

HB 563

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1                   A bill to be entitled  
2           An act relating to thoroughbred horse Breeders' Cup  
3           meets; creating s. 550.26357, F.S.; providing for the  
4           creation of a special thoroughbred race meet  
5           designated as the "Breeders' Cup Permanent Meet" which  
6           shall be conducted annually at the facility of a  
7           Florida horseracing permitholder; providing conditions  
8           for the annual meet; providing a timeframe for the  
9           meet; providing for issuance of a permit for the meet;  
10          exempting the issuance of the permit from certain  
11          provisions; authorizing pari-mutuel wagers on races at  
12          the meet; prohibiting races at certain thoroughbred  
13          facilities during the meet; providing a tax credit as  
14          compensation for race days lost due to the  
15          prohibition; providing that the permitholder  
16          conducting the Breeders' Cup Permanent Meet is exempt  
17          from paying taxes on the handle for Breeders' Cup  
18          races under the permit; providing the permitholder  
19          with certain tax credits to be used for certain  
20          purposes; providing conditions to receive the credits;  
21          exempting the permitholder from the payment of purses  
22          and other payments to horsemen during the meet;  
23          providing for broadcast of the races for wagering  
24          purposes; providing for use of a totalisator outside  
25          the state; requiring audits before tax credits may be  
26          claimed; providing for the hearing of disputes between  
27          the division and any permitholder regarding the tax  
28          credits; authorizing the division to adopt and waive

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29 | rules for certain purposes; authorizing the  
30 | permitholder to receive a license to operate slot  
31 | machines at the facility identified in the Breeders'  
32 | Cup Permit under certain conditions; providing for  
33 | revocation, suspension, or escheatment of the permit;  
34 | providing for application; providing an effective  
35 | date.

36 |  
37 | Be It Enacted by the Legislature of the State of Florida:

38 |  
39 | Section 1. Section 550.26357, Florida Statutes, is created  
40 | to read:

41 | 550.26357 Breeders' Cup Permanent Meet.—

42 | (1) Notwithstanding any provision of law to the contrary,  
43 | upon designation by Breeders' Cup Limited of the facility of any  
44 | Florida horseracing permitholder to be the permanent home of the  
45 | Breeders' Cup series of horseraces or to be one of the sites  
46 | included in a rotation of designated sites for the Breeders' Cup  
47 | series of horseraces, there is created a special thoroughbred  
48 | race meet designated as the "Breeders' Cup Permanent Meet" which  
49 | shall be conducted annually at the facility of the Florida  
50 | permitholder so designated. Upon the designation of the facility  
51 | of a Florida horseracing permitholder as the location for the  
52 | Breeders' Cup Permanent Meet and the filing of the application  
53 | by the designated permitholder, the division shall issue a  
54 | thoroughbred racing permit to the designated permitholder to  
55 | operate the Breeders' Cup Permanent Meet, which permit shall be  
56 | known as the Breeders' Cup Permit.

57       (2) The Breeders' Cup Permanent Meet shall commence on the  
58 day on which the Breeders' Cup races are first conducted and  
59 shall continue through the following November 30. In order to  
60 provide for consistency and certainty in the annual racing  
61 schedule, the Breeders' Cup Permanent Meet shall be conducted  
62 annually at the facility of the designated permitholder  
63 regardless of whether the annual Breeders' Cup series of  
64 horseraces is conducted live at the facility of the Florida  
65 permitholder that holds the Breeders' Cup Permit in any  
66 particular year. The holder of the Breeders' Cup Permit shall  
67 comply with the requirements of s. 550.01215 with regard to  
68 application for an annual license to conduct the Breeders' Cup  
69 Permanent Meet, which license shall be issued by the division as  
70 otherwise provided in s. 550.01215. Notwithstanding any other  
71 provision of law, the provisions of this chapter relating to  
72 referendum requirements for the issuance of a pari-mutuel permit  
73 or which otherwise impose mileage limitations on the location of  
74 a new pari-mutuel permit do not apply to the permit created  
75 under this section.

76       (3) The permitholder conducting the Breeders' Cup  
77 Permanent Meet is specifically authorized to create pari-mutuel  
78 pools during the Breeders' Cup Permanent Meet by accepting pari-  
79 mutuel wagers on the horseraces run during the meet.

