A bill to be entitled

An act relating to pari-mutuel wagering; amending s. 550.01215, F.S.; authorizing thoroughbred permitholders to elect not to conduct live racing or games; specifying that such permitholders retain certain permits, eligibility, exemptions, and licenses; providing that certain permitholders are eligible to be a guest track; requiring certain thoroughbred permitholders to continue to offer live racing until providing a specific notification to the commission; providing notice requirements; providing applicability; amending s. 550.0351, F.S.; conforming provisions to changes made by the act; amending s. 550.09515, F.S.; prohibiting reissuance of horse permits to certain permitholders who do not pay tax on handle for live races for a specified period; removing provisions requiring reissuance of escheated horse permits; amending s. 550.2614, F.S.; conforming provisions to changes made by the act; amending s. 550.26165, F.S.; providing legislative purpose; requiring certain moneys to be used for a specified purpose; requiring awards be given at a uniform rate pursuant to a specified plan; requiring such plan be published in the Florida Administrative Register by a date certain; authorizing the commission to use

flexibility in the development and implementation of a certain program; providing the source of amounts available for distribution; requiring permitholders to make certain payments by a specified date; revising thoroughbred breeders' awards; providing eligibility requirements for awards; requiring a specified association to maintain certain records; authorizing such association to require a fee for specified services; requiring purses be funded in a specified manner and paid at a specified rate; requiring awards to be paid by a certain time; requiring the Florida Gaming Control Commission maintain certain records; requiring a certain association to immediately remit specified funds to the state; requiring such funds to be placed in a specified account; authorizing awards to be paid for races in other states or countries; requiring the commission to adopt certain rules; providing underpayment requirements for permitholders; authorizing the commission to adopt emergency rules; repealing s. 550.2625, F.S., relating to Horseracing, minimum purse requirement, Florida breeders' and owners' awards; amending ss. 550.2633 and 550.26352, F.S.; conforming provisions to changes made by the act; amending s. 550.3345, F.S.; revising the composition of a certain board of directors; revising

provisions relating to the conversion of quarter horse permits to a limited thoroughbred permit; authorizing such permit locations to be moved to a licensed thoroughbred training center that meets certain requirements; providing for the licensing of thoroughbred training centers; prohibiting such centers from being issued certain licenses; providing an exception; authorizing the commission to adopt rules for such licensing and oversight; providing for board membership of the not-for-profit corporation; providing legislative findings; preempting certain local laws, charters, ordinances, resolutions, regulations, policies, initiatives, or referendums; providing application; amending s. 550.3551, F.S.; revising the entity responsible for approving changes to live racing minimums; repealing s. 550.625, F.S., relating to intertrack wagering, purses, and breeders' awards; amending s. 550.6305, F.S.; revising the entity to be paid certain breeders' awards; amending s. 551.104, F.S.; revising specified requirements for thoroughbred permitholders who have certain slot machine licenses; amending s. 849.086, F.S.; revising requirements for certain permitholders who have cardroom licenses; providing an effective date.

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

Section 1. Paragraph (b) of subsection (1) of section 550.01215, Florida Statutes, is amended to read:

550.01215 License application; periods of operation; license fees; bond.—

(1) Each permitholder shall annually, during the period between January 15 and February 4, file in writing with the commission its application for an operating license for a pari-mutuel facility for the conduct of pari-mutuel wagering during the next state fiscal year, including intertrack and simulcast race wagering. Each application for live performances must specify the number, dates, and starting times of all live performances that the permitholder intends to conduct. It must also specify which performances will be conducted as charity or scholarship performances.

