

FLORIDA HOUSE OF REPRESENTATIVES

BILL ANALYSIS

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BILL #: [HB 105](#)

TITLE: Thoroughbred Permitholders

SPONSOR(S): Anderson

COMPANION BILL: None

LINKED BILLS: None

RELATED BILLS: [SB 408](#) (Burgess)

Committee References

[Industries & Professional Activities](#)



[Commerce](#)

SUMMARY

Effect of the Bill:

The bill removes live racing requirements for thoroughbred permitholders who apply for a pari-mutuel operating license. The bill allows a thoroughbred permitholder that does not conduct live racing to retain the ability to apply for a slot machine and/or cardroom license. The bill exempts thoroughbred permitholders with a slot machine license from the thoroughbred horse racing purses and awards agreement requirements.

Fiscal or Economic Impact:

The bill may have an indeterminate insignificant fiscal impact on state government and the private sector. The extent to which thoroughbred permitholders will elect to not conduct live racing is unknown.

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ANALYSIS

EFFECT OF THE BILL:

Live Racing Requirements

The bill removes live racing requirements for thoroughbred permitholders who apply for a [pari-mutuel wagering](#) operating license. (Section [1](#))

The bill provides that a thoroughbred permitholder that does not conduct live racing:

- Retains its permit;
- Is a pari-mutuel facility;
- If such permitholder has been issued a [slot machine license](#), the facility where such permit is located:
 - Remains an eligible slot machine facility;
 - Continues to be eligible for a slot machine license; and
 - Is exempt from thoroughbred horse racing purses and awards agreement requirements, and slot machine gaming area requirements;
- Is eligible, but not required, to be a guest track; and
- Remains eligible for a [cardroom license](#). (Section [1](#))

Thoroughbred Purses and Awards

The bill removes the requirement for thoroughbred permitholders that apply for a slot machine license to have 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.
- 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. (Section [2](#))

The bill provides an effective date of July 1, 2025. (Section [3](#))

STORAGE NAME: h0105.IPA

DATE: 1/31/2025

FISCAL OR ECONOMIC IMPACT:

STATE GOVERNMENT:

The Revenue Estimating Conference (REC) has not estimated the potential impacts of the bill. The bill may have an insignificant impact on state government revenues. The extent to which thoroughbred permitholders will elect to not conduct live racing is unknown.

PRIVATE SECTOR:

Individuals and businesses associated with thoroughbred horse racing will experience an indeterminate impact associated with the election by thoroughbred permitholders to conduct or not conduct live racing. Removing live race requirements for such permitholders may reduce certain expenditures related to these activities.

RELEVANT INFORMATION

SUBJECT OVERVIEW:

[Pari-mutuel Wagering](#)

Since approximately 1931, pari-mutuel wagering has been authorized in Florida for jai alai, greyhound racing, and horseracing. These activities are overseen and regulated¹ by the Division of Pari-Mutuel Wagering (Division) at the Florida Gaming Control Commission (Commission), which is housed within the Department of Legal Affairs, Office of the Attorney General.²

[Live Racing Requirements](#)

Currently, only thoroughbred permitholders are required to conduct live racing in order to operate other pari-mutuel gaming activities. Greyhound permitholders are prohibited from conducting live racing, and jai alai permitholders, harness horse racing permitholders, and quarter horse racing permitholders have the option to conduct live racing or games.³

A greyhound permitholder, jai alai permitholder, harness horse racing permitholder, or quarter horse racing permitholder that does not conduct live racing or games:⁴

- Retains its permit;
- Is a pari-mutuel facility as defined in s. [550.002\(23\), F.S.](#);
- Is eligible, but not required, to be a guest track, and if the permitholder is a harness horse racing permitholder, is eligible to be a host track for purposes of intertrack wagering and simulcasting pursuant to ss. [550.3551](#), [550.615](#), [550.625](#), and [550.6305, F.S.](#); and
- Remains eligible for a cardroom license.

[Pari-mutuel Wagering Permitting and Licensure](#)

The Florida Pari-mutuel Wagering Act (Act)⁵ provides specific permitting and licensing requirements for the pari-mutuel industry.⁶ Permitholders apply for an operating license annually to conduct pari-mutuel wagering activities.⁷ Certain permitholders are also authorized to operate cardrooms⁸ and slot machines at their facility.⁹

¹ From 1932 to 1969, Florida's pari-mutuel industry was regulated by the State Racing Commission. In 1970, the commission became a division within the Department of Business Regulation, which, in 1993, became DBPR.

² See ss. [16.71-16.716, F.S.](#)

³ S. [550.01215, F.S.\(1\)\(b\)1., F.S.](#)

⁴ *Id.*

⁵ See ch. [550, F.S.](#)

⁶ S. [550.054\(1\), F.S.](#)

⁷ S. [550.0115, F.S.](#)

⁸ S. [849.086, F.S.](#)

⁹ S. [551.104, F.S.](#)

Currently, there are three pari-mutuel operating licenses that were issued for fiscal year 2024-2025 to conduct live thoroughbred racing performances. These licenses and their locations include:¹⁰

- Gulfstream Park Racing Association Inc., operates at Gulfstream Park in Broward County.
- Gulfstream Park Thoroughbred After Racing Program, Inc., operates at Gulfstream Park in Broward County.
- Tampa Bay Downs, Inc., operates at Tampa Bay Downs in Hillsborough County.

