1

A bill to be entitled

2 An act relating to greyhound racing; amending s. 550.002, 3 F.S., which defines the term "full schedule of live racing 4 or games"; providing that a greyhound permitholder shall 5 not be required to conduct a minimum number of live 6 performances; amending s. 550.01215, F.S.; revising 7 requirements for an application for a license to conduct 8 performances; extending the period of time allowed to 9 amend certain applications; amending s. 550.054, F.S.; 10 removing a requirement for holders of certain converted 11 permits to conduct a full schedule of live racing to qualify for certain tax credits; amending s. 550.0951, 12 F.S.; revising provisions for transfer by a permitholder 13 14 of a tax exemption or license fee credit to a greyhound 15 permitholder; establishing a tax credit pool; providing 16 for use of credits in the pool; amending s. 550.09514, F.S.; revising purse requirements for greyhound racing and 17 provisions for payment of purses; amending s. 550.475, 18 19 F.S., relating to lease of pari-mutuel facilities by parimutuel permitholders; revising terminology to conform to 20 21 changes made by the act; amending s. 550.615, F.S.; 22 revising provisions for intertrack wagering; amending ss. 23 550.26165 and 550.6305, F.S.; conforming cross-references 24 to changes made by the act; amending s. 551.104, F.S.; 25 revising a condition of licensure for the conduct of slot 26 machine gaming; amending s. 551.114, F.S.; revising 27 requirements for designated slot machine gaming areas; amending s. 849.086, F.S.; revising requirements for 28 Page 1 of 21

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hb1145-02-c2

29 initial and renewal issuance of a cardroom license to a greyhound permitholder; providing that a minimum number of 30 31 requested or conducted live performances is not required 32 in order for a greyhound permitholder to maintain or renew a cardroom license; providing an effective date. 33 34 35 Be It Enacted by the Legislature of the State of Florida: 36 37 Section 1. Subsection (11) of section 550.002, Florida 38 Statutes, is amended to read: 39 550.002 Definitions.-As used in this chapter, the term: "Full schedule of live racing or games" means, for a 40 (11)greyhound or jai alai permitholder, the conduct of a combination 41 42 of at least 100 live evening or matinee performances during the 43 preceding year; for a permitholder who has a converted permit or 44 filed an application on or before June 1, 1990, for a converted permit, the conduct of a combination of at least 100 live 45 evening and matinee wagering performances during either of the 2 46 47 preceding years; for a jai alai permitholder who does not operate slot machines in its pari-mutuel facility, who has 48 49 conducted at least 100 live performances per year for at least 50 10 years after December 31, 1992, and whose handle on live jai 51 alai games conducted at its pari-mutuel facility has been less 52 than \$4 million per state fiscal year for at least 2 consecutive 53 years after June 30, 1992, the conduct of a combination of at 54 least 40 live evening or matinee performances during the 55 preceding year; for a jai alai permitholder who operates slot 56 machines in its pari-mutuel facility, the conduct of a

Page 2 of 21

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57 combination of at least 150 performances during the preceding 58 year; for a harness permitholder, the conduct of at least 100 59 live regular wagering performances during the preceding year; 60 for a quarter horse permitholder at its facility unless an 61 alternative schedule of at least 20 live regular wagering 62 performances is agreed upon by the permitholder and either the 63 Florida Quarter Horse Racing Association or the horsemen's 64 association representing the majority of the quarter horse 65 owners and trainers at the facility and filed with the division 66 along with its annual date application, in the 2010-2011 fiscal 67 year, the conduct of at least 20 regular wagering performances, in the 2011-2012 and 2012-2013 fiscal years, the conduct of at 68 69 least 30 live regular wagering performances, and for every fiscal year after the 2012-2013 fiscal year, the conduct of at 70 71 least 40 live regular wagering performances; for a quarter horse 72 permitholder leasing another licensed racetrack, the conduct of 73 160 events at the leased facility; and for a thoroughbred 74 permitholder, the conduct of at least 40 live regular wagering 75 performances during the preceding year. For a permitholder which 76 is restricted by statute to certain operating periods within the 77 year when other members of its same class of permit are 78 authorized to operate throughout the year, the specified number 79 of live performances which constitute a full schedule of live 80 racing or games shall be adjusted pro rata in accordance with 81 the relationship between its authorized operating period and the 82 full calendar year and the resulting specified number of live performances shall constitute the full schedule of live games 83 for such permitholder and all other permitholders of the same 84 Page 3 of 21

