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FOR CONSIDERATION By the Committee on Regulated Industries

580-03037-16 20167072pb

A bill to be entitled An act relating to gaming; amending s. 550.002, F.S.; redefining the term "full schedule of live racing or games"; defining the term "video race system"; amending s. 550.01215, F.S.; revising provisions for applications for pari-mutuel operating licenses; authorizing a greyhound racing permitholder to specify certain intentions on its application; authorizing a greyhound racing permitholder to receive an operating license to conduct pari-mutuel wagering activities at another permitholder's greyhound racing facility; limiting the number of pari-mutuel wagering operating licenses that may be issued each year; 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; providing requirements for licensure of certain jai alai permitholders; deleting a provision for conversion of certain converted permits to jai alai permits; amending s. 550.0251, F.S.; requiring the division to annually report to the Governor and the Legislature; specifying requirements for the content of the report; amending s. 550.054, F.S.; requiring the division to revoke a pari-mutuel wagering operating permit under certain circumstances; prohibiting issuance or approval of new pari-mutuel permits after a specified date; authorizing a permitholder to apply to the division to place a permit in inactive status; revising provisions that prohibit transfer or assignment of a pari-mutuel permit; prohibiting transfer or assignment of a pari-mutuel permit or

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license under certain conditions; prohibiting relocation of a pari-mutuel facility, cardroom, or slot machine facility or conversion of pari-mutuel permits to a different class; providing for approval of the relocation of such permits; deleting provisions for certain converted permits; repealing s. 550.0555, F.S., relating to the relocation of greyhound racing permits; repealing s. 550.0745, F.S., relating to the conversion of pari-mutuel permits to summer jai alai permits; amending s. 550.0951, F.S.; deleting provisions for certain credits for a greyhound racing permitholder; revising the tax on handle for live greyhound racing and intertrack wagering if the host track is a greyhound racing track; requiring a tax on handle and fees for video race licensees; specifying how fees may be used by the department and the Department of Law Enforcement; amending s. 550.09511, F.S.; conforming a cross-reference; amending s. 550.09512, F.S.; providing for the revocation of certain harness horse racing permits; specifying that a revoked permit may not be reissued; amending s. 550.09514, F.S.; deleting certain provisions that prohibit tax on handle until a specified amount of tax savings have resulted; revising purse requirements of a greyhound racing permitholder that conducts live racing; amending s. 550.09515, F.S.; providing for the revocation of certain thoroughbred racing permits; specifying that a revoked permit may not be reissued; amending s. 550.1625, F.S.; deleting the requirement

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that a greyhound racing permitholder pay the breaks tax; repealing s. 550.1647, F.S., relating to unclaimed tickets and breaks held by greyhound racing permitholders; amending s. 550.1648, F.S.; revising requirements for a greyhound racing permitholder to provide a greyhound adoption booth at its facility; requiring sterilization of greyhounds before adoption; authorizing the fee for such sterilization to be included in the cost of adoption; defining the term "bona fide organization that promotes or encourages the adoption of greyhounds"; creating s. 550.1751, F.S.; defining terms; authorizing certain pari-mutuel permitholders to enter into agreements to sell and transfer permits to certain bidders; requiring that such permits be surrendered to the division and voided; creating s. 550.1752, F.S.; creating the permit reduction program within the division; providing a purpose for the program; providing for funding for the program up to a specified maximum amount; requiring the division to purchase pari-mutuel permits from permitholders under certain circumstances; requiring that permitholders who wish to make an offer to sell meet certain requirements; requiring the division to adopt a certain form by rule; requiring that the division establish the value of a pari-mutuel permit based on the valuation of one or more independent appraisers; authorizing the division to establish a value that is lower than the valuation of the independent appraiser; requiring the

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division to accept the offers that best utilize available funding; requiring the division to cancel permits that it purchases through the program; providing for expiration of the program; creating s. 550.2416, F.S.; requiring injuries to racing greyhounds to be reported within a certain timeframe on a form adopted by the division; requiring such form to be completed and signed under oath or affirmation by certain individuals; providing penalties; specifying information that must be included in the form; requiring the division to maintain the forms as public records for a specified time; specifying disciplinary action that may be taken against a licensee of the Department of Business and Professional Regulation who fails to report an injury or who makes false statements on an injury form; exempting injuries to certain animals from reporting requirements; requiring the division to adopt rules; amending s. 550.26165, F.S.; conforming a crossreference; amending s. 550.3345, F.S.; revising provisions for a permit previously converted from a quarter horse racing permit to a limited thoroughbred racing permit; amending s. 550.3551, F.S.; deleting a provision that limits the number of out-of-state races on which wagers are accepted by a greyhound racing permitholder; deleting a provision prohibiting a permitholder from conducting fewer than eight live races or games under certain circumstances; deleting a provision requiring certain permitholders to conduct a

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full schedule of live racing to receive certain fullcard broadcasts and accept certain wagers; amending s. 550.375, F.S.; conforming a cross-reference; amending s. 550.615, F.S.; revising provisions relating to intertrack wagering; amending s. 550.6305, F.S.; revising provisions requiring that certain simulcast signals be made available to certain permitholders; authorizing certain permitholders of a converted permit to accept wagers on certain rebroadcasts; amending s. 550.6308, F.S.; revising the number of days of thoroughbred horse sales required to obtain a limited intertrack wagering license; revising provisions for such wagering; amending s. 551.101, F.S.; revising provisions that authorize slot machine gaming at certain facilities; amending s. 551.102, F.S.; revising definitions of the terms "eligible facility" and "slot machine licensee" for purposes of provisions relating to slot machines; amending s. 551.104, F.S.; providing that an application to conduct slot machine gaming may be authorized only if it would not trigger a reduction in revenue-sharing under the Gaming Compact between the Seminole Tribe of Florida and the State of Florida; specifying the facilities that may be authorized by the division to conduct slot machine gaming; exempting certain greyhound racing and thoroughbred racing permitholders from a requirement that they conduct a full schedule of live racing as a condition of maintaining authority to conduct slot machine gaming; requiring licensees to

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withhold a specified percentage of net revenue from specified sources; creating s. 551.1041, F.S.; authorizing an additional slot machine license to be issued to a pari-mutuel permitholder for a facility in Miami-Dade County and in Palm Beach County, subject to approval by a majority of voters in a referendum in each county; providing for the conduct of the referendum; establishing the process for the issuance of new licenses; requiring that applications be made by sealed bids to the division, subject to specified prequalification procedures and requirements; specifying a minimum bid amount; authorizing a specified number of slot machines and video race terminals for play; providing requirements for slot machines and video race terminals; defining the term "video race terminal"; providing requirements for the use of net revenue withheld from certain slot machine licensees; creating s. 551.1042, F.S.; prohibiting the transfer of a slot machine license or relocation of a slot machine facility; amending s. 551.106, F.S.; deleting obsolete provisions; revising the tax rate on slot machine revenues under certain conditions; amending s. 551.114, F.S.; decreasing the number of slot machines available for play at certain facilities; requiring that specified permitholders' designated slot machine gaming areas be located within the eligible facility for which the initial license was issued; amending s. 551.116, F.S.; deleting a restriction on the number of hours that slot machine

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gaming areas may be open; amending s. 551.121, F.S.; authorizing the serving of complimentary or reducedcost alcoholic beverages to a person playing a slot machine; authorizing the location of an automated teller machine or similar device within designated slot machine gaming areas; amending s. 849.086, F.S.; amending legislative intent; revising definitions; authorizing certain thoroughbred racing permitholders to operate a cardroom at a specified slot facility under certain circumstances; deleting certain license renewal requirements; authorizing certain cardroom operators to offer certain designated player games; providing limits on wagers for such games; providing playing requirements for designated players; requiring each seated player to be afforded the temporary opportunity to be the designated player; prohibiting certain persons from being designated players; providing requirements for designated player games; providing that the division may only approve cardroom operators to conduct certain designated player games; requiring certain harness horse racing permitholders to use at least 50 percent of monthly net proceeds in specified ways; conforming provisions to changes made by the act; directing the division to revoke certain pari-mutuel permits; specifying that the revoked permits may not be reissued; providing for nonseverability; providing an effective date.

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

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Section 1. Subsection (11) of section 550.002, Florida Statutes, is amended, present subsections (15) through (39) of that section are redesignated as subsections (16) through (40), respectively, and a new subsection (15) is added to that section, to read:

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

- (11) (a) "Full schedule of live racing or games" means: τ
- 1. For a greyhound <u>racing permitholder</u> or jai alai permitholder, the conduct of a combination of at least 100 live evening or matinee performances during the preceding year.; for a permitholder who has a converted permit or filed an application on or before June 1, 1990, for a converted permit, the conduct of a combination of at least 100 live evening and matinee wagering performances during either of the 2 preceding years;
- 2. For a jai alai permitholder that who does not operate slot machines in its pari-mutuel facility, who has conducted at least 100 live performances per year for at least 10 years after December 31, 1992, and has had whose handle on live jai alai games conducted at its pari-mutuel facility which was has been less than \$4 million per state fiscal year for at least 2 consecutive years after June 30, 1992, the conduct of a combination of at least 40 live evening or matinee performances during the preceding year.
- 3. For a jai alai permitholder that who operates slot machines in its pari-mutuel facility, the conduct of a combination of at least 150 performances during the preceding year.

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

- $\underline{5.}$ For a harness <u>horse racing</u> permitholder, the conduct of at least 100 live regular wagering performances during the preceding year.
- 6. For a quarter horse racing permitholder at its facility, unless an alternative schedule of at least 20 live regular wagering performances each year is agreed upon by the permitholder and either the Florida Quarter Horse Racing Association or the horsemen horsemen's association representing the majority of the quarter horse owners and trainers at the facility and filed with the division along with its annual operating license date application:
- $\underline{\text{a.}}$ In the 2010-2011 fiscal year, the conduct of at least 20 regular wagering performances. $_{ au}$
- $\underline{\text{b.}}$ In the 2011-2012 and 2012-2013 fiscal years, the conduct of at least 30 live regular wagering performances., and
- $\underline{\text{c.}}$ For every fiscal year after the 2012-2013 fiscal year, the conduct of at least 40 live regular wagering performances.
- 7. For a quarter horse <u>racing</u> permitholder leasing another licensed racetrack, the conduct of 160 events at the leased facility during the preceding year.; and
- 8. For a thoroughbred <u>racing</u> permitholder, the conduct of at least 40 live regular wagering performances during the preceding year.
- (b) For a permitholder which is restricted by statute to certain operating periods within the year when other members of its same class of permit are authorized to operate throughout

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the year, the specified number of live performances which constitute a full schedule of live racing or games shall be adjusted pro rata in accordance with the relationship between its authorized operating period and the full calendar year and the resulting specified number of live performances shall constitute the full schedule of live games for such permitholder and all other permitholders of the same class within 100 air miles of such permitholder. A live performance must consist of no fewer than eight races or games conducted live for each of a minimum of three performances each week at the permitholder's licensed facility under a single admission charge.

