Title \_\_\_\_\_

Address PO BOX 10245  
Street

Phone 850 222 1568

TAU FL 32302  
City State Zip

Email mmggroup@aol

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing FL Greyhound Assoc

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

2/16/16

Meeting Date

7072

Bill Number (if applicable)

Topic GAMING

Amendment Barcode (if applicable)

Name Loumy Powelle

Job Title CEO FL Thoroughbred Breeders & Owners Assn

Address 801 SW 60th Ave

Phone 352 207 4321

Street

Ocala FL

34474

Email (powelle)ftboa.com

City

State

Zip

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing FL Thoroughbred Breeders & Owners Assn (FTBOA)

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/14/14)

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

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Prepared By: The Professional Staff of the Committee on Regulated Industries

---

BILL: SB 1558

INTRODUCER: Senator Evers

SUBJECT: Exemption from the Cigarette Tax and Surcharge

DATE: February 12, 2016

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Oxamendi	Caldwell	RI	<b>Pre-meeting</b>
2.			FT	
3.			AP	

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**I. Summary:**

SB 1558 permits Indian tribes in this state to sell excess tax-free cigarettes to persons who are not members of the tribe. Prior to 2009, recognized Indian tribes in Florida were permitted to sell tax-free cigarettes to tribal and nontribal members on reservations in Florida. When the \$1 per package surcharge was added in Florida in 2009, the tax free tribe program was discontinued and replaced with a program in which an Indian tribe is given coupon to purchase tax-free cigarettes from wholesalers to sell only to members of the tribe on the reservation.

Currently, the number of coupons is based on the probable demand of the tribal members and is calculated by multiplying the number of tribal members times five packs of cigarettes times 365.

The bill provides that tribes may use excess "Indian-tax-and-surcharge-exemption coupons," beyond the number of cigarettes demanded by tribal members, to sell tax-and-surcharge-free cigarettes to nontribal members for purchases made on the reservation.

The bill does not increase the number of tax-and-surcharge-exemption coupons given to the governing body of a recognized Indian tribe. Therefore, the number of tax-and-surcharge-free cigarettes sold by a recognized Indian tribe is limited by the number of exemption coupons that are provided to the tribe under current law.

The bill has an effective date of July 1, 2016.

## II. Present Situation:

### Regulation and Taxation of Cigarettes and Other Tobacco Products

The Division of Alcoholic Beverages and Tobacco (division) within the Department of Business and Professional Regulation (department) oversees the collection of excise taxes from the sale of cigarettes and other tobacco products. Part I, ch. 210, F.S., consisting of ss. 210.01-210.22, F.S., provides for the taxation of cigarettes. Part II, ch.210, F.S., consisting of ss. 210.25-210.75, F.S., provides for the taxation of tobacco products other than cigarettes and cigars.

The retail sale and delivery of tobacco is governed by the division under the provisions of ch. 569, F.S.

### Cigarette Regulation and Taxation

Section 210.15(1)(a), F.S., requires a permit issued by the division before any person, firm, or corporation may engage in business as a manufacturer, importer, exporter, distributing agent, or wholesale dealer of cigarettes. A separate application and permit is required for each place of business located within the state or, in the absence of such place of business in this state, for wherever its principal place of business is located.

Section 210.01(1), F.S., defines the term “cigarette” to mean:

Any roll for smoking, except one of which the tobacco is fully naturally fermented, without regard to the kind of tobacco or other substances used in the inner roll or the nature or composition of the material in which the roll is wrapped, which is made wholly or in part of tobacco irrespective of size or shape and whether such tobacco is flavored, adulterated or mixed with any other ingredient.

The current excise tax in Florida ranges from 16.95 cents per package to 67.8 cents per package, depending on the number of cigarettes per package.<sup>1</sup> The current excise tax is 33.9 cents per standard 20-cigarette pack.<sup>2</sup>

Section 210.011, F.S., imposes a surcharge on the sale, receipt, purchase, possession, consumption, handling, distribution, and use of cigarettes in this state. The amount of the surcharge varies depending on the weight of the cigarette, its length, and the number of cigarettes in the package. A one dollar surcharge is assessed for packages containing more than 10 but not more than 20 cigarettes.

