

1                   A bill to be entitled  
 2           An act relating to slot machine gaming; creating the Keep  
 3           the Promise Act of 2005 to implement s. 23, Art. X of the  
 4           State Constitution; providing for administration and  
 5           regulation by the Division of Slot Machines of the  
 6           Department of Business and Professional Regulation;  
 7           amending s. 20.165, F.S.; establishing a Division of Slot  
 8           Machines in the Department of Business and Professional  
 9           Regulation; creating chapter 551, F.S.; implementing s.  
 10          23, Art. X of the State Constitution; authorizing slot  
 11          machines and slot machine gaming within certain pari-  
 12          mutuel facilities located in Miami-Dade and Broward  
 13          Counties upon approval by local referendum; providing for  
 14          administration and regulation by the Division of Slot  
 15          Machines of the Department of Business and Professional  
 16          Regulation; providing definitions; providing powers and  
 17          duties of the division; directing the division to adopt  
 18          rules necessary to implement, administer, and regulate  
 19          slot machine gaming; requiring such rules to include  
 20          application procedures, certain technical requirements,  
 21          procedures relating to revenue, certain regulation and  
 22          management and auditing procedures, certain bond  
 23          requirements, and requirements for record maintenance,  
 24          payouts, and data collection and reporting; providing for  
 25          investigations by the division; providing for  
 26          investigation of violations in conjunction with other  
 27          agencies; providing specified law enforcement powers to  
 28          the division; providing for access to slot machine

29 | licensee facilities by the division; authorizing the  
30 | division to make certain inspections and examinations,  
31 | collect certain moneys, and deny, revoke, suspend, or  
32 | place conditions on the license under certain  
33 | circumstances; providing for suspension or revocation of  
34 | the license of an unqualified applicant or licensee;  
35 | providing for licensure to conduct slot machine gaming;  
36 | providing for application for licensure; providing  
37 | conditions for conducting slot machine gaming; providing  
38 | requirements for receiving and maintaining a license which  
39 | include compliance with slot machine regulations and  
40 | regulations relating to pari-mutuel wagering, maintaining  
41 | the pari-mutuel permit and license, conducting a certain  
42 | number of live races or games, allowing access to the  
43 | division, and submission of certain plans; prohibiting  
44 | transfer of a license; providing a limit on the number of  
45 | slot machines at a facility; providing for annual renewal  
46 | of the license; providing for a renewal application and  
47 | procedures for approval; requiring the slot machine  
48 | licensee pay to the division an annual license fee;  
49 | providing for deposit of the fee into the Slot Machine  
50 | Administrative Trust Fund for certain purposes; requiring  
51 | the division to evaluate the license fee and make  
52 | recommendations to the Legislature; requiring the slot  
53 | machine licensee pay an annual tax on each machine;  
54 | providing for deposit of the tax into the Educational  
55 | Enhancement Trust Fund to be distributed to the school  
56 | district where the facility is located for certain

57 | purposes; directing the Department of Education to conduct  
58 | an audit and return amounts in excess of certain costs to  
59 | the licensee; providing a tax on slot machine revenues;  
60 | providing payment procedures; providing penalties for  
61 | failure to make payments; providing for submission of  
62 | funds by electronic funds transfer; providing for general,  
63 | professional, and business occupational licenses;  
64 | prohibiting transfer of such licenses; prohibiting a slot  
65 | machine licensee from employing or doing business with  
66 | persons or businesses unless such person or business is  
67 | properly licensed; providing for application forms, fees,  
68 | and procedures; authorizing the division to adopt rules  
69 | relating to applications, licensure, and renewal of  
70 | licensure and fees therefor; requiring payment of initial  
71 | application and renewal fees; requiring slot machine  
72 | licensee to pay licensure fees of general occupational  
73 | licensees; providing for reciprocal disciplinary actions  
74 | with other jurisdictions; providing for disciplinary  
75 | actions against a licensee for certain violations of  
76 | regulations or laws; requiring fingerprints and criminal  
77 | records checks of applicants or licensees; requiring  
78 | certain costs of the records check be borne by the  
79 | applicant or licensee; providing for distribution of funds  
80 | into the Slot Machine Administrative Trust Fund;  
81 | prohibiting certain relationships between employees of the  
82 | division or board and licensees of the division;  
83 | prohibiting certain relationships between business  
84 | occupational licensees and slot machine licensees;

85 prohibiting certain financial interests in slot machine  
86 licensees by certain manufacturers or distributors;  
87 prohibiting certain actions relating to required reports,  
88 applications, and accounting; prohibiting possession of  
89 slot machine by unlicensed person; prohibiting  
90 manipulation of a slot machine; providing penalties;  
91 providing for distribution of funds into the Slot Machine  
92 Administrative Trust Fund; authorizing manufacture, sale,  
93 distribution, possession, and operation of slot machines  
94 under certain circumstances; authorizing the division to  
95 exclude any person from licensed facilities under certain  
96 circumstances; requiring certain signage in designated  
97 gaming areas; requiring certain equipment or facilities  
98 relating to races or games within the gaming area;  
99 prohibiting a licensee and employees and agents of the  
100 licensee from allowing a person under a certain age to  
101 operate slot machines or to have access to the gaming  
102 area; prohibiting loans or credit or automatic dispensing  
103 of cash within the facility to play slot machines;  
104 prohibiting slot machines that accept cash to operate;  
105 prohibiting slot machines designed to display certain  
106 false enticements or give a player certain false  
107 impressions; providing for the hours of operation of slot  
108 machines; providing penalties for certain violations by a  
109 licensee; providing for deposit of fines collected;  
110 authorizing the division to suspend or revoke the license  
111 of a slot machine licensee for maintaining a nuisance  
112 under certain circumstances; providing for application of

113 penalties to licensee not meeting reporting obligations  
114 with the board; creating the State Slot Machine Gaming  
115 Board within the division; providing that the board is not  
116 a state entity; providing for public meetings and records  
117 of the board; providing for offices and personnel of the  
118 board; providing for expenditures of state funds derived  
119 from regulatory fees; providing for administrative support  
120 for the board from the division; providing purpose of the  
121 board; providing for organization, membership, and  
122 meetings of the board; prohibiting certain interests in  
123 any slot machine licensee or the gambling industry by  
124 members of the board; providing penalties; providing for  
125 reimbursement of certain expenses of board members;  
126 providing powers and duties of the board; directing the  
127 board to make certain performance evaluations and reports;  
128 directing the division to adopt certain performance rules  
129 governing activities of slot machine licensees; requiring  
130 review of proposed performance rules for response by the  
131 board prior to adoption; providing conditions for the  
132 division to deny renewal of slot machine license;  
133 directing the division to adopt certain qualification  
134 performance rules; providing for review by the board to  
135 determine certain effects of slot machine gaming;  
136 directing the division to adopt certain performance  
137 expectation rules to include a requirement that the slot  
138 machine licensee annually report to the board certain  
139 information for a determination of the net result of the  
140 slot machine licensee's slot machine operations; requiring

