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An act relating to pari-mutuel permith

An act relating to pari-mutuel permitholders; amending s. 550.054, F.S.; providing that no new pari-mutuel permits shall be issued after a certain date; amending s. 550.334, F.S.; removing provisions for application to the Division of Pari-mutuel Wagering for a permit to conduct quarter horse race meetings; removing provisions for granting a license to conduct quarter horse racing; removing a provision for governance and control of quarter horse racing; removing a requirement for intertrack wagering to be conducted by a quarter horse permitholder; providing for retroactive application; providing effective dates.

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

Section 1. Subsection (14) is added to section 550.054, Florida Statutes, to read:

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

(14) Notwithstanding any other provision of law, no new pari-mutuel permits shall be issued pursuant to this chapter on or after January 1, 2009.

Section 2. Effective upon this act becoming a law and applicable to applications for a permit to conduct quarter horse races filed with the division on or after March 30, 2008, section 550.334, Florida Statutes, is amended to read:

550.334 Quarter horse racing; substitutions.--

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(1) Subject to all the applicable provisions of this chapter, any person who possesses the qualifications prescribed in this chapter may apply to the division for a permit to conduct quarter horse race meetings and racing under this chapter. The applicant must demonstrate that the location or locations where the permit will be used are available for such use and that she or he has the financial ability to satisfy reasonably anticipated operational expenses of the first racing year following final issuance of the permit. If the racing facility is already built, the application must contain a statement, with reasonable supporting evidence, that the permit will be used for quarter horse racing within 1 year after the date on which it is granted; if the facility is not already built, the application must contain a statement, with reasonable supporting evidence, that substantial construction will be started within 1 year after the issuance of the permit. After receipt of an application, the division shall convene to consider and act upon permits applied for. The division shall disapprove an application if it fails to meet the requirements of this chapter. Upon each application filed and approved, a permit shall be issued setting forth the name of the applicant and a statement showing qualifications of the applicant to conduct racing under this chapter. If a favorable referendum on a pari-mutuel facility has not been held previously within the county, then, before a quarter horse permit may be issued by the division, a referendum ratified by a majority of the electors in the county is required on the question of allowing quarter horse races within that county.

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(2) After a quarter horse racing permit has been granted by the division, the department shall grant to the lawful holder of such permit, subject to the conditions of this section, a license to conduct quarter horse racing under this chapter; and the division shall fix annually the time when, place where, and number of days upon which racing may be conducted by such quarter horse racing permitholder. After the first license has been issued to the holder of a permit for quarter horse racing, all subsequent annual applications for a license by a permitholder must be accompanied by proof, in such form as the division requires, that the permitholder still possesses all the qualifications prescribed by this chapter. The division may revoke any permit or license issued under this section upon the willful violation by the licensee of any provision of this chapter or any rule adopted by the division under this chapter. The division shall revoke any quarter horse permit under which no live racing has ever been conducted before July 7, 1990, for failure to conduct a horse meet pursuant to the license issued where a full schedule of horseracing has not been conducted for a period of 18 months commencing on October 1, 1990, unless the permitholder has commenced construction on a facility at which a full schedule of live racing could be conducted as approved by the division. "Commenced construction" means initiation of and continuous activities beyond site preparation associated with erecting or modifying a horseracing facility, including procurement of a building permit applying the use of approved construction documents, proof of an executed owner/contractor agreement or an irrevocable or binding forced account, and

actual undertaking of foundation forming with steel installation and concrete placing. The 18-month period shall be extended by the division, to the extent that the applicant demonstrates to the satisfaction of the division that good faith commencement of the construction of the facility is being delayed by litigation or by governmental action or inaction with respect to regulations or permitting precluding commencement of the construction of the facility.

- $\underline{(1)}$ The operator of any licensed racetrack is authorized to lease such track to any quarter horse racing permitholder for the conduct of quarter horse racing under this chapter.
- (4) Section 550.054 is inapplicable to quarter horse racing as permitted under this section. All other provisions of this chapter apply to, govern, and control such racing, and the same must be conducted in compliance therewith.
- $\underline{(2)}$ (5) Quarter horses participating in such races must be duly registered by the American Quarter Horse Association, and before each race such horses must be examined and declared in fit condition by a qualified person designated by the division.
- (3) (6) Any quarter horse racing days permitted under this chapter are in addition to any other racing permitted under the license issued the track where such quarter horse racing is conducted.
- (4)(7)(a) Any quarter horse racing permitholder operating under a valid permit issued by the division is authorized to substitute races of other breeds of horses, except thoroughbreds, which are, respectively, registered with the

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American Paint Horse Association, Appaloosa Horse Club, Arabian Horse Registry of America, Palomino Horse Breeders of America, or United States Trotting Association, for no more than 50 percent of the quarter horse races daily, and may substitute races of thoroughbreds registered with the Jockey Club for no more than 50 percent of the quarter horse races daily with the written consent of all greyhound, harness, and thoroughbred permitholders whose pari-mutuel facilities are located within 50 air miles of such quarter horse racing permitholder's parimutuel facility.

- (b) Any permittee operating within an area of 50 air miles of a licensed thoroughbred track may not substitute thoroughbred races under this section while a thoroughbred horse race meet is in progress within that 50 miles. Any permittee operating within an area of 125 air miles of a licensed thoroughbred track may not substitute live thoroughbred races under this section while a thoroughbred permittee who pays taxes under s. 550.09515(2)(a) is conducting a thoroughbred meet within that 125 miles. These mileage restrictions do not apply to any permittee that holds a nonwagering permit issued pursuant to s. 550.505.
- (5) (8) A quarter horse permit issued pursuant to this section is not eligible for transfer or conversion to another type of pari-mutuel operation.
- (6)(9) Any nonprofit corporation, including, but not limited to, an agricultural cooperative marketing association, organized and incorporated under the laws of this state may apply for a quarter horse racing permit and operate racing meets under such permit, provided all pari-mutuel taxes and fees

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applicable to such racing are paid by the corporation. However, insofar as its pari-mutuel operations are concerned, the corporation shall be considered to be a corporation for profit and is subject to taxation on all property used and profits earned in connection with its pari-mutuel operations.

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(10) Intertrack wagering shall not be authorized for any quarter horse permitholder without the written consent of all greyhound, harness, and thoroughbred permitholders whose parimutuel facilities are located within 50 air miles of such quarter horse permitholder's pari-mutuel facility.

Section 3. Except as otherwise expressly provided in this act, this act shall take effect July 1, 2009.