(b)1. A greyhound permitholder may not conduct live racing. A jai alai permitholder, thoroughbred permitholder, harness horse racing permitholder, or quarter horse racing permitholder may elect not to conduct live racing or games. ~~A thoroughbred permitholder must conduct live racing.~~ A greyhound permitholder, jai alai permitholder, thoroughbred permitholder, harness horse racing permitholder, or quarter horse racing permitholder that does not conduct live racing or games retains its permit; is a pari-mutuel facility as defined in s. 550.002(23); if such permitholder has been issued a slot machine

license, the facility where such permit is located remains an eligible facility as defined in s. 551.102(4), continues to be eligible for a slot machine license pursuant to s. 551.104(3), and is exempt from ss. 551.104(10) ~~ss. 551.104(4)(c) and (10)~~ and 551.114(2); is eligible, but not required, to be a guest track and, if the permitholder is a harness horse racing permitholder or a thoroughbred permitholder, to be a host track for purposes of intertrack wagering and simulcasting pursuant to ss. 550.3551, 550.615, ~~550.625,~~ and 550.6305; and remains eligible for a cardroom license. A thoroughbred permitholder who operates a slot machine facility or cardroom shall offer a full schedule of live racing until such permitholder notifies the commission that it will no longer offer live racing. Notice under this subparagraph is not valid unless it is delivered on or after July 1, 2027, and contains the date on which the permitholder will no longer offer live racing, which may not be earlier than 3 years after the date of the notice. The permitholder is not required to deliver such notice when relocating under s. 550.3345.

2. A permitholder or licensee may not conduct live greyhound racing or dogracing in connection with any wager for money or any other thing of value in the state. The commission may deny, suspend, or revoke any permit or license under this chapter if a permitholder or licensee conducts live greyhound racing or dogracing in violation of this subparagraph. In

addition to, or in lieu of, denial, suspension, or revocation of such permit or license, the commission may impose a civil penalty of up to $5,000 against the permitholder or licensee for a violation of this subparagraph. All penalties imposed and collected must be deposited with the Chief Financial Officer to the credit of the General Revenue Fund.

Section 2. Subsection (4) of section 550.0351, Florida Statutes, is amended to read:

550.0351 Charity days.—

(4) The total of all profits derived from the conduct of a charity day performance must include all revenues derived from the conduct of that performance, including all state taxes that would otherwise be due to the state, except that the daily license fee as provided in s. 550.0951(1) and the breaks for the promotional trust funds ~~as provided in s. 550.2625(3), (4), (5), (7), and (8)~~ shall be paid to the commission. All other revenues from the charity performance, including the commissions, breaks, and admissions and the revenues from parking, programs, and concessions, shall be included in the total of all profits.

Section 3. Subsection (3) of section 550.09515, Florida Statutes, is amended to read:

550.09515 Thoroughbred horse taxes; abandoned interest in a permit for nonpayment of taxes.—

(3)~~(a)~~ The permit of a thoroughbred horse permitholder who is conducting live thoroughbred horse performances and who does

not pay tax on handle for live thoroughbred horse performances for a full schedule of live races during any 2 consecutive state fiscal years shall be void and shall not be reissued ~~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 shall not, in and of itself, constitute just cause for failure to operate and pay tax on handle.

~~(b) In order to maximize the tax revenues to the state, the commission 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 commission 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 operated, notwithstanding the provisions of s. 550.054(2) relating to mileage limitations.~~

Section 4. Subsection (1) of section 550.2614, Florida Statutes, is amended to read:

550.2614 Distribution of certain funds to a horsemen's

association.—

(1) Each licensee that holds a permit for thoroughbred horse racing in this state shall deduct from the purses ~~required by s. 550.2625~~, an amount of money equal to 1 percent of the total purse pool and shall pay that amount to a horsemen's association representing the majority of the thoroughbred racehorse owners and trainers for its use in accordance with the stated goals of its articles of association filed with the Department of State.

Section 5. Section 550.26165, Florida Statutes, is amended to read:

(Substantial rewording of section.
See s. 550.26165, F.S., for present text.)

