

27 | within a certain timeframe; requiring a contest
28 | operator to use data sources that meet specified
29 | requirements; creating s. 546.17, F.S.; requiring
30 | contest operators to keep and maintain certain records
31 | for a specified period; providing a requirement for
32 | such records; requiring that such records be available
33 | for audit and inspection; requiring the commission to
34 | adopt rules; creating s. 546.18, F.S.; providing a
35 | civil penalty; providing applicability; exempting
36 | fantasy sports contests from certain provisions in ch.
37 | 849, F.S.; amending s. 16.71, F.S.; prohibiting the
38 | Governor from soliciting or requesting certain
39 | information from a person who holds a license to
40 | conduct fantasy sports contests; amending s. 16.712,
41 | F.S.; conforming provisions to changes made by the
42 | act; amending s. 16.713, F.S.; revising prohibitions
43 | relating to appointment to and employment with the
44 | commission to include prohibitions relating to fantasy
45 | sports contests licenses; amending s. 16.715, F.S.;
46 | revising prohibitions relating to former commissioners
47 | and employees of the commission to include
48 | prohibitions relating to fantasy sports contests
49 | licenses; amending s. 849.142, F.S.; providing that
50 | specified provisions do not apply to participation in
51 | or the conduct of fantasy sports contests; providing
52 | an effective date.

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

Section 1. Section 546.11, Florida Statutes, is created to read:

546.11 Short title.—Sections 546.11-546.18 may be cited as the "Fantasy Sports Contest Amusement Act."

Section 2. Section 546.12, Florida Statutes, is created to read:

546.12 Legislative intent; findings.—It is the intent of the Legislature to ensure public confidence in the integrity of fantasy sports contests and contest operators. This act is designed to regulate the contest operators and individuals who participate in such contests and to enact consumer protections related to fantasy sports contests. Furthermore, the Legislature finds that fantasy sports contests, as that term is defined in s. 546.13, involve the skill of contest participants.

Section 3. Section 546.13, Florida Statutes, is created to read:

546.13 Definitions.—As used in ss. 546.11-546.18, the term:

(1) "Act" means the Fantasy Sports Contest Amusement Act, ss. 546.11-546.18.

(2) "Commission" means the Florida Gaming Control Commission.

(3) "Confidential information" means information related

79 to the playing of fantasy sports contests by contest
80 participants which is obtained solely as a result of a person's
81 employment with, or work as an agent of, a contest operator.

82 (4) "Contest operator" means a person or an entity that
83 offers fantasy sports contests for a cash prize to members of
84 the public, but does not include a noncommercial contest
85 operator in this state.

86 (5) "Contest participant" means a person who pays an entry
87 fee for the ability to participate in a fantasy or simulation
88 sports game or contest offered by a contest operator or
89 noncommercial contest operator.

90 (6) "Entry fee" means the cash or cash equivalent amount
91 that a person is required to pay to a contest operator or
92 noncommercial contest operator to participate in a fantasy
93 sports contest.

94 (7) "Fantasy sports contest" means a fantasy or simulation
95 sports game or contest offered by a contest operator or a
96 noncommercial contest operator in which a contest participant
97 manages a fantasy or simulation sports team composed of athletes
98 from a professional sports organization and which meets each of
99 the following requirements:

100 (a) All prizes and awards offered to winning contest
101 participants are established and made known to the contest
102 participants in advance of the game or contest, and their value
103 is not determined by the number of contest participants or the
104 amount of any fees paid by those contest participants.

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105 (b) All winning outcomes reflect the relative knowledge
106 and skill of the contest participants and are determined
107 predominantly by accumulated statistical results of the
108 performance of individuals, including athletes in the case of
109 sporting events.

110 (c) No winning outcome is based on the score, point
111 spread, or any performance or performances of any single actual
112 team or combination of such teams; solely on any single
113 performance of an individual athlete or player in a single
114 actual event; on a pari-mutuel event, as the term "pari-mutuel"
115 is defined in s. 550.002; on a game of poker or other card game;
116 or on the performances of participants in collegiate, high
117 school, or youth sporting events.