80       (4) A permitholder located within 35 miles of the  
81 permitholder conducting the Breeders' Cup Permanent Meet may not  
82 conduct a thoroughbred race meet on any of the days of the  
83 Breeders' Cup Permanent Meet; however, as compensation for the  
84 loss of racing days, any such operating permitholder shall

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85 receive a credit against the taxes otherwise due and payable to  
86 the state under ss. 550.0951 and 550.09515. The credit shall be  
87 in an amount equal to the actual operating loss determined to  
88 have been suffered by the operating permitholder as a result of  
89 not operating on the prohibited racing days, not to exceed  
90 \$950,000 in any one year. The determination of the amount to be  
91 credited shall be made by the division upon application by the  
92 operating permitholder. The tax credits provided under this  
93 subsection shall be available to an operating permitholder who  
94 is required to close a bona fide meet consisting in part of no  
95 fewer than 10 scheduled performances in the 15 days immediately  
96 preceding the Breeders' Cup Permanent Meet and who does not  
97 conduct additional thoroughbred racing performances during the  
98 remainder of the calendar year after the conclusion of the  
99 Breeders' Cup Permanent Meet. Such tax credit shall be in lieu  
100 of any other compensation or consideration for the loss of  
101 racing days. There shall be no replacement or makeup of any lost  
102 racing days.

103 (5) Notwithstanding any provision of ss. 550.0951 and  
104 550.09515, the permitholder conducting the Breeders' Cup  
105 Permanent Meet is exempt from paying taxes on the handle  
106 included within the pari-mutuel pools of the permitholder for  
107 the day or the days on which the races sponsored by Breeders'  
108 Cup Limited are conducted live at the facility of the Florida  
109 permitholder that holds the Breeders' Cup Permit.

110 (6) The permitholder conducting the Breeders' Cup  
111 Permanent Meet shall receive a credit against the taxes  
112 otherwise due and payable to the state under ss. 550.0951 and

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113 550.09515 generated during the Breeders' Cup Permanent Meet.  
114 This credit shall be in an amount not to exceed \$950,000 and  
115 shall be used by the permitholder to pay the purses offered by  
116 the permitholder during the Breeders' Cup Permanent Meet in  
117 excess of the purses that the permitholder is otherwise required  
118 by law to pay. The amount to be credited shall be determined by  
119 the division upon application of the permitholder that is  
120 subject to audit by the division.

121 (7) In addition to the credit received under subsection  
122 (6), the permitholder conducting the Breeders' Cup Permanent  
123 Meet shall receive a credit against the taxes otherwise due and  
124 payable to the state under ss. 550.0951 and 550.09515 generated  
125 during the Breeders' Cup Permanent Meet. This credit shall be in  
126 an amount not to exceed \$950,000 and shall be used by the  
127 permitholder for such capital improvements and extraordinary  
128 expenses as may be necessary for operation of the Breeders' Cup  
129 Permanent Meet. The amount to be credited shall be determined by  
130 the division upon application of the permitholder that is  
131 subject to audit by the division.

132 (8) The permitholder conducting the Breeders' Cup  
133 Permanent Meet is exempt from the payment of purses and all  
134 other payments to horsemen on all on-track, intertrack,  
135 interstate, and international wagers or rights fees or payments  
136 arising therefrom for the day or the days upon which the races  
137 sponsored by Breeders' Cup Limited are conducted live at the  
138 facility of the Florida permitholder that holds the Breeders'  
139 Cup Permit.

