

By the Committee on Regulated Industries; and Senator Jones

580-1944-05

1                                   A bill to be entitled  
2           An act relating to slot machine gaming;  
3           creating ch. 551, F.S.; implementing s. 23,  
4           Art. X of the State Constitution; authorizing  
5           slot machines and slot machine gaming within  
6           certain pari-mutuel facilities located in  
7           Miami-Dade and Broward Counties upon approval  
8           by a local referendum; providing definitions;  
9           providing powers and duties of the Division of  
10          Pari-mutuel Wagering in the Department of  
11          Business and Professional Regulation; providing  
12          for licensure to conduct slot machine gaming;  
13          providing for slot machine licensure renewal;  
14          providing for a license fee, machine fee, and  
15          tax rate; requiring occupational licenses and  
16          application fees; prohibiting certain business  
17          relationships; prohibiting certain acts and  
18          providing penalties; providing an exception to  
19          prohibitions relating to slot machines;  
20          providing for the exclusion of certain persons  
21          from facilities; prohibiting minors under 21  
22          years of age from playing slot machines;  
23          designating slot machine gaming areas;  
24          providing for days and hours of operation;  
25          providing penalties; providing a compulsive  
26          gambling treatment program; providing for a  
27          caterer's license; providing for rulemaking;  
28          providing an effective date.  
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30   Be It Enacted by the Legislature of the State of Florida:  
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1           Section 1. Chapter 551, Florida Statutes, consisting  
2 of sections 551.101, 551.102, 551.103, 551.104, 551.105,  
3 551.106, 551.107, 551.108, 551.109, 551.110, 551.111, 551.112,  
4 551.113, 551.114, 551.116, 551.117, 551.118, and 551.119, is  
5 created to read:

6                                   CHAPTER 551

7                                   SLOT MACHINES

8           551.101 Slot machine gaming authorized.--Any existing,  
9 licensed pari-mutuel facility located in Miami-Dade County or  
10 Broward County at the time of adoption of s. 23, Art. X of the  
11 State Constitution which has conducted live racing or games  
12 during calendar years 2002 and 2003 may possess slot machines  
13 and conduct slot machine gaming at the location where the  
14 pari-mutuel permitholder is authorized to conduct pari-mutuel  
15 wagering activities pursuant to such permitholder's valid  
16 pari-mutuel permit or as otherwise authorized by law provided  
17 a majority of voters in a countywide referendum have approved  
18 the possession of slot machines at such facility in the  
19 respective county. Notwithstanding any other provision of law,  
20 it is not a crime for a person to participate in slot machine  
21 gaming at a pari-mutuel facility licensed to possess and  
22 conduct slot machine gaming or to participate in slot machine  
23 gaming described in this chapter.

24           551.102 Definitions.--As used in this chapter, the  
25 term:

26           (1) "Central control computer" means a central site  
27 computer controlled and accessible by the division to which  
28 all slot machines at a gaming facility communicate for the  
29 purposes of auditing capacity; real-time information retrieval  
30 of the details of any financial event that occurs in the  
31 operation of a slot machine, including, but not limited to,

1 coin in, coin out, ticket in, ticket out, jackpots, machine  
2 door openings and power failure; and remote machine activation  
3 and disabling of slot machines.

4 (2) "Designated slot machine gaming area" means the  
5 area of an eligible facility, which may include any addition,  
6 alteration, or new structure located on the premises described  
7 in the pari-mutuel permit issued by the division for the  
8 conduct of pari-mutuel wagering, in which slot machine gaming  
9 may be conducted in accordance with the provisions of this  
10 chapter.

11 (3) "Distributor" means any person that sells, leases,  
12 or offers, or otherwise provides, distributes, or services,  
13 any slot machine or associated equipment for use or play of  
14 slot machines in this state. A manufacturer may be a  
15 distributor within the state.

16 (4) "Division" means the Division of Pari-mutuel  
17 Wagering of the Department of Business and Professional  
18 Regulation.

19 (5) "Eligible facility" means any existing licensed  
20 pari-mutuel facility located in Miami-Dade County or Broward  
21 County at the time of adoption of s. 23, Art. X of the State  
22 Constitution which has conducted live racing or games during  
23 calendar years 2002 and 2003 and has been approved by a  
24 majority of voters in a countywide referendum to have slot  
25 machines at such facility in the respective county.