A “wholesale dealer” sells cigarettes to retail dealers for resale only.<sup>3</sup>

Section 210.06, F.S., requires that every wholesale dealer affix a tax stamp as evidence that the excise tax has been paid before the cigarettes can be offered for sale in this state. Sections 210.02

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<sup>1</sup> Section 210.02(3) and (4), F.S.

<sup>2</sup> Section 210.02(3)(b), F.S.

<sup>3</sup> Section 210.01(6), F.S.

and 210.04, F.S., provide that excise taxes must be paid by the wholesale dealer upon the first sale or transaction within this state whether or not such sale or transfer is to the ultimate purchaser or consumer. Because wholesalers may purchase cigarettes from other wholesalers, only the first sale is taxed. Distributing agents, acting as agents to the manufacturers, are not required to pay taxes for the distribution of cigarettes to wholesalers. Collected excise taxes are paid to the division. Stamps representing various denominations of tax are purchased in bulk by wholesale dealers and are affixed to packages as proof of payment.<sup>4</sup> Cigarettes that are not properly stamped may not be sold in Florida.<sup>5</sup> The amount of the tax then becomes a part of the price of the cigarettes to be paid by the purchaser or consumer.

### **Exempt Cigarettes for Members of Recognized Indian Tribes**

In 1979 the Legislature granted to the Seminole Tribe of Florida the authority to sell tax free cigarettes to the public from reservation smoke shops.<sup>6</sup> In 2009, when the \$1 surcharge was added to cigarettes, the Legislature created s. 210.1801, F.S., to provide the process in which Indian tribes are provided with tax-and-surcharge-exemption coupons (coupons) to purchase tax-free cigarettes from wholesalers for sale only to members of the tribe.<sup>7</sup>

Section 210.1801(1), F.S., provides that a member of an Indian tribe recognized in Florida who purchases cigarettes on an Indian reservation for his or her own use is exempt from paying a cigarette tax and surcharge. However, members of an Indian tribe must pay the cigarette tax or surcharge when they purchase cigarettes outside of an Indian reservation. Persons who are not a member of an Indian tribe are not exempt from paying the cigarette tax or surcharge when purchasing cigarettes on an Indian reservation within this state.

Section 210.1801(2), F.S., provides the method of providing tax-exempt cigarettes to recognized Indian tribes. It requires the state to provide the recognized Indian tribes with a number of tax-and-surcharge-exemption coupons to use when buying stamped tax-paid cigarettes from the wholesalers. Cigarette packages are stamped with an indicia to indicate that the applicable tax and surcharge have been paid.<sup>8</sup> The term “stamped cigarette” means that the applicable tax and surcharge has been paid.<sup>9</sup>

Section 210.1801(3), F.S., provides the method for calculating the number of coupons based on the “probable demand of tribal members on the tribe’s reservation plus the number needed for official tribal use.” This method requires that the recognized Indian tribes in Florida (the Seminole and Miccosukee tribes) annually provide the division with the number of members in their tribes. This number is used to calculate the maximum number of coupons for tax-exempt cigarettes the tribes may receive during the fiscal year. The total number is calculated by multiplying the number of members of the tribe (including children) by five packs of cigarettes by 365 (the number of days in a year).

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<sup>4</sup> Sections 210.05 and 210.06, F.S.

<sup>5</sup> Section 210.06, F.S.

<sup>6</sup> See s. 2, 79-317, L.O.F., and *Vending Unlimited, Inc., v. State of Florida*, 364 So2d 548 (Fla. 1<sup>st</sup> DCA, 1979), which held that cigarette sales to and by Indians on an Indian reservation were not taxable.

<sup>7</sup> Chapter 2009-79, L.O.F.

<sup>8</sup> Section 210.01(19), F.S.

<sup>9</sup> See ss. 210.01(18) and (19), F.S.