(15) "Video race system" or "video race" means a form of pari-mutuel wagering based on video signals of previously conducted in-state or out-of-state thoroughbred races which are sent from an in-state server that is operated by a licensed totalizator company and displayed at individual wagering terminals.

Section 2. Subsections (1), (3), and (6) of section 550.01215, Florida Statutes, are amended to read:

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

(1) Each permitholder shall annually, during the period between December 15 and January 4, file in writing with the division its application for an operating a license to conduct pari-mutuel wagering during the next fiscal year, including intertrack and simulcast race wagering for greyhound permitholders, jai alai permitholders, harness horse racing permitholders, and quarter horse racing permitholders that do not to conduct live performances during the next state fiscal

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year. Each application for live performances must shall specify the number, dates, and starting times of all <u>live</u> performances that which the permitholder intends to conduct. It <u>must shall</u> also specify which performances will be conducted as charity or scholarship performances.

- (a) In addition, Each application for an operating a license also must shall include:
- 1. For each permitholder that which elects to accept wagers on broadcast events, the dates for all such events.
- 2. For each permitholder that elects to operate a cardroom, the dates and periods of operation the permitholder intends to operate the cardroom. $\frac{\text{or}_{r}}{\text{or}_{r}}$
- 3. For each thoroughbred <u>racing</u> permitholder <u>that</u> which elects to receive or rebroadcast out-of-state races after 7 p.m., the dates for all performances which the permitholder intends to conduct.
- (b) A greyhound racing permitholder that conducted a full schedule of live racing for a period of at least 10 consecutive state fiscal years after the 1996-1997 state fiscal year, or that converted its permit to a permit to conduct greyhound racing after that fiscal year, may specify in its application for an operating license that it does not intend to conduct live racing, or that it intends to conduct less than a full schedule of live racing, in the next state fiscal year. A greyhound racing permitholder may receive an operating license to conduct pari-mutuel wagering activities at another permitholder's greyhound racing facility pursuant to s. 550.475.
- (c) Permitholders may shall be entitled to amend their applications through February 28.

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(3) The division shall issue each license no later than March 15. Each permitholder shall operate all performances at the date and time specified on its license. The division shall have the authority to approve minor changes in racing dates after a license has been issued. The division may approve changes in racing dates after a license has been issued when there is no objection from any operating permitholder located within 50 miles of the permitholder requesting the changes in operating dates. In the event of an objection, the division shall approve or disapprove the change in operating dates based upon the impact on operating permitholders located within 50 miles of the permitholder requesting the change in operating dates. In making the determination to change racing dates, the division shall take into consideration the impact of such changes on state revenues. Notwithstanding any other provision of law, and for the 2016-2017 fiscal year only, the division may approve changes in racing dates for greyhound racing permitholders if the request for such changes is received before August 31, 2016.

operating license to operate a jai alai fronton only during the summer season beginning May 1 and ending November 30 of each year on such dates as may be selected by the permitholder. Such permitholder is subject to the same taxes, rules, and provisions of this chapter which apply to the operation of winter jai alai frontons. A summer jai alai permitholder is not eligible for licensure to conduct a cardroom or a slot machine facility. A summer jai alai permitholder and a winter jai alai permitholder may not operate on the same days or in competition with each

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other. This subsection does not prevent a summer jai alai licensee from leasing the facilities of a winter jai alai licensee for the operation of a summer meet Any permit which was converted from a jai alai permit to a greyhound permit may be converted to a jai alai permit at any time if the permitholder never conducted greyhound racing or if the permitholder has not conducted greyhound racing for a period of 12 consecutive months.

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

550.0251 The powers and duties of the Division of Parimutuel Wagering of the Department of Business and Professional Regulation.—The division shall administer this chapter and regulate the pari-mutuel industry under this chapter and the rules adopted pursuant thereto, and:

- (1) The division shall make an annual report to the Governor, the President of the Senate, and the Speaker of the House of Representatives. The report shall include, at a minimum:
- (a) Recent events in the gaming industry, including pending litigation; pending permitholder, facility, cardroom, slot, or operating license applications; and new and pending rules.
- (b) Actions of the department relating to the implementation and administration of this chapter.
- (c) The state revenues and expenses associated with each form of authorized gaming. Revenues and expenses associated with pari-mutuel wagering must be further delineated by the class of license.
 - (d) The performance of each pari-mutuel wagering licensee,

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cardroom licensee, and slot machine licensee.

- (e) A summary of disciplinary actions taken by the department.
- (f) Any suggestions to more effectively achieve showing its own actions, receipts derived under the provisions of this chapter, the practical effects of the application of this chapter, and any suggestions it may approve for the more effectual accomplishments of the purposes of this chapter.

Section 4. Paragraph (b) of subsection (9) of section 550.054, Florida Statutes, is amended, paragraphs (c) through (g) are added to that subsection, and paragraph (a) of subsection (11) and subsections (13) and (14) of that section are amended, to read:

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

(9)

(b) The division may revoke or suspend any permit or license issued under this chapter upon a the willful violation by the permitholder or licensee of any provision of this chapter or rules of any rule adopted pursuant thereto under this chapter. With the exception of the revocation of permits required in paragraphs (c), (d), (f), and (g), In lieu of suspending or revoking a permit or license, the division may, in lieu of suspending or revoking a permit or license, impose a civil penalty against the permitholder or licensee for a violation of this chapter or rules adopted pursuant thereto any rule adopted by the division. The penalty so imposed may not exceed \$1,000 for each count or separate offense. All penalties imposed and collected must be deposited with the Chief Financial

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Officer to the credit of the General Revenue Fund.

- (c) Unless a failure to obtain an operating license and to operate was the direct result of fire, strike, war, or other disaster or event beyond the permitholder's control, the division shall revoke the permit of any permitholder that has not obtained an operating license in accordance with s.

 550.01215 for a period of more than 24 consecutive months after June 30, 2012. The division shall revoke the permit upon adequate notice to the permitholder. Financial hardship to the permitholder does not, in and of itself, constitute just cause for failure to operate.
- (d) The division shall revoke the permit of any permitholder that fails to make payments pursuant to s.

 550.0951(5) for more than 24 consecutive months unless such failure to pay tax on handle was the direct result of fire, strike, war, or other disaster or event beyond the permitholder's control. Financial hardship to the permitholder does not, in and of itself, constitute just cause for failure to pay tax on handle.
- (e) Notwithstanding any other provision of law, a new permit to conduct pari-mutuel wagering may not be approved or issued after July 1, 2016.
- (f) A permit revoked under this subsection is void and may not be reissued.
- (g) A permitholder may apply to the division to place the permit into inactive status for a period of 12 months pursuant to the rules adopted under this chapter. The division, upon good cause shown by the permitholder, may renew inactive status for a period of up to 12 months, but a permit may not be in inactive

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status for a period of more than 24 consecutive months. Holders of permits in inactive status are not eligible for licensure for pari-mutuel wagering, slot machines, or cardrooms.

- (11) (a) A permit granted under this chapter may not be transferred or assigned except upon written approval by the division pursuant to s. 550.1815, except that the holder of any permit that has been converted to a jai alai permit may lease or build anywhere within the county in which its permit is located.
- (13) (a) Notwithstanding any provision provisions of this chapter or chapter 551, a pari-mutuel no thoroughbred horse racing permit or license issued under this chapter or chapter 551 may not shall be transferred, or reissued when such reissuance is in the nature of a transfer so as to permit or authorize a licensee to change the location of a pari-mutuel facility, cardroom, or slot machine facility. thoroughbred horse racetrack except upon proof in such form as the division may prescribe that a referendum election has been held:
- 1. If the proposed new location is within the same county as the already licensed location, in the county where the licensee desires to conduct the race meeting and that a majority of the electors voting on that question in such election voted in favor of the transfer of such license.
- 2. If the proposed new location is not within the same county as the already licensed location, in the county where the licensee desires to conduct the race meeting and in the county where the licensee is already licensed to conduct the race meeting and that a majority of the electors voting on that question in each such election voted in favor of the transfer of such license.

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(b) Each referendum held under the provisions of this subsection shall be held in accordance with the electoral procedures for ratification of permits, as provided in s.

550.0651. The expense of each such referendum shall be borne by the licensee requesting the transfer.

- (14) (a) Notwithstanding any other provision of law, a parimutuel facility, cardroom, or slot machine facility may not be relocated except as provided in paragraph (b), and a pari-mutuel permit may not be converted to another class of permit. Any holder of a permit to conduct jai alai may apply to the division to convert such permit to a permit to conduct greyhound racing in lieu of jai alai if:
- 1. Such permit is located in a county in which the division has issued only two pari-mutuel permits pursuant to this section;
- 2. Such permit was not previously converted from any other class of permit; and
- 3. The holder of the permit has not conducted jai alai games during a period of 10 years immediately preceding his or her application for conversion under this subsection.
- (b) Upon application from the holder of a permit to conduct greyhound racing which was converted from a permit to conduct jai alai pursuant to former s. 550.054(14), Florida Statutes

 2014, as created by s. 6, chapter 2009-170, Laws of Florida, the division may approve the relocation of such permit to another location within a 30-mile radius of the location fixed in the permit if the application is received by July 31, 2018, the new location is within the same county, and the new location is 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: 550.0951 Payment of daily license fee and taxes; 525

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penalties.-

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

(b) Each permitholder that cannot utilize the full amount

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

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(2) ADMISSION TAX.-

- (a) An admission tax equal to 15 percent of the admission charge for entrance to the permitholder's facility and grandstand area, or 10 cents, whichever is greater, is imposed on each person attending a horserace, greyhound race dograce, or jai alai game. The permitholder <u>is shall be</u> responsible for collecting the admission tax.
- (b) The No admission tax imposed under this chapter and or chapter 212 may not shall be imposed on any free passes or complimentary cards issued to persons for which there is no cost to the person for admission to pari-mutuel events.
- (c) A permitholder may issue tax-free passes to its officers, officials, and employees and to ex other persons actually engaged in working at the racetrack, including accredited media press representatives such as reporters and editors, and may also issue tax-free passes to other permitholders for the use of their officers and officials. The permitholder shall file with the division a list of all persons to whom tax-free passes are issued under this paragraph.
- (3) TAX ON HANDLE.—Each permitholder shall pay a tax on contributions to pari-mutuel pools, the aggregate of which is hereinafter referred to as "handle," on races or games conducted by the permitholder. The tax is imposed daily and is based on the total contributions to all pari-mutuel pools conducted during the daily performance. If a permitholder conducts more than one performance daily, the tax is imposed on each performance separately.
- (a) The tax on handle for quarter horse racing is 1.0 percent of the handle.