[Slot Machine Licensing](#)

An application for a license to conduct slot machine gaming may be approved by the Commission only after the voters of the county where the applicant's facility is located have authorized by referendum slot machines within pari-mutuel facilities in that county as specified in s. [23, Art. X of the State Constitution](#).¹¹ Currently, slot machines are only authorized in eight licensed pari-mutuel facilities located in Miami-Dade and Broward counties and on tribal property.¹²

Slot machine licenses are only allowed to be issued to licensed pari-mutuel permitholders, 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.¹³

As a condition of licensure and to maintain continued authority for the conduct of slot machine gaming, slot machine licensees that hold a thoroughbred permit, may conduct no fewer than a full schedule of live racing or games as defined in s. [550.002\(10\), F.S.](#) 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.¹⁴

[Cardroom Licensing](#)

An application for a license to conduct cardroom gaming may be approved by the Commission upon proof 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.¹⁵

Municipalities are authorized to prohibit the establishment of a cardroom on or after July 1, 2021, within their jurisdiction. This does not apply to a licensed pari-mutuel permitholder who held an operating license for the conduct of pari-mutuel wagering for fiscal year 2020-2021 in the municipality's jurisdiction or to a cardroom that was previously approved by the municipality.¹⁶

Only those persons holding a valid cardroom license issued by the Commission 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.¹⁷

A pari-mutuel permitholder, other than a converted quarter horse to thoroughbred permitholder or a purchaser, transferee, or assignee holding a valid permit for the conduct of pari-mutuel wagering, 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 2020-2021.¹⁸

¹⁰ Email from Henry Mahler, Director of Legislative Affairs, Florida Gaming Control Commission, RE: Thoroughbred Permitholders (Jan. 31, 2025).

¹¹ S. [551.104\(2\), F.S.](#)

¹² S. [551.101, F.S.](#)

¹³ S. [551.104\(3\), F.S.](#)

¹⁴ S. [551.104\(4\)\(c\), F.S.](#)

¹⁵ S. [849.086\(16\)\(a\), F.S.](#)

¹⁶ S. [849.086\(16\)\(b\), F.S.](#)

¹⁷ S. [849.086\(5\)\(a\), F.S.](#)

¹⁸ S. [849.086\(5\)\(c\), F.S.](#)

In order for an initial cardroom license to be issued to a converted quarter horse to thoroughbred permitholder, the applicant must have requested, as part of its pari-mutuel annual license application, to conduct at least a full schedule of live racing.¹⁹

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.²⁰

Thoroughbred Purses and Awards

A slot machine license may not be issued, or renewed, to an applicant holding a permit 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:²¹

- 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.
- 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 agreements 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 are subject to the terms of chapter 550, F.S. All sums for breeders', stallion, and special racing awards are remitted monthly to the Florida Thoroughbred Breeders' Association, Inc., for the payment of awards subject to the administrative fee authorized in [s. 550.2625\(3\), F.S.](#)²²

"Purse" means the cash portion of the prize for which a race or game is contested.²³ "Breeders' and stallions' awards" means financial incentives paid to encourage the agricultural industry of breeding racehorses in this state.²⁴ Current law provides that "the purse structure and the availability of breeder awards are important factors in attracting the entry of well-bred horses in racing meets in this state which in turn helps to produce maximum racing revenues for the state and the counties."²⁵ Each permitholder conducting a horserace meet is required to pay from the takeout withheld on pari-mutuel pools a sum for purses in accordance with the type of race performed.²⁶ Each horseracing permitholder conducting any thoroughbred race is required to pay a sum on all pari-mutuel pools conducted during any such race for the payment of breeders', stallion, or special racing awards.²⁷

RECENT LEGISLATION:

YEAR	BILL #	HOUSE SPONSOR(S)	SENATE SPONSOR	OTHER INFORMATION
2021A	CS/CS/HB 7A	Latvala, Robinson, W.	Hutson	Removed requirements for greyhound permitholders, jai alai permitholders, and harness horse permitholders to conduct live racing or games.

¹⁹ *Id.*

²⁰ *Id.*

²¹ [S. 551.104\(10\)\(a\)1, F.S.](#)

²² *Id.*

²³ [S. 550.002\(28\), F.S.](#)

²⁴ [S. 550.002\(2\), F.S.](#)

²⁵ [S. 550.2625\(1\), F.S.](#)

²⁶ *See* [s. 550.2625\(2\)\(a\), F.S.](#)

²⁷ *See* [s. 550.2625\(3\), F.S.](#)

OTHER RESOURCES:

- [Florida Gaming Control Commission](#)
- [Florida Thoroughbred Horsemen’s Association](#)
- [Florida Thoroughbred Breeders’ and Owners’ Association](#)
- [Gulfstream Park](#)
- [Tampa Bay Downs](#)

BILL HISTORY				
COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Industries & Professional Activities Subcommittee			Anstead	Thompson
Commerce Committee				