26 (6) "Independent testing laboratory" means a  
27 laboratory of national reputation which is demonstrably  
28 competent and qualified to scientifically test and evaluate  
29 slot machines for compliance with this chapter and to  
30 otherwise perform the functions assigned to it in this  
31 chapter. An independent testing laboratory shall not be owned

1 or controlled by a licensee. The use of an independent testing  
2 laboratory for any purpose related to the conduct of slot  
3 machine gaming by a licensee under this chapter shall be made  
4 from a list of one or more laboratories approved by the  
5 division.

6 (7) "Manufacturer" means any person who manufactures,  
7 builds, rebuilds, fabricates, assembles, produces, programs,  
8 designs, or otherwise makes modifications to any slot machine  
9 or associated equipment for use or play of slot machines in  
10 this state for gaming purposes. A manufacturer may be a  
11 distributor within the state.

12 (8) "Progressive system" means a computerized system  
13 linking slot machines in one or more licensed facilities  
14 within this state and offering one or more common progressive  
15 payouts based on the amounts wagered.

16 (9) "Slot machine" means any mechanical or electrical  
17 contrivance, terminal, machine, or other device that, upon  
18 insertion of a coin, bill, ticket, token, or similar object or  
19 upon payment of any consideration whatsoever, including the  
20 use of any electronic payment system except a credit card or  
21 debit card, is available to play or operate, the play or  
22 operation of which, whether by reason of skill or application  
23 of the element of chance or both, may deliver or entitle the  
24 person or persons playing or operating the contrivance,  
25 terminal, machine, or other device to receive cash, billets,  
26 tickets, tokens, or electronic credits to be exchanged for  
27 cash or to receive merchandise or anything of value  
28 whatsoever, whether the payoff is made automatically from the  
29 machine or manually. A slot machine:

30 (a) May use spinning reels or video displays or both.  
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1           (b) May or may not dispense coins, tickets, or tokens  
2 to winning patrons.

3           (c) May use an electronic credit system for receiving  
4 wagers and making payouts.

5  
6 The term includes associated equipment necessary to conduct  
7 the operation of the contrivance, terminal, machine, or other  
8 device.

9           (10) "Slot machine license" means a license issued by  
10 the division authorizing an eligible facility to place and  
11 operate slot machines as required by the provisions of this  
12 chapter and the rules.

13           (11) "Slot machine licensee" means an eligible  
14 facility that holds a slot machine license.

15           (12) "Slot machine operator" means a person employed  
16 or contracted by the owner of an eligible facility to conduct  
17 slot machine gaming at that eligible facility.

18           (13) "Slot machine owner" means a person who holds a  
19 material interest in the slot machines.

20           (14) "Slot machine revenues" means the total of all  
21 cash and property received by the slot machine licensee from  
22 slot machine gaming operations less the amount of cash, cash  
23 equivalents, credits, and prizes paid to winners of slot  
24 machine gaming.

25           551.103 Powers and duties.--

26           (1) The division shall adopt, pursuant to the  
27 provisions of ss. 120.536(1) and 120.54, all rules necessary  
28 to implement, administer, and regulate slot machine gaming as  
29 authorized in this chapter. Such rules shall include:

30           (a) Procedures for applying for a license and renewal  
31 of a license.

1           (b) Procedures for establishing technical requirements  
2 in addition to the qualifications that are necessary to  
3 receive a slot machine license or slot machine occupational  
4 license.

5           (c) Procedures relating to slot machine revenues,  
6 including verifying and accounting for such revenues,  
7 auditing, and collecting taxes and fees consistent with this  
8 chapter.

9           (d) Procedures for regulating, managing, and auditing  
10 the operation, financial data, and program information  
11 relating to slot machines through the central control  
12 computer.

13           (e) Procedures for requiring each licensee at his or  
14 her own cost and expense to supply the division with a bond  
15 having the penal sum of \$2 million payable to the Governor and  
16 his or her successors in office for the licensee's first year  
17 of slot machine operations; and, thereafter, the licensee  
18 shall file a bond with the penal sum as determined by the  
19 division pursuant to rules adopted to approximate anticipated  
20 state revenues from the licensee's slot machine operations.  
21 Any bond shall be issued by a surety or sureties to be  
22 approved by the division and the Chief Financial Officer,  
23 conditioned to faithfully make the payments to the Chief  
24 Financial Officer in his or her capacity as treasurer of the  
25 division. The licensee shall be required to keep its books and  
26 records and make reports as provided in this chapter and to  
27 conduct its slot machine operations in conformity with this  
28 chapter and all other provisions of law. The division may  
29 review the bond for adequacy and require adjustments each  
30 fiscal year. Such bond shall be separate and distinct from the  
31 bond required in s. 550.125.

1           (f) Procedures for requiring licensees to maintain  
2 specified records and submit any data, information, record, or  
3 report, including financial and income records, required by  
4 this chapter or determined by the division to be necessary to  
5 the proper implementation and enforcement of this chapter.