140 (9) (a) Pursuant to s. 550.3551(2), the permitholder

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141 conducting the Breeders' Cup Permanent Meet may transmit  
142 broadcasts of the live races conducted during the Breeders' Cup  
143 Permanent Meet to locations outside this state for wagering  
144 purposes. The division may approve broadcasts to pari-mutuel  
145 permitholders and other betting systems authorized under the  
146 laws of any other state or country. Wagers accepted by any out-  
147 of-state pari-mutuel permitholder or betting system on any races  
148 broadcast under this section may be, but are not required to be,  
149 commingled with the pari-mutuel pools of the permitholder  
150 conducting the Breeders' Cup Permanent Meet. The calculation of  
151 any payoff on national pari-mutuel pools with commingled wagers  
152 may be performed by the permitholder's totalisator contractor at  
153 a location outside this state. Pool amounts from wagers placed  
154 at pari-mutuel facilities or other betting systems in foreign  
155 countries before being commingled with the pari-mutuel pool of  
156 the Florida permitholder conducting the Breeders' Cup Permanent  
157 Meet shall be calculated by the totalisator contractor and  
158 transferred to the commingled pool in United States currency in  
159 cycles customarily used by the permitholder. Pool amounts from  
160 wagers placed at any foreign pari-mutuel facility or other  
161 betting system may not be commingled with a Florida pool until a  
162 determination is made by the division that the technology used  
163 by the totalisator contractor is adequate to ensure commingled  
164 pools will result in the calculation of accurate payoffs to  
165 Florida bettors. Any totalisator contractor at a location  
166 outside this state must comply with the totalisator licensing  
167 requirements in s. 550.495.

168 (b) The permitholder conducting the Breeders' Cup

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169 Permanent Meet may transmit broadcasts of the live races  
170 conducted during the Breeders' Cup Permanent Meet to other pari-  
171 mutuel facilities located in this state for wagering purposes.  
172 However, the permitholder conducting the Breeders' Cup Permanent  
173 Meet is not required to transmit broadcasts to any pari-mutuel  
174 facility located within 25 miles of the facility at which the  
175 Breeders' Cup Permanent Meet is conducted.

176 (10) The exemption from the tax credits provided in  
177 subsections (4), (6), and (7) may not be granted and may not be  
178 claimed by any permitholder until an audit is completed by the  
179 division. The division is required to complete the audit within  
180 30 days after receipt of the necessary documentation from the  
181 permitholder to verify the permitholder's claim for tax credits.  
182 If the documentation submitted by the permitholder is incomplete  
183 or is insufficient to document the permitholder's claim for tax  
184 credits, the division may request such additional documentation  
185 as is necessary to complete the audit. Upon receipt of the  
186 division's written request for additional documentation, the 30-  
187 day time limitation shall commence anew. Any dispute between the  
188 division and any permitholder regarding the tax credits  
189 authorized under subsection (4), subsection (6), or subsection  
190 (7) shall be determined by a hearing officer of the Division of  
191 Administrative Hearings under s. 120.57(1).

192 (11) The division may adopt such rules as are necessary to  
193 facilitate the conduct of the Breeders' Cup Permanent Meet as  
194 authorized in this section. The division may also adopt or waive  
195 rules relating to the overall conduct of racing during the  
196 Breeders' Cup Permanent Meet to ensure the integrity of the

197 races, licensing for all participants, special stabling and  
 198 training requirements for foreign horses, commingling of pari-  
 199 mutuel pools, and audit requirements for tax credits and other  
 200 benefits.

201 (12) Notwithstanding any provision of law to the contrary,  
 202 if at the time of the issuance of the Breeders' Cup Permit the  
 203 facility identified in the Breeders' Cup Permit is located in a  
 204 county in which slot machines are authorized and slot machines  
 205 are not authorized at the facility identified in the Breeders'  
 206 Cup Permit, the facility identified in the Breeders' Cup Permit  
 207 shall be deemed an eligible facility for the purposes of slot  
 208 machine activities and licensure under chapter 551; and, upon  
 209 submission of the necessary applications for licensure under  
 210 chapter 551, the division shall issue a slot machine license for  
 211 the facility identified in the Breeders' Cup Permit. For the  
 212 purposes of s. 551.104(10) and notwithstanding any provision  
 213 therein to the contrary, the horsemen's association with which  
 214 the holder of the Breeders' Cup Permit must be under contract  
 215 shall be the association that represents the majority of  
 216 horsemen that race at the facility under all of the permits  
 217 operated at the facility annually.

218 (13) The Breeders' Cup Permit issued under this section is  
 219 not subject to revocation, suspension, or escheatment, except as  
 220 otherwise provided in this chapter for the revocation,  
 221 suspension, or escheatment of thoroughbred permits generally.

222 (14) The provisions of this section shall prevail over any  
 223 conflicting provisions of this chapter.

224 Section 2. This act shall take effect July 1, 2012.