141 the reports to include summaries of certain information  
 142 from local law enforcement agencies, social services  
 143 agencies, clerks of court, the Department of Highway  
 144 Safety and Motor Vehicles, and local emergency management  
 145 agencies and a summary of lobbying activities conducted by  
 146 or on behalf of the slot machine licensee; requiring  
 147 review of proposed performance expectation rules for  
 148 response by the board prior to adoption; requiring the  
 149 performance rules to require the slot machine licensee to  
 150 provide information to the board on an annual basis;  
 151 requiring the board to submit an annual report to the  
 152 Governor and the Legislature; providing for content of the  
 153 report; directing the Office of Program Policy Analysis  
 154 and Government Accountability to conduct a performance  
 155 audit of the board and the division by a certain date;  
 156 providing for items to be addressed by the audit;  
 157 providing for an update of the report to include a  
 158 referendum recommendation to the Legislature concerning  
 159 repeal of the authority to operate slot machines;  
 160 requiring the chief law enforcement officer of certain  
 161 counties and municipalities to annually execute and  
 162 transmit to the board an affidavit relating to certain  
 163 funding; providing purpose of the affidavit; requiring the  
 164 governing body of certain counties and municipalities to  
 165 annually adopt and transmit to the board a resolution  
 166 relating to the operations of slot machine gaming;  
 167 authorizing other governing bodies to transmit such a  
 168 resolution to the board; requiring tourist development

169 councils to annually adopt and transmit to the board a  
 170 resolution relating to the operations of slot machine  
 171 gaming; providing for a county or municipality to call a  
 172 referendum on the question of slot machines being declared  
 173 an undue burden; providing for consideration by the board  
 174 of the affidavits, resolutions, and referenda; providing  
 175 for the Mental Health Program Office within the Department  
 176 of Children and Family Services to establish a compulsive  
 177 gambling program in conjunction with the Department of  
 178 Education; providing an effective date.

179

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

181

182 Section 1. This act may be cited as the "Keep The Promise  
 183 Act of 2005."

184 Section 2. Subsection (2) of section 20.165, Florida  
 185 Statutes, is amended to read:

186 20.165 Department of Business and Professional  
 187 Regulation.--There is created a Department of Business and  
 188 Professional Regulation.

189 (2) The following divisions of the Department of Business  
 190 and Professional Regulation are established:

- 191 (a) Division of Administration.
- 192 (b) Division of Alcoholic Beverages and Tobacco.
- 193 (c) Division of Certified Public Accounting.

194 1. The director of the division shall be appointed by the  
 195 secretary of the department, subject to approval by a majority  
 196 of the Board of Accountancy.

197           2. The offices of the division shall be located in  
198 Gainesville.

199           (d) Division of Florida Land Sales, Condominiums, and  
200 Mobile Homes.

201           (e) Division of Hotels and Restaurants.

202           (f) Division of Pari-mutuel Wagering.

203           (g) Division of Professions.

204           (h) Division of Real Estate.

205           1. The director of the division shall be appointed by the  
206 secretary of the department, subject to approval by a majority  
207 of the Florida Real Estate Commission.

208           2. The offices of the division shall be located in  
209 Orlando.

210           (i) Division of Regulation.

211           (j) Division of Slot Machines.

212           (k) Division of Technology, Licensure, and Testing.

213           Section 3. Chapter 551, Florida Statutes, consisting of  
214 sections 551.101, 551.103, 551.1071, 551.1073, 551.1077,  
215 551.1079, 551.1091, 551.1111, 551.1113, 551.1115, 551.1119,  
216 551.121, 551.125, 551.20, 551.25, 551.30, 551.33, 551.34,  
217 551.341, 551.35, and 551.40, is created to read:

218                                 CHAPTER 551

219                                 SLOT MACHINES

220           551.101 Slot machine gaming authorized.--Any existing,  
221 licensed pari-mutuel facility located in Miami-Dade County or  
222 Broward County at the time of adoption of s. 23, Art. X of the  
223 State Constitution that has conducted live racing or games  
224 during calendar years 2002 and 2003 may possess slot machines



225 and conduct slot machine gaming at the location where the pari-  
 226 mutuel permitholder is authorized to conduct pari-mutuel  
 227 wagering activities pursuant to such permitholder's valid pari-  
 228 mutuel permit or as otherwise authorized by law provided a  
 229 majority of voters in a countywide referendum have approved the  
 230 possession of slot machines at such facility in the respective  
 231 county. Notwithstanding any other provision of law, it is not a  
 232 crime for a person to participate in slot machine gaming at a  
 233 pari-mutuel facility licensed to possess and conduct slot  
 234 machine gaming or to participate in slot machine gaming  
 235 described in this chapter.

236 551.103 Definitions.--As used in this chapter, unless the  
 237 context clearly requires otherwise, the term:

238 (1) "Board" means the State Slot Machine Gaming Board.

239 (2) "Department" means the Department of Business and  
 240 Professional Regulation.

241 (3) "Designated slot machine gaming area" means the area  
 242 of a facility of a slot machine licensee in which slot machine  
 243 gaming may be conducted in accordance with the provisions of  
 244 this chapter.

245 (4) "Division" means the Division of Slot Machines of the  
 246 Department of Business and Professional Regulation.

247 (5) "Slot machine" means a gaming device, whether or not  
 248 mechanical, electronic, computerized, or other technological  
 249 aids are used, that offers wagering on the game of bingo as  
 250 defined in s. 849.0931, is owned by the slot machine licensee,  
 251 and is capable of being linked to a centralized computer  
 252 management system for regulating, managing, and auditing the

253 operation, financial data, and program information, as required  
 254 by the division.

255 (6) "Mechanical, electronic, computerized, or other  
 256 technological aids" means any machine or device that assists a  
 257 player or the playing of a bingo game as defined in s. 849.0931  
 258 and broadens participation by allowing multiple players at one  
 259 slot machine facility to play with or against each other in a  
 260 bingo game for a common prize or prizes. Such aids may use  
 261 alternative displays, including, but not limited to, a  
 262 simulation of spinning reels, to illustrate aspects of the game  
 263 of bingo such as when a player joins the game or when prizes  
 264 have been awarded, as long as such aid continuously and  
 265 prominently displays the electronic bingo card so that it is  
 266 apparent that the player is actually engaged in the play of  
 267 bingo. Such aids shall not:

268 (a) Determine or change the outcome of any game of bingo;

269 (b) Be an electronic or electromechanical facsimile that  
 270 replicates a game of bingo; or

271 (c) Allow players to play with or against the machine or  
 272 house for a prize.