6           (g) Procedures for requiring that the payout  
7 percentage of a slot machine shall be no less than 85 percent  
8 per facility.

9           (2) The division shall conduct such investigations as  
10 the division determines necessary to fulfill its  
11 responsibilities under the provisions of this chapter.

12           (3) The division shall investigate all criminal  
13 violations of this chapter or any other criminal violation of  
14 law occurring on the facilities of a slot machine licensee and  
15 such investigations may be conducted in conjunction with the  
16 statewide prosecutor or appropriate state attorney and  
17 appropriate law enforcement agencies. The division and its  
18 employees and agents shall have such other law enforcement  
19 powers as specified in ss. 943.04 and 943.10.

20           (4) The division shall have unrestricted access to the  
21 slot machine licensee facility at all times and shall require  
22 of each slot machine licensee strict compliance with the laws  
23 of this state relating to the transaction of such business.

24 The division may:

25           (a) Inspect and examine premises where slot machines  
26 are offered for play.

27           (b) Inspect slot machines and related equipment and  
28 supplies.

29           (c) Collect taxes, assessments, fees, and penalties.  
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1           (d) Deny, revoke, suspend, or place conditions on the  
2 license of a person who violates any provision of this chapter  
3 or rule adopted pursuant thereto.

4           (5) The division shall revoke or suspend the license  
5 of any person who is no longer qualified or who is found,  
6 after receiving a license, to have been unqualified at the  
7 time of application for the license.

8           551.104 License to conduct slot machine gaming.--

9           (1) Upon application and a finding by the division  
10 after investigation that the application is complete and the  
11 applicant is qualified and payment of the initial license fee,  
12 the division shall issue a license to conduct slot machine  
13 gaming in the designated slot machine gaming area of the slot  
14 machine licensee's facility. Once licensed, slot machine  
15 gaming may be conducted subject to the requirements of this  
16 chapter and rules adopted pursuant thereto.

17           (2) An application may be approved by the division  
18 only after the voters of the county where the applicant's  
19 facility is located have authorized by referendum slot  
20 machines within pari-mutuel facilities in that county as  
21 specified in s. 23, Art. X of the State Constitution.

22           (3) A slot machine license may be issued only to a  
23 licensed pari-mutuel permitholder, and slot machine gaming may  
24 be conducted only at the same facility at which the  
25 permitholder is authorized under its valid pari-mutuel  
26 wagering permit to conduct pari-mutuel wagering activities.

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

30           (a) Continue to be in compliance with this chapter.  
31



1           (b) Continue to be in compliance with chapter 550,  
2 where applicable, and maintain the licensee's pari-mutuel  
3 permit and license in good standing pursuant to the provisions  
4 of chapter 550.

5           (c) Conduct no fewer than the greater number of live  
6 races or games that were conducted at that pari-mutuel  
7 facility in calendar year 2002 or calendar year 2003.

8           (d) Upon approval of any changes relating to the  
9 pari-mutuel permit by the division, be responsible for  
10 providing appropriate current and accurate documentation on a  
11 timely basis to the division in order to continue the slot  
12 machine license in good standing.

13           (e) Allow unrestricted access and right of inspection  
14 by the division to facilities of a slot machine licensee in  
15 which any activity relative to the conduct of slot machine  
16 gaming is conducted.

17           (f) Submit a security plan, including a slot machine  
18 floor plan, location of security cameras, and the listing of  
19 security equipment that is capable of observing and  
20 electronically recording activities being conducted in the  
21 designated slot machine gaming area.

22           (g) Use the Internet-based job-listing system of the  
23 Agency for Workforce Innovation in advertising employment  
24 opportunities. Further, each slot machine licensee in its  
25 gaming operations shall create equal employment opportunities  
26 that shall be implemented in a nondiscriminatory manner in  
27 hiring and promoting employees to achieve the full and fair  
28 participation of women, Asians, blacks, Hispanics, Native  
29 Americans, persons with disabilities, and other protected  
30 groups within the municipality where the pari-mutuel facility  
31 is located, and an action plan and programs shall be

1 implemented by each pari-mutuel facility designed to ensure  
2 that the percentage of the minority population in the area in  
3 which each pari-mutuel facility is located is considered to  
4 the extent minority applications are submitted in equal  
5 proportion to the number of jobs open for hiring at entry  
6 level, managerial, supervisory, and any other positions,  
7 unless there is a bona fide occupational qualification  
8 requiring a distinct and unique employment expertise that a  
9 minority applicant does not possess.