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

- 2. The tax on handle for jai alai is 7.1 percent of the handle.
 - (c)1. The tax on handle for intertrack wagering is:
- a. If the host track is a horse track, 2.0 percent of the handle.
- <u>b.</u> If the host track is a <u>harness</u> horse <u>racetrack</u> track,
 3.3 percent of the handle.
- <u>c.</u> If the host track is a <u>greyhound racing</u> harness track,
 1.28 5.5 percent <u>of the handle</u>, to be remitted by the <u>guest</u>
 track. <u>if the host track is a dog track</u>, and
- d. If the host track is a jai alai fronton, 7.1 percent of the handle if the host track is a jai alai fronton.
- e. The tax on handle for intertrack wagering is 0.5 percent If the host track and the guest track are thoroughbred racing permitholders or if the guest track is located outside the market area of a the host track that is not a greyhound racing track and within the market area of a thoroughbred racing permitholder currently conducting a live race meet, 0.5 percent of the handle.
- <u>f.</u> The tax on handle For intertrack wagering on rebroadcasts of simulcast thoroughbred horseraces, is 2.4 percent of the handle and 1.5 percent of the handle for intertrack wagering on rebroadcasts of simulcast harness

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horseraces, 1.5 percent of the handle.

- 2. The tax collected under subparagraph 1. shall be deposited into the Pari-mutuel Wagering Trust Fund.
- 3.2. The tax on handle for intertrack wagers accepted by any greyhound racing dog track located in an area of the state in which there are only three permitholders, all of which are greyhound racing permitholders, located in three contiguous counties, from any greyhound racing permitholder also located within such area or any greyhound racing dog track or jai alai fronton located as specified in s. 550.615(7) s. 550.615(6) or (9), on races or games received from any jai alai the same class of permitholder located within the same market area is 3.9 percent of the handle if the host facility is a greyhound racing permitholder. and, If the host facility is a jai alai permitholder, the tax is rate shall be 6.1 percent of the handle until except that it shall be 2.3 percent on handle at such time as the total tax on intertrack handle paid to the division by the permitholder during the current state fiscal year exceeds the total tax on intertrack handle paid to the division by the permitholder during the 1992-1993 state fiscal year, in which case the tax is 2.3 percent of the handle.
- (d) Notwithstanding any other provision of this chapter, in order to protect the Florida jai alai industry, effective July 1, 2000, a jai alai permitholder may not be taxed on live handle at a rate higher than 2 percent.
- (4) BREAKS TAX.—Effective October 1, 1996, each permitholder conducting jai alai performances shall pay a tax equal to the breaks. As used in this subsection, the term "breaks" means the money that remains in each pari-mutuel pool

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after funds are The "breaks" represents that portion of each pari-mutuel pool which is not redistributed to the contributors and commissions are or withheld by the permitholder as commission.

- (5) VIDEO RACE TERMINALS; TAX AND FEE.-
- (a) Each permitholder under this chapter which conducts play on video race terminals pursuant to s. 551.1041 shall pay a tax equal to 2 percent of the handle from the video race terminals located at its facility.
- (b) Upon authorization to conduct play on video race terminals pursuant to s. 551.1041, and annually thereafter on the anniversary date of the authorization, the licensee shall pay a \$50,000 fee to the department. The fee shall be deposited into the Pari-mutuel Wagering Trust Fund to be used by the division and the Department of Law Enforcement for regulation of video race, enforcement of video race provisions, and related investigations.
- (6)(5) PAYMENT AND DISPOSITION OF FEES AND TAXES.—Payments imposed by this section shall be paid to the division. The division shall deposit such payments these sums with the Chief Financial Officer, to the credit of the Pari-mutuel Wagering Trust Fund, hereby established. The permitholder shall remit to the division payment for the daily license fee, the admission tax, the tax on handle, and the breaks tax. Such payments must shall be remitted by 3 p.m. on Wednesday of each week for taxes imposed and collected for the preceding week ending on Sunday. Beginning on July 1, 2012, such payments must shall be remitted by 3 p.m. on the 5th day of each calendar month for taxes imposed and collected for the preceding calendar month. If the

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

$(7) \frac{(6)}{(6)}$ PENALTIES.—

- (a) The failure of any permitholder to make payments as prescribed in subsection (6) (5) is a violation of this section, and the permitholder may be subjected by the division may impose to a civil penalty against the permitholder of up to \$1,000 for each day the tax payment is not remitted. All penalties imposed and collected shall be deposited in the General Revenue Fund. If a permitholder fails to pay penalties imposed by order of the division under this subsection, the division may suspend or revoke the license of the permitholder, cancel the permit of the permitholder, or deny issuance of any further license or permit to the permitholder.
- (b) In addition to the civil penalty prescribed in paragraph (a), any willful or wanton failure by any permitholder to make payments of the daily license fee, admission tax, tax on handle, or breaks tax constitutes sufficient grounds for the division to suspend or revoke the license of the permitholder, to cancel the permit of the permitholder, or to deny issuance of any further license or permit to the permitholder.
 - Section 8. Paragraph (e) of subsection (2) of section

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550.09511, Florida Statutes, is amended to read:

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

- (2) Notwithstanding the provisions of s. 550.0951(3)(b), wagering on live jai alai performances shall be subject to the following taxes:
- (e) The payment of taxes pursuant to paragraphs (b), (c), and (d) shall be calculated and commence beginning the day in which the permitholder is first entitled to the reduced rate specified in this section and the report of taxes required by \underline{s} . $\underline{550.0951(6)}$ s. $\underline{550.0951(5)}$ is submitted to the division.

Section 9. Section 550.09512, Florida Statutes, is amended to read:

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

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

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(2) (a) The tax on handle for live harness horse <u>racing</u> performances is 0.5 percent of handle per performance.

- (b) For purposes of this section, the term "handle" shall have the same meaning as in s. 550.0951, and shall not include handle from intertrack wagering.
- (3) (a) The division shall revoke the permit of a harness horse racing permitholder that who does not pay tax on handle for live harness horse racing performances for a full schedule of live races for more than 24 consecutive months during any 2 consecutive state fiscal years shall be void and shall escheat to and become the property of the state unless such failure to operate and pay tax on handle was the direct result of fire, strike, war, or other disaster or event beyond the ability of the permitholder to control. Financial hardship to the permitholder does shall not, in and of itself, constitute just cause for failure to operate and pay tax on handle. A permit revoked under this subsection is void and may not be reissued.
- (b) In order to maximize the tax revenues to the state, the division shall reissue an escheated harness horse permit to a qualified applicant pursuant to the provisions of this chapter as for the issuance of an initial permit. However, the provisions of this chapter relating to referendum requirements for a pari-mutuel permit shall not apply to the reissuance of an escheated harness horse permit. As specified in the application and upon approval by the division of an application for the permit, the new permitholder shall be authorized to operate a harness horse facility anywhere in the same county in which the escheated permit was authorized to be operated, notwithstanding the provisions of s. 550.054(2) relating to mileage limitations.

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(4) In the event that a court of competent jurisdiction determines any of the provisions of this section to be unconstitutional, it is the intent of the Legislature that the provisions contained in this section shall be null and void and that the provisions of s. 550.0951 shall apply to all harness horse <u>racing</u> permitholders beginning on the date of such judicial determination. To this end, the Legislature declares that it would not have enacted any of the provisions of this section individually and, to that end, expressly finds them not to be severable.

Section 10. Section 550.09514, Florida Statutes, is amended to read:

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

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

 $\underline{\text{(1)}}$ (a) The division shall determine for each greyhound racing permitholder the annual purse percentage rate of live

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

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

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exclusively for purses other than stakes <u>and must be disbursed</u>

weekly during the permitholder's race meet. The division shall

conduct audits necessary to ensure compliance with this section.

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

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

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

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in which the purse funds are received, the purse funds shall be disbursed weekly during the permitholder's next race meet in an amount determined by dividing the purse amount by the number of performances approved for the permitholder pursuant to its annual license, and multiplying that amount by the number of performances conducted each week. The division shall conduct audits necessary to ensure compliance with this paragraph.

- racing shall, during the permitholder's race meet, supply kennel operators and the Division of Pari-Mutuel Wagering with a weekly report showing purses paid on live greyhound races and all greyhound intertrack and simulcast broadcasts, including both as a guest and a host together with the handle or commission calculations on which such purses were paid and the transmission costs of sending the simulcast or intertrack broadcasts, so that the kennel operators may determine statutory and contractual compliance.
- (g) Each greyhound <u>racing</u> permitholder <u>conducting live</u>
 <u>racing</u> shall make direct payment of purses to the greyhound
 owners who have filed with such permitholder appropriate federal
 taxpayer identification information based on the percentage
 amount agreed upon between the kennel operator and the greyhound
 owner.
- (h) At the request of a majority of kennel operators under contract with a greyhound <u>racing</u> permitholder <u>conducting live</u> <u>racing</u>, the permitholder shall make deductions from purses paid to each kennel operator electing such deduction and shall make a direct payment of such deductions to the local association of greyhound kennel operators formed by a majority of kennel

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operators under contract with the permitholder. The amount of the deduction shall be at least 1 percent of purses, as determined by the local association of greyhound kennel operators. No Deductions may not be taken pursuant to this paragraph without a kennel operator's specific approval before or after the effective date of this act.