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85 class within 100 air miles of such permitholder. A live 86 performance must consist of no fewer than eight races or games 87 conducted live for each of a minimum of three performances each 88 week at the permitholder's licensed facility under a single 89 admission charge. Notwithstanding any other provision of law, beginning with the 2011-2012 fiscal year, there shall be no 90 91 minimum requirement of live performances for greyhound 92 permitholders. 93 Section 2. Subsection (1) of section 550.01215, Florida 94 Statutes, is amended to read: 95 550.01215 License application; periods of operation; bond, 96 conversion of permit.-Each permitholder shall annually, during the period 97 (1)98 between December 15 and January 4, file in writing with the 99 division its application for a license to conduct pari-mutuel 100 wagering activities performances during the next state fiscal 101 year. Each application requesting live performances, if any, 102 shall specify the number, dates, and starting times of all 103 performances which the permitholder intends to conduct. It shall 104 also specify which performances will be conducted as charity or 105 scholarship performances. In addition, each application for a license shall include, for each permitholder which elects to 106 107 operate a cardroom, the dates and periods of operation the 108 permitholder intends to operate the cardroom or, for each thoroughbred permitholder which elects to receive or rebroadcast 109 out-of-state races after 7 p.m., the dates for all performances 110 which the permitholder intends to conduct. Permitholders may 111 shall be entitled to amend their applications through February 112 Page 4 of 21

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hb1145-02-c2

113 28 or, for applications by greyhound permitholders relating to 114 the 2011-2012 fiscal year, through August 31, 2011. 115 Section 3. Paragraph (b) of subsection (14) of section

116 550.054, Florida Statutes, is amended to read:

117 550.054 Application for permit to conduct pari-mutuel 118 wagering.-

(14)

119

120 The division, upon application from the holder of a (b) 121 jai alai permit meeting all conditions of this section, shall 122 convert the permit and shall issue to the permitholder a permit 123 to conduct greyhound racing. A permitholder of a permit 124 converted under this section shall be required to apply for and 125 conduct a full schedule of live racing each fiscal year to be 126 eligible for any tax credit provided by this chapter. The holder 127 of a permit converted pursuant to this subsection or any holder 128 of a permit to conduct greyhound racing located in a county in 129 which it is the only permit issued pursuant to this section who 130 operates at a leased facility pursuant to s. 550.475 may move 131 the location for which the permit has been issued to another location within a 30-mile radius of the location fixed in the 132 133 permit issued in that county, provided the move does not cross 134 the county boundary and such location is approved under the 135 zoning regulations of the county or municipality in which the 136 permit is located, and upon such relocation may use the permit for the conduct of pari-mutuel wagering and the operation of a 137 cardroom. The provisions of s. 550.6305(9)(d) and (f) shall 138 apply to any permit converted under this subsection and shall 139 continue to apply to any permit which was previously included 140

Page 5 of 21

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hb1145-02-c2

141 under and subject to such provisions before a conversion 142 pursuant to this section occurred.

143Section 4. Paragraph (b) of subsection (1) of section144550.0951, Florida Statutes, is amended to read:

145 550.0951 Payment of daily license fee and taxes; 146 penalties.-

(1)

147

148 Each permitholder that cannot utilize the full amount (b) 149 of the exemption of \$360,000 or \$500,000 provided in s. 550.09514(1) or the daily license fee credit provided in this 150 151 section may, at any time after notifying the division in 152 writing, elect once per state fiscal year on a form provided by 153 the division, to transfer such exemption or credit or any 154 portion thereof to any greyhound permitholder which acts as a 155 host track to such permitholder for the purpose of intertrack 156 wagering. Notwithstanding any other provision of law, the exemption of \$360,000 or \$500,000 under s. 550.09514(1) for each 157 158 greyhound permitholder that conducted live racing before July 1, 159 2011, but subsequently elects not to conduct live racing during 160 a fiscal year shall be pooled, and each greyhound permitholder 161 conducting a full schedule of live racing during a fiscal year 162 is entitled to an additional tax credit in an amount equal to 163 the product of the respective permitholder's percentage share of 164 live and intertrack wagering handle under subsection (3) during the preceding fiscal year and the total value of tax credits 165 166 available in the pool. Once an election to transfer such 167 exemption or credit is filed with the division, it shall not be rescinded. The division shall disapprove the transfer when the 168 Page 6 of 21