273 (7) "Electronic or electromechanical facsimile" means a  
 274 game played in an electronic or electromechanical format that  
 275 replicates a game of chance by incorporating all of the  
 276 characteristics of the game, except when, for bingo, the  
 277 electronic or electromechanical format broadens participation by  
 278 allowing multiple players to play with or against each other  
 279 rather than with or against a machine.

280 (8) "Slot machine licensee" means a pari-mutuel

281 permitholder who holds a license issued by the division pursuant  
 282 to this chapter which authorizes such person to possess a slot  
 283 machine within facilities specified in s. 23, Art. X of the  
 284 State Constitution and allows slot machine gaming.

285 (9) "Slot machine revenues" means the total of all cash  
 286 and property received by the slot machine licensee from slot  
 287 machine gaming operations less the amount of cash, cash  
 288 equivalents, credits, and prizes paid to winners of slot machine  
 289 gaming.

290 551.1071 Powers and duties.--

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

295 (a) Procedures for applying for a license and renewal of a  
 296 license.

297 (b) Establishing technical requirements in addition to the  
 298 qualifications which shall be necessary to receive a slot  
 299 machine license or slot machine occupational license.

300 (c) Procedures relating to slot machine revenues,  
 301 including verifying and accounting for such revenues, auditing,  
 302 and collecting taxes and fees consistent with this chapter.

303 (d) Procedures for regulating, managing, and auditing the  
 304 operation, financial data, and program information relating to  
 305 slot machines through a centralized computer management system.

306 (e) Requiring each licensee at his or her own cost and  
 307 expense to supply the division with a bond with the penal sum of  
 308 \$2 million payable to the Governor and his or her successors in

309 office for the licensee's first year of slot machine operations;  
 310 and, thereafter, the licensee shall file a bond with the penal  
 311 sum as determined by the division pursuant to rules promulgated  
 312 to approximate anticipated state revenues from the licensee's  
 313 slot machine operations. Any bond shall be issued by a surety or  
 314 sureties to be approved by the division and the Chief Financial  
 315 Officer, conditioned to faithfully make the payments to the  
 316 Chief Financial Officer in his or her capacity as treasurer of  
 317 the division. The licensee shall be required to keep its books  
 318 and records and make reports as provided in this chapter and to  
 319 conduct its slot machine operations in conformity with this  
 320 chapter and all other provisions of law. The division may review  
 321 the bond for adequacy and require adjustments each fiscal year.  
 322 Such bond shall be separate and distinct from the bond required  
 323 in s. 550.125.

324 (f) Requiring licensees to maintain specified records and  
 325 submit any data, information, record, or report, including  
 326 financial and income records, required by this chapter or  
 327 determined by the division to be necessary to the proper  
 328 implementation and enforcement of this chapter.

329 (g) Requiring that the payout percentage of a slot machine  
 330 shall be no less than 93 percent per facility.

331 (h) For the purpose of enforcement of paragraphs (c), (d),  
 332 (f), and (g), the division shall require every authorized slot  
 333 machine in use at a licensed premise to be equipped with an  
 334 electronic data collection and reporting system that is capable  
 335 of reporting on a real-time basis to the division, or any other  
 336 state agency so designated, the record of each play, the amount

337 of money of each play, and all payouts made therefrom for the  
338 purposes of accurate reporting of all taxes which may be due to  
339 the state and for such other purposes as the division may  
340 designate.

341 (2) The division shall conduct such investigations that  
342 the division determines necessary to fulfill its  
343 responsibilities under the provisions of this chapter.

344 (3) The division shall investigate all criminal violations  
345 of this chapter or any other criminal violation of law occurring  
346 on the facilities of a slot machine licensee and such  
347 investigations may be conducted in conjunction with the  
348 appropriate state attorney and appropriate law enforcement  
349 agencies. The division and its employees and agents shall have  
350 such other law enforcement powers as specified in ss. 943.04 and  
351 943.10.

352 (4) The division shall have unrestricted access to the  
353 slot machine licensee facility at all times and shall require of  
354 each slot machine licensee strict compliance with the laws of  
355 this state relating to the transaction of such business. The  
356 division:

357 (a) May inspect and examine premises where slot machines  
358 are offered for play.

359 (b) May inspect slot machines and related equipment and  
360 supplies.

361 (c) May collect taxes, assessments, fees, and penalties.

362 (d) May deny, revoke, suspend, or place conditions on the  
363 license of a person who violates any provision of this chapter  
364 or rule adopted pursuant thereto.

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

369       551.1073 License to conduct slot machine gaming.--

370       (1) Upon application and a finding by the division after  
 371 investigation that the application is complete and the applicant  
 372 is qualified, and payment of the initial license fee the  
 373 division shall issue a license to conduct slot machine gaming in  
 374 the designated slot machine gaming area of the slot machine  
 375 licensee's facility. Once licensed, slot machine gaming may be  
 376 conducted subject to the requirements of this chapter and rules  
 377 adopted pursuant thereto.

378       (2) An application may be approved by the division only  
 379 after the voters of the county where the applicant's facility is  
 380 located have authorized by referendum slot machines within pari-  
 381 mutuel facilities in that county as specified in s. 23, Art. X  
 382 of the State Constitution and upon a showing of proof that the  
 383 authority to conduct slot machine gaming has not been rescinded  
 384 as a consequence of a subsequent constitutional amendment or  
 385 referendum.

386       (3) A slot machine license may only be issued to a  
 387 licensed pari-mutuel permitholder and slot machine gaming may  
 388 only be conducted at the same facility at which the permitholder  
 389 is authorized under its valid pari-mutuel wagering permit to  
 390 conduct pari-mutuel wagering activities.

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

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

395           (b) Continue to be in compliance with chapter 550, where  
 396 applicable, and maintain the pari-mutuel permit and license in  
 397 good standing pursuant to the provisions of chapter 550.

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

401           (d) Upon approval of any changes relating to the pari-  
 402 mutuel permit by the Division of Pari-mutuel Wagering in the  
 403 Department of Business and Professional Regulation, be  
 404 responsible for providing appropriate current and accurate  
 405 documentation on a timely basis to the division in order to  
 406 continue the slot machine license in good standing.

407           (e) Allow unrestricted access and right of inspection by  
 408 the division to facilities of a slot machine licensee in which  
 409 any activity relative to the conduct of slot machine gaming is  
 410 conducted.