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

Section 11. Section 550.09515, Florida Statutes, is amended to read:

550.09515 Thoroughbred <u>racing</u> horse taxes; abandoned interest in a permit for nonpayment of taxes.—

(1) Pari-mutuel wagering at thoroughbred horse racetracks in this state is an important business enterprise, and taxes derived therefrom constitute a part of the tax structure which funds operation of the state. Thoroughbred horse permitholders should pay their fair share of these taxes to the state. This business interest should not be taxed to such an extent as to cause any racetrack which is operated under sound business principles to be forced out of business. Due to the need to protect the public health, safety, and welfare, the gaming laws of the state provide for the thoroughbred horse industry to be highly regulated and taxed. The state recognizes that there exist identifiable differences between thoroughbred horse permitholders based upon their ability to operate under such regulation and tax system and at different periods during the year.

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

- (b) For purposes of this section, the term "handle" shall have the same meaning as in s. 550.0951, and shall not include handle from intertrack wagering.
- (3) (a) The <u>division shall revoke the permit of a</u> thoroughbred <u>racing horse</u> permitholder <u>that who</u> does not pay tax on handle for live thoroughbred horse performances for a full schedule of live races <u>for more than 24 consecutive months</u> during any 2 consecutive state fiscal years shall be void and shall escheat to and become the property of the state unless such failure to operate and pay tax on handle was the direct result of fire, strike, war, or other disaster or event beyond the ability of the permitholder to control. Financial hardship to the permitholder <u>does shall</u> not, in and of itself, constitute just cause for failure to operate and pay tax on handle. <u>A</u> permit revoked under this subsection is void and may not be reissued.
- (b) In order to maximize the tax revenues to the state, the division shall reissue an escheated thoroughbred horse permit to a qualified applicant pursuant to the provisions of this chapter as for the issuance of an initial permit. However, the provisions of this chapter relating to referendum requirements for a pari-mutuel permit shall not apply to the reissuance of an escheated thoroughbred horse permit. As specified in the application and upon approval by the division of an application for the permit, the new permitholder shall be authorized to operate a thoroughbred horse facility anywhere in the same county in which the escheated permit was authorized to be

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operated, notwithstanding the provisions of s. 550.054(2) relating to mileage limitations.

- (4) In the event that a court of competent jurisdiction determines any of the provisions of this section to be unconstitutional, it is the intent of the Legislature that the provisions contained in this section shall be null and void and that the provisions of s. 550.0951 shall apply to all thoroughbred horse permitholders beginning on the date of such judicial determination. To this end, the Legislature declares that it would not have enacted any of the provisions of this section individually and, to that end, expressly finds them not to be severable.
- (5) Notwithstanding the provisions of s. 550.0951(3)(c), the tax on handle for intertrack wagering on rebroadcasts of simulcast horseraces is 2.4 percent of the handle; provided however, that if the guest track is a thoroughbred track located more than 35 miles from the host track, the host track shall pay a tax of .5 percent of the handle, and additionally the host track shall pay to the guest track 1.9 percent of the handle to be used by the guest track solely for purses. The tax shall be deposited into the Pari-mutuel Wagering Trust Fund.
- (6) A credit equal to the amount of contributions made by a thoroughbred <u>racing</u> permitholder during the taxable year directly to the Jockeys' Guild or its health and welfare fund to be used to provide health and welfare benefits for active, disabled, and retired Florida jockeys and their dependents pursuant to reasonable rules of eligibility established by the Jockeys' Guild is allowed against taxes on live handle due for a taxable year under this section. A thoroughbred racing

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permitholder may not receive a credit greater than an amount equal to 1 percent of its paid taxes for the previous taxable year.

(7) If a thoroughbred <u>racing</u> permitholder fails to operate all performances on its 2001-2002 license, failure to pay tax on handle for a full schedule of live races for those performances in the 2001-2002 fiscal year does not constitute failure to pay taxes on handle for a full schedule of live races in a fiscal year for the purposes of subsection (3). This subsection may not be construed as forgiving a thoroughbred <u>racing</u> permitholder from paying taxes on performances conducted at its facility pursuant to its 2001-2002 license other than for failure to operate all performances on its 2001-2002 license. This subsection expires July 1, 2003.

Section 12. Section 550.1625, Florida Statutes, is amended to read:

550.1625 Greyhound racing dogracing; taxes.-

(1) The operation of a greyhound racing dog track and legalized pari-mutuel betting at greyhound racing dog tracks in this state is a privilege and is an operation that requires strict supervision and regulation in the best interests of the state. Pari-mutuel wagering at greyhound racing dog tracks in this state is a substantial business, and taxes derived therefrom constitute part of the tax structures of the state and the counties. The operators of greyhound racing dog tracks should pay their fair share of taxes to the state; at the same time, this substantial business interest should not be taxed to such an extent as to cause a track that is operated under sound business principles to be forced out of business.

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(2) A permitholder that conducts a <u>greyhound race</u> dograce meet under this chapter must pay the daily license fee, the admission tax, the breaks tax, and the tax on pari-mutuel handle as provided in s. 550.0951 and is subject to all penalties and sanctions provided in s. 550.0951(7) s. 550.0951(6).

Section 13. <u>Section 550.1647</u>, Florida Statutes, is repealed.

Section 14. Section 550.1648, Florida Statutes, is amended to read:

550.1648 Greyhound adoptions.-

- (1) A greyhound racing Each dogracing permitholder that conducts live racing at operating a greyhound racing dogracing facility in this state shall provide for a greyhound adoption booth to be located at the facility.
- (1) (a) The greyhound adoption booth must be operated on weekends by personnel or volunteers from a bona fide organization that promotes or encourages the adoption of greyhounds pursuant to s. 550.1647. Such bona fide organization, as a condition of adoption, must provide sterilization of greyhounds by a licensed veterinarian before relinquishing custody of the greyhound to the adopter. The fee for sterilization may be included in the cost of adoption. As used in this section, the term "weekend" includes the hours during which live greyhound racing is conducted on Friday, Saturday, or Sunday, and the term "bona fide organization that promotes or encourages the adoption of greyhounds" means an organization that provides evidence of compliance with chapter 496 and possesses a valid exemption from federal taxation issued by the Internal Revenue Service. Information pamphlets and application

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forms shall be provided to the public upon request.

- (b) In addition, The kennel operator or owner shall notify the permitholder that a greyhound is available for adoption and the permitholder shall provide information concerning the adoption of a greyhound in each race program and shall post adoption information at conspicuous locations throughout the greyhound racing dogracing facility. Any greyhound that is participating in a race and that will be available for future adoption must be noted in the race program. The permitholder shall allow greyhounds to be walked through the track facility to publicize the greyhound adoption program.
- (2) In addition to the charity days authorized under s. 550.0351, a greyhound <u>racing</u> permitholder may fund the greyhound adoption program by holding a charity racing day designated as "Greyhound Adopt-A-Pet Day." All profits derived from the operation of the charity day must be placed into a fund used to support activities at the racing facility which promote the adoption of greyhounds. The division may adopt rules for administering the fund. Proceeds from the charity day authorized in this subsection may not be used as a source of funds for the purposes set forth in s. 550.1647.
- (3) (a) Upon a violation of this section by a permitholder or licensee, the division may impose a penalty as provided in s. 550.0251(10) and require the permitholder to take corrective action.
- (b) A penalty imposed under s. 550.0251(10) does not exclude a prosecution for cruelty to animals or for any other criminal act.
 - Section 15. Section 550.1751, Florida Statutes, is created

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- 1107 550.1751 Reduction in the number of pari-mutuel permits.—
- 1108 (1) As used in this section, the term:
- (a) "Active pari-mutuel permit" means a pari-mutuel permit
 that is actively used for the conduct of pari-mutuel racing or
 jai alai and under which the permitholder is operating all
 performances at the dates and times specified on its operating
 license.
 - (b) "Bidder for an additional slot machine license" means a person who submits a bid or intends to submit a bid for an additional slot machine license in Miami-Dade County or Palm Beach County, as provided in s. 551.1041.
 - (2) A pari-mutuel permitholder may enter into an agreement for the sale and transfer of an active pari-mutuel permit to a bidder for an additional slot machine license. An active parimutuel permit sold and transferred to the highest bidder under the process in s. 551.1041 must be surrendered to the division and voided.
 - Section 16. Section 550.1752, Florida Statutes, is created to read:
 - 550.1752 Permit reduction program.—
- 1127 (1) The permit reduction program is created in the Division of Pari-mutuel Wagering for the purpose of purchasing and 1128 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 such time as the division determines that sufficient funds are 1134

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available to fund the program. The total funding allocated to the program may not exceed \$20 million.

- (2) The division shall purchase pari-mutuel permits from pari-mutuel permitholders when sufficient moneys are available for such purchases. A pari-mutuel permitholder may not submit an offer to sell a permit unless it is actively conducting parimutuel racing or jai alai as required by law and satisfies all applicable requirements for the permit. The division shall adopt by rule the form to be used by a pari-mutuel permitholder for an offer to sell a permit and shall establish a schedule for the consideration of offers.
- (3) The division shall establish the value of a pari-mutuel permit based upon the valuation of one or more independent appraisers selected by the division. The valuation of a permit must be based on the permit's fair market value and may not include the value of the real estate or personal property. The division may establish a value for the permit that is lower than the amount determined by an independent appraiser but may not establish a higher value.
- (4) The division must accept the offer or offers that best utilize available funding; however, the division may also accept the offers that it determines are most likely to reduce the incidence of gaming in this state.
- $\underline{\mbox{(5)}}$ The division shall cancel any permit purchased under this section.
- (6) This section shall expire on July 1, 2018, unless reenacted by the Legislature.

Section 17. Section 550.2416, Florida Statutes, is created to read:

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550.2416 Reporting of racing greyhound injuries.-

- (1) An injury to a racing greyhound which occurs while the greyhound is located in this state must be reported on a form adopted by the division within 7 days after the date on which the injury occurred or is believed to have occurred. The division may adopt rules defining the term "injury."
- (2) The form shall be completed and signed under oath or affirmation by the:
- (a) Racetrack veterinarian or director of racing, if the injury occurred at the racetrack facility; or
- (b) Owner, trainer, or kennel operator who had knowledge of the injury, if the injury occurred at a location other than the racetrack facility, including during transportation.
- (3) The division may fine, suspend, or revoke the license of any individual who knowingly violates this section.
 - (4) The form must include the following:
- (a) The greyhound's registered name, right-ear and left-ear tattoo numbers, and, if any, the microchip manufacturer and number.
- (b) The name, business address, and telephone number of the greyhound owner, the trainer, and the kennel operator.
 - (c) The color, weight, and sex of the greyhound.
- (d) The specific type and bodily location of the injury, the cause of the injury, and the estimated recovery time from the injury.
 - (e) If the injury occurred when the greyhound was racing:
 - 1. The racetrack where the injury occurred;
- 2. The distance, grade, race, and post position of the greyhound when the injury occurred; and

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1193 3. The weather conditions, time, and track conditions when the injury occurred.