550.26165 Breeders' incentives, purses, and special racing awards plan.—

(1) A purse structure for racehorse owners which is competitive with the purses offered in other states is an important factor in attracting the entry of well-bred horses in race meets in this state. The availability of awards to the owners and the breeders of Florida-bred racehorses, including the owners of Florida-based stallions, is an important factor used to incentivize the purchase of Florida-bred horses at auction and to induce well-bred stallions and mares to engage in breeding activities in the state. In turn, the availability of these financial awards help to ensure the continuing viability

of the thoroughbred industry in the state while simultaneously producing maximum revenues from licensed racing activity for the state and the counties. The purpose of this section is to encourage the agricultural activity of owning, breeding, and racing Florida-bred racehorses.

(2) Moneys dedicated in this chapter for use as purse supplements to the owners of Florida-bred racehorses as breeders' awards and stallion awards are to be used to incentivize the ownership and the breeding of registered Florida-bred horses. Such awards shall be given at a uniform rate pursuant to an annual plan developed by the commission. The annual plan shall be developed with input from the Department of Agriculture and Consumer Services, stakeholders in the thoroughbred racing and breeding industry, and the general public and published in the Florida Administrative Register by January 1 for implementation during the next licensed racing year. The awards programs described in this chapter must be responsive to rapidly changing incentive programs in other states and to accomplish this goal, the commission is authorized to use flexibility in the design and implementation of a competitive awards programs. The plan approved by the commission shall allocate, for distribution by category, breeders' awards, stallion awards, and Florida-bred purse supplements available for distribution in the ensuing licensing year. The amount available for distribution shall be derived from the following

sources:

(a) A minimum amount equal to 0.955 percent on all pari-mutuel pools conducted on all wagering during each race meet, including any intertrack race taken pursuant to ss. 550.615-550.6305 or any interstate simulcast taken pursuant to s. 550.3551(3). This paragraph also applies to all Breeder's Cup races conducted outside this state taken pursuant to s. 550.3551(3).

(b) A minimum amount equal to 3.475 percent of the gross revenue derived by the thoroughbred permitholder when serving as the host track for wagering on any race originating live in this state which is broadcast out-of-state to any location at which wagers are accepted pursuant to s. 550.3551(2).

The permitholder conducting the races shall make the payments authorized in this section to the commission for deposit into the Pari-mutuel Wagering Trust Fund. The permitholder shall remit to the commission such payments by the 5th day of each calendar month for such sums accruing during the preceding calendar month and provide any corresponding reporting as prescribed by the commission. Such payments together with any interest earned shall be used exclusively for the payment of breeders', stallion, or special racing awards in accordance with the plan established pursuant to this section.

(3) In order for a breeder of a Florida-bred thoroughbred

horse to be eligible to receive a breeder's award, the horse must have been registered as a Florida-bred horse with the Florida Thoroughbred Breeders' Association and the Jockey Club certificate for the horse must show that the horse has been duly registered as a Florida-bred horse. The Florida Thoroughbred Breeders' Association may charge the registrant a reasonable fee for this verification and registration not to exceed $75 per horse.

(4) In order for an owner of the sire of a thoroughbred horse winning a stakes race to be eligible to receive a stallion award, the stallion must have been registered with the Florida Thoroughbred Breeders' Association and the live breeding of the registered Florida-bred horse must have occurred in this state. The stallion must be standing permanently in this state between February 1 and June 15 of each year or, if the stallion is dead, must have stood permanently in this state for a period of at least 1 year immediately before its death. The removal of a stallion from this state during the period of time between February 1 and June 15 of any year for any reason other than exclusively for prescribed medical treatment, as approved by the Florida Thoroughbred Breeders' Association, renders the owner or owners of the stallion ineligible to receive a stallion award under any circumstances for offspring sired before removal; however, if a removed stallion is returned to this state, all offspring sired subsequent to the return make the owner or

owners of the stallion eligible for the stallion award but only for those offspring sired subsequent to such return to this state. The Florida Thoroughbred Breeders' Association shall maintain complete records showing the date the stallion arrived in this state for the first time, whether or not the stallion remained in the state permanently, the location of the stallion, and whether the stallion is still standing in this state and complete records showing awards earned, received, and distributed. The Florida Thoroughbred Breeders' Association may charge the stallion owner a reasonable fee for this service not to exceed $75 per stallion.