10 (5) A slot machine license is not transferable.

11 551.105 Slot machine license renewal.--

12 (1) Slot machine licenses shall be renewed annually.

13 The application for renewal shall contain all revisions to the  
14 information submitted in the prior year's application which is  
15 necessary to maintain such information as both accurate and  
16 current.

17 (2) The applicant for renewal shall attest that any  
18 information changes do not affect the applicant's  
19 qualifications for license renewal.

20 (3) Upon determination by the division that the  
21 application for renewal is complete and qualifications have  
22 been met, including payment of the renewal fee, the slot  
23 machine license shall be renewed annually.

24 551.106 License fee; machine fee; tax rate.--

25 (1) LICENSE FEE.--Upon approval of the application for  
26 a slot machine license, the licensee must pay to the division  
27 an initial license fee of \$1 million for the first year of  
28 operation. Thereafter, an annual license fee of \$1,000 per  
29 slot machine shall be paid. Such payment shall be made  
30 directly to the Pari-mutuel Wagering Trust Fund established  
31 pursuant to s. 455.116. Such payments shall be accounted for

1 separately from taxes or fees paid pursuant to the provisions  
2 of chapter 550. Such funds in such trust fund may be  
3 appropriated annually by the Legislature to the division for  
4 its administration of this chapter and carrying out of its  
5 regulatory functions set forth in this chapter.

6 (2) TAX ON SLOT MACHINE REVENUES.

7 (a) The tax rate on slot machine revenues on each  
8 facility shall be:

9 1. Thirty percent on revenue of \$100 million or less;

10 2. Thirty-two and one-half percent on revenue greater  
11 than \$100 million, but less than or equal to \$200 million; and

12 3. Thirty-five percent on all revenue greater than  
13 \$200 million.

14 (b) The tax shall be collected on a daily basis and  
15 deposited into the Education Enhancement Trust Fund.

16 (c) The division shall notify the eligible facility  
17 concerning the appropriate tax rate to apply to the slot  
18 machine revenues.

19 (3) PAYMENT PROCEDURES.--Tax payments shall be  
20 remitted daily, as determined by rule of the division. The  
21 slot machine licensee shall file a report under oath by the  
22 5th day of each calendar month for all taxes remitted during  
23 the preceding calendar month which shall show all slot machine  
24 activities for the preceding calendar month and such other  
25 information as may be required by the division.

26 (4) FAILURE TO PAY TAX; PENALTIES.--A slot machine  
27 licensee who fails to make tax payments as required under this  
28 section is subject to an administrative penalty of up to  
29 \$1,000 for each day the tax payment is not remitted. All  
30 administrative penalties imposed and collected shall be  
31 deposited into the Pari Mutuel Wagering Trust Fund in the

1 Department of Business and Professional Regulation. If any  
2 slot machine licensee fails to pay penalties imposed by order  
3 of the division under this subsection, the division may  
4 suspend, revoke, or fail to renew the license of the slot  
5 machine licensee.

6 (5) FAILURE TO PAY TAX; GROUNDS TO SUSPEND, REVOKE, OR  
7 FAIL TO RENEW THE LICENSE.--In addition to the penalties  
8 imposed under subsection (4), any willful or wanton failure by  
9 a slot machine licensee to make payments of the tax  
10 constitutes sufficient grounds for the division to suspend,  
11 revoke, or fail to renew the license of the slot machine  
12 licensee.

13 (6) SUBMISSION OF FUNDS.--The division may require  
14 slot machine licensees to remit taxes, fees, fines, and  
15 assessments by electronic funds transfer.

16 551.107 Occupational license required; application;  
17 fee.--

18 (1) The individuals and entities that are licensed  
19 under this section require heightened state scrutiny,  
20 including the submission by the individual licensees or  
21 persons associated with the entities described in this chapter  
22 of fingerprints for a criminal records check.

23 (2)(a) The following licenses shall be issued to  
24 persons or entities having access to the designated slot  
25 machine gaming area or to persons who, by virtue of the  
26 position they hold, might be granted access to these areas or  
27 to any other person or entity in one of the following  
28 categories:

29 1. General occupational licenses for general  
30 employees, food service, maintenance, and other similar  
31 service and support employees having access to the designated

1 slot machine gaming area. Service and support employees with a  
2 current pari-mutuel occupational license issued pursuant to  
3 chapter 550 and a current background check are not required to  
4 submit to an additional background check for a slot machine  
5 occupational license as long as the pari-mutuel occupational  
6 license remains in good standing.