118 (d) No casino graphics, themes, or titles, including, but
119 not limited to, depictions of slot machine-style symbols, cards,
120 dice, craps, roulette, or lotto, are displayed or depicted.

121 (8) "Noncommercial contest operator" means a natural
122 person who organizes and conducts a fantasy or simulation sports
123 game in which contest participants are charged entry fees for
124 the right to participate; entry fees are collected, maintained,
125 and distributed by the same natural person; the total entry fees
126 collected, maintained, and distributed by such natural person do
127 not exceed \$1,500 per season or a total of \$10,000 per calendar
128 year; and all entry fees are returned to the contest
129 participants in the form of prizes.

130 Section 4. Section 546.14, Florida Statutes, is created to

131 read:

132 546.14 Enforcement and administration; rulemaking.-

133 (1) The commission shall enforce and administer this act.

134 (2) The commission may:

135 (a) Conduct investigations and monitor the operation and
 136 play of fantasy sports contests.

137 (b) Review the books, accounts, and records of any current
 138 or former contest operator.

139 (c) Deny, suspend, or revoke any license under this act
 140 for any violation of state law or rule.

141 (d) Take testimony, issue summonses and subpoenas for any
 142 witness, and issue subpoenas duces tecum in connection with any
 143 matter within its jurisdiction.

144 (e) Monitor and ensure the proper collection and
 145 safeguarding of entry fees and the payment of contest prizes in
 146 accordance with consumer protection procedures enacted pursuant
 147 to s. 546.16.

148 (f) Investigate any licensed or unlicensed person or
 149 entity when such person or entity is advertising as offering or
 150 providing, or is engaged in conducting, a fantasy sports contest
 151 that requires licensure under this act or when a contest
 152 operator or noncommercial contest operator is engaged in
 153 activities that do not comply with or are prohibited by this
 154 act. The commission may issue an order to such licensed or
 155 unlicensed person or entity or contest operator or noncommercial
 156 contest operator to cease and desist the further conduct of such

157 activities, may seek an injunction, or may take other
158 appropriate action to enforce this act.

159 (3) The commission must revoke a contest operator's
160 license if the contest operator offers fantasy sports contests
161 that violate s. 546.13(7)(c).

162 (4) The commission shall adopt rules to implement and
163 administer this act.

164 Section 5. Section 546.15, Florida Statutes, is created to
165 read:

166 546.15 Licensing; renewal.—

167 (1) A contest operator must be licensed by the commission
168 to conduct fantasy sports contests within this state. Licenses
169 are effective for 1 year after issuance and must be renewed
170 annually.

171 (2) The license application must include:

172 (a) The full name of the applicant.

173 (b) If the applicant is a corporation, the name of the
174 state in which the applicant is incorporated and the names and
175 addresses of the officers, directors, and shareholders who hold
176 15 percent or more equity.

177 (c) If the applicant is a business entity other than a
178 corporation, the names and addresses of each principal, partner,
179 or shareholder who holds 15 percent or more equity, and any
180 person who individually or in concert with a relative
181 beneficially owns or controls, or has the power to vote or cause
182 the vote of, 15 percent or more equity. For the purposes of this

183 act, the term "relative" means a spouse, father, mother, son,
 184 daughter, grandfather, grandmother, brother, sister, uncle,
 185 aunt, cousin, nephew, niece, father-in-law, mother-in-law, son-
 186 in-law, daughter-in-law, brother-in-law, sister-in-law,
 187 stepfather, stepmother, stepson, stepdaughter, stepbrother,
 188 stepsister, half brother, or half sister.