(5) Purses shall be funded from the pari-mutuel pools conducted by the permitholder. A thoroughbred permit shall pay as purses during its race meets an amount equal to 7 percent of all wagers placed pursuant to s. 550.615 as purses during its current race meet.

(6) A permitholder conducting a thoroughbred horse race under this chapter shall, within 30 days after the end of the race meet during which the race is conducted, certify to the commission such information relating to the thoroughbred horses winning a stakes or other horserace at the meet as may be required to determine the eligibility for payment of breeders', stallion, and special racing awards.

(7) The commission shall maintain complete records showing the starters and winners in all races conducted at thoroughbred

tracks in this state and shall maintain complete records showing awards earned, received, and distributed.

(8) Any funds in the possession of the Florida Thoroughbred Breeders' Association which had been paid by any thoroughbred permitholder as required by any provision of chapter 550 or chapter 551 in effect when the payment was made or by the Florida Department of Agriculture and Consumer Services as required by any provision of chapter 571 in effect when the payment was made shall be immediately paid to the commission for deposit to the Pari-mutuel Wagering Trust Fund. The commission shall authorize payment from such funds to any breeder or stallion owner entitled to an award that has not been previously paid by the Florida Thoroughbred Breeders' Association in accordance with the applicable plan of distribution.

(9) Breeders' awards or stallion awards authorized under this chapter, if authorized by a rule of the commission, may be paid with respect to thoroughbred horse races taking place in other states or countries.

(10) The commission shall adopt reasonable rules to ensure the timely and accurate payment of all amounts withheld by horserace permitholders regarding the distribution of purses, owners' awards, and other amounts collected for payment to owners and breeders pursuant to this section and this chapter.

(11) Each permitholder that fails to pay out all moneys

collected for payment to owners and breeders shall, within 10 days after the end of the meet during which the permitholder underpaid purses, deposit an amount equal to the underpayment into a separate interest-bearing account established by the commission, which moneys shall be distributed to owners and breeders in accordance with commission rules.

(12) The commission may at any time adopt emergency rules pursuant to s. 120.54 to implement this section. The Legislature finds that such emergency rulemaking power is necessary for the preservation of the rights and welfare of the people in order to provide additional funds to benefit the statewide thoroughbred racing and breeding industry. The Legislature further finds that the unique nature of breeding and racing operations require, from time to time, that the commission respond as quickly as is practicable to changes in the marketplace. Therefore, in adopting such emergency rules, the commission need not make the findings required by s. 120.54(4)(a). Emergency rules adopted under this section are exempt from s. 120.54(4)(c) and shall remain in effect until replaced by other emergency rules or by rules adopted under the nonemergency rulemaking procedures of the Administrative Procedure Act.

Section 6. Section 550.2625, Florida Statutes, is repealed.

Section 7. Subsection (2) of section 550.2633, Florida Statutes, is amended to read:

550.2633 Horseracing; distribution of abandoned interest in or contributions to pari-mutuel pools.—

(2) All moneys or other property which has escheated to and become the property of the state as provided herein and which is held by a permitholder authorized to conduct pari-mutuel pools in this state shall be paid annually by the permitholder to the recipient designated in this subsection within 60 days after the close of the race meeting of the permitholder. Section 550.1645 notwithstanding, the moneys shall be paid by the permitholder as follows:

(a) Funds from any harness horse races shall be paid to the Florida Standardbred Breeders and Owners Association and shall be used for the payment of breeders' awards, stallion awards, stallion stakes, additional purses, and prizes for, and for the general promotion of owning and breeding of, Florida-bred standardbred horses~~, as provided for in s. 550.2625~~.