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169 amount of the exemption or credit or portion thereof is 170 unavailable to the transferring permitholder for any reason, including being unavailable because the transferring 171 172 permitholder did not conduct at least 100 live performances of 173 at least eight races during the fiscal year, or when the 174 permitholder who is entitled to transfer the exemption or credit 175 or who is entitled to receive the exemption or credit owes taxes 176 to the state pursuant to a deficiency letter or administrative 177 complaint issued by the division. Upon approval of the transfer 178 by the division, the transferred tax exemption or credit shall 179 be effective for the first performance of the next payment 180 period as specified in subsection (5). The exemption or credit 181 transferred to such host track may be applied by such host track 182 against any taxes imposed by this chapter or daily license fees 183 imposed by this chapter. The greyhound permitholder host track 184 to which such exemption or credit is transferred shall reimburse 185 such permitholder the exact monetary value of such transferred 186 exemption or credit as actually applied against the taxes and 187 daily license fees of the host track. The division shall ensure that all transfers of exemption or credit are made in accordance 188 189 with this subsection and shall have the authority to adopt rules 190 to ensure the implementation of this section.

191Section 5. Paragraphs (b), (c), and (e) of subsection (2)192of section 550.09514, Florida Statutes, are amended to read:

193 550.09514 Greyhound dogracing taxes; purse requirements.194 (2)

(b) Except as otherwise set forth herein, in addition to the minimum purse percentage required by paragraph (a), each Page 7 of 21

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197 permitholder conducting live racing during a fiscal year shall pay as purses an annual amount equal to 75 percent of the daily 198 199 license fees paid by each permitholder for the 1994-1995 fiscal 200 year. This purse supplement shall be disbursed weekly during the 201 permitholder's race meet in an amount determined by dividing the 202 annual purse supplement by the number of performances approved 203 for the permitholder pursuant to its annual license and 204 multiplying that amount by the number of performances conducted 205 each week. For the greyhound permitholders in the county where there are two greyhound permitholders located as specified in s. 206 207 550.615(6), such permitholders shall pay in the aggregate an amount equal to 75 percent of the daily license fees paid by 208 209 such permitholders for the 1994-1995 fiscal year. These 210 permitholders shall be jointly and severally liable for such 211 purse payments. The additional purses provided by this paragraph 212 must be used exclusively for purses other than stakes. The 213 division shall conduct audits necessary to ensure compliance 214 with this section.

215 (c)1. Each greyhound permitholder when conducting at least three live performances during any week shall pay purses in that 216 217 week on wagers it accepts as a guest track on intertrack and 218 simulcast greyhound races at the same rate as it pays on live 219 races. Each greyhound permitholder when conducting at least 220 three live performances during any week shall pay purses in that week, at the same rate as it pays on live races, on wagers 221 222 accepted on greyhound races at a guest track which is not 223 conducting live racing and is located within the same market area as the greyhound permitholder conducting at least three 224

#### Page 8 of 21

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hb1145-02-c2

225 live performances during any week.

226 2. Each host greyhound permitholder shall pay purses on 227 its simulcast and intertrack broadcasts of greyhound races to 228 quest facilities that are located outside its market area in an 229 amount equal to one quarter of an amount determined by 230 subtracting the transmission costs of sending the simulcast or 231 intertrack broadcasts from an amount determined by adding the 232 fees received for greyhound simulcast races plus 3 percent of 233 the greyhound intertrack handle at guest facilities that are 234 located outside the market area of the host and that paid 235 contractual fees to the host for such broadcasts of greyhound 236 races. For guest greyhound permitholders not conducting live 237 racing during a fiscal year and not subject to the purse 238 requirements of subparagraph 1., 3 percent of the greyhound 239 intertrack handle shall be paid to the host greyhound 240 permitholder for payment of purses at the host track.