7 2. Professional occupational licenses for any person,  
8 proprietorship, partnership, corporation, or other entity that  
9 is authorized by a slot machine licensee to manage, oversee,  
10 or otherwise control daily operations as a slot machine  
11 manager, floor supervisor, security personnel, or any other  
12 similar position of oversight of gaming operations.

13 3. Business occupational licenses for any slot machine  
14 management company or slot machine business associated with  
15 slot machine gaming or a person who manufactures, distributes,  
16 or sells slot machines, slot machine paraphernalia, or other  
17 associated equipment to slot machine licensees or any person  
18 not an employee of the slot machine licensee who provides  
19 maintenance, repair, or upgrades or otherwise services a slot  
20 machine or other slot machine equipment.

21 (b) Slot machine occupational licenses are not  
22 transferable.

23 (3) A slot machine licensee shall not employ or  
24 otherwise allow a person to work at a slot machine facility  
25 unless such person holds a valid occupational license. A slot  
26 machine licensee shall not contract or otherwise do business  
27 with a business required to hold a slot machine occupational  
28 license unless the business holds such a license. A slot  
29 machine licensee shall not employ or otherwise allow a person  
30 to work in a supervisory or management professional level at a  
31

1 slot machine facility unless such person holds a valid  
2 occupational license.

3 (4)(a) A person seeking a slot machine occupational  
4 license, or renewal thereof, shall make application on forms  
5 prescribed by the division and include payment of the  
6 appropriate application fee. Initial and renewal applications  
7 for slot machine occupational licenses shall contain all the  
8 information the division, by rule, may determine is required  
9 to ensure eligibility.

10 (b) The division shall establish, by rule, a schedule  
11 for the annual renewal of slot machine occupational licenses.

12 (c) Pursuant to rules adopted by the division, any  
13 person may apply for and, if qualified, be issued an  
14 occupational license valid for a period of 3 years upon  
15 payment of the full occupational license fee for each of the 3  
16 years for which the license is issued. The occupational  
17 license shall be valid during its specified term at any slot  
18 machine facility where slot machine gaming is authorized to be  
19 conducted.

20 (d) The slot machine occupational license fee for  
21 initial application and annual renewal shall be determined by  
22 rule of the division but shall not exceed \$50 for a general or  
23 professional occupational license for an employee of the slot  
24 machine licensee or \$1,000 for a business occupational license  
25 for nonemployees of the licensee providing goods or services  
26 to the slot machine licensee. License fees for general  
27 occupational licensees shall be paid for by the slot machine  
28 licensee. Failure to pay the required fee shall be grounds for  
29 disciplinary action by the division against the slot machine  
30 licensee but shall not be considered a violation of this  
31 chapter or rules of the division by the general occupational

1 licensee or a prohibition against the initial issuance or the  
2 renewal of the general occupational license.

3 (5) If the state gaming commission or other similar  
4 regulatory authority of another state or jurisdiction extends  
5 to the division reciprocal courtesy to maintain disciplinary  
6 control, the division may:

7 (a) Deny an application for or revoke, suspend, or  
8 place conditions or restrictions on a license of a person or  
9 entity who has been refused a license by any other state  
10 gaming commission or similar authority; or

11 (b) Deny an application for or suspend or place  
12 conditions on a license of any person or entity who is under  
13 suspension or has unpaid fines in another jurisdiction.

14 (6)(a) The division may deny, suspend, revoke, or  
15 declare ineligible any occupational license if the applicant  
16 for or holder thereof has violated the provisions of this  
17 chapter or the rules of the division governing the conduct of  
18 persons connected with slot machine gaming. In addition, the  
19 division may deny, suspend, revoke, or declare ineligible any  
20 occupational license if the applicant for such license has  
21 been convicted in this state, in any other state, or under the  
22 laws of the United States of a capital felony, a felony, or an  
23 offense in any other state which would be a felony under the  
24 laws of this state involving arson; trafficking in, conspiracy  
25 to traffic in, smuggling, importing, conspiracy to smuggle or  
26 import, or delivery, sale, or distribution of a controlled  
27 substance; or a crime involving a lack of good moral  
28 character, or has had a slot machine gaming license revoked by  
29 this state or any other jurisdiction for an offense related to  
30 slot machine gaming.

1           (b) The division may deny, declare ineligible, or  
2 revoke any occupational license if the applicant for such  
3 license or the licensee has been convicted of a felony or  
4 misdemeanor in this state, in any other state, or under the  
5 laws of the United States, if such felony or misdemeanor is  
6 related to gambling or bookmaking as contemplated in s.  
7 849.25.