189 (d) The names and addresses of the ultimate equitable
 190 owners of the corporation or other business entity, if different
 191 from those provided under paragraph (b) or paragraph (c), unless
 192 the securities of the corporation or entity are registered
 193 pursuant to s. 12 of the Securities Exchange Act of 1934, 15
 194 U.S.C. ss. 78a-78kk, and either:

195 1. The corporation or entity files with the United States
 196 Securities and Exchange Commission the reports required by s. 13
 197 of that act; or

198 2. The securities of the corporation or entity are
 199 regularly traded on an established securities market in the
 200 United States.

201 (e) The estimated number of fantasy sports contests to be
 202 conducted by the applicant annually.

203 (f) A statement of the assets and liabilities of the
 204 applicant.

205 (g) If required by the commission, the names and addresses
 206 of the officers and directors of any creditor of the applicant
 207 and of stockholders who hold more than 10 percent of the stock
 208 of the creditor.

209 (h) For each individual listed in the application pursuant
210 to paragraph (a), paragraph (b), paragraph (c), or paragraph
211 (d), a full set of fingerprints, to be submitted to the
212 commission or to a vendor, an entity, or an agency authorized
213 under s. 943.053(13).

214 1. The commission, vendor, entity, or agency shall forward
215 the fingerprints to the Department of Law Enforcement for state
216 processing, and the Department of Law Enforcement shall forward
217 the fingerprints to the Federal Bureau of Investigation for
218 national processing.

219 2. Fingerprints submitted to the Department of Law
220 Enforcement pursuant to this paragraph must be retained by the
221 Department of Law Enforcement as provided in s. 943.05(2)(g) and
222 (h) and, when the Department of Law Enforcement begins
223 participation in the program, must be enrolled in the Federal
224 Bureau of Investigation's national retained print arrest
225 notification program. The Department of Law Enforcement shall
226 report to the commission any arrest record identified.

227 (i) For each foreign national, such documents as are
228 necessary to allow the commission to conduct criminal history
229 records checks in the individual's home country. The applicant
230 must pay the full cost of processing fingerprints and required
231 documentation.

232 (3) The application for renewal must contain all revisions
233 to the information submitted in the prior year's application
234 which are necessary to maintain such information as both

235 accurate and current.

236 (4) The applicant for renewal must attest that any
237 revisions do not affect the applicant's qualifications for
238 license renewal.

239 (5) Upon determination by the commission that the
240 application for renewal is complete and qualifications have been
241 met, including payment of the renewal fee, the fantasy sports
242 contests license must be renewed annually.

243 (6) A person or an entity is not eligible for licensure as
244 a contest operator or for licensure renewal if an individual
245 required to be listed pursuant to paragraph (5) (a), paragraph
246 (5) (b), paragraph (5) (c), or paragraph (5) (d) is determined by
247 the commission, after investigation, not to be of good moral
248 character or is found to have been convicted of a felony in this
249 state, any offense in another jurisdiction which would be
250 considered a felony if committed in this state, or a felony
251 under the laws of the United States. As used in this subsection,
252 the term "convicted" means having been found guilty, with or
253 without adjudication of guilt, as a result of a jury verdict,
254 nonjury trial, or entry of a plea of guilty or nolo contendere.

255 (7) The license of a contest operator is automatically
256 suspended upon entry of a final order imposing an administrative
257 fine against the contest operator, until the administrative fine
258 is paid, if 30 calendar days have elapsed since the entry of the
259 final order. The license of a contest operator may not be
260 renewed and an application for licensure as a contest operator

261 may not be approved if the contest operator or the applicant for
262 licensure as a contest operator is liable for an outstanding
263 administrative fine imposed under this act. Notwithstanding this
264 subsection, a contest operator's license may not be suspended
265 and an application for licensure as a contest operator may not
266 be denied if the contest operator or the applicant has an appeal
267 from a final order pending in any appellate court.

268 (8) Changes in ownership of or interest in a fantasy
269 sports contests license of 5 percent or more of the stock or
270 other evidence of ownership or equity in the contest operator
271 must be approved by the commission before such change, unless
272 the owner is an existing owner of that license who was
273 previously approved by the commission. Changes in ownership of
274 or interest in a fantasy sports contests license of less than 5
275 percent must be reported to the commission within 20 days after
276 the change. The commission may then conduct an investigation to
277 ensure that the license is properly updated to show the change
278 in ownership or interest.