241 In addition to the purse requirements of paragraphs (e) 242 (a)-(c), each greyhound permitholder shall pay as purses an 243 amount equal to one-third of the amount of the tax reduction on 244 live and simulcast handle applicable to such permitholder as a 245 result of the reductions in tax rates provided by this act 246 through the amendments to s. 550.0951(3) by chapter 2000-354, 247 Laws of Florida. With respect to intertrack wagering when the 248 host and quest tracks are greyhound permitholders not within the 249 same market area, an amount equal to the tax reduction applicable to the quest track handle as a result of the 250 251 reduction in tax rates rate provided by this act through the 252 amendments amendment to s. 550.0951(3) by chapter 2000-354, Laws Page 9 of 21

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253 of Florida, shall be distributed to the quest track, one-third 254 of which amount shall be paid as purses at those guest tracks 255 conducting live racing the guest track. However, if the guest 256 track is a greyhound permitholder within the market area of the 257 host or if the quest track is not a greyhound permitholder, an 258 amount equal to such tax reduction applicable to the quest track 259 handle shall be retained by the host track, one-third of which 260 amount shall be paid as purses at the host track. These purse funds shall be disbursed in the week received if the 261 262 permitholder conducts at least one live performance during that 263 week. If the permitholder does not conduct at least one live 264 performance during the week in which the purse funds are 265 received, the purse funds shall be disbursed weekly during the 266 permitholder's next race meet in an amount determined by dividing the purse amount by the number of performances approved 267 268 for the permitholder pursuant to its annual license, and 269 multiplying that amount by the number of performances conducted 270 each week. The division shall conduct audits necessary to ensure 271 compliance with this paragraph.

272 Section 6. Subsection (1) of section 550.26165, Florida 273 Statutes, is amended to read:

274

550.26165 Breeders' awards.-

(1) The purpose of this section is to encourage the
agricultural activity of breeding and training racehorses in
this state. Moneys dedicated in this chapter for use as
breeders' awards and stallion awards are to be used for awards
to breeders of registered Florida-bred horses winning horseraces
and for similar awards to the owners of stallions who sired

### Page 10 of 21

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hb1145-02-c2

281 Florida-bred horses winning stakes races, if the stallions are 282 registered as Florida stallions standing in this state. Such 283 awards shall be given at a uniform rate to all winners of the 284 awards, shall not be greater than 20 percent of the announced 285 gross purse, and shall not be less than 15 percent of the 286 announced gross purse if funds are available. In addition, no less than 17 percent nor more than 40 percent, as determined by 287 288 the Florida Thoroughbred Breeders' Association, of the moneys 289 dedicated in this chapter for use as breeders' awards and 290 stallion awards for thoroughbreds shall be returned pro rata to 291 the permitholders that generated the moneys for special racing 292 awards to be distributed by the permitholders to owners of 293 thoroughbred horses participating in prescribed thoroughbred 294 stakes races, nonstakes races, or both, all in accordance with a 295 written agreement establishing the rate, procedure, and 296 eligibility requirements for such awards entered into by the 297 permitholder, the Florida Thoroughbred Breeders' Association, 298 and the Florida Horsemen's Benevolent and Protective 299 Association, Inc., except that the plan for the distribution by 300 any permitholder located in the area described in s. 301  $550.615(8) \cdot (9)$  shall be agreed upon by that permitholder, the Florida Thoroughbred Breeders' Association, and the association 302 303 representing a majority of the thoroughbred racehorse owners and 304 trainers at that location. Awards for thoroughbred races are to be paid through the Florida Thoroughbred Breeders' Association, 305 306 and awards for standardbred races are to be paid through the Florida Standardbred Breeders and Owners Association. Among 307 308 other sources specified in this chapter, moneys for thoroughbred Page 11 of 21

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hb1145-02-c2

309 breeders' awards will come from the 0.955 percent of handle for 310 thoroughbred races conducted, received, broadcast, or simulcast 311 under this chapter as provided in s. 550.2625(3). The moneys for 312 quarter horse and harness breeders' awards will come from the 313 breaks and uncashed tickets on live quarter horse and harness 314 racing performances and 1 percent of handle on intertrack 315 wagering. The funds for these breeders' awards shall be paid to the respective breeders' associations by the permitholders 316 317 conducting the races.