8           (7) Fingerprints for all slot machine occupational  
9 license applications shall be taken in a manner approved by  
10 the division and shall be submitted to the Department of Law  
11 Enforcement and the Federal Bureau of Investigation for a  
12 level II criminal records check upon initial application and  
13 every 5 years thereafter. The division may by rule require an  
14 annual or less frequent records check not to exceed every 5  
15 years of all renewal applications for a slot machine  
16 occupational license. The cost of processing fingerprints and  
17 conducting a records check shall be borne by the applicant.

18           (8) All moneys collected pursuant to this section  
19 shall be deposited into the Pari-Mutuel Wagering Trust Fund.

20           551.108 Prohibited relationships.--

21           (1) A person employed by or performing any function on  
22 behalf of the division shall not:

23           (a) Be an officer, director, owner, or employee of any  
24 person or entity licensed by the division.

25           (b) Have or hold any interest, direct or indirect, in  
26 or engage in any commerce or business relationship with any  
27 person licensed by the division.

28           (2) A manufacturer or distributor of slot machines  
29 shall not enter into any contract with a slot machine licensee  
30 which provides for any revenue sharing of any kind or nature  
31 which is, directly or indirectly, calculated on the basis of a



1 percentage of slot machine revenues. Any maneuver, shift, or  
2 device whereby this provision is violated shall be a violation  
3 of this chapter and shall render any such agreement void.

4 (3) A manufacturer or distributor of slot machines or  
5 any equipment necessary for the operation of slot machines or  
6 an officer, director, or employee of any such manufacturer or  
7 distributor shall not have any ownership or financial interest  
8 in a slot machine license or in any business owned by the slot  
9 machine licensee.

10 551.109 Prohibited acts.--

11 (1) Except as otherwise provided by law and in  
12 addition to any other penalty, any person who intentionally  
13 makes or causes to be made or aids, assists, or procures  
14 another to make a false statement in any report, disclosure,  
15 application, or any other document required under this chapter  
16 or any rule adopted under this chapter is subject to an  
17 administrative fine or civil penalty of up to \$10,000.

18 (2) Except as otherwise provided by law and in  
19 addition to any other penalty, any person who possesses a slot  
20 machine without the license required by this chapter or who  
21 possesses a slot machine at any location other than at the  
22 slot machine licensee facility is subject to an administrative  
23 fine or civil penalty of up to \$10,000.

24 (3) Except as otherwise provided by law and in  
25 addition to any other penalty, any person who intentionally  
26 excludes, or takes any action in an attempt to exclude,  
27 anything or its value from the deposit, counting, collection,  
28 or computation of revenues from slot machine activity is  
29 subject to an administrative fine or civil penalty of up to  
30 \$25,000.

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1           (4) Any person who, with intent to manipulate the  
2 outcome, payoff, or operation of a slot machine by physical  
3 tampering, or by use of any object, instrument, or device,  
4 whether mechanical, electrical, magnetic, or involving other  
5 means, manipulates the outcome, payoff, or operation of a slot  
6 machine commits a felony of the third degree, punishable as  
7 provided in s. 775.082, s. 775.083, or s. 775.084.

8           (5) All penalties imposed and collected must be  
9 deposited into the Pari-Mutuel Wagering Trust Fund in the  
10 department.

11           551.110 Illegal devices.--Notwithstanding any  
12 provision of law to the contrary, no slot machine  
13 manufactured, sold, distributed, possessed, or operated  
14 according to the provisions of this chapter shall be  
15 considered unlawful.

16           551.111 Exclusions of certain persons.--

17           (1) In addition to the power to exclude certain  
18 persons from any facility of a slot machine licensee in this  
19 state, the division may exclude any person from any facility  
20 of a slot machine licensee in this state for conduct that  
21 would constitute, if the person were a licensee, a violation  
22 of this chapter or the rules of the division. The division may  
23 exclude from any facility of a slot machine licensee any  
24 person who has been ejected from a facility of a slot machine  
25 licensee in this state or who has been excluded from any  
26 facility of a slot machine licensee or gaming facility in  
27 another state by the governmental department, agency,  
28 commission, or authority exercising regulatory jurisdiction  
29 over the gaming in such other state.

1       (2) This section shall not be construed to abrogate  
2 the common law right of a slot machine licensee to exclude a  
3 patron absolutely in this state.

4       (3) The division may authorize any person who has been  
5 ejected or excluded from a facility of a slot machine licensee  
6 in this state or another state to attend a facility of a slot  
7 machine licensee in this state upon a finding that the  
8 attendance of such person at a facility of a slot machine  
9 licensee would not be adverse to the public interest or to the  
10 integrity of the industry; however, this section shall not be  
11 construed to abrogate the common law right of a slot machine  
12 licensee to exclude a patron absolutely in this state.