411           (f) Submit to the division an organizational and  
 412 operational plan in a form and manner prescribed by the division  
 413 for the establishment and operations of its slot machine gaming  
 414 activities in this state, which proposed plan shall be submitted  
 415 by the division prior to the approval or denial of a slot  
 416 machine license to the Governor, the President of the Senate,  
 417 and the Speaker of the House of Representatives.

418       (g) Submit a security plan, including a slot machine floor  
 419 plan, location of security cameras, and the listing of security  
 420 equipment which shall be capable of observing and electronically  
 421 recording activities being conducted in the designated slot  
 422 machine gaming area.

423       (5) A slot machine license shall not be transferable.

424       (6) A slot machine licensee may make available for play up  
 425 to 3,000 slot machines within its designated slot machine gaming  
 426 areas.

427       551.1077 Slot machine license renewal.--

428       (1) Slot machine licenses shall be renewed annually. The  
 429 application for renewal shall contain all revisions to the  
 430 information submitted in the prior year's application that are  
 431 necessary to maintain such information as both accurate and  
 432 current.

433       (2) The applicant for renewal shall attest that any  
 434 information changes do not affect the applicant's qualifications  
 435 for license renewal.

436       (3) The applicant shall submit information required by ss.  
 437 551.30(7), (8), and (9) and be in compliance with rules adopted  
 438 by the division.

439       (4) Upon determination by the division that the  
 440 application for renewal is complete and qualifications have been  
 441 met, including payment of the renewal fee, the slot machine  
 442 license shall be renewed annually.

443       551.1079 License fee; machine tax; tax rate.--

444       (1) LICENSE FEE.--



445 (a) Upon approval of the application for a slot machine  
 446 license, the licensee must pay to the division an initial  
 447 license fee of \$2.5 million. The license fee shall be paid  
 448 annually upon renewal of the slot machine license and shall be  
 449 deposited into the Slot Machine Administrative Trust Fund in the  
 450 Department of Business and Professional Regulation for the  
 451 regulation of slot machine gaming under this chapter.

452 (b) Prior to January 1, 2006, the division shall evaluate  
 453 the license fee and, in consultation with the board, shall make  
 454 recommendations to the President of the Senate and the Speaker  
 455 of the House of Representatives. The recommendations shall focus  
 456 on the optimum level of slot machine license fees or a  
 457 combination of fees in order to properly support the slot  
 458 machine regulatory program by the imposition of an annual slot  
 459 machine license fee. (2) LOCAL EDUCATION SUPPLEMENTAL SLOT  
 460 MACHINE TAX.--

461 (a) On January 1 of each year, an annual tax of \$1,500 per  
 462 machine shall be imposed upon each slot machine approved for use  
 463 at any slot machine licensee's facility. The slot machine  
 464 licensee shall, on or before March 1 of each year, pay the total  
 465 amount of such tax to the division. The division shall deposit  
 466 any tax imposed pursuant to this subsection in the Educational  
 467 Enhancement Trust Fund on or before July 1 of each year. The  
 468 Department of Education shall, on or before August 1 of each  
 469 year, forward to the school district where a slot machine  
 470 licensee is located any tax revenues collected from such slot  
 471 machine licensee pursuant to this subsection. The school  
 472 district shall use such revenues to pay additional:

- 473        1. Supplemental public education instruction expenses;
- 474        2. Classroom and school facilities construction expenses;
- 475        3. School safety expenses; or
- 476        4. Educational infrastructure expenses.

477

478        All expenses under this paragraph must have been incurred as a  
 479        direct result of the slot machine licensee's operation of slot  
 480        machines in the school district during the immediately preceding  
 481        school year.

482        (b) On or before June 30 of each year following a school  
 483        district's receipt of tax revenues, the Department of Education  
 484        shall conduct an independent audit for purposes of confirming  
 485        the amount of any additional expenses to the school district  
 486        that are directly attributable to such district as a direct  
 487        result of the slot machine licensee's operations of slot  
 488        machines in the school district during the immediately preceding  
 489        school year. The amount of the tax revenues received from a slot  
 490        machine licensee pursuant to this section in excess of the  
 491        amount of any such additional direct expenses, as determined by  
 492        the Department of Education audit, shall be returned to the slot  
 493        machine licensee within 90 days after the audit becomes final.

494        (3) TAX ON REVENUES.--

495        (a) The tax rate shall be a percent of the slot machine  
 496        revenues based on the number of machines authorized by the  
 497        division to be operated by the slot machine licensee.

498        1. A tax of 35 percent of slot machine revenues shall  
 499        apply when up to and including 1,000 slot machines have been  
 500        approved.

501           2. A tax of 40 percent of slot machine revenues shall  
 502 apply when 1,001 to 2,000, inclusive, slot machines have been  
 503 approved.

504           3. A tax of 45 percent of slot machine revenues shall  
 505 apply when 2,001 to 3,000, inclusive, slot machines have been  
 506 approved.

507           (b) All such tax revenue shall be deposited unallocated  
 508 into the Educational Enhancement Trust Fund in the Department of  
 509 Education.

510           (4) PAYMENT PROCEDURES.--Tax payments shall be remitted  
 511 daily, as determined by rule of the division. The slot machine  
 512 licensee shall file a report under oath by the 5th day of each  
 513 calendar month for all taxes remitted during the preceding  
 514 calendar month that shall show all slot machine activities for  
 515 the preceding calendar month and such other information as may  
 516 be required by the division.

517           (5) FAILURE TO PAY TAX; PENALTIES.--A slot machine  
 518 licensee who fails to make tax payments as required under this  
 519 section shall be subject to an administrative penalty of up to  
 520 \$1,000 for each day the tax payment is not remitted. All  
 521 administrative penalties imposed and collected shall be  
 522 deposited into the Slot Machine Administrative Trust Fund in the  
 523 Department of Business and Professional Regulation. If any slot  
 524 machine licensee fails to pay penalties imposed by order of the  
 525 division under this subsection, the division may suspend,  
 526 revoke, or fail to renew the license of the slot machine  
 527 licensee.

528           (6) FAILURE TO PAY TAX; GROUNDS TO SUSPEND, REVOKE, OR

529 FAIL TO RENEW THE LICENSE.--In addition to the penalties imposed  
 530 under subsection (5), any willful or wanton failure by a slot  
 531 machine licensee to make payments of the tax constitutes  
 532 sufficient grounds for the division to suspend, revoke, or fail  
 533 to renew the license of the slot machine licensee.

534 (7) SUBMISSION OF FUNDS.--The division may require slot  
 535 machine licensees to remit taxes, fees, fines, and assessments  
 536 by electronic funds transfer.

537 551.1091 Occupational license required; application;  
 538 fee.--

539 (1) The individuals and entities that are licensed under  
 540 this section require heightened state scrutiny, including the  
 541 submission by the individual licensees or persons associated  
 542 with the entities described in this chapter of fingerprints for  
 543 a criminal records check.