279 Section 6. Section 546.16, Florida Statutes, is created to
280 read:

281 546.16 Consumer protection.—

282 (1) A contest operator shall implement procedures for
283 fantasy sports contests which:

284 (a) Prevent its employees, their relatives, or persons
285 living in the same household as the employees from competing in
286 a fantasy sports contest in which a cash prize is awarded.

287 However, a contest operator may offer to its employees fantasy
288 sports contests in which the employees are the sole
289 participants. For the purposes of this paragraph, the term
290 "relative" means a spouse, father, mother, son, daughter,
291 grandfather, grandmother, brother, sister, uncle, aunt, cousin,
292 nephew, niece, father-in-law, mother-in-law, son-in-law,
293 daughter-in-law, brother-in-law, sister-in-law, stepfather,
294 stepmother, stepson, stepdaughter, stepbrother, stepsister, half
295 brother, or half sister.

296 (b) Prohibit the contest operator from being a contest
297 participant in a fantasy sports contest that the contest
298 operator offers.

299 (c) Prevent its employees or agents from sharing with a
300 third party confidential information that could affect fantasy
301 sports contest play, until the information has been made
302 publicly available.

303 (d) Verify that contest participants are 21 years of age
304 or older.

305 (e) Restrict an individual who is a player, a game
306 official, or other participant in a real-world game or
307 competition from participating in a fantasy sports contest that
308 is determined, in whole or in part, on the performance of that
309 individual, the individual's real-world team, or the accumulated
310 statistical results of the sport or competition in which he or
311 she is a player, game official, or other participant.

312 (f) Allow individuals to restrict or prevent their own

313 access to fantasy sports contests and take reasonable steps to
314 prevent those individuals from entering a fantasy sports
315 contest.

316 (g) Limit the number of entries a single contest
317 participant may submit to each fantasy sports contest and take
318 reasonable steps to prevent participants from submitting more
319 than the allowable number of entries.

320 (h) Segregate contest participants' funds from operational
321 funds or maintain a reserve in the form of cash, cash
322 equivalents, payment processor reserves, payment processor
323 receivables, an irrevocable letter of credit, a bond, or a
324 combination thereof in the total amount of deposits in contest
325 participants' accounts for the benefit and protection of
326 authorized contest participants' funds held in fantasy sports
327 contest accounts.

328 (2)(a) A contest operator shall annually contract with a
329 third party to perform an independent audit, consistent with the
330 standards established by the American Institute of Certified
331 Public Accountants, to ensure compliance with this act. The
332 contest operator shall submit the results of the independent
333 audit to the commission no later than 90 days after the end of
334 each annual licensing period.

335 (b) Any data source and the corresponding data to
336 determine the results of all fantasy sports contests offered by
337 contest operators, other than noncommercial contest operators,
338 must be complete, accurate, reliable, and appropriate to settle

339 the outcome of the fantasy sports contests for which they are
 340 used.

341 Section 7. Section 546.17, Florida Statutes, is created to
 342 read:

343 546.17 Records and reports.—Each contest operator shall
 344 keep and maintain daily records of its operations and shall
 345 maintain such records for at least 3 years. The records must
 346 sufficiently detail all financial transactions required to
 347 determine compliance with this act and must be available for
 348 audit and inspection by the commission or other law enforcement
 349 agencies during the contest operator's regular business hours.
 350 The commission shall adopt rules to implement this section.

351 Section 8. Section 546.18, Florida Statutes, is created to
 352 read:

353 546.18 Penalties; applicability; exemption.—

354 (1) (a) A contest operator, or an employee or agent
 355 thereof, that violates this act is subject to an administrative
 356 fine not to exceed \$5,000 for each violation and not to exceed
 357 \$100,000 in the aggregate. All fines imposed and collected under
 358 this subsection must be deposited with the Chief Financial
 359 Officer to the credit of the General Revenue Fund. An action to
 360 recover such penalties may be brought by the commission or the
 361 Department of Legal Affairs in the name and on behalf of the
 362 state.