- (f) If the injury occurred when the greyhound was not racing:
- 1. The location where the injury occurred, including, but not limited to, a kennel, a training facility, or a transportation vehicle; and
 - 2. The circumstances surrounding the injury.
- (g) Other information that the division determines is necessary to identify injuries to racing greyhounds in this state.
- (5) An injury form created pursuant to this section must be maintained as a public record by the division for at least 7 years after the date it was received.
- (6) A licensee of the department who knowingly makes a false statement concerning an injury or fails to report an injury is subject to disciplinary action under this chapter or chapters 455 and 474.
- (7) This section does not apply to injuries to a service animal, personal pet, or greyhound that has been adopted as a pet.
- 1214 (8) The division shall adopt rules to implement this section.
- Section 18. Subsection (1) of section 550.26165, Florida 1217 Statutes, is amended to read:
 - 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 nor 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 in the area described in s. 550.615(7) shall be 1245 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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awards for standardbred races are to be paid through the Florida Standardbred Breeders and Owners Association. Among other sources specified in this chapter, moneys for thoroughbred breeders' awards will come from the 0.955 percent of handle for thoroughbred races conducted, received, broadcast, or simulcast under this chapter as provided in s. 550.2625(3). The moneys for quarter horse and harness breeders' awards will come from the breaks and uncashed tickets on live quarter horse and harness horse racing performances and 1 percent of handle on intertrack wagering. The funds for these breeders' awards shall be paid to the respective breeders' associations by the permitholders conducting the races.

Section 19. Section 550.3345, Florida Statutes, is amended to read:

550.3345 Conversion of quarter horse permit to a Limited thoroughbred racing permit.—

- (1) In recognition of the important and long-standing economic contribution of the thoroughbred horse breeding industry to this state and the state's vested interest in promoting the continued viability of this agricultural activity, the state intends to provide a limited opportunity for the conduct of live thoroughbred horse racing with the net revenues from such racing dedicated to the enhancement of thoroughbred purses and breeders', stallion, and special racing awards under this chapter; the general promotion of the thoroughbred horse breeding industry; and the care in this state of thoroughbred horses retired from racing.
- (2) A limited thoroughbred racing permit previously 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 Thoroughbred Breeders' Association, and 3 of whom shall be 1289 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 to the following requirements: 1308

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(a) All net revenues derived by the not-for-profit corporation under the thoroughbred horse racing permit, after the funding of operating expenses and capital improvements, shall be dedicated to the enhancement of thoroughbred purses and breeders', stallion, and special racing awards under this chapter; the general promotion of the thoroughbred horse breeding industry; and the care in this state of thoroughbred horses retired from racing.

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

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<u>transferred</u> converted under this section is eligible for transfer to another person or entity.

(3) Unless otherwise provided in this section, after conversion, the permit and the not-for-profit corporation shall be treated under the laws of this state as a thoroughbred racing permit and as a thoroughbred racing permitholder, respectively, with the exception of $\underline{ss.}$ 550.054(9)(c) and (d) and $\underline{s.}$ 550.09515(3).

Section 20. Paragraphs (a) and (b) of subsection (6) of section 550.3551, Florida Statutes, are amended to read:

550.3551 Transmission of racing and jai alai information; commingling of pari-mutuel pools.—

(6)(a) A maximum of 20 percent of the total number of races on which wagers are accepted by a greyhound permitholder not located as specified in s. 550.615(6) may be received from locations outside this state. A permitholder may not conduct fewer than eight live races or games on any authorized race day except as provided in this subsection. A thoroughbred racing permitholder may not conduct fewer than eight live races on any race day without the written approval of the Florida Thoroughbred Breeders' Association and the Florida Horsemen's Benevolent and Protective Association, Inc., unless it is determined by the department that another entity represents a majority of the thoroughbred racehorse owners and trainers in the state. A harness horse racing permitholder may conduct fewer than eight live races on any authorized race day, except that such permitholder must conduct a full schedule of live racing during its race meet consisting of at least eight live races per authorized race day for at least 100 days. Any harness horse

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

(b) Notwithstanding any other provision of this chapter, any harness horse racing permitholder accepting broadcasts of out-of-state harness horse races when such permitholder is not conducting live races must make the out-of-state signal available to all permitholders eligible to conduct intertrack wagering and shall pay to guest tracks located as specified in s. ss. 550.615(6) and 550.6305(9)(d) 50 percent of the net proceeds after taxes and fees to the out-of-state host track on harness horse race wagers which they accept. A harness horse racing permitholder shall be required to pay into its purse account 50 percent of the net income retained by the permitholder on account of wagering on the out-of-state broadcasts received pursuant to this subsection. Nine-tenths of a percent of all harness horse race wagering proceeds on the broadcasts received pursuant to this subsection shall be paid to the Florida Standardbred Breeders and Owners Association under the provisions of s. 550.2625(4) for the purposes provided therein.

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Section 21. Subsection (4) of section 550.375, Florida Statutes, is amended to read:

550.375 Operation of certain harness tracks.-

(4) The permitholder conducting a harness horse race meet must pay the daily license fee, the admission tax, the tax on breaks, and the tax on pari-mutuel handle provided in s. 550.0951 and is subject to all penalties and sanctions provided in s. 550.0951(7) s. 550.0951(6).

Section 22. Subsections (2), (4), (6), and (7) of section 550.615, Florida Statutes, are amended, present subsections (8), (9), and (10) of that section are redesignated as subsections (6), (7), and (8), respectively, and amended, and a new subsection (9) is added to that section, to read:

550.615 Intertrack wagering.-

- which conducted a full schedule of live racing or games in the preceding year and any greyhound racing permitholder that conducted a full schedule of live racing for a period of at least 10 consecutive state fiscal years after the 1996-1997 state fiscal year or that converted its permit to a permit to conduct greyhound racing after that fiscal year is qualified to, at any time, receive broadcasts of any class of pari-mutuel race or game and accept wagers on such races or games conducted by any class of permitholders licensed under this chapter.
- (4) An In no event shall any intertrack wager may not 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

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permitholder. A greyhound racing permitholder licensed under this chapter which accepts intertrack wagers on live greyhound signals is not required to obtain the written consent required by this subsection from any operating greyhound racing permitholder within its market area.

(6) Notwithstanding the provisions of subsection (3), in any area of the state where there are three or more horserace permitholders within 25 miles of each other, intertrack wagering between permitholders in said area of the state shall only be authorized under the following conditions: Any permitholder, other than a thoroughbred permitholder, may accept intertrack wagers on races or games conducted live by a permitholder of the same class or any harness permitholder located within such area and any harness permitholder may accept wagers on games conducted live by any jai alai permitholder located within its market area and from a jai alai permitholder located within the area specified in this subsection when no jai alai permitholder located within its market area is conducting live jai alai performances; any greyhound or jai alai permitholder may receive broadcasts of and accept wagers on any permitholder of the other class provided that a permitholder, other than the host track, of such other class is not operating a contemporaneous live performance within the market area.

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

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conducting live races or games, either permitholder may accept intertrack wagers on horseraces or on the same class of races or games, or on both horseraces and the same class of races or games as is authorized by its permit.

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

(7) (9) In any two contiguous counties of the state in which there are located only four active permits, one for thoroughbred horse racing, two for greyhound racing dogracing, and one for jai alai games, an no intertrack wager may not be accepted on the same class of live races or games of any permitholder without the written consent of such operating permitholders conducting the same class of live races or games if the guest track is within the market area of such operating permitholder.

- (8) (10) All costs of receiving the transmission of the broadcasts shall be borne by the guest track; and all costs of sending the broadcasts shall be borne by the host track.
- (9) A greyhound racing permitholder, as provided in subsection (2), operating pursuant to a current year's operating

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license that specifies no live performances or less than a full schedule of live performances is qualified to:

- (a) Receive broadcasts at any time of any class of parimutuel race or game and accept wagers on such races or games conducted by any class of permitholder licensed under this chapter; and
- (b) Accept wagers on live races conducted at out-of-state greyhound tracks only on the days when such permitholder receives all live races that any greyhound host track in this state makes available.

Section 23. Paragraphs (d), (f), and (g) of subsection (9) of section 550.6305, Florida Statutes, are amended to read:

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

- (9) A host track that has contracted with an out-of-state horse track to broadcast live races conducted at such out-of-state horse track pursuant to s. 550.3551(5) may broadcast such out-of-state races to any guest track and accept wagers thereon in the same manner as is provided in s. 550.3551.
- (d) Any permitholder located in any area of the state where there are only two permits, one for greyhound racing dogracing and one for jai alai, and any permitholder that converted its permit to conduct jai alai to a permit to conduct greyhound racing in lieu of jai alai under s. 550.054(14), Florida

 Statutes 2014, as created by s. 6, chapter 2009-170, Laws of Florida, may accept wagers on rebroadcasts of out-of-state thoroughbred horse races from an in-state thoroughbred horse racing permitholder and is shall not be subject to the provisions of paragraph (b) if such thoroughbred horse racing

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permitholder located within the area specified in this paragraph is both conducting live races and accepting wagers on out-of-state horseraces. In such case, the guest permitholder <u>is shall</u> be entitled to 45 percent of the net proceeds on wagers accepted at the guest facility. The remaining proceeds shall be distributed as follows: one-half shall be retained by the host facility and one-half shall be paid by the host facility as purses at the host facility.

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

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<u>b.2.</u> Any thoroughbred <u>racing</u> permitholder <u>that</u> which accepts wagers on a simulcast signal received after 6 p.m. must make such signal available to any permitholder that is eligible to conduct intertrack wagering under the provisions of ss. 550.615-550.6345, including any permitholder located as specified in s. 550.615(6). Such guest permitholders are authorized to accept wagers on such simulcast signal, notwithstanding any other provision of this chapter to the contrary.

c.3. Any thoroughbred racing permitholder that which accepts wagers on a simulcast signal received after 6 p.m. must make such signal available to any permitholder that is eligible to conduct intertrack wagering under the provisions of ss. 550.615-550.6345, including any permitholder located as specified in s. 550.615(9). Such guest permitholders are authorized to accept wagers on such simulcast signals for a number of performances not to exceed that which constitutes a full schedule of live races for a quarter horse racing permitholder pursuant to s. 550.002(11), notwithstanding any other provision of this chapter to the contrary, except that the restrictions provided in s. 550.615(9)(a) apply to wagers on such simulcast signals.