544 (2)(a) The following licenses shall be issued to persons  
 545 or entities with access to the designated slot machine gaming  
 546 area or to persons who, by virtue of the position they hold,  
 547 might be granted access to these areas or to any other person or  
 548 entity in one of the following categories.

549 1. General occupational licenses for general employees,  
 550 food service, maintenance, and other similar service and support  
 551 employees with access to the designated slot machine gaming  
 552 area. Service and support employees with a current pari-mutuel  
 553 occupational license issued pursuant to chapter 550 and a  
 554 current background check are not required to submit to an  
 555 additional background check for a slot machine occupational  
 556 license as long as the pari-mutuel occupational license remains

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557 in good standing.

558 2. Professional occupational licenses for any person,  
559 proprietorship, partnership, corporation, or other entity that  
560 is authorized by a slot machine licensee to manage, oversee, or  
561 otherwise control daily operations as a slot machine manager,  
562 floor supervisor, security personnel, or any other similar  
563 position of oversight of gaming operations.

564 3. Business occupational licenses for any slot machine  
565 management company or slot machine business associated with slot  
566 machine gaming or a person who manufactures, distributes, or  
567 sells slot machines, slot machine paraphernalia, or other  
568 associated equipment to slot machine licensees or any person not  
569 an employee of the slot machine licensee who provides  
570 maintenance, repair, or upgrades or otherwise services a slot  
571 machine or other slot machine equipment.

572 (b) Slot machine occupational licenses are not  
573 transferable.

574 (3) A slot machine licensee shall not employ or otherwise  
575 allow a person to work at a slot machine facility unless such  
576 person holds a valid occupational license. A slot machine  
577 licensee shall not contract or otherwise do business with a  
578 business required to hold a slot machine occupational license  
579 unless the business holds such a license. A slot machine  
580 licensee shall not employ or otherwise allow a person to work in  
581 a supervisory or management professional level at a slot machine  
582 facility unless such person holds a valid occupational license.

583 (4)(a) A person seeking a slot machine occupational  
584 license, or renewal thereof, shall make application on forms

585 prescribed by the division and include payment of the  
586 appropriate application fee. Initial and renewal applications  
587 for slot machine occupational licenses shall contain all the  
588 information the division, by rule, may determine is required to  
589 ensure eligibility.

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

592 (c) Pursuant to rules adopted by the division, any person  
593 may apply for and, if qualified, be issued an occupational  
594 license valid for a period of 3 years upon payment of the full  
595 occupational license fee for each of the 3 years for which the  
596 license is issued. The occupational license shall be valid  
597 during its specified term at any slot machine facility where  
598 slot machine gaming is authorized to be conducted.

599 (d) The slot machine occupational license fee for initial  
600 application and annual renewal shall be determined by rule of  
601 the division but shall not exceed \$50 for a general or  
602 professional occupational license for an employee of the slot  
603 machine licensee or \$1,000 for a business occupational license  
604 for nonemployees of the licensee providing goods or services to  
605 the slot machine licensee. License fees for general occupational  
606 licensees shall be paid for by the slot machine licensee.  
607 Failure to pay the required fee shall be grounds for  
608 disciplinary action by the division against the slot machine  
609 license but shall not be considered a violation of this chapter  
610 or rules of the division by the general occupational licensee or  
611 a prohibition against the issuance of the initial or the renewal  
612 of the general occupational license.

613 (5) If the state gaming commission or other similar  
 614 regulatory authority of another state or jurisdiction extends to  
 615 the division reciprocal courtesy to maintain disciplinary  
 616 control, the division may:

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

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

624 (6)(a) The division may deny, suspend, revoke, or declare  
 625 ineligible any occupational license if the applicant for or  
 626 holder thereof has violated the provisions of this chapter or  
 627 the rules of the division governing the conduct of persons  
 628 connected with slot machine gaming. In addition, the division  
 629 may deny, suspend, revoke, or declare ineligible any  
 630 occupational license if the applicant for such license has been  
 631 convicted in this state, in any other state, or under the laws  
 632 of the United States of a capital felony, a felony, or an  
 633 offense in any other state which would be a felony under the  
 634 laws of this state involving arson; trafficking in, conspiracy  
 635 to traffic in, smuggling, importing, conspiracy to smuggle or  
 636 import, or delivery, sale, or distribution of a controlled  
 637 substance; or a crime involving a lack of good moral character,  
 638 or has had a slot machine gaming license revoked by this state  
 639 or any other jurisdiction for an offense related to slot machine  
 640 gaming.

641       (b) The division may deny, declare ineligible, or revoke  
642 any occupational license if the applicant for such license or  
643 the licensee has been convicted of a felony or misdemeanor in  
644 this state, in any other state, or under the laws of the United  
645 States, if such felony or misdemeanor is related to gambling or  
646 bookmaking as contemplated in s. 849.25.

647       (7) Fingerprints for all slot machine occupational license  
648 applications shall be taken in a manner approved by the division  
649 and shall be submitted to the Florida Department of Law  
650 Enforcement and the Federal Bureau of Investigation for a level  
651 II criminal records check upon initial application and every 5  
652 years thereafter. The division may by rule require an annual or  
653 less frequent records check not to exceed every 5 years of all  
654 renewal applications for a slot machine occupational license.  
655 The cost of processing fingerprints and conducting a records  
656 check shall be borne by the applicant.

657       (8) All moneys collected pursuant to this section shall be  
658 deposited into the Slot Machine Administrative Trust Fund.

659       551.1111 Prohibited relationships.--

660       (1) A person employed by or performing any function on  
661 behalf of the division or the board shall not:

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

664       (b) Have or hold any interest, direct or indirect, in or  
665 engage in any commerce or business relationship with any person  
666 licensed by the division.

667       (2) A manufacturer or distributor of slot machines or slot  
668 machine management company or other business occupational



669 licensee shall not enter into any contract with a slot machine  
670 licensee that provides for any revenue sharing of any kind or  
671 nature that is, directly or indirectly, calculated on the basis  
672 of a percentage of slot machine revenues. Any maneuver, shift,  
673 or device whereby this provision is violated shall be a  
674 violation of this chapter and shall render any such agreement  
675 void.

676 (3) A manufacturer or distributor of slot machines or any  
677 equipment necessary for the operation of slot machines or an  
678 officer, director, or employee of any such manufacturer or  
679 distributor shall not have any ownership or financial interest  
680 in a slot machine license or in any business owned by the slot  
681 machine licensee.

682 551.1113 Prohibited acts.--

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

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

696 (3) Except as otherwise provided by law and in addition to

697 any other penalty, any person who intentionally excludes, or  
 698 takes any action in an attempt to exclude, anything or its value  
 699 from the deposit, counting, collection, or computation of  
 700 revenues from slot machine activity is subject to an  
 701 administrative fine or civil penalty of up to \$25,000.