363 (b) The penalty provisions established in this subsection
 364 do not apply to violations committed by a contest operator which

365 occurred before the issuance of a license under this act if the
 366 contest operator applies for a license within 90 days after the
 367 date the commission begins accepting applications and receives a
 368 license within 240 days after such date.

369 (2) Fantasy sports contests conducted by a contest
 370 operator or noncommercial contest operator in accordance with
 371 this act are not subject to s. 849.01, s. 849.08, s. 849.09, s.
 372 849.11, s. 849.14, or s. 849.25.

373 Section 9. Paragraph (b) of subsection (3) of section
 374 16.71, Florida Statutes, is amended to read:

375 16.71 Florida Gaming Control Commission; creation;
 376 meetings; membership.—

377 (3) REQUIREMENTS FOR APPOINTMENT; PROHIBITIONS.—

378 (b) The Governor may not solicit or request any
 379 nominations, recommendations, or communications about potential
 380 candidates for appointment to the commission from:

381 1. Any person that holds a permit or license issued under
 382 chapter 550, or a license issued under chapter 546, chapter 551,
 383 or chapter 849; an officer, official, or employee of such
 384 permitholder or licensee; or an ultimate equitable owner, as
 385 defined in s. 550.002(37), of such permitholder or licensee;

386 2. Any officer, official, employee, or other person with
 387 duties or responsibilities relating to a gaming operation owned
 388 by an Indian tribe that has a valid and active compact with the
 389 state; a contractor or subcontractor of such tribe or an entity
 390 employed, licensed, or contracted by such tribe; or an ultimate

391 equitable owner, as defined in s. 550.002(37), of such entity;
 392 or

393 3. Any registered lobbyist for the executive or
 394 legislative branch who represents any person or entity
 395 identified in subparagraph 1. or subparagraph 2.

396 Section 10. Paragraph (i) of subsection (1) of section
 397 16.712, Florida Statutes, is amended to read:

398 16.712 Florida Gaming Control Commission authorizations,
 399 duties, and responsibilities.—

400 (1) The commission shall do all of the following:

401 (i) Receive and review violations reported by a state or
 402 local law enforcement agency, the Department of Law Enforcement,
 403 the Department of Legal Affairs, the Department of Agriculture
 404 and Consumer Services, the Department of Business and
 405 Professional Regulation, the Department of the Lottery, the
 406 Seminole Tribe of Florida, or any person licensed under chapter
 407 24, part II of chapter 285, chapter 546, chapter 550, chapter
 408 551, or chapter 849 and determine whether such violation is
 409 appropriate for referral to the Office of Statewide Prosecution.

410 Section 11. Paragraph (d) of subsection (1) and paragraph
 411 (a) of subsection (2) of section 16.713, Florida Statutes, are
 412 amended to read:

413 16.713 Florida Gaming Control Commission; appointment and
 414 employment restrictions.—

415 (1) PERSONS INELIGIBLE FOR APPOINTMENT TO THE COMMISSION.—
 416 The following persons are ineligible for appointment to the

417 | commission:

418 | (d) A person who has had a license or permit issued under
 419 | chapter 546, chapter 550, chapter 551, or chapter 849 or a
 420 | gaming license issued by any other jurisdiction denied,
 421 | suspended, or revoked.