2. A No thoroughbred racing permitholder is not shall be required to continue to rebroadcast a simulcast signal to any in-state permitholder if the average per performance gross receipts returned to the host permitholder over the preceding 30-day period were less than \$100. Subject to the provisions of s. 550.615(4), as a condition of receiving rebroadcasts of

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thoroughbred simulcast signals under this paragraph, a guest permitholder must accept intertrack wagers on all live races conducted by all then-operating thoroughbred racing permitholders.

Section 24. Section 550.6308, Florida Statutes, is amended to read:

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

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

- 1. (a) Up to 21 days in connection with thoroughbred sales;
- 2.(b) Between November 1 and May 8;
 - 3.(c) Between May 9 and October 31 at such times and on

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such days as any thoroughbred <u>racing</u>, jai alai, or a greyhound <u>racing</u> permitholder in the same county is not conducting live performances; provided that any such permitholder may waive this requirement, in whole or in part, and allow the licensee under this section to conduct intertrack wagering during one or more of the permitholder's live performances; and

- $\underline{4.(d)}$ During the weekend of the Kentucky Derby, the Preakness, the Belmont, and a Breeders' Cup Meet that is conducted before November 1 and after May 8.
- (b) Only No more than one such license may be issued, and the no such license may not be issued for a facility located within 50 miles of any for-profit thoroughbred racing permitholder's licensed track.
- (2) If more than one application is submitted for such license, the division shall determine which applicant shall be granted the license. In making its determination, the division shall grant the license to the applicant demonstrating superior capabilities, as measured by the length of time the applicant has been conducting thoroughbred sales within this state or elsewhere, the applicant's total volume of thoroughbred horse sales, within this state or elsewhere, the length of time the applicant has maintained a permanent thoroughbred sales facility in this state, and the quality of the facility.
- (3) The applicant must comply with the provisions of ss. 550.125 and 550.1815.
- (4) Intertrack wagering under this section may be conducted only on thoroughbred horse racing, except that intertrack wagering may be conducted on any class of pari-mutuel race or game conducted by any class of permitholders licensed under this

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chapter if all thoroughbred, jai alai, and greyhound
permitholders in the same county as the licensee under this
section give their consent.

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

Section 25. Section 551.101, Florida Statutes, is amended to read:

machines and conduct of slot machine gaming is authorized only at licensed facilities eligible pursuant to this chapter Any licensed pari-mutuel facility located in Miami-Dade County or Broward County existing at the time of adoption of s. 23, Art. X of the State Constitution that has conducted live racing or games during calendar years 2002 and 2003 may possess slot machines and conduct slot machine gaming at the location where the pari-mutuel permitholder is authorized to conduct pari-mutuel wagering activities pursuant to such permitholder's valid pari-mutuel permit provided that a majority of voters in a

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countywide referendum have approved slot machines at such facility in the respective county. Notwithstanding any other provision of law, it is not a crime for a person to participate in slot machine gaming at a pari-mutuel facility licensed to possess slot machines and conduct slot machine gaming or to participate in slot machine gaming described in this chapter.

Section 26. Subsections (4) and (11) of section 551.102, Florida Statutes, are amended to read:

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

(4) "Eligible facility" means a any licensed pari-mutuel facility that meets the requirements of ss. 551.104 and 551.1041 located in Miami-Dade County or Broward County existing at the time of adoption of s. 23, Art. X of the State Constitution that has conducted live racing or games during calendar years 2002 and 2003 and has been approved by a majority of voters in a countywide referendum to have slot machines at such facility in the respective county; any licensed pari-mutuel facility located within a county as defined in s. 125.011, provided such facility has conducted live racing for 2 consecutive calendar years immediately preceding its application for a slot machine license, pays the required license fee, and meets the other requirements of this chapter; or any licensed pari-mutuel facility in any other county in which a majority of voters have approved slot machines at such facilities in a countywide referendum held pursuant to a statutory or constitutional authorization after the effective date of this section in the respective county, provided such facility has conducted a full schedule of live racing for 2 consecutive calendar years immediately preceding its application for a slot machine

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license, pays the required <u>license</u> licensed fee, and meets the other requirements of this chapter.

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

Section 27. Subsection (2) and paragraph (c) of subsection (4) of section 551.104, Florida Statutes, are amended, paragraph

- (e) is added to subsection (10) of that section, and subsection
- (3) of that section is republished, to read:
 - 551.104 License to conduct slot machine gaming.-
- (2) If it is determined that the application would not trigger a reduction in revenue-sharing payments under the Gaming Compact between the Seminole Tribe of Florida and the State of Florida, an application may be approved by the division, but only for:
- (a) A licensed pari-mutuel facility where live racing or games were conducted during calendar years 2002 and 2003 which is located in Miami-Dade County or Broward County and is authorized for slot machine licensure pursuant to s. 23, Art. X of the State Constitution.
- (b) A licensed pari-mutuel facility where a full schedule of live horseracing has been conducted for 2 consecutive calendar years immediately preceding its application for a slot machine license and which is located within a county as defined in s. 125.011.
 - (c) A licensed pari-mutuel facility authorized under s.

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1715 <u>551.1041</u> 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.

- (3) A slot machine license may be issued only to a licensed pari-mutuel permitholder, and slot machine gaming may be conducted only at the eligible facility at which the permitholder is authorized under its valid pari-mutuel wagering permit to conduct pari-mutuel wagering activities.
- (4) As a condition of licensure and to maintain continued authority for the conduct of slot machine gaming, the slot machine licensee shall:
- (c) Conduct no fewer than a full schedule of live racing or games as defined in s. 550.002(11), excluding any. A permitholder's responsibility to conduct such number of live races or games shall be reduced by the number of races or games that could not be conducted as a due to the direct result of fire, war, hurricane, or other disaster or event beyond the control of the permitholder. This paragraph does not apply to a greyhound racing permitholder that conducted a full schedule of live racing for a period of at least 10 consecutive state fiscal years after the 2002-2003 state fiscal year or to a thoroughbred racing permitholder that holds a slot machine license if it has entered into an agreement with another thoroughbred racing permitholder's facility.

(10)

(e) Each slot machine licensee that does not offer live racing shall withhold 2 percent of its net revenue from slot

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machines to be deposited into a purse pool to be paid as purses 1744 1745 to licensed pari-mutuel facilities offering live racing or 1746 games. This paragraph does not apply to slot machine licenses 1747

Section 28. Section 551.1041, Florida Statutes, is created to read:

551.1041 Additional slot machine licenses.-

issued pursuant to subsection (1).

- (1) An additional slot machine license is authorized and may be issued to a pari-mutuel permitholder for a slot machine facility in Miami-Dade County.
- (2) An additional slot machine license is authorized and may be issued to a pari-mutuel permitholder for a slot machine facility in Palm Beach County.
- (3) A slot machine license may not be issued under this section until a majority of the voters of the county where the facility is located approve slot machines at the facility in a referendum held after July 1, 2016. The referendum may be conducted pursuant to s. 550.0651. If a special election is not held, the referendum shall be conducted at the next general election in that county.
- (4) Application for a slot machine license must be made by sealed bid to the division, with the license awarded to the highest bidder. Before the advertisement or notice of bid solicitations, the division shall publish prequalification procedures and requirements that, at minimum, meet the criteria in subsection (5). The division shall adopt by rule the form for the bid. The form shall include the applicant's bid amount and evidence that the applicant meets the prequalification criteria. The bids may not be opened until the day, time, and place

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designated by the division and provided in the notice, at which
time all bids shall be opened at a public meeting pursuant to s.

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
established by this section.

- (5) At minimum, the prequalification criteria must include:
- (a) Evidence that the bidder meets the qualifications in chapters 550 and 551, as applicable; and
- (b) Evidence that the bidder has purchased, or entered into an agreement to purchase and transfer, an active pari-mutuel permit with the intent to surrender and void such permit, as provided in s. 550.1751.
- (6) To be eligible for a slot machine license under this section, the applicant must submit a minimum bid of \$3 million. If no minimum bids are received, the slot machine license will not be issued and the division may restart the bid process on its own initiative or upon the receipt of a petition by a potential bidder to start the bid process.
- (7) A slot machine licensee who is awarded a license under this section may make available for play the following machines:
- (a) After the issuance of the initial slot machine license and before October 1, 2018, up to a total of 500 slot machines and 250 video race terminals.
- (b) On or after October 1, 2018, up to a total of 750 slot machines and 750 video race terminals.
- (8) The following requirements apply to slot machines and video race terminals authorized under this section:
- (a) A wager on a slot machine or a video race terminal may not exceed \$5 per game or race.

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(b) Only one game or race may be played at any given time on a slot machine or video race terminal, and a player may not wager on a new game or race until the previous game or race has been completed.

- (c) Slot machines and video race terminals may not offer games that use tangible playing cards, but may have games that use electronic or virtual cards.
- (9) As used in subsections (7) and (8), the term "video race terminal" means an individual racing terminal linked to a central server as part of a network-based video game in which 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 as complying with all of the following requirements:
- (a) All data on previously conducted horse races must be stored in a secure format on the central server, which must be located at the pari-mutuel facility.
- (b) Only horse races that were recorded at licensed parimutuel facilities in the United States after January 1, 2005, may be used.
- (c) After each wager is placed, the video race terminal must display a video of at least the final seconds of the horse race before any prize is awarded or indicated on the video race terminal.
- (d) The display of the video of the horse race must be shown on the video race terminal's video screen.
 - (e) Mechanical reel displays are prohibited.
 - (f) A video race terminal may not contain more than one

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1831 player position for placing wagers.

(g) Coins, currency, or tokens may not be dispensed from a video race terminal.

- (h) Prizes must be awarded based solely on the results of a previously conducted horse race, and no additional element of chance may be used. However, a random number generator must be used to select from the central server the race to be displayed to the player(s) and to select numbers or other designations of race entrants that will be used in the various bet types for any "Quick Pick" bets. To prevent an astute player from recognizing the race based on the entrants and thus knowing the results before placing a wager, the entrants of the race may not be identified until after all wagers for that race have been placed.
- (10) Each slot machine licensee under this section shall withhold 1 percent of the net revenue from the slot machines and video race terminals authorized by this section to be deposited into a purse pool to be paid as purses for thoroughbred horse racing at a licensed pari-mutuel facility that is not authorized to conduct slot machine gaming.