702 (4) Any person who, with intent to manipulate the outcome,  
 703 payoff, or operation of a slot machine by physical tampering, or  
 704 by use of any object, instrument, or device, whether mechanical,  
 705 electrical, magnetic, or other means, manipulates the outcome,  
 706 payoff, or operation of a slot machine commits a felony of the  
 707 third degree, punishable as provided in s. 775.082, s. 775.083,  
 708 or s. 775.084.

709 (5) All penalties imposed and collected must be deposited  
 710 into the Slot Machine Administrative Trust Fund in the  
 711 department.

712 551.1115 Illegal devices.--Notwithstanding any provision  
 713 of law to the contrary, no slot machine manufactured, sold,  
 714 distributed, possessed, or operated according to the provisions  
 715 of this chapter shall be considered unlawful.

716 551.1119 Facilities of slot machine licensees.--

717 (1) In addition to the power to exclude certain persons  
 718 from any facility of a slot machine licensee in this state, the  
 719 division may exclude any person from any facility of a slot  
 720 machine licensee in this state for conduct that would  
 721 constitute, if the person were a licensee, a violation of this  
 722 chapter or the rules of the division. The division may exclude  
 723 from any facility of a slot machine licensee any person who has  
 724 been ejected from a facility of a slot machine licensee in this

725 state or who has been excluded from any facility of a slot  
726 machine licensee or gaming facility in another state by the  
727 governmental department, agency, commission, or authority  
728 exercising regulatory jurisdiction over the gaming in such other  
729 state.

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

733 (3) The division shall require the posting of signs in the  
734 designated slot machine gaming areas warning of the risks and  
735 dangers of gambling, showing the odds of winning, and informing  
736 patrons of the toll-free telephone number available to provide  
737 information and referral services regarding compulsive or  
738 problem gambling.

739 (4) The division shall require slot machine licensees to  
740 provide in the designated slot machine gaming area facilities  
741 and equipment sufficient to allow the observation of and  
742 wagering on live, intertrack, and simulcast races and games.

743 551.121 Minors prohibited from playing slot machines.--

744 (1) A slot machine licensee or agent or employee of a slot  
745 machine licensee shall not:

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

748 (b) Allow a person who has not attained 18 years of age  
749 access to the designated slot machine gaming area of a facility  
750 of a slot machine licensee.

751 (c) Allow a person who has not attained 18 years of age to  
752 be employed in any position allowing or requiring access to the

753 designated slot machine gaming area of a facility of a slot  
754 machine licensee.

755 (2) No person licensed under this chapter, or any agent or  
756 employee of a licensee under this chapter, shall intentionally  
757 allow a person who has not attained 18 years of age to play or  
758 operate a slot machine or have access to the designated slot  
759 machine area of a facility of a slot machine licensee.

760 551.125 Credit and other devices prohibited.--

761 (1) A slot machine licensee shall not allow any automated  
762 teller machine or similar device designed to provide credit or  
763 dispense cash to be located within the facilities of the slot  
764 machine licensee.

765 (2) A slot machine licensee shall not make any loan or  
766 provide credit or advance cash to enable a person to play a slot  
767 machine.

768 (3) A slot machine shall not be capable of accepting cash  
769 or other currency.

770 (4) A slot machine shall not be designed in such a way  
771 through programming or otherwise to display a result that  
772 appears to be a near win, gives the impression that the player  
773 is getting close to a win, or in any way gives a false  
774 impression that the chance to win is improved by another play;  
775 however, this subsection does not apply to general promotional  
776 enticements such as graphic displays and sound effects that do  
777 not falsely imply that the chance of winning improves by  
778 continued play.

779 551.20 Hours of operation.--Slot machine gaming may be  
780 conducted 14 hours per day on Monday through Friday and may be

781 conducted 24 hours per day on Saturday and Sunday.

782 551.25 Penalties.--

783 (1) The division may revoke or suspend any license issued  
784 under this chapter upon the willful violation by the licensee of  
785 any provision of this chapter or of any rule adopted under this  
786 chapter. In lieu of suspending or revoking a license, the  
787 division may impose a civil penalty against the licensee for a  
788 violation of this chapter or any rule adopted by the division.  
789 Except as otherwise provided in this chapter, the penalty so  
790 imposed may not exceed \$1,000 for each count or separate  
791 offense. All penalties imposed and collected must be deposited  
792 into the Slot Machine Administrative Trust Fund in the  
793 department.

794 (2) The division is given full power and authority to  
795 revoke or suspend the license of any person holding a slot  
796 machine license under this chapter when it is determined or  
797 found by the division upon sufficient cause appearing that the  
798 licensee is maintaining a nuisance on the slot machine gaming  
799 premises that tends to annoy the community, injure the health of  
800 the citizens in general, or corrupt the public morals as  
801 described in ss. 823.01 and 823.05.

802 (3) In addition to any criminal or civil penalty imposed  
803 by a court pursuant to chapter 60 for maintaining a nuisance,  
804 the division shall revoke the license of any slot machine  
805 licensee when it is determined or found by the division that a  
806 pattern of at least three violations constituting a nuisance  
807 occurred on the licensed slot machine premises within a 90-day  
808 period.

809           (4) The penalties of this section shall apply to a slot  
 810 machine licensee who has not met the reporting obligations  
 811 between the slot machine licensee and the board.

812           551.30 State Slot Machine Gaming Board.--

813           (1) CREATION.--

814           (a) There is created a board known as the State Slot  
 815 Machine Gaming Board which shall be housed within the division.

816           (b) The board is not a unit or entity of state government.  
 817 However, the board is subject to the provisions of s. 24, Art. I  
 818 of the State Constitution and chapter 119, relating to public  
 819 meetings and records and the provisions of chapter 286 relating  
 820 to public meetings and records.

821           (c) The principal office of the board shall be in  
 822 Tallahassee; however, the board may establish at least one  
 823 office in any county where slot machine gaming is authorized to  
 824 be conducted.

825           (d) The board shall hire or contract for all staff  
 826 necessary for the proper execution of its powers and duties  
 827 within the funds appropriated to implement this section and  
 828 shall comply with the code of ethics for public officers and  
 829 employees under part III of chapter 112. In no case may the  
 830 board expend more than its annual appropriation for staffing and  
 831 necessary administrative expenditures, including, but not  
 832 limited to, travel and per diem and audit expenditures, using  
 833 funds appropriated to implement this section. The funds  
 834 appropriated shall be derived from a portion of the imposition  
 835 of regulatory fees to offset the costs of regulation.