422 | (2) PROHIBITIONS FOR EMPLOYEES AND COMMISSIONERS; PERSONS
 423 | INELIGIBLE FOR APPOINTMENT TO AND EMPLOYMENT WITH THE
 424 | COMMISSION.—

425 | (a) A person may not, for the 2 years immediately
 426 | preceding the date of appointment to or employment with the
 427 | commission and while appointed to or employed with the
 428 | commission:

429 | 1. Hold a permit or license issued under chapter 550 or a
 430 | license issued under chapter 546, chapter 551, or chapter 849;
 431 | be an officer, official, or employee of such permitholder or
 432 | licensee; or be an ultimate equitable owner, as defined in s.
 433 | 550.002(37), of such permitholder or licensee;

434 | 2. Be an officer, official, employee, or other person with
 435 | duties or responsibilities relating to a gaming operation owned
 436 | by an Indian tribe that has a valid and active compact with the
 437 | state; be a contractor or subcontractor of such tribe or an
 438 | entity employed, licensed, or contracted by such tribe; or be an
 439 | ultimate equitable owner, as defined in s. 550.002(37), of such
 440 | entity;

441 | 3. Be a registered lobbyist for the executive or
 442 | legislative branch, except while a commissioner or employee of

443 the commission when officially representing the commission or
 444 unless the person registered as a lobbyist for the executive or
 445 legislative branch while employed by a state agency as defined
 446 in s. 110.107 during the normal course of his or her employment
 447 with such agency and he or she has not lobbied on behalf of any
 448 entity other than a state agency during the 2 years immediately
 449 preceding the date of his or her appointment to or employment
 450 with the commission; or

451 4. Be a bingo game operator or an employee of a bingo game
 452 operator.

453
 454 For the purposes of this subsection, the term "relative" means a
 455 spouse, father, mother, son, daughter, grandfather, grandmother,
 456 brother, sister, uncle, aunt, cousin, nephew, niece, father-in-
 457 law, mother-in-law, son-in-law, daughter-in-law, brother-in-law,
 458 sister-in-law, stepfather, stepmother, stepson, stepdaughter,
 459 stepbrother, stepsister, half brother, or half sister.

460 Section 12. Paragraphs (b) and (c) of subsection (2) of
 461 section 16.715, Florida Statutes, are amended to read:

462 16.715 Florida Gaming Control Commission standards of
 463 conduct; ex parte communications.—

464 (2) FORMER COMMISSIONERS AND EMPLOYEES.—

465 (b) A commissioner may not, for the 2 years immediately
 466 following the date of resignation or termination from the
 467 commission:

468 1. Hold a permit or license issued under chapter 550, or a

469 license issued under chapter 546, chapter 551, or chapter 849;
 470 be an officer, official, or employee of such permitholder or
 471 licensee; or be an ultimate equitable owner, as defined in s.
 472 550.002 (37), of such permitholder or licensee;

473 2. Accept employment by or compensation from a business
 474 entity that, directly or indirectly, owns or controls a person
 475 regulated by the commission; from a person regulated by the
 476 commission; from a business entity which, directly or
 477 indirectly, is an affiliate or subsidiary of a person regulated
 478 by the commission; or from a business entity or trade
 479 association that has been a party to a commission proceeding
 480 within the 2 years preceding the member's resignation or
 481 termination of service on the commission; or

482 3. Be a bingo game operator or an employee of a bingo game
 483 operator.

484 (c) A person employed by the commission may not, for the 2
 485 years immediately following the date of termination or
 486 resignation from employment with the commission:

487 1. Hold a permit or license issued under chapter 550, or a
 488 license issued under chapter 546, chapter 551, or chapter 849;
 489 be an officer, official, or employee of such permitholder or
 490 licensee; or be an ultimate equitable owner, as defined in s.
 491 550.002 (37), of such permitholder or licensee; or

492 2. Be a bingo game operator or an employee of a bingo game
 493 operator.

494 Section 13. Subsection (7) is added to section 849.142,

495 Florida Statutes, to read:
 496 849.142 Exempted activities.—Sections 849.01, 849.08,
 497 849.09, 849.11, 849.14, and 849.25 do not apply to participation
 498 in or the conduct of any of the following activities:
 499 (7) Fantasy sports contests conducted pursuant to chapter
 500 546.
 501 Section 14. This act shall take effect July 1, 2024.