Section 29. Section 551.1042, Florida Statutes, is created to read:

551.1042 Transfer or relocation of slot machine license prohibited.—A slot machine license issued under this chapter may not be transferred or reissued when such reissuance is in the nature of a transfer so as to permit or authorize a licensee to change the location of a slot machine facility.

Section 30. Paragraph (a) of subsection (1) and paragraph (a) of subsection (2) of section 551.106, Florida Statutes, are

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551.106 License fee; tax rate; penalties.-

- (1) LICENSE FEE.—
- (a) Upon submission of the initial application for a slot machine license and annually thereafter, on the anniversary date of the issuance of the initial license, the licensee must pay to the division a nonrefundable license fee of \$3 million for the succeeding 12 months of licensure. In the 2010-2011 fiscal year, the licensee must pay the division a nonrefundable license fee of \$2.5 million for the succeeding 12 months of licensure. In the 2011-2012 fiscal year and for every fiscal year thereafter, the licensee must pay the division a nonrefundable license fee of \$2 million for the succeeding 12 months of licensure. The license fee shall be deposited into the Pari-mutuel Wagering Trust Fund of the Department of Business and Professional Regulation to be used by the division and the Department of Law Enforcement for investigations, regulation of slot machine gaming, and enforcement of slot machine gaming provisions under this chapter. These payments shall be accounted for separately from taxes or fees paid pursuant to the provisions of chapter 550.
 - (2) TAX ON SLOT MACHINE REVENUES. -
- (a) The tax rate on slot machine revenues at each facility shall be 30 35 percent. If, during any state fiscal year, the aggregate amount of tax paid to the state by all slot machine licensees in Broward and Miami-Dade Counties is less than the aggregate amount of tax paid to the state by all slot machine licensees in the 2008-2009 fiscal year, each slot machine licensee shall pay to the state within 45 days after the end of

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the state fiscal year a surcharge equal to its pro rata share of an amount equal to the difference between the aggregate amount of tax paid to the state by all slot machine licensees in the 2008-2009 fiscal year and the amount of tax paid during the fiscal year. Each licensee's pro rata share shall be an amount determined by dividing the number 1 by the number of facilities licensed to operate slot machines during the applicable fiscal year, regardless of whether the facility is operating such machines.

Section 31. Subsections (1), (2), and (4) of section 551.114, Florida Statutes, are amended to read:

551.114 Slot machine gaming areas.-

- (1) A slot machine licensee may make available for play up to 1,700 2,000 slot machines within the property of the facilities of the slot machine licensee.
- (2) The slot machine licensee shall display pari-mutuel races or games within the designated slot machine gaming areas and offer patrons within the designated slot machine gaming areas the ability to engage in pari-mutuel wagering on any live, intertrack, and simulcast races conducted or offered to patrons of the licensed facility.
- (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 a designated slot machine gaming area is to be located in a building that is to be constructed, that new building must be contiguous and connected to the live gaming facility. For a greyhound racing permitholder, jai alai permitholder, harness horse racing permitholder, or quarter

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horse permitholder licensed to conduct pari-mutuel activities pursuant to a current year's operating license that does not require live performances or games, designated slot machine gaming areas may be located only within the eligible facility for which the initial annual slot machine license was issued.

Section 32. Section 551.116, Florida Statutes, is amended to read:

551.116 Days and hours of operation.—Slot machine gaming areas may be open 24 hours per day, 7 days a week daily throughout the year. The slot machine gaming areas may be open a cumulative amount of 18 hours per day on Monday through Friday and 24 hours per day on Saturday and Sunday and on those holidays specified in s. 110.117(1).

Section 33. Subsections (1) and (3) of section 551.121, Florida Statutes, are amended to read:

551.121 Prohibited activities and devices; exceptions.-

- (1) Complimentary or reduced-cost alcoholic beverages may not be served to a person persons playing a slot machine.

 Alcoholic beverages served to persons playing a slot machine shall cost at least the same amount as alcoholic beverages served to the general public at a bar within the facility.
- (3) A slot machine licensee may not allow any automated teller machine or similar device 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.

Section 34. Present subsections (9) through (17) of section 849.086, Florida Statutes, are redesignated as subsections (10) through (18), respectively, a new subsection (9) is added to that section, and subsections (1), (2), (4), and (5), paragraphs

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(b) and (c) of subsection (7), subsection (8), present subsections (10) and (12), paragraphs (d) and (h) of present subsection (13), and present subsections (16) and (17) of that section are amended, to read:

849.086 Cardrooms 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, promote tourism in the state, and provide additional state revenues through the authorization of the playing of certain games in the state at facilities known as cardrooms which are to be located at licensed pari-mutuel facilities. To ensure the public confidence in the integrity of authorized cardroom operations, this act is designed to strictly regulate the facilities, persons, and procedures related to cardroom operations. Furthermore, the Legislature finds that authorized games of card and dominoes as herein defined are considered to be pari-mutuel style games and not casino gaming because the participants play against each other instead of against the house.
 - (2) DEFINITIONS.—As used in this section:
- (a) "Authorized game" means a game or series of <u>card and</u> <u>domino</u> games <u>that</u> <u>of poker or dominoes which</u> are played in <u>conformance with this section</u> <u>a nonbanking manner</u>.
- (b) "Banking game" means a game in which the house is a participant in the game, taking on players, paying winners, and collecting from losers or in which the cardroom establishes a bank against which participants play.
- (c) "Cardroom" means a facility where authorized games are played for money or anything of value and to which the public is

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invited to participate in such games and charged a fee for participation by the operator of such facility. Authorized games and cardrooms do not constitute casino gaming operations $\underline{\text{if}}$ conducted at an eligible facility.

- (d) "Cardroom management company" means any individual not an employee of the cardroom operator, any proprietorship, partnership, corporation, or other entity that enters into an agreement with a cardroom operator to manage, operate, or otherwise control the daily operation of a cardroom.
- (e) "Cardroom distributor" means any business that distributes cardroom paraphernalia such as card tables, betting chips, chip holders, dominoes, dominoes tables, drop boxes, banking supplies, playing cards, card shufflers, and other associated equipment to authorized cardrooms.
- (f) "Cardroom operator" means a licensed pari-mutuel permitholder that which holds a valid permit and license issued by the division pursuant to chapter 550 and which also holds a valid cardroom license issued by the division pursuant to this section which authorizes such person to operate a cardroom and to conduct authorized games in such cardroom.
- (g) "Designated player" means the player identified as the player in the dealer position and seated at a traditional player position in a designated player game and who pays winning players and collects from losing players.
- (h) "Designated player game" means a game consisting of at least three cards in which the players compare their cards only to the cards of the designated player.
- $\underline{\text{(i)}}_{\text{(g)}}$ "Division" means the Division of Pari-mutuel Wagering of the Department of Business and Professional

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2005 Regulation.

(j) (h) "Dominoes" means a game of dominoes typically played with a set of 28 flat rectangular blocks, called "bones," which are marked on one side and divided into two equal parts, with zero to six dots, called "pips," in each part. The term also includes larger sets of blocks that contain a correspondingly higher number of pips. The term also means the set of blocks used to play the game.

 $\underline{\text{(k)}}$ "Gross receipts" means the total amount of money received by a cardroom from any person for participation in authorized games.

 $\underline{\text{(1)}}$ "House" means the cardroom operator and all employees of the cardroom operator.

(m) (k) "Net proceeds" means the total amount of gross receipts received by a cardroom operator from cardroom operations less direct operating expenses related to cardroom operations, including labor costs, admission taxes only if a separate admission fee is charged for entry to the cardroom facility, gross receipts taxes imposed on cardroom operators by this section, the annual cardroom license fees imposed by this section on each table operated at a cardroom, and reasonable promotional costs excluding officer and director compensation, interest on capital debt, legal fees, real estate taxes, bad debts, contributions or donations, or overhead and depreciation expenses not directly related to the operation of the cardrooms.

(n) (1) "Rake" means a set fee or percentage of the pot assessed by a cardroom operator for providing the services of a dealer, table, or location for playing the authorized game.

(o) (m) "Tournament" means a series of games that have more

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than one betting round involving one or more tables and where the winners or others receive a prize or cash award.

- (4) AUTHORITY OF DIVISION.—The Division of Pari-mutuel Wagering of the Department of Business and Professional Regulation shall administer this section and regulate the operation of cardrooms under this section and the rules adopted pursuant thereto, and is hereby authorized to:
- (a) Adopt rules, including, but not limited to: the issuance of cardroom and employee licenses for cardroom operations; the operation of a cardroom <u>and games</u>; recordkeeping and reporting requirements; and the collection of all fees and taxes imposed by this section.
- (b) Conduct investigations and monitor the operation of cardrooms and the playing of authorized games at the cardrooms therein.
- (c) Review the books, accounts, and records of any current or former cardroom operator.
- (d) Suspend or revoke any license or permit, after hearing, for any violation of the provisions of this section or the administrative rules adopted pursuant thereto.
- (e) Take testimony, issue summons and subpoenas for any witness, and issue subpoenas duces tecum in connection with any matter within its jurisdiction.
- (f) Monitor and ensure the proper collection of taxes and fees imposed by this section. Permitholder internal controls are mandated to ensure no compromise of state funds. To that end, a roaming division auditor will monitor and verify the cash flow and accounting of cardroom revenue for any given operating day.
 - (5) LICENSE REQUIRED; APPLICATION; FEES.—A No person may

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not operate a cardroom in this state unless such person holds a valid cardroom license issued pursuant to this section.

- (a) Only those persons holding a valid cardroom license issued by the division may operate a cardroom. A cardroom license may only be issued to a licensed pari-mutuel permitholder, and an authorized cardroom may only be operated at the same facility at which the permitholder is authorized under its valid pari-mutuel wagering permit to conduct pari-mutuel wagering activities if the permitholder offers live racing or games. However, a thoroughbred racing permitholder that holds a slot machine license and has entered into an agreement with another thoroughbred racing permitholder to conduct its race meet at the other thoroughbred racing permitholder's facility may operate a cardroom at the slot facility stated in the permitholder's slot machine license. An initial cardroom license shall be issued to a pari-mutuel permitholder only after its facilities are in place and after it conducts its first day of live racing or games if the permitholder offers live racing or games.
- (b) After the initial cardroom license is granted, the application for the annual license renewal shall be made in conjunction with the applicant's annual application for its pari-mutuel license. If a permitholder has operated a cardroom during any of the 3 previous fiscal years and fails to include a renewal request for the operation of the cardroom in its annual application for license renewal, the permitholder may amend its annual application to include operation of the cardroom. In order for a cardroom license to be renewed the applicant must have requested, as part of its pari-mutuel annual license

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application, to conduct at least 90 percent of the total number of live performances conducted by such permitholder during either the state fiscal year in which its initial cardroom license was issued or the state fiscal year immediately prior thereto if the permitholder ran at least a full schedule of live racing or games in the prior year. If the application is for a harness permitholder cardroom, the applicant must have requested authorization to conduct a minimum of 140 live performances during the state fiscal year immediately prior thereto. If more than one permitholder is operating at a facility, each permitholder must have applied for a license to conduct a full schedule of live racing.