318 Section 7. Section 550.475, Florida Statutes, is amended 319 to read:

320 550.475 Lease of pari-mutuel facilities by pari-mutuel permitholders.-Holders of valid pari-mutuel permits for the 321 322 conduct of any jai alai games, dogracing, or thoroughbred and 323 standardbred horse racing in this state are entitled to lease 324 any and all of their facilities to any other holder of a same 325 class valid pari-mutuel permit for jai alai games, dogracing, or 326 thoroughbred or standardbred horse racing, when located within a 327 35-mile radius of each other; and such lessee is entitled to a 328 permit and license to operate its pari-mutuel wagering 329 activities race meet or jai alai games at the leased premises.

330 Section 8. Section 550.615, Florida Statutes, is amended 331 to read:

332

550.615 Intertrack wagering.-

(1) Any horserace permitholder licensed under this chapter which has conducted a full schedule of live racing may, at any time, receive broadcasts of horseraces and accept wagers on horseraces conducted by horserace permitholders licensed under

### Page 12 of 21

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hb1145-02-c2

337 this chapter at its facility.

338 (2)A Any track or fronton licensed under this chapter 339 that conducted a full schedule of live racing or games which in 340 the preceding year, or any greyhound permitholder that has held 341 an annual license to conduct pari-mutuel wagering activities in 342 each of the preceding 10 years or was converted pursuant to s. 343 550.054(14), <del>conducted a full schedule of live racing</del> is 344 qualified to, at any time, receive broadcasts of any class of 345 pari-mutuel race or game and accept wagers on such races or games conducted by any class of permitholders licensed under 346 347 this chapter.

348 If a permitholder elects to broadcast its signal to (3)349 any permitholder in this state, any permitholder that is 350 eligible to conduct intertrack wagering under the provisions of 351 ss. 550.615-550.6345 is entitled to receive the broadcast and 352 conduct intertrack wagering under this section; provided, 353 however, that the host track may require a quest track within 25 354 miles of another permitholder to receive in any week at least 60 percent of the live races that the host track is making 355 356 available on the days that the quest track is otherwise 357 operating live races or games. A host track may require a guest 358 track not operating live races or games and within 25 miles of 359 another permitholder to accept within any week at least 60 360 percent of the live races that the host track is making 361 available. A person may not restrain or attempt to restrain any permitholder that is otherwise authorized to conduct intertrack 362 363 wagering from receiving the signal of any other permitholder or 364 sending its signal to any permitholder.

### Page 13 of 21

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hb1145-02-c2

365 In no event shall any intertrack wager be accepted on (4)366 the same class of live races or games of any permitholder 367 without the written consent of such operating permitholders 368 conducting the same class of live races or games if the quest 369 track is within the market area of such operating permitholder. 370 A greyhound permitholder situated in an area described in 371 subsection (6) that accepts intertrack wagers on live greyhound 372 signals is not required to obtain the written consent required 373 by this subsection from any operating greyhound permitholder 374 within its market area.

375 (5) No permitholder within the market area of the host
376 track shall take an intertrack wager on the host track without
377 the consent of the host track.

378 Notwithstanding the provisions of subsection (3), in (6) 379 any area of the state where there are three or more horserace 380 permitholders within 25 miles of each other, intertrack wagering 381 between permitholders in said area of the state shall only be 382 authorized under the following conditions: Any permitholder, 383 other than a thoroughbred permitholder, may accept intertrack 384 wagers on races or games conducted live by a permitholder of the 385 same class or any harness permitholder located within such area 386 and any harness permitholder may accept wagers on games 387 conducted live by any jai alai permitholder located within its 388 market area and from a jai alai permitholder located within the 389 area specified in this subsection when no jai alai permitholder 390 located within its market area is conducting live jai alai 391 performances; any greyhound or jai alai permitholder may receive 392 broadcasts of and accept wagers on any permitholder of the other

### Page 14 of 21

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hb1145-02-c2

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class provided that a permitholder, other than the host track, of such other class is not operating a contemporaneous live

395 performance within the market area.

396 (7) In any county of the state where there are only two 397 permits, one for dogracing and one for jai alai, no intertrack 398 wager may be taken during the period of time when a permitholder is not licensed to conduct live races or games without the 399 400 written consent of the other permitholder that is conducting live races or games. However, if neither permitholder is 401 402 conducting live races or games, either permitholder may accept 403 intertrack wagers on horseraces or on the same class of races or 404 games, or on both horseraces and the same class of races or 405 games as is authorized by its permit.

