

Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED _____ (Y/N)
ADOPTED AS AMENDED _____ (Y/N)
ADOPTED W/O OBJECTION _____ (Y/N)
FAILED TO ADOPT _____ (Y/N)
WITHDRAWN _____ (Y/N)
OTHER

1 Committee/Subcommittee hearing bill: Finance & Tax Committee
2 Representative Workman offered the following:

3
4 **Amendment (with title amendment)**

5 Between lines 251 and 252, insert:

6 Section 1. Section 24.103, Florida Statutes, is reordered
7 and amended to read:

8 24.103 Definitions.—As used in this act, the term:

9 (1) "Department" means the Department of the Lottery.

10 (6)(2) "Secretary" means the secretary of the department.

11 (3) "Person" means any individual, firm, association,
12 joint adventure, partnership, estate, trust, syndicate,
13 fiduciary, corporation, or other group or combination and
14 includes an ~~shall include any~~ agency or political subdivision of
15 the state.

16 (4) "Point-of-sale terminal" means an electronic device
17 used to process credit card, debit card, or other similar charge

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18 card payments at retail locations which is supported by networks
19 that enable verification, payment, transfer of funds, and
20 logging of transactions.

21 (2)~~(4)~~ "Major procurement" means a procurement for a
22 contract for the printing of tickets for use in any lottery
23 game, consultation services for the startup of the lottery, any
24 goods or services involving the official recording for lottery
25 game play purposes of a player's selections in any lottery game
26 involving player selections, any goods or services involving the
27 receiving of a player's selection directly from a player in any
28 lottery game involving player selections, any goods or services
29 involving the drawing, determination, or generation of winners
30 in any lottery game, the security report services provided for
31 in this act, or any goods and services relating to marketing and
32 promotion which exceed a value of \$25,000.

33 (5) "Retailer" means a person who sells lottery tickets on
34 behalf of the department pursuant to a contract.

35 (7)~~(6)~~ "Vendor" means a person who provides or proposes to
36 provide goods or services to the department, but does not
37 include an employee of the department, a retailer, or a state
38 agency.

39 Section 2. Subsections (19) and (20) of section 24.105,
40 Florida Statutes, are renumbered as subsections (20) and (21),
41 respectively, and a new subsection (19) is added to that
42 section, to read:

43 24.105 Powers and duties of department.—The department

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44 shall:

45 (19) Have the authority to create a program that allows a
46 person who is at least 18 years of age to purchase a lottery
47 ticket or game at a point-of-sale terminal. The department may
48 adopt rules to administer the program. Such rules shall include,
49 but are not limited to, the following:

50 (a) Limiting the dollar amount of lottery tickets or games
51 that a person may purchase at point-of-sale terminals;

52 (b) Creating a process to enable a customer to restrict or
53 prevent his or her own access to lottery tickets or games; and

54 (c) Ensuring that the program is administered in a manner
55 that does not breach the exclusivity provisions of any Indian
56 gaming compact to which this state is a party.

57 Section 3. Section 24.112, Florida Statutes, is amended to
58 read:

59 24.112 Retailers of lottery tickets; ~~authorization of~~
60 ~~vending machines; point-of-sale terminals to dispense lottery~~
61 ~~tickets.~~

62 (1) The department shall promulgate rules specifying the
63 terms and conditions for contracting with retailers who will
64 best serve the public interest and promote the sale of lottery
65 tickets.

66 (2) In the selection of retailers, the department shall
67 consider factors such as financial responsibility, integrity,
68 reputation, accessibility of the place of business or activity
69 to the public, security of the premises, the sufficiency of

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70 existing retailers to serve the public convenience, and the
71 projected volume of the sales for the lottery game involved. In
72 the consideration of these factors, the department may require
73 the information it deems necessary of any person applying for
74 authority to act as a retailer. However, the department may not
75 establish a limitation upon the number of retailers and shall
76 make every effort to allow small business participation as
77 retailers. It is the intent of the Legislature that retailer
78 selections be based on business considerations and the public
79 convenience and that retailers be selected without regard to
80 political affiliation.

81 (3) The department may ~~shall~~ not contract with any person
82 as a retailer who:

83 (a) Is less than 18 years of age.

84 (b) Is engaged exclusively in the business of selling
85 lottery tickets; however, this paragraph may ~~shall~~ not preclude
86 the department from selling lottery tickets.

87 (c) Has been convicted of, or entered a plea of guilty or
88 nolo contendere to, a felony committed in the preceding 10
89 years, regardless of adjudication, unless the department
90 determines that:

91 1. The person has been pardoned or the person's civil
92 rights have been restored;

93 2. Subsequent to such conviction or entry of plea the
94 person has engaged in the kind of law-abiding commerce and good
95 citizenship that would reflect well upon the integrity of the

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96 lottery; or

97 3. If the person is a firm, association, partnership,
98 trust, corporation, or other entity, the person has terminated
99 its relationship with the individual whose actions directly
100 contributed to the person's conviction or entry of plea.