- (c) A greyhound racing permitholder is exempt from the live racing requirements of this subsection if it conducted a full schedule of live racing for a period of at least 10 consecutive state fiscal years after the 1996-1997 state fiscal year or if it converted its permit to a permit to conduct greyhound racing after that fiscal year. However, as a condition of cardroom licensure, greyhound racing permitholders who are not conducting a full schedule of live racing must conduct intertrack wagering on thoroughbred signals, to the extent available, on each day of cardroom operation.
- (d) (e) Persons seeking a license or a renewal thereof to operate a cardroom shall make application on forms prescribed by the division. Applications for cardroom licenses shall contain all of the information the division, by rule, may determine is required to ensure eligibility.
- $\underline{\text{(e)}}$ The annual cardroom license fee for each facility shall be \$1,000 for each table to be operated at the cardroom.

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The license fee shall be deposited by the division with the Chief Financial Officer to the credit of the Pari-mutuel Wagering Trust Fund.

- (7) CONDITIONS FOR OPERATING A CARDROOM.
- (b) Any cardroom operator may operate a cardroom at the pari-mutuel facility daily throughout the year, if the permitholder meets the requirements under paragraph (5)(b). The cardroom may be open a cumulative amount of 18 hours per day on Monday through Friday and 24 hours per day on Saturday and Sunday and on the holidays specified in s. 110.117(1).
- (c) For authorized games of poker or dominoes at a cardroom, a cardroom operator must at all times employ and provide a nonplaying live dealer at for each table on which the authorized card games which traditionally use a dealer are conducted at the cardroom. Such dealers may not have a participatory interest in any game other than the dealing of cards and may not have an interest in the outcome of the game. The providing of such dealers by a licensee does not constitute the conducting of a banking game by the cardroom operator.
 - (8) METHOD OF WAGERS; LIMITATION.-
- (a) No Wagering may not be conducted using money or other negotiable currency. Games may only be played utilizing a wagering system whereby all players' money is first converted by the house to tokens or chips that may which shall be used for wagering only at that specific cardroom.
- (b) For authorized games of poker or dominoes, the cardroom operator may limit the amount wagered in any game or series of games.
 - (c) A tournament shall consist of a series of games. The

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entry fee for a tournament may be set by the cardroom operator. Tournaments may be played only with tournament chips that are provided to all participants in exchange for an entry fee and any subsequent re-buys. All players must receive an equal number of tournament chips for their entry fee. Tournament chips have no cash value and represent tournament points only. There is no limitation on the number of tournament chips that may be used for a bet except as otherwise determined by the cardroom operator. Tournament chips may never be redeemed for cash or for any other thing of value. The distribution of prizes and cash awards must be determined by the cardroom operator before entry fees are accepted. For purposes of tournament play only, the term "gross receipts" means the total amount received by the cardroom operator for all entry fees, player re-buys, and fees for participating in the tournament less the total amount paid to the winners or others as prizes.

- (9) DESIGNATED PLAYER GAMES AUTHORIZED.-
- (a) A cardroom operator that does not possess slot machines or a slot machine license may offer designated player games consisting of players making wagers against another player. The maximum wager in such games may not exceed \$25.
- (b) The designated player must occupy a playing position at the table and may not be required to cover all wagers or cover more than 10 times the minimum posted wager for players seated during a single game.
- (c) Each seated player shall be afforded the temporary opportunity to be the designated player to wager against multiple players at the same table, provided that this position is rotated among the other seated players in the game. The

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opportunity to be a designated player must be offered to each player, in a clockwise rotation, after each hand. The opportunity to be the designated player may be declined by a player. A player participating as a designated player for 30 consecutive hands must subsequently play as a nondesignated player for at least 2 hands before he or she may resume as the designated player.

- (d) The cardroom operator may not serve as a designated player in any game. The cardroom operator may not have any direct or indirect financial or pecuniary interest in a designated player in any game.
- (e) A designated player may only wager personal funds or funds from a sole proprietorship. A designated player may not be directly or indirectly financed or controlled by another party.

 A designated player shall operate independently.
- (f) Designated player games offered by a cardroom operator may not make up more than 25 percent of the total authorized game tables at the cardroom.
- (g) Licensed pari-mutuel facilities that offer slot machine gaming or video race terminals may not offer designated player games.
- (h) The division may only approve cardroom operators to conduct designated player games only if such games would not trigger a reduction in revenue-sharing payments under the Gaming Compact between the Seminole Tribe of Florida and the State of Florida.
- (11) (10) FEE FOR PARTICIPATION.—The cardroom operator may charge a fee for the right to participate in <u>poker or dominoes</u> games conducted at the cardroom. Such fee may be either a flat

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fee or hourly rate for the use of a seat at a table or a rake subject to the posted maximum amount but may not be based on the amount won by players. The rake-off, if any, must be made in an obvious manner and placed in a designated rake area which is clearly visible to all players. Notice of the amount of the participation fee charged shall be posted in a conspicuous place in the cardroom and at each table at all times.

(13) (12) PROHIBITED ACTIVITIES.-

- (a) \underline{A} No person licensed to operate a cardroom may \underline{not} conduct \underline{any} banking game or any game not specifically authorized by this section.
- (b) \underline{A} No person under 18 years of age may <u>not</u> be <u>allowed</u> permitted to hold a cardroom or employee license, or <u>to</u> engage in any game conducted in the cardroom therein.
- (c) With the exception of mechanical card shufflers, No electronic or mechanical devices, except mechanical card shufflers, may not be used to conduct any authorized game in a cardroom.
- (d) No Cards, game components, or game implements may <u>not</u> be used in playing an authorized game unless such <u>have</u> has been furnished or provided to the players by the cardroom operator.
 - (14) (13) TAXES AND OTHER PAYMENTS.
- (d)1. Each greyhound racing permitholder conducting live racing and jai alai permitholder that operates a cardroom facility shall use at least 4 percent of such permitholder's cardroom monthly gross receipts to supplement greyhound purses or jai alai prize money, respectively, during the permitholder's current or next ensuing pari-mutuel meet.
 - 2. Each thoroughbred and harness horse racing permitholder

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

- 3. Each 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 if the permitholder offers live races or games.
- 4.3. No cardroom license or renewal thereof shall be issued to an applicant holding a permit under chapter 550 to conduct pari-mutuel wagering meets of quarter horse racing unless the applicant has on file with the division a binding written agreement between the applicant and the Florida Quarter Horse Racing Association or the association representing a majority of the horse owners and trainers at the applicant's eligible facility, governing the payment of purses on live quarter horse races conducted at the licensee's pari-mutuel facility. The agreement governing purses may direct the payment of such purses from revenues generated by any wagering or gaming the applicant is authorized to conduct under Florida law. All purses shall be subject to the terms of chapter 550.
- (h) One-quarter of the moneys deposited into the Parimutuel Wagering Trust Fund pursuant to paragraph (g) shall, by October 1 of each year, be distributed to the local government that approved the cardroom under subsection (17) (16); however, if two or more pari-mutuel racetracks are located within the

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same incorporated municipality, the cardroom funds shall be distributed to the municipality. If a pari-mutuel facility is situated in such a manner that it is located in more than one county, the site of the cardroom facility shall determine the location for purposes of disbursement of tax revenues under this paragraph. The division shall, by September 1 of each year, determine: the amount of taxes deposited into the Pari-mutuel Wagering Trust Fund pursuant to this section from each cardroom licensee; the location by county of each cardroom; whether the cardroom is located in the unincorporated area of the county or within an incorporated municipality; and, the total amount to be distributed to each eligible county and municipality.

(17) (16) LOCAL GOVERNMENT APPROVAL.—The Division of Parimutuel Wagering may shall not issue any initial license under this section except upon proof in such form as the division may prescribe that the local government where the applicant for such license desires to conduct cardroom gaming has voted to approve such activity by a majority vote of the governing body of the municipality or the governing body of the county if the facility is not located in a municipality.

(18) (17) CHANGE OF LOCATION; REFERENDUM. -

(a) Notwithstanding any provisions of this section, <u>a</u> no cardroom gaming license issued under this section <u>may not shall</u> be transferred, or reissued when such reissuance is in the nature of a transfer, so as to permit or authorize a licensee to change the location of the cardroom <u>except upon proof in such form as the division may prescribe that a referendum election has been held:</u>

1. If the proposed new location is within the same county

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as the already licensed location, in the county where the licensee desires to conduct cardroom gaming and that a majority of the electors voting on the question in such election voted in favor of the transfer of such license. However, the division shall transfer, without requirement of a referendum election, the cardroom license of any permitholder that relocated its permit pursuant to s. 550.0555.

- 2. If the proposed new location is not within the same county as the already licensed location, in the county where the licensee desires to conduct cardroom gaming and that a majority of the electors voting on that question in each such election voted in favor of the transfer of such license.
- (b) The expense of each referendum held under the provisions of this subsection shall be borne by the licensee requesting the transfer.

Section 35. The Division of Pari-mutuel Wagering of the

Department of Business and Professional Regulation shall 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 this act, unless the permit was issued under
s. 550.3345, Florida Statutes. A permit revoked under this
section may not be reissued.

Section 36. The provisions of this act are not severable.

If this act or any portion of this act is determined to be unconstitutional or the applicability thereof to any person or circumstance is held invalid:

- (1) Such determination shall render all other provisions or applications of this act invalid; and
 - (2) This act is deemed never to have become law.

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Section 37. This act shall take effect only if Senate Proposed Bill 7074, 2016 Regular Session, or similar legislation becomes law 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, under the Indian Gaming Regulatory Act of 1988, and only if such compact is approved or deemed approved, and not voided by the United States Department of the Interior, and this act shall take effect on the date that the approved compact is published in the Federal Register.