406 (7) (8) In any three contiguous counties of the state where 407 there are only three permitholders, all of which are greyhound 408 permitholders, If any greyhound permitholder leases the facility 409 of another greyhound permitholder for the purpose of conducting 410 all or any portion of the conduct of its live race meet pursuant 411 to s. 550.475, such lessee may conduct intertrack wagering at 412 its pre-lease permitted facility throughout the entire year, 413 including while its race live meet is being conducted at the leased facility, if such permitholder has conducted a full 414 415 schedule of live racing during the preceding fiscal year at its 416 pre-lease permitted facility or at a leased facility, or 417 combination thereof.

418 <u>(8)(9)</u> In any two contiguous counties of the state in 419 which there are located only four active permits, one for 420 thoroughbred horse racing, two for greyhound dogracing, and one

## Page 15 of 21

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hb1145-02-c2

for jai alai games, no intertrack wager may be accepted on the same class of live races or games of any permitholder without the written consent of such operating permitholders conducting the same class of live races or games if the guest track is within the market area of such operating permitholder.

426 (9) (10) All costs of receiving the transmission of the
427 broadcasts shall be borne by the guest track; and all costs of
428 sending the broadcasts shall be borne by the host track.

Section 9. Paragraph (g) of subsection (9) of section
550.6305, Florida Statutes, is amended to read:

431 550.6305 Intertrack wagering; guest track payments;
432 accounting rules.-

(9) A host track that has contracted with an out-of-state horse track to broadcast live races conducted at such out-ofstate horse track pursuant to s. 550.3551(5) may broadcast such out-of-state races to any guest track and accept wagers thereon in the same manner as is provided in s. 550.3551.

(g)1. Any thoroughbred permitholder which accepts wagers on a simulcast signal must make the signal available to any permitholder that is eligible to conduct intertrack wagering under the provisions of ss. 550.615-550.6345.

Any thoroughbred permitholder which accepts wagers on a
simulcast signal received after 6 p.m. must make such signal
available to any permitholder that is eligible to conduct
intertrack wagering under the provisions of ss. 550.615550.6345, including any permitholder located as specified in s.
550.615(6). Such guest permitholders are authorized to accept
wagers on such simulcast signal, notwithstanding any other

#### Page 16 of 21

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hb1145-02-c2

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449 provision of this chapter to the contrary.

450 3. Any thoroughbred permitholder which accepts wagers on a 451 simulcast signal received after 6 p.m. must make such signal 452 available to any permitholder that is eligible to conduct 453 intertrack wagering under the provisions of ss. 550.615-454 550.6345, including any permitholder located as specified in s. 455  $550.615(8) \cdot (9)$ . Such quest permitholders are authorized to accept 456 wagers on such simulcast signals for a number of performances 457 not to exceed that which constitutes a full schedule of live 458 races for a quarter horse permitholder pursuant to s. 459 550.002(11), notwithstanding any other provision of this chapter 460 to the contrary, except that the restrictions provided in s. 461 550.615(8)(9)(a) apply to wagers on such simulcast signals.

463 No thoroughbred permitholder shall be required to continue to 464 rebroadcast a simulcast signal to any in-state permitholder if 465 the average per performance gross receipts returned to the host 466 permitholder over the preceding 30-day period were less than 467 \$100. Subject to the provisions of s. 550.615(4), as a condition 468 of receiving rebroadcasts of thoroughbred simulcast signals 469 under this paragraph, a guest permitholder must accept 470 intertrack wagers on all live races conducted by all then-471 operating thoroughbred permitholders.

472Section 10. Paragraph (c) of subsection (4) of section473551.104, Florida Statutes, is amended to read:

474 551.104 License to conduct slot machine gaming.475 (4) As a condition of licensure and to maintain continued
476 authority for the conduct of slot machine gaming, the slot

## Page 17 of 21

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477 machine licensee shall:

478 (c) Conduct no fewer than a full schedule of live racing 479 or games as defined in s. 550.002(11), except for holders of 480 greyhound permits, which have no live racing requirement. A 481 permitholder's responsibility to conduct such number of live 482 races or games shall be reduced by the number of races or games 483 that could not be conducted due to the direct result of fire, 484 war, hurricane, or other disaster or event beyond the control of 485 the permitholder.