101 (4) The department shall issue a certificate of authority
102 to each person with whom it contracts as a retailer for purposes
103 of display pursuant to subsection (6). The issuance of the
104 certificate may ~~shall~~ not confer upon the retailer any right
105 apart from that specifically granted in the contract. The
106 authority to act as a retailer may ~~shall~~ not be assignable or
107 transferable.

108 (5) A ~~Any~~ contract executed by the department pursuant to
109 this section shall specify the reasons for any suspension or
110 termination of the contract by the department, including, but
111 not limited to:

112 (a) Commission of a violation of this act or rule adopted
113 pursuant thereto.

114 (b) Failure to accurately account for lottery tickets,
115 revenues, or prizes as required by the department.

116 (c) Commission of any fraud, deceit, or misrepresentation.

117 (d) Insufficient sale of tickets.

118 (e) Conduct prejudicial to public confidence in the
119 lottery.

120 (f) Any material change in any matter considered by the
121 department in executing the contract with the retailer.

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122 (6) Each ~~Every~~ retailer shall post and keep conspicuously
123 displayed in a location on the premises accessible to the public
124 its certificate of authority and, with respect to each game, a
125 statement supplied by the department of the estimated odds of
126 winning a ~~some~~ prize for the game.

127 (7) A ~~No~~ contract with a retailer may not ~~shall~~ authorize
128 the sale of lottery tickets at more than one location, and a
129 retailer may sell lottery tickets only at the location stated on
130 the certificate of authority.

131 (8) With respect to any retailer whose rental payments for
132 premises are contractually computed, in whole or in part, on the
133 basis of a percentage of retail sales, and where such
134 computation of retail sales is not explicitly defined to include
135 sales of tickets in a state-operated lottery, the compensation
136 received by the retailer from the department shall be deemed to
137 be the amount of the retail sale for the purposes of such
138 contractual compensation.

139 (9) (a) The department may require each ~~every~~ retailer to
140 post an appropriate bond as determined by the department, using
141 an insurance company acceptable to the department, in an amount
142 not to exceed twice the average lottery ticket sales of the
143 retailer for the period within which the retailer is required to
144 remit lottery funds to the department. For the first 90 days of
145 sales of a new retailer, the amount of the bond may not exceed
146 twice the average estimated lottery ticket sales for the period
147 within which the retailer is required to remit lottery funds to

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148 the department. This paragraph does ~~shall~~ not apply to lottery
149 tickets that ~~which~~ are prepaid by the retailer.

150 (b) In lieu of such bond, the department may purchase
151 blanket bonds covering all or selected retailers or may allow a
152 retailer to deposit and maintain with the Chief Financial
153 Officer securities that are interest bearing or accruing and
154 that, with the exception of those specified in subparagraphs 1.
155 and 2., are rated in one of the four highest classifications by
156 an established nationally recognized investment rating service.
157 Securities eligible under this paragraph shall be limited to:

158 1. Certificates of deposit issued by solvent banks or
159 savings associations organized and existing under the laws of
160 this state or under the laws of the United States and having
161 their principal place of business in this state.

162 2. United States bonds, notes, and bills for which the
163 full faith and credit of the government of the United States is
164 pledged for the payment of principal and interest.

165 3. General obligation bonds and notes of any political
166 subdivision of the state.

167 4. Corporate bonds of any corporation that is not an
168 affiliate or subsidiary of the depositor.

169
170 Such securities shall be held in trust and shall have at all
171 times a market value at least equal to an amount required by the
172 department.

173 (10) Each ~~Every~~ contract entered into by the department

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174 pursuant to this section shall contain a provision for payment
175 of liquidated damages to the department for any breach of
176 contract by the retailer.

177 (11) The department shall establish procedures by which
178 each retailer shall account for all tickets sold by the retailer
179 and account for all funds received by the retailer from such
180 sales. The contract with each retailer shall include provisions
181 relating to the sale of tickets, payment of moneys to the
182 department, reports, service charges, and interest and
183 penalties, if necessary, as the department shall deem
184 appropriate.

185 (12) ~~No~~ Payment by a retailer to the department for
186 tickets may not ~~shall~~ be in cash. All such payments shall be in
187 the form of a check, bank draft, electronic fund transfer, or
188 other financial instrument authorized by the secretary.