(b) Funds from quarter horse races shall be paid to the Florida Quarter Horse Breeders and Owners Association and shall be allocated solely for supplementing and augmenting purses and prizes and for the general promotion of owning and breeding of racing quarter horses in this state~~, as provided for in s. 550.2625~~.

Section 8. Subsection (7) of section 550.26352, Florida Statutes, is amended to read:

550.26352 Breeders' Cup Meet; pools authorized; conflicts;

taxes; credits; transmission of races; rules; application.—

(7) The permitholder conducting the Breeders' Cup Meet shall be exempt from the payment of purses and other payments to horsemen on all on-track, intertrack, interstate, and international wagers or rights fees or payments arising therefrom for all races for which the purse is paid or supplied by Breeders' Cup Limited. The permitholder conducting the Breeders' Cup Meet shall not, however, be exempt from breeders' awards payments for on-track and intertrack wagers ~~as provided in ss. 550.2625(3) and 550.625(2)(a)~~ for races in which the purse is paid or supplied by Breeders' Cup Limited.

Section 9. Subsection (2) of section 550.3345, Florida Statutes, is amended, and subsections (4) and (5) are added to that section, to read:

550.3345 Conversion of quarter horse permit to a limited thoroughbred permit.—

(2) Notwithstanding any other provision of law, the holder of a quarter horse racing permit issued under s. 550.334 may, within 1 year after the effective date of this section, apply to the commission for a transfer of the quarter horse racing permit to a not-for-profit corporation formed under state law to serve the purposes of the state as provided in subsection (1). The board of directors of the not-for-profit corporation must be comprised of 11 members, 4 of whom shall be designated by the applicant, 4 of whom shall be designated by the commission

~~Florida Thoroughbred Breeders' Association~~, and 3 of whom shall be designated by the other 8 directors, with at least 1 of these 3 members being an authorized representative of another thoroughbred permitholder in this state. The not-for-profit corporation shall submit an application to the commission for review and approval of the transfer in accordance with s. 550.054. Upon approval of the transfer by the commission, and notwithstanding any other provision of law to the contrary, the not-for-profit corporation may, within 1 year after its receipt of the permit, request that the commission convert the quarter horse racing permit to a permit authorizing the holder to conduct pari-mutuel wagering meets of thoroughbred racing. Neither the transfer of the quarter horse racing permit nor its conversion to a limited thoroughbred permit shall be subject to the mileage limitation or the ratification election as set forth under s. 550.054(2) or s. 550.0651. Upon receipt of the request for such conversion, the commission shall timely issue a converted permit. The converted permit and the not-for-profit corporation shall be subject to the following requirements:

(a) All net revenues derived by the not-for-profit corporation under the thoroughbred horse racing permit and any license issued to the not-for-profit corporation under chapter 849, 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 be conducted under the permit on any day during which another thoroughbred permitholder is conducting live thoroughbred racing within 125 air miles of the not-for-profit corporation's pari-mutuel facility unless the other thoroughbred 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 commission 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 racing under the permit to either:

1. 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; or.

2. A licensed thoroughbred training center located in a

county which has previously authorized pari-mutuel wagering. In order to be licensed as a thoroughbred training center, it must be designed and operated for the purpose of training, boarding, and caring for thoroughbred racehorses and be capable of providing instruction for sundry equestrian activities related to such horses. The facility must have permanent stabling for at least 1,000 horses and operate multiple racecourses of varying surfaces for the training of thoroughbred racing. Each racecourse must be at least 50 feet wide and 3,200 feet in length. The training facility may include riding arenas, viewing stands, pastures, grooming and veterinary care areas, and related amenities. Notwithstanding any other provision of law, such training center may not operate a cardroom, and such permitholder operating the training center may not be issued a cardroom operating license unless such permitholder held a valid cardroom license issued before January 1, 2026. Notwithstanding any other provision of law, such training center may not operate a slot machine facility, and such permitholder operating the training center may not be issued a slot machine facility operating license.