According to the analysis of the Revenue Estimating Conference (REC) for this bill, the current calculation results in an approximate retail value of the coupons as follows: \$9,774,700 based on 4000 members of the Seminole Tribe, and \$1,563,952 based on 640 members of the Miccosukee Tribe.<sup>10</sup>

The coupons are provided to the Indian tribes on a quarterly basis.<sup>11</sup> Once the total number of packs is determined, the number of tax-exempt cigarette packs per quarter of the year is calculated. Coupons representing the total amount of tax-exempt packs are printed and disbursed to the Indian tribe council offices each quarter.

The coupons are then distributed by the tribe to the reservation cigarette sellers (smoke shops). When the reservation smoke shops go to the stamping wholesalers to purchase cigarettes, they give the coupons to the wholesalers in exchange for stamped cigarettes.<sup>12</sup> However, the reservation smoke shop purchases these cigarettes without the tax or surcharge applied.<sup>13</sup> The wholesaler then redeems the coupons for a refund when they purchase additional cigarette tax stamps from the division.<sup>14</sup> Any cigarettes purchased over and above the number represented by the tax-exempt coupons are purchased with the taxes applied.

Section 210.1801(3)(b), F.S., requires each wholesale dealer to keep records of transactions involving Indian tax-and-surcharge-exemption coupons. It also specifies the documentation that wholesalers must submit to the division when claiming a refund.

Section 210.1801(4)(b), F.S., permits members of the tribe to purchase cigarettes for personal use without payment of the cigarette tax and surcharge if the cigarettes are purchased on a qualified reservation. The reservation smoke shops are not required to keep a record of their cigarette sales.

### **III. Effect of Proposed Changes:**

The bill amends s. 210.1801, F.S., to permit an Indian tribe to use excess coupons to sell tax-and-surcharge-free cigarettes to nontribal members in purchases made on the reservation.

The bill does not provide a method for determining of the number of excess coupons. The bill also does not alter the method for determining the tribal members' probable demand for cigarettes, including the number needed for official use, to reflect the number of excess coupons.

The bill does not increase the number of tax-and-surcharge-exemption coupons given to the governing body of a recognized Indian tribe. Therefore, the number of tax-and-surcharge-free

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<sup>10</sup> See Revenue Estimating Conference's analysis for HB 1019 and SB 1558, dated February 5, 2016, at: [http://edr.state.fl.us/Content/conferences/revenueimpact/archives/2016/\\_pdf/page513-514.pdf](http://edr.state.fl.us/Content/conferences/revenueimpact/archives/2016/_pdf/page513-514.pdf) (last visited February 12, 2016).

<sup>11</sup> Section 210.1801(3), F.S.

<sup>12</sup> Section 210.1801(4), F.S.

<sup>13</sup> *Id.*

<sup>14</sup> Section 210.1801(4)(a), F.S.

cigarettes sold by a recognized Indian tribe is limited by the number of exemption coupons that are provided to the tribe under current law.

The bill has an effective date of July 1, 2016.

**IV. Constitutional Issues:**

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

**V. Fiscal Impact Statement:**

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

According to the Revenue Estimating Conference for this bill, the bill will not have a fiscal impact. The bill does not increase the number of tax-and-surcharge-exemption coupons given to the governing body of a recognized Indian tribe.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends section 210.1801 of the Florida Statutes.

**IX. Additional Information:**

- A. **Committee Substitute – Statement of Changes:**  
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

- B. **Amendments:**

None.

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This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

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By Senator Evers

2-01052A-16

20161558\_\_

1 A bill to be entitled

2 An act relating to an exemption from the cigarette tax  
3 and surcharge; amending s. 210.1801, F.S.; authorizing  
4 an Indian tribe to use certain excess Indian-tax-and-  
5 surcharge-exemption coupons for sales on the tribe's  
6 reservation to nontribal members under certain  
7 circumstances; providing an effective date.