836 (e) The division shall provide administrative support to  
837 the board as requested by the board. In the event of the  
838 dissolution of the board, the division shall be the board's  
839 successor in interest and shall assume all rights, duties, and  
840 obligations of the board.

841 (2) PURPOSE.--The board's purpose shall be to safeguard  
842 the state's commitment to control gambling-related crime,  
843 prevent expansion of gambling, prevent gambling's negative  
844 impact on economic development and family-friendly tourism, and  
845 control the negative social and community impacts of gambling by  
846 ensuring that the slot machine licensee keep the promises made  
847 to the voters of this state and comply fully with all  
848 expectations, regulations, and performance measures. The board  
849 shall require guarantees from each slot machine licensee that  
850 its authorization to have slot machines does not result in any  
851 diminution of its prior business purpose, hold slot machine  
852 licensees to the highest operational standards, and hold slot  
853 machine licensees accountable for all negative impacts of their  
854 gambling business. In this manner, the board shall facilitate  
855 and oversee the stated goal and public purpose of providing  
856 financial support for public educational programs and protecting  
857 the health, safety, and welfare of the citizens and communities  
858 of this state.

859 (3) BOARD; MEMBERSHIP.--

860 (a) The board shall consist of nine voting members of high  
861 moral character, impeccable reputation, and demonstrable  
862 business expertise. No more than two members shall be residents  
863 of a county where slot machine gaming is authorized to be

864 conducted. The Governor shall appoint the members of the board.  
 865 The director of the division shall serve as an ex officio,  
 866 nonvoting member of the board. Appointment of members of the  
 867 board shall be confirmed by the Senate.

868 (b) Each member of the board shall serve for a term of 4  
 869 years, except that initially the Governor shall appoint three  
 870 members for a term of 1 year, three members for a term of 2  
 871 years, and three members for a term of 4 years to achieve  
 872 staggered terms among the members of the board. A member is not  
 873 eligible for reappointment to the board, except, however, that a  
 874 member appointed to an initial term of 1 year or 2 years may be  
 875 reappointed for an additional term of 4 years, and a person  
 876 appointed to fill a vacancy with 2 years or less remaining on  
 877 the term may be reappointed for an additional term of 4 years

878 (c) The Governor shall fill a vacancy on the board. A  
 879 vacancy that occurs before the scheduled expiration of the term  
 880 of the member shall be filled for the remainder of the unexpired  
 881 term.

882 (d) Each member of the board who is not otherwise required  
 883 to file financial disclosure under s. 8, Art. II of the State  
 884 Constitution or s. 112.3144 shall file disclosure of financial  
 885 interests under s. 112.3145.

886 (e) A person may not be appointed to the board if he or  
 887 she has any direct or indirect interest in any slot machine  
 888 licensee or any aspect of the gambling industry or any  
 889 affiliated activities. A person appointed to the board must  
 890 agree to refrain from having any such interest during the term  
 891 of his or her appointment and for 10 years after the termination



892 of such appointment. It is a felony of the third degree,  
893 punishable as provided in s. 775.082 or s. 775.083, for a person  
894 to accept appointment to the board in violation of this  
895 paragraph or to accept any interest prohibited under this  
896 paragraph within 10 years after the termination of his or her  
897 service on the board.

898 (f) Each member of the board shall serve without  
899 compensation, but shall receive travel and per diem expenses as  
900 provided in s. 112.061 while in the performance of his or her  
901 duties.

902 (g) Each member of the board is accountable for the proper  
903 performance of the duties of office, and each member owes a  
904 fiduciary duty to the people of the state to ensure that all  
905 activities conducted in furtherance of this section. The  
906 Governor may remove a member for malfeasance, misfeasance,  
907 neglect of duty, incompetence, permanent inability to perform  
908 official duties, unexcused absence from three consecutive  
909 meetings of the board, arrest or indictment for a crime that is  
910 a felony or a misdemeanor involving theft or moral turpitude, a  
911 crime of dishonesty, or pleading nolo contendere to, or being  
912 found guilty of, any crime.

913 (4) ORGANIZATION; MEETINGS.--

914 (a)1. The board shall annually elect a chairperson and a  
915 vice chairperson from among the board's members. The members  
916 may, by a vote of five of the nine board members, remove a  
917 member from the position of chairperson or vice chairperson  
918 prior to the expiration of his or her term as chairperson or  
919 vice chairperson. His or her successor shall be elected to serve

920 for the balance of the removed chairperson's or vice  
 921 chairperson's term.

922 2. The chairperson is responsible to ensure that records  
 923 are kept of the proceedings of the board and is the custodian of  
 924 all books, documents, and papers filed with the board, the  
 925 minutes of meetings of the board, and the official seal of the  
 926 board.

927 (b)1. The board shall meet upon the call of the  
 928 chairperson or at the request of a majority of the members, but  
 929 no less than quarterly per calendar year.

930 2. A majority of the voting members of the board  
 931 constitutes a quorum. Except as otherwise provided in this  
 932 section, the board may take official action by a majority vote  
 933 of the members present at any meeting at which a quorum is  
 934 present. Members may not vote by proxy.

935 3. A member of the board may participate in a meeting of  
 936 the board by telephone or video conference through which each  
 937 member may hear every other member.

938 (5) POWERS AND DUTIES.--The board:

939 (a) Shall make a performance evaluation of each slot  
 940 machine licensee and assume any other functions that are  
 941 necessary to carry out the provisions of this section.

942 (b) Shall do all things necessary to identify the  
 943 performance of obligations of the slot machine licensee.

944 (c) May perform all acts and things necessary or  
 945 convenient to carry out the powers expressly granted in this  
 946 section.

947 (d) May make expenditures, from regulatory funds provided  
948 by this chapter, including any necessary administrative  
949 expenditures consistent with its powers.

950 (e) May indemnify and purchase and maintain insurance on  
951 behalf of members of the board against any personal liability or  
952 accountability.

953 (f) Shall expend funds only as authorized pursuant to the  
954 provisions of this section.

955 (g) Shall receive and review reports and financial  
956 documentation provided by the slot machine licensee to ensure  
957 compliance with the provisions of this chapter.

958 (h) Shall prepare an annual report as prescribed in  
959 subsection (10).

960 (6) PERFORMANCE RULES.--The division shall adopt  
961 performance rules to govern activities of the slot machine  
962 licensee pursuant to this chapter.

963 (a) The performance rules, at a minimum, must contain  
964 provisions:

965 1. Specifying the procedures and schedules that govern the  
966 slot machine licensee's activities under this section and  
967 specifying the conditions or deliverables that the slot machine  
968 licensee must satisfy in order to continue conducting such  
969 activities.

970 2. Requiring the slot machine licensee to submit to the  
971 board a business plan in a form and manner prescribed by rule.