(e) A permit converted under this section and a license issued to the not-for-profit corporation under chapter 849 are not eligible for transfer to another person or entity.

(4) In order to foster and protect the statewide importance and impact of thoroughbred racing and breeding

throughout the state, the commission may adopt rules for the licensing and oversight of thoroughbred training centers in Florida which host live thoroughbred racing in conjunction with their training activities. Racing at such facilities shall only be conducted by a permit converted under this section that has provided sufficient evidence to the commission that the governance of the not-for-profit corporation is controlled by board comprised of three appointees from owner of the training center, an individual appointed by the chair of the commission, and an individual appointed by the Commissioner of the Department of Agriculture and Consumer Services. The board members may expand the board membership and make additional appointments to the board from time to time pursuant to the bylaws of the corporation.

(5) The Legislature finds and declares that it has exclusive preemptive authority over the conduct of all aspects of the business operations conducted at licensed thoroughbred training centers authorized under this section to conduct pari-mutuel wagering activities at such facilities, including, but not limited to, the regulation of all equestrian activities, all wagering activities, and land use. As provided by law, only the commission shall administer this section and regulate the equestrian and pari-mutuel wagering activities conduced at, and land use applicable to, licensed thoroughbred training centers as authorized in this section and the rules adopted by the

commission with respect thereto. Any provision of a local law, a charter, an ordinance, a resolution, a regulation, a policy, an initiative, or a referendum which is in conflict with this section and which existed before, on, or after July 1, 2026, is prohibited, void, and expressly preempted to the state.

Section 10. Paragraph (c) of subsection (3) and 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.—

(3) Any horse track licensed under this chapter may receive broadcasts of horseraces conducted at other horse racetracks located outside this state at the racetrack enclosure of the licensee, if the horse track conducted a full schedule of live racing during the preceding state fiscal year, or if the horse track does not conduct live racing as authorized under s. 550.01215.

(c) All forms of pari-mutuel wagering are allowed on races broadcast under this section, and all money wagered by patrons on such races shall be computed as part of the total amount of money wagered at each racing performance for purposes of taxation under ss. 550.0951, 550.09512, and 550.09515. ~~Section 550.2625(2)(a), (b), and (c) does not apply to any money wagered on races broadcast under this section. Similarly,~~ The takeout shall be increased by breaks and uncashed tickets for wagers on

races broadcast under this section, notwithstanding any contrary provision of this chapter.

(6)(a) A permitholder conducting live races or games may not conduct fewer than eight live races or games on any authorized race day except as provided in this subsection. A thoroughbred 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 commission that another~~ entity that represents a majority of the thoroughbred racehorse owners and trainers conducting racing during the licensed meet ~~in the state~~. If conducting live racing, a harness permitholder may conduct fewer than eight live races on any authorized race day. Any harness horse permitholder may 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.

(b) Notwithstanding any other provision of this chapter, any harness horse 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 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 race wagers which they accept. A harness horse 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 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.~~

Section 11. Section 550.625, Florida Statutes, is repealed.

Section 12. Paragraphs (a), (b), and (e) 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.

(a) For purposes of this section, "net proceeds" means the amount of takeout remaining after the payment of state taxes, purses required pursuant to s. 550.0951(3)(c)1., the cost to the permitholder required to be paid to the out-of-state horse

track, and breeders' awards paid to the commission ~~Florida Thoroughbred Breeders' Association~~ and the Florida Standardbred Breeders and Owners Association, to be used as set forth in this chapter ~~s. 550.625(2)(a) and (b)~~.