13       551.112 Minors prohibited from playing slot  
14 machines.--

15       (1) A slot machine licensee or agent or employee of a  
16 slot machine licensee shall not:

17       (a) Allow a person who has not attained 21 years of  
18 age to play any slot machine.

19       (b) Allow a person who has not attained 21 years of  
20 age access to the designated slot machine gaming area of a  
21 facility of a slot machine licensee.

22       (c) Allow a person who has not attained 21 years of  
23 age to be employed in any position allowing or requiring  
24 access to the designated slot machine gaming area of a  
25 facility of a slot machine licensee.

26       (2) No person licensed under this chapter, or any  
27 agent or employee of a licensee under this chapter, shall  
28 intentionally allow a person who has not attained 21 years of  
29 age to play or operate a slot machine or have access to the  
30 designated slot machine area of a facility of a slot machine  
31 licensee.

1           (3) The eligible facility shall post clear and  
2 conspicuous signage within the designated slot machine gaming  
3 areas that states the following:

4                   THE PLAYING OF SLOT MACHINES BY PERSONS  
5                   UNDER THE AGE OF 21 IS AGAINST FLORIDA LAW  
6                   (SECTION 551.112, FLORIDA STATUTES).  
7                   PROOF OF AGE MAY BE REQUIRED AT ANYTIME  
8                   A PERSON IS WITHIN THIS AREA.

9           551.113 Designated slot machine gaming areas.--

10           (1) A slot machine licensee may make available for  
11 play slot machines within its designated slot machine gaming  
12 areas.

13           (2) A slot machine licensee shall not allow any  
14 automated teller machine or similar device designed to provide  
15 credit or dispense cash to be located within 50 feet of a  
16 designated slot machine gaming area within the facilities of  
17 the slot machine licensee.

18           (3) A slot machine licensee shall not make any loan or  
19 provide credit or advance cash to enable a person to play a  
20 slot machine.

21           (4) The slot machine operator shall display  
22 pari-mutuel races or games within the designated slot machine  
23 gaming areas and offer within the designated slot machine  
24 gaming areas the ability for patrons to engage in pari-mutuel  
25 wagering on live and simulcast races conducted or offered to  
26 patrons of the eligible facility.

27           (5) No complimentary alcoholic beverages shall be  
28 served to patrons within the designated slot machine gaming  
29 areas.

30           (6) The slot machine operator shall offer training to  
31 employees on responsible gaming and shall work with the

1 compulsive gambling treatment program within the Mental Health  
2 Program Office of the Department of Children and Family  
3 Services to recognize problem gaming situations and to  
4 implement responsible gaming programs and practices.

5 (7) The division shall require the posting of signs in  
6 the designated slot machine gaming areas warning of the risks  
7 and dangers of gambling, showing the odds of winning, and  
8 informing patrons of the toll-free telephone number available  
9 to provide information and referral services regarding  
10 compulsive or problem gambling.

11 (8) The division shall establish standards of approval  
12 for the physical layout and construction of any facility or  
13 building devoted to slot machine operations. The standards  
14 shall require that the slot machine gaming area be connected  
15 to and contiguous within the operation of the live gaming  
16 facility. It is the intent of the Legislature that each  
17 facility:

18 (a) Possess superior consumer amenities and  
19 conveniences to encourage and attract the patronage of  
20 tourists and other visitors from across the region, state, and  
21 nation.

22 (b) Have adequate motor vehicle parking facilities to  
23 satisfy patron requirements.

24 (c) Have a physical layout and location that  
25 facilitates access to the pari-mutuel portion of the facility.

26 556.114 Days and hours of operation.--Slot machine  
27 gaming areas may be open 365 days a year. The slot machine  
28 gaming areas may be open only from 10:00 a.m. until 2:00 a.m.  
29 Sunday through Saturday.

30 551.116 Penalties.--The division may revoke or suspend  
31 any license issued under this chapter upon the willful

1 violation by the licensee of any provision of this chapter or  
2 of any rule adopted under this chapter. In lieu of suspending  
3 or revoking a license, the division may impose a civil penalty  
4 against the licensee for a violation of this chapter or any  
5 rule adopted by the division. Except as otherwise provided in  
6 this chapter, the penalty so imposed may not exceed \$1,000 for  
7 each count or separate offense. All penalties imposed and  
8 collected must be deposited into the Pari-Mutuel Wagering  
9 Trust Fund in the department.