486 Section 11. Subsections (2) and (4) of section 551.114, 487 Florida Statutes, are amended to read:

488

551.114 Slot machine gaming areas.-

(2) The slot machine licensee shall display pari-mutuel races or games within the designated slot machine gaming areas and offer patrons within the designated slot machine gaming areas the ability to engage in pari-mutuel wagering on <u>any</u> live, intertrack, and simulcast races conducted or offered to patrons of the licensed facility.

(4) Designated slot machine gaming areas may be located within the current live gaming facility or in an existing building that must be contiguous and connected to the live gaming facility, if applicable. If a designated slot machine gaming area is to be located in a building that is to be constructed, that new building must be contiguous and connected to the live gaming facility.

502 Section 12. Paragraphs (a) and (b) of subsection (5) and 503 paragraph (d) of subsection (13) of section 849.086, Florida 504 Statutes, are amended to read:

### Page 18 of 21

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

849.086 Cardrooms authorized.-

509 Only those persons holding a valid cardroom license (a) 510 issued by the division may operate a cardroom. A cardroom 511 license may only be issued to a licensed pari-mutuel 512 permitholder and an authorized cardroom may only be operated at 513 the same facility at which the permitholder is authorized under 514 its valid pari-mutuel wagering permit to conduct pari-mutuel wagering activities. An initial cardroom license shall be issued 515 516 to a pari-mutuel permitholder only after its facilities are in 517 place and after it conducts its first day of live racing or 518 games or, for a greyhound permitholder, only after it has conducted a full schedule of live racing in each of the 519 520 preceding 10 years or after it was converted pursuant to s. 521 550.054(14).

522 After the initial cardroom license is granted, the (b) application for the annual license renewal shall be made in 523 524 conjunction with the applicant's annual application for its 525 pari-mutuel license. If a permitholder has operated a cardroom 526 during any of the 3 previous fiscal years and fails to include a 527 renewal request for the operation of the cardroom in its annual 528 application for license renewal, the permitholder may amend its 529 annual application to include operation of the cardroom. Except for greyhound permitholders, in order for a cardroom license to 530 be renewed the applicant must have requested, as part of its 531 532 pari-mutuel annual license application, to conduct at least 90 Page 19 of 21

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hb1145-02-c2

533 percent of the total number of live performances conducted by 534 such permitholder during either the state fiscal year in which 535 its initial cardroom license was issued or the state fiscal year 536 immediately prior thereto if the permitholder ran at least a 537 full schedule of live racing or games in the prior year. If the 538 application is for a harness permitholder cardroom, the 539 applicant must have requested authorization to conduct a minimum 540 of 140 live performances during the state fiscal year 541 immediately prior thereto. If more than one permitholder is 542 operating at a facility, each permitholder must have applied for 543 a license to conduct a full schedule of live racing. However, a 544 minimum number of requested or conducted live performances is 545 not required in order for a greyhound permitholder to maintain 546 or renew a cardroom license.

547

(13) TAXES AND OTHER PAYMENTS.-

(d)1. Each greyhound and jai alai permitholder that operates a cardroom facility shall use at least 4 percent of such permitholder's cardroom monthly gross receipts to supplement greyhound purses <u>if live racing is conducted during a</u> <u>fiscal year</u>, or jai alai prize money, respectively, during the permitholder's current or next ensuing pari-mutuel meet.

2. Each thoroughbred and harness horse racing permitholder that operates a cardroom facility shall use at least 50 percent of such permitholder's cardroom monthly net proceeds as follows: 47 percent to supplement purses and 3 percent to supplement breeders' awards during the permitholder's next ensuing racing meet.

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3. No cardroom license or renewal thereof shall be issued Page 20 of 21

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

561 to an applicant holding a permit under chapter 550 to conduct 562 pari-mutuel wagering meets of quarter horse racing unless the 563 applicant has on file with the division a binding written 564 agreement between the applicant and the Florida Quarter Horse 565 Racing Association or the association representing a majority of 566 the horse owners and trainers at the applicant's eligible 567 facility, governing the payment of purses on live quarter horse 568 races conducted at the licensee's pari-mutuel facility. The 569 agreement governing purses may direct the payment of such purses 570 from revenues generated by any wagering or gaming the applicant is authorized to conduct under Florida law. All purses shall be 571 572 subject to the terms of chapter 550.

573

Section 13. This act shall take effect July 1, 2011.

Page 21 of 21

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