(b) Notwithstanding any provision of this chapter to the contrary ~~the provisions of subsection (1) and s. 550.625(1) and (2)(a)~~, the distribution of the net proceeds that are retained by a thoroughbred host track from the takeout on an out-of-state race rebroadcast under this subsection shall be as follows:

1. One-third of the remainder of such proceeds shall be paid to the guest track;

2. One-third of the remainder of such proceeds shall be retained by the host track; and

3. One-third of the remainder of such proceeds shall be paid by the host track as purses at the host track.

(e) Notwithstanding any provision of this chapter to the contrary ~~the provisions of subsection (1) and s. 550.625(1) and (2)(b)~~, the proceeds that are retained by a harness host facility from the takeout on a race broadcast under this subsection shall be distributed as follows:

1. Of the total intertrack handle on the broadcast, 1 percent shall be deducted from the proceeds and paid to the Florida Standardbred Breeders and Owners Association, Inc.~~, to be used as set forth in s. 550.625(2)(b)~~;

2. One-third of the remainder of such proceeds shall be

paid to the guest facility;

3. One-third of the remainder of such proceeds shall be retained by the host facility; and

4. One-third of the remainder of said proceeds shall be paid by the host facility as purses at the host facility.

Section 13. Paragraphs (d) through (j) of subsection (4) of section 551.104, Florida Statutes, are redesignated as paragraphs (c) through (i), respectively, and paragraph (c) of subsection (4) and subsection (10) of that section are amended to read:

551.104 License to conduct slot machine gaming.—

(4) As a condition of licensure and to maintain continued authority for the conduct of slot machine gaming, the slot machine licensee shall:

~~(c) If a thoroughbred permitholder, conduct no fewer than a full schedule of live racing or games as defined in s. 550.002(10). A permitholder's responsibility to conduct live races or games shall be reduced by the number of races or games that could not be conducted due to the direct result of fire, strike, war, hurricane, pandemic, or other disaster or event beyond the control of the permitholder.~~ Beginning July 1, 2025, each thoroughbred permitholder in compliance with this chapter is not required to pay an annual license fee to the commission as a condition of renewal.

~~(10)(a)1. No slot machine license or renewal thereof shall~~

~~be issued to an applicant holding a permit under chapter 550 to conduct pari-mutuel wagering meets of thoroughbred racing unless the applicant has on file with the commission a binding written agreement between the applicant and the Florida Horsemen's Benevolent and Protective Association, Inc., governing the payment of purses on live thoroughbred races conducted at the licensee's pari-mutuel facility. In addition, no slot machine license or renewal thereof shall be issued to such an applicant unless the applicant has on file with the commission a binding written agreement between the applicant and the Florida Thoroughbred Breeders' Association, Inc., governing the payment of breeders', stallion, and special racing awards on live thoroughbred races conducted at the licensee's pari-mutuel facility. The agreement governing purses and the agreement governing awards may direct the payment of such purses and awards from revenues generated by any wagering or gaming the applicant is authorized to conduct under Florida law. All purses and awards shall be subject to the terms of chapter 550. All sums for breeders', stallion, and special racing awards shall be remitted monthly to the Florida Thoroughbred Breeders' Association, Inc., for the payment of awards subject to the administrative fee authorized in s. 550.2625(3).~~

~~2. No slot machine 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 commission 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.~~

~~(b) The commission shall suspend a slot machine license if one or more of the agreements required under paragraph (a) are terminated or otherwise cease to operate or if the commission determines that the licensee is materially failing to comply with the terms of such an agreement. Any such suspension shall take place in accordance with chapter 120.~~

~~(c)1. If an agreement required under paragraph (a) cannot be reached prior to the initial issuance of the slot machine license, either party may request arbitration or, in the case of a renewal, if an agreement required under paragraph (a) is not in place 120 days prior to the scheduled expiration date of the slot machine license, the applicant shall immediately ask the American Arbitration Association to furnish a list of 11 arbitrators, each of whom shall have at least 5 years of commercial arbitration experience and no financial interest in~~