10 551.117 Compulsive gambling treatment program.--The  
11 Mental Health Program Office within the Department of Children  
12 and Family Services shall establish a program for public  
13 education, awareness, and training regarding problem and  
14 compulsive gambling and the treatment and prevention of  
15 problem and compulsive gambling. The program shall include:

16 (1) Maintenance of a compulsive gambling advocacy  
17 organization's toll-free, problem-gambling telephone number to  
18 provide crisis counseling and referral services to families  
19 experiencing difficulty as a result of problem or compulsive  
20 gambling.

21 (2) The promotion of public awareness regarding the  
22 recognition and prevention of problem or compulsive gambling.

23 (3) Facilitation, through in-service training and  
24 other means, of the availability of effective assistance  
25 programs for problem and compulsive gamblers and family  
26 members affected by problem and compulsive gambling.

27 (4) Studies to identify adults and juveniles in this  
28 state who are, or are at risk of becoming, problem or  
29 compulsive gamblers.

30 551.118 Catering license.--A slot machine retailer is  
31 entitled to a caterer's license pursuant to s. 565.02 on days

1 in which the pari-mutuel facility is open to the public for  
2 slot machine game play as authorized by this chapter.

3 551.119 Rulemaking.--

4 (1) The division may adopt rules pursuant to ss.  
5 120.536(1) and 120.54 to implement the provisions of this  
6 chapter.

7 (2) In order to expedite the licensing requirements of  
8 this chapter, the division may adopt emergency rules pursuant  
9 to s. 120.54(4). The Legislature finds that such emergency  
10 rules are necessary for the preservation of the rights and  
11 welfare of the people in order to provide additional funds to  
12 the benefit of the public. Therefore, in adopting such  
13 emergency rules, the division need not make the findings  
14 required by s. 120.54(4)(a).

15 Section 2. This act shall take effect upon becoming a  
16 law.

1                   STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN  
2                                   COMMITTEE SUBSTITUTE FOR  
3   Senate Bill 1174

4 The committee substitute:

5 Creates chapter 551, of the Florida Statutes to authorize slot  
6 machine gaming in Miami-Dade and Broward Counties if approved  
7 by a majority of the voters in those counties;

8 Provides for a central control computer run by the Division of  
9 Pari-mutuel Wagering (division) to which all slot machines are  
10 able to communicate with for purposes of auditing and other  
11 financial information;

12 Provides for an independent testing laboratory to test the  
13 slot machines;

14 Defines slot machines revenues as the total of all cash and  
15 property received by the slot machine licensee from slot  
16 machine gaming operations less the amount of cash, cash  
17 equivalents, credits, and prizes paid to winners of slot  
18 machine gaming;

19 Enumerates the powers and duties of the division to regulate  
20 slot machine gaming;

21 Provides for an initial license fee of \$1 million and an  
22 annual license fee of \$1,000 per slot machine to be paid  
23 thereafter;

24 Provides a tax rate of 30 percent on slot machine revenues of  
25 \$100 million or less, 32.5 percent on slot machine revenues of  
26 greater than \$100 million but less than or equal to \$200  
27 million; and 35 percent on all revenue greater than \$200  
28 million;

29 Requires that the tax is collected on a daily basis;

30 Provides for payment of taxes, fees and fines by electronic  
31 transfer;

Requires occupational licenses for licensed individuals and  
entities licensed under the chapter;

Requires professional occupational licenses for persons,  
proprietorships, partnerships, corporations, or other entities  
that manage, oversee or control the daily operations of the  
gaming operations;

Requires business occupational licenses for any slot machine  
management company or business associated with slot machine  
gaming or a person who manufactures, distributes, or sells  
slot machines, slot machine paraphernalia or other associated  
equipment;

Prohibits certain business relationship between division  
employees and licensees;

Prohibits revenue sharing between a manufacturer or



1 distributor of slot machines and a slot machine licensee;  
2 Prohibits certain acts involving false statements and  
3 disclosures in reports or applications and provides an  
4 administrative fine or civil penalty of up to \$10,000;  
5 Provides for an administrative fine or civil penalty of up to  
6 \$25,000 for persons who intentionally exclude or take action  
7 to exclude anything from the computation of revenues;  
8 Excludes from the slot machine facilities violators of the  
9 provisions of the act;  
10 Prohibits persons under the age of 21 from playing or being  
11 employed at a slot machine facility;  
12 Prohibits complimentary alcoholic beverages from being served  
13 to patrons;  
14 Provides the gaming area be open 365 days and from the hours  
15 of 10:00 a.m. until 2:00 a.m. Sunday through Saturday;  
16 Provides for a Compulsive Gambling Treatment Program;  
17 Provides for a catering license; and  
18 Provides for rulemaking.  
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