8  
9 Be It Enacted by the Legislature of the State of Florida:

10  
11 Section 1. Subsection (1), paragraph (a) of subsection (3),  
12 and subsection (4) of section 210.1801, Florida Statutes, are  
13 amended to read:

14 210.1801 Exempt cigarettes for members of recognized Indian  
15 tribes.—

16 (1) Notwithstanding any provision of this chapter to the  
17 contrary, a member of an Indian tribe recognized in this state  
18 who purchases cigarettes on an Indian reservation for his or her  
19 own use is exempt from paying a cigarette tax and surcharge.  
20 However, such member purchasing cigarettes outside of an Indian  
21 reservation or a nontribal member purchasing cigarettes on an  
22 Indian reservation is not exempt from paying the cigarette tax  
23 or surcharge when purchasing cigarettes within this state,  
24 unless the nontribal member purchases cigarettes on an Indian  
25 reservation as set forth in paragraph (3) (a). Accordingly, the  
26 tax and surcharge shall apply to all cigarettes sold on an  
27 Indian reservation to a nontribal member, and evidence of such  
28 tax or surcharge shall be by means of an affixed cigarette tax  
29 and surcharge stamp.

30 (3) Indian-tax-and-surcharge-exemption coupons shall be  
31 provided to the recognized governing body of each Indian tribe  
32 to ensure that each Indian tribe can obtain cigarettes that are

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33 exempt from the tax and surcharge which are for the use of the  
34 tribe or its members. The Indian-tax-and-surcharge-exemption  
35 coupons shall be provided to the Indian tribes quarterly. It is  
36 intended that each Indian tribe will distribute the Indian-tax-  
37 and-surcharge-exemption coupons to reservation cigarette sellers  
38 on such tribe's reservation. Only Indian tribes or reservation  
39 cigarette sellers on their reservations may redeem such Indian-  
40 tax-and-surcharge-exemption coupons pursuant to this section.

41 (a) The number of Indian-tax-and-surcharge-exemption  
42 coupons to be given to the recognized governing body of each  
43 Indian tribe shall be based upon the probable demand of the  
44 tribal members on the tribe's reservation plus the number needed  
45 for official tribal use. The annual total number of Indian-tax-  
46 and-surcharge-exemption coupons to be given to the recognized  
47 governing body of each Indian tribe shall be calculated by  
48 multiplying the number of members of the tribe times five packs  
49 of cigarettes times 365. If, based on probable demand, the  
50 number of Indian-tax-and-surcharge-exemption coupons given to  
51 the governing body of a recognized Indian tribe exceeds the  
52 actual demand of the tribal members plus the number needed for  
53 official tribal use, the tribe may use the excess coupons to  
54 sell tax-and-surcharge-free cigarettes to nontribal members on  
55 the reservation.

56 (4) (a) An Indian tribe may purchase cigarettes for its own  
57 official use from a wholesale dealer without payment of the  
58 cigarette tax and surcharge to the extent that the Indian tribe  
59 provides the wholesale dealer with Indian-tax-and-surcharge-  
60 exemption coupons entitling the Indian tribe to purchase such  
61 quantities of cigarettes as allowed by each Indian-tax-and-

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62 surcharge-exemption coupon without paying the cigarette tax and  
63 surcharge.

64 (b) A tribal member may purchase cigarettes for his or her  
65 own use without payment of the cigarette tax and surcharge if  
66 the tribal member makes such purchase on a qualified  
67 reservation.

68 (c) A nontribal member may purchase cigarettes for his or  
69 her own use without payment of the cigarette tax and surcharge  
70 if the nontribal member makes the purchase on an Indian  
71 reservation as set forth in paragraph (3) (a).

72 (d)~~(e)~~ A reservation cigarette seller may purchase  
73 cigarettes for resale without payment of the cigarette tax from  
74 a wholesale dealer licensed pursuant to this chapter:

75 1. If the reservation cigarette seller brings the  
76 cigarettes or causes them to be delivered onto a qualified  
77 reservation for resale on the reservation;

78 2. To the extent that the reservation cigarette seller  
79 provides the wholesale dealer with Indian-tax-and-surcharge-  
80 exemption coupons entitling the reservation cigarette seller to  
81 purchase such quantities of cigarettes as allowed on each  
82 Indian-tax-and-surcharge-exemption coupon without paying the  
83 cigarette tax and surcharge; and

84 3. If the cigarettes are affixed with a cigarette tax and  
85 surcharge stamp.