~~or prior relationship with any of the parties or their affiliated or related entities or principals. Each required party to the agreement shall select a single arbitrator from the list provided by the American Arbitration Association within 10 days of receipt, and the individuals so selected shall choose one additional arbitrator from the list within the next 10 days.~~

~~2. If an agreement required under paragraph (a) is not in place 60 days after the request under subparagraph 1. in the case of an initial slot machine license or, in the case of a renewal, 60 days prior to the scheduled expiration date of the slot machine license, the matter shall be immediately submitted to mandatory binding arbitration to resolve the disagreement between the parties. The three arbitrators selected pursuant to subparagraph 1. shall constitute the panel that shall arbitrate the dispute between the parties pursuant to the American Arbitration Association Commercial Arbitration Rules and chapter 682.~~

~~3. At the conclusion of the proceedings, which shall be no later than 90 days after the request under subparagraph 1. in the case of an initial slot machine license or, in the case of a renewal, 30 days prior to the scheduled expiration date of the slot machine license, the arbitration panel shall present to the parties a proposed agreement that the majority of the panel believes equitably balances the rights, interests, obligations, and reasonable expectations of the parties. The parties shall~~

~~immediately enter into such agreement, which shall satisfy the requirements of paragraph (a) and permit issuance of the pending annual slot machine license or renewal. The agreement produced by the arbitration panel under this subparagraph shall be effective until the last day of the license or renewal period or until the parties enter into a different agreement. Each party shall pay its respective costs of arbitration and shall pay one-half of the costs of the arbitration panel, unless the parties otherwise agree. If the agreement produced by the arbitration panel under this subparagraph remains in place 120 days prior to the scheduled issuance of the next annual license renewal, then the arbitration process established in this paragraph will begin again.~~

~~4. In the event that neither of the agreements required under subparagraph (a)1. or the agreement required under subparagraph (a)2. are in place by the deadlines established in this paragraph, arbitration regarding each agreement will proceed independently, with separate lists of arbitrators, arbitration panels, arbitration proceedings, and resulting agreements.~~

~~5. With respect to the agreements required under paragraph (a) governing the payment of purses, the arbitration and resulting agreement called for under this paragraph shall be limited to the payment of purses from slot machine revenues only.~~

~~(d) If any provision of this subsection or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of this subsection or chapter which can be given effect without the invalid provision or application, and to this end the provisions of this subsection are severable.~~

Section 14. Paragraph (c) of subsection (5) and paragraph (d) of subsection (13) of section 849.086, Florida Statutes, are amended to read:

849.086 Cardrooms authorized.—

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

(c) Notwithstanding any other provision of law, a pari-mutuel permitholder, other than a permitholder issued a permit pursuant to s. 550.3345 or a purchaser, transferee, or assignee holding a valid permit for the conduct of pari-mutuel wagering approved pursuant to s. 550.054(15)(a), may not be issued a license for the operation of a cardroom if the permitholder did not hold an operating license for the conduct of pari-mutuel wagering for fiscal year 2020-2021. In order for an initial cardroom license to be issued to a thoroughbred permitholder issued a permit pursuant to s. 550.3345, the applicant must have requested, as part of its pari-mutuel annual license application, to conduct at least a full schedule of live racing.

~~In order for a cardroom license to be renewed by a thoroughbred permitholder, the applicant must have requested, as part of its pari-mutuel annual license 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~~.

(13) TAXES AND OTHER PAYMENTS.—

(d)1. Each jai alai permitholder that conducts live performances and operates a cardroom facility shall use at least 4 percent of such permitholder's cardroom monthly gross receipts to supplement jai alai prize money during the permitholder's next ensuing pari-mutuel meet.

~~2. Each thoroughbred permitholder or harness horse racing permitholder that conducts live performances and 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.~~

2.~~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 and conducting live performances unless the applicant has on file

with the commission 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.

Section 15. This act shall take effect July 1, 2026.