189 (13) Each retailer shall provide accessibility for
190 disabled persons on habitable grade levels. This subsection does
191 not apply to a retail location that ~~which~~ has an entrance door
192 threshold more than 12 inches above ground level. As used in
193 ~~herein and for purposes of~~ this subsection only, the term
194 "accessibility for disabled persons on habitable grade levels"
195 means that retailers shall provide ramps, platforms, aisles and
196 pathway widths, turnaround areas, and parking spaces to the
197 extent these are required for the retailer's premises by the
198 particular jurisdiction where the retailer is located.
199 Accessibility shall be required to only one point of sale of

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200 lottery tickets for each lottery retailer location. The
201 requirements of this subsection shall be deemed to have been met
202 if, in lieu of the foregoing, disabled persons can purchase
203 tickets from the retail location by means of a drive-up window,
204 provided the hours of access at the drive-up window are not less
205 than those provided at any other entrance at that lottery
206 retailer location. Inspections for compliance with this
207 subsection shall be performed by those enforcement authorities
208 responsible for enforcement pursuant to s. 553.80 in accordance
209 with procedures established by those authorities. Those
210 enforcement authorities shall provide to the Department of the
211 Lottery a certification of noncompliance for any lottery
212 retailer not meeting such requirements.

213 (14) The secretary may, after filing with the Department
214 of State his or her manual signature certified by the secretary
215 under oath, execute or cause to be executed contracts between
216 the department and retailers by means of engraving, imprinting,
217 stamping, or other facsimile signature.

218 (15) A vending machine may be used to dispense online
219 lottery tickets, instant lottery tickets, or both online and
220 instant lottery tickets.

221 (a) The vending machine must:

222 1. Dispense a lottery ticket after a purchaser inserts a
223 coin or currency in the machine.

224 2. Be capable of being electronically deactivated for a
225 period of 5 minutes or more.

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226 3. Be designed to prevent its use for any purpose other
227 than dispensing a lottery ticket.

228 (b) In order to be authorized to use a vending machine to
229 dispense lottery tickets, a retailer must:

230 1. Locate the vending machine in the retailer's direct
231 line of sight to ensure that purchases are only made by persons
232 at least 18 years of age.

233 2. Ensure that at least one employee is on duty when the
234 vending machine is available for use. However, if the retailer
235 has previously violated s. 24.1055, at least two employees must
236 be on duty when the vending machine is available for use.

237 (c) A vending machine that dispenses a lottery ticket may
238 dispense change to a purchaser but may not be used to redeem any
239 type of winning lottery ticket.

240 (d) The vending machine, or any machine or device linked
241 to the vending machine, may not include or make use of video
242 reels or mechanical reels or other video depictions of slot
243 machine or casino game themes or titles for game play. This does
244 not preclude the use of casino game themes or titles on such
245 tickets or signage or advertising displays on the machines.

246 (16) The department, a retailer operating from one or more
247 locations, or a vendor approved by the department may use a
248 point-of-sale terminal to facilitate the sale of a lottery
249 ticket or game.

250 (a) A point-of-sale terminal must:

251 1. Dispense a paper lottery ticket with numbers selected

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252 by the purchaser or selected randomly by the machine after the
253 purchaser uses a credit card, debit card, or other similar
254 charge card issued by a bank, savings association, credit union,
255 or charge card company or issued by a retailer pursuant to part
256 II of chapter 520 for payment;

257 2. Recognize a valid driver license or use another age
258 verification process approved by the department to ensure that
259 only persons at least 18 years of age may purchase a lottery
260 ticket or game;

261 3. Process a lottery transaction through a platform that
262 is certified or otherwise approved by the department; and

263 4. Be in compliance with all applicable department
264 requirements related to the lottery ticket or game offered for
265 sale.

266 (b) A point-of-sale terminal does not reveal winning
267 numbers, which are selected at a subsequent time and different
268 location through a drawing by the state lottery.

269 (c) A point-of-sale terminal, or any machine or device
270 linked to the point-of-sale terminal, may not include or make
271 use of video reels or mechanical reels or other video depictions
272 of slot machine or casino game themes or titles for game play.
273 This does not preclude the use of casino game themes or titles
274 on a lottery ticket or game or on the signage or advertising
275 displays on the terminal.

276 (d) A point-of-sale terminal may not be used to redeem a
277 winning ticket.

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304 sale terminal; authorizing the department to adopt
305 rules; providing requirements for the rules; amending
306 s. 24.112, F.S.; authorizing the department, a
307 retailer operating from one or more locations, or a
308 vendor approved by the department to use a point-of-
309 sale terminal to sell a lottery ticket or game;
310 requiring a point-of-sale terminal to perform certain
311 functions; specifying that the point-of-sale terminal
312 may not reveal winning numbers; prohibiting a point-
313 of-sale terminal from including or making use of video
314 reels or mechanical reels or other video depictions of
315 slot machine or casino game themes or titles for game
316 play; prohibiting a point-of-sale terminal from being
317 used to redeem a winning ticket; directing the
318 Department of the Lottery to prepare a report on
319 point-of-sale lottery customers and submit the report
320 to the Governor and Legislature; amending s. 285.710,
321 F.S.;