86 (e)~~(d)~~ A wholesale dealer may not collect the cigarette tax  
87 and surcharge from any purchaser if the purchaser gives the  
88 dealer Indian-tax-and-surcharge-exemption coupons that entitle  
89 the purchaser to purchase such quantities of cigarettes as  
90 allowed on each such Indian-tax-and-surcharge-exemption coupon

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91 without paying the cigarette tax and surcharge.

92 Section 2. This act shall take effect July 1, 2016.



The Florida Senate

## Committee Agenda Request

**To:** Senator Bradley  
Chair, Committee on Regulated Industries

**Subject:** Committee Agenda Request

January 14, 2016

Dear Senator Bradley,

I respectfully request that **Senate Bill 1558**, regarding **Cigarette Tax and Surcharge-Free Cigarettes with the Seminole Tribe of Florida**, be placed on the:

- committee agenda at your earliest possible convenience.
- next committee agenda.

C

A handwritten signature in cursive script that reads "Greg Evers".

---

Senator Greg Evers  
Florida Senate, District 2

SUPPORT SB 1558  
TAX-AND-SURCHARGE-FREE COUPONS  
By SENATOR GREG EVERS

Prior to 2009, recognized Indian tribes in Florida were permitted to sell tax-free cigarettes to tribal and non tribal members on reservations in Florida. When the \$1 package surcharge was added in Florida in 2009, the tax free tribe program was discontinued. Another process was established whereby tribes were provided vouchers or coupons to sell tax-free cigarettes to tribe members only.

Currently, a tribe receives vouchers or coupons to purchase tax and surcharge free cigarettes to sell to tribe members in an amount that is calculated by multiplying the number of tribal members times five packs of cigarettes times 365.

The bill provides that tribes may use excess "Indian-tax-and-surcharge-exemption coupons," beyond the number of cigarettes demanded by tribal members, for the sale of tax-and-surcharge-free cigarettes to nontribal members for purchases made on the reservation.

The number of Indian-tax-and-surcharge-exemption coupons given to a tribe is not increased by this bill, and thus, the number of Indian-tax-and-surcharge-free cigarettes sold by tribes is still limited by the number of exemption coupons currently being provided to the tribes.

There is no fiscal impact to the state or local governments.

Bill has an effective date of July 1, 2016.

THE SEMINOLE TRIBE OF FLORIDA, INC. is NOT associated with the Tribal Council and/or Gaming Side of the Seminole Tribe. The Seminole Tribe of Florida, Inc., is a separate Federally Chartered Corporation responsible solely for the Economic Development functions for the Tribe.

THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

SB 1558

Bill Number (if applicable)

Meeting Date

Topic Cigarettes

Amendment Barcode (if applicable)

Name JACIE SKELDING

Job Title ATTORNEY

Address P.O. Box 669

Phone 850-510-6555

Street  
City Tallahassee State FL Zip

Email JSkelding@Brow AM-11

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Seminole Tribe of FL, INC.

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

**APPEARANCE RECORD**

2/16/17  
Meeting Date

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1558  
Bill Number (if applicable)

Topic THE AM SURCHARGE CAPONS

Amendment Barcode (if applicable)

Name Ramen MAURY

Job Title \_\_\_\_\_

Address PO BOX 10245  
Street

Phone 813 222 1528

TALL H 32381  
City State Zip

Email mmggroup@AFL

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing SEMIWOLE TRIBE OF FL, INC.

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

# CourtSmart Tag Report

Room: EL 110 Case No.:  
Caption: Senate Committee on Regulated Industries

Type:  
Judge:

Started: 2/17/2016 1:34:00 PM  
Ends: 2/17/2016 3:29:30 PM Length: 01:55:31

1:33:58 PM Recording Paused  
1:33:59 PM Recording Resumed  
1:34:29 PM Roll call  
1:36:09 PM Tab 1 SPB 7074  
1:36:32 PM Senator Bradley  
1:38:58 PM Amendment 1 Barcode 668752  
1:40:18 PM Senator Negron  
1:42:55 PM Questions  
1:42:59 PM Senator Braynon  
1:43:29 PM Senator Latvala  
1:45:25 PM Amendment to Amendment 1 Barcode 625860  
1:46:26 PM Senator Stargel  
1:48:25 PM Questions  
1:48:27 PM Senator Braynon  
1:49:05 PM Senator Latvala  
1:54:50 PM Senator Abruzzo  
1:56:08 PM Senator Margolis  
1:57:37 PM Appearance forms  
1:58:42 PM Debate  
1:58:47 PM Senator Negron  
2:01:29 PM Senator Richter  
2:04:29 PM Senator Stargel  
2:05:26 PM Roll call on the Amendment to Amendment 1  
2:06:04 PM Amendment to amendment 1 fails  
2:06:12 PM Back to Amendment 1  
2:06:26 PM Questions  
2:06:33 PM Senator Bean  
2:06:45 PM Senator Bradley  
2:08:57 PM Debate  
2:08:58 PM Senator Abruzzo  
2:10:24 PM Senator Negron  
2:11:52 PM Senator Abruzzo  
2:12:07 PM Senator Stargel  
2:12:43 PM Amendment 1 is adopted  
2:13:04 PM Back to SPB 7074 as amended  
2:13:19 PM Appearance forms  
2:14:03 PM Antonio Jefferson, City Manager, City of Gretna  
2:16:00 PM SPB 7074 is reported favorably  
2:17:08 PM Tab 2/3 SPB 7072  
2:17:53 PM Senator Bradley  
2:18:29 PM Amendment 1 Barcode 843294  
2:18:47 PM Senator Sachs  
2:20:10 PM Amendment 1 Barcode 843294 withdrawn by Senator Sachs  
2:21:06 PM Amendment 2 Barcode 244100  
2:21:20 PM Senator Negron  
2:24:30 PM Questions  
2:24:32 PM Senator Latvala  
2:30:42 PM Senator Negron  
2:33:28 PM Senator Abruzzo  
2:34:13 PM Senator Latvala  
2:35:05 PM Senator Abruzzo  
2:35:33 PM Senator Diaz de la Portilla

2:36:09 PM Senator Stargel  
2:36:38 PM Senator Sachs  
2:37:02 PM Amendment 3 Barcode 354378 Senator Richter  
2:38:21 PM Questions  
2:38:26 PM Senator Sachs  
2:41:51 PM Amendment 3 Barcode 354378 adopted  
2:42:21 PM Amendment 4 Barcode 594538 withdrawn by Senator Negrón  
2:42:43 PM Amendment 5 Barcode 897172 Senator Negrón  
2:48:18 PM Questions  
2:48:23 PM Senator Latvala  
2:50:27 PM Senator Braynon  
2:51:14 PM Senator Abruzzo  
2:52:56 PM Senator Sachs  
2:58:56 PM Senator Bean  
3:02:11 PM Senator Latvala  
3:04:08 PM Senator Richter  
3:07:23 PM Senator Braynon  
3:09:18 PM Amendment 1 to Amendment 5 withdrawn by Senator Stargel  
3:09:56 PM Amendment 2 to Amendment 5 withdrawn by Senator Abruzzo  
3:10:16 PM Amendment 3 to Amendment 5 Barcode 898094 by Senator Stargel  
3:10:50 PM Amendment 3 to Amendment 5 Barcode 898084 fails  
3:11:18 PM Back to Amendment 5 Barcode 897172  
3:11:32 PM amendment forms  
3:13:58 PM Jack Cory, FL Greyhound Assoc.  
3:14:24 PM Tom Ventura, President, Ocala Breeders Sales Co.  
3:16:23 PM Closing by Senator Negrón  
3:20:31 PM Amendment 5 Barcode 897172 Senator Negrón adopted  
3:21:32 PM Amendment 6 Barcode 667902 Senator Margolis  
3:23:16 PM Debate  
3:23:18 PM Senator Negrón  
3:24:28 PM Closing Senator Margolis  
3:24:36 PM Amendment 6 Barcode 667902 fails  
3:24:56 PM Amendment 7 barcode 283940 Senator Abruzzo  
3:26:44 PM withdrawn  
3:26:47 PM Back on SPB 7072 as amended  
3:27:00 PM Appearance forms  
3:27:12 PM Lonny Powell, CEO FL Thoroughbred and owners Assn  
3:28:19 PM SPB 7072 as amended reported favorably  
3:29:21 PM adjourned