972 3. Prohibiting the slot machine licensee from establishing  
973 other gambling activities in this state.

974           4. Governing the ownership of or security interests in  
 975 real property and personal property, including, but not limited  
 976 to, slot machine equipment, including:

977           a. Requiring that the slot machine licensee must purchase  
 978 the slot machine equipment.

979           b. Requiring that, in the event the slot machine licensee  
 980 ceases operations in this state, the slot machine licensee's  
 981 slot machine equipment shall be subject to immediate  
 982 confiscation.

983           5. Requiring the slot machine licensee to maintain a  
 984 policy of awarding preference in employment solely to residents  
 985 of this state, as defined by law.

986           6. Requiring the slot machine licensee to maintain a  
 987 policy of making purchases from vendors in this state.

988           7. Requiring the slot machine licensee to use the Internet  
 989 based job-listing system of the Agency for Workforce Innovation  
 990 in advertising employment opportunities. Further, each slot  
 991 machine licensee in its gaming operations shall create equal  
 992 employment opportunities which shall be implemented in a  
 993 nondiscriminatory manner in hiring and promoting employees to  
 994 achieve the full and fair participation of women, Asians,  
 995 blacks, Hispanics, Native Americans, persons with disabilities,  
 996 and other protected groups within the city where the pari-mutuel  
 997 facility is located, and an action plan and programs shall be  
 998 implemented by each pari-mutuel facility designed to ensure that  
 999 the percentage of the minority population in which each pari-  
 1000 mutuel facility is located is considered to the extent minority  
 1001 applications are submitted in equal proportion to the number of

1002 jobs open for hiring at entry level, managerial, supervisory,  
 1003 and any other positions, unless there is a bona fide  
 1004 occupational qualification requiring a distinct and unique  
 1005 employment expertise which a minority applicant does not  
 1006 possess.

1007 8. Requiring the slot machine licensee to submit data on  
 1008 activities and performance during each fiscal year and to  
 1009 provide to the board an annual accounting of its revenues,  
 1010 expenditures, and profits under this section.

1011 9. Requiring the slot machine licensee to purchase  
 1012 liability insurance and governing the coverage level of such  
 1013 insurance.

1014 10. Requiring random programming, periodic testing, and  
 1015 payout of slot machines operated by the slot machine licensee.

1016 11. Requiring that the slot machine licensee must provide  
 1017 for separate accounts for any funds in furtherance of this  
 1018 section and separate books and records relating to its slot  
 1019 machine operation.

1020 (b) The division shall provide a copy of the proposed  
 1021 rules to the board and allow sufficient time for review and  
 1022 response by the board.

1023 (c) The division shall not renew the slot machine license  
 1024 if the slot machine licensee has failed to operate in a manner  
 1025 that demonstrates a commitment to ameliorate public detriment to  
 1026 the health, safety, welfare, and morals of the citizens and the  
 1027 community by virtue of the nature and severity of sanctions  
 1028 imposed by the division for violations of this chapter.

1029           (7) QUALIFICATION PERFORMANCE RULES.--The division shall  
 1030 adopt qualification performance rules. The board shall consider  
 1031 whether the data, measures, and information required to be  
 1032 submitted by the slot machine licensee and contained in the  
 1033 report required in subsection (10), when considered as a whole,  
 1034 demonstrate that the net benefits of the slot machine licensee's  
 1035 operations exceed the net harm of such operations.

1036           (a) The qualification performance rules, at a minimum,  
 1037 must contain provisions:

1038           1. Requiring the slot machine licensee to be an equal  
 1039 opportunity employer.

1040           2. Requiring the slot machine licensee to hold the state  
 1041 and local government harmless for all negative social, economic  
 1042 development, and growth management impacts arising from its  
 1043 gambling activities.

1044           3. Establishing that the board shall review the activities  
 1045 of the slot machine licensee to assess the slot machine  
 1046 licensee's financial and operational compliance with the  
 1047 provisions of the rules of the division and with other relevant  
 1048 provisions of law.

1049           4. Prohibiting conflicts of interest between the slot  
 1050 machine licensee and any gaming equipment manufacturer.

1051           5. Requiring slot machine licensees during the first 5  
 1052 years of the slot machine operations to keep their promise to  
 1053 create a net 18,000 jobs at an average annual salary of \$39,000.

1054           6. Requiring slot machine licensees to keep their  
 1055 collective promise to provide no less than \$500 million per year  
 1056 for public educational programs.

1057 7. Requiring the slot machine licensee to agree that no  
 1058 funds derived from gambling proceeds may be used for the purpose  
 1059 of lobbying any branch or agency of state government or any  
 1060 political subdivision of the state.

1061 8. Requiring the slot machine licensee to annually  
 1062 demonstrate that the slot machine licensee has fully preserved  
 1063 or enhanced the quality and quantity of its preslot machine  
 1064 enterprise.

1065 9. Requiring that no later than July 1, 2006, after  
 1066 commencement of its slot machine operations, the slot machine  
 1067 licensee shall be responsible for increased costs of social  
 1068 services, medical emergency services, traffic impacts, and  
 1069 business and tourism losses directly related to the slot machine  
 1070 licensee's slot machine operations.

1071 (b) The division shall provide a copy of the proposed  
 1072 rules to the board and allow sufficient time for review and  
 1073 response by the board.

1074 (8) PERFORMANCE EXPECTATIONS; RULES.--In addition to the  
 1075 provisions prescribed in subsections (6) and (7), the rules of  
 1076 the division shall include a requirement that the slot machine  
 1077 licensee report to the board on performance expectations that  
 1078 reflect the determination of the Legislature and the Governor  
 1079 that the benefits accruing to this state as a net result of the  
 1080 slot machine licensee's slot machine operations exceed the net  
 1081 harm of such operations.

1082 (a) Performance expectations reporting shall include, but  
 1083 is not limited to, performance expectations addressing:

- 1084        1. The exact net number and dollar value of all jobs  
 1085 created.
- 1086        2. The percentage of tax proceeds and dollar value:
- 1087        a. Returned to the Educational Enhancement Trust Fund for  
 1088 educational choice initiatives; and
- 1089        b. Returned to the Department of Revenue for deposit into  
 1090 the General Revenue Fund.
- 1091        3. The measures taken by the slot machine licensee to  
 1092 prevent, control, and treat gambling addiction.
- 1093        4. The measures taken by the slot machine licensee to  
 1094 ameliorate public detriment to the health, safety, welfare, and  
 1095 morals of the citizens and the community.
- 1096        5. The adoption by the slot machine licensee of a strict  
 1097 three-strike policy for the premises with respect to felonies,  
 1098 moral turpitude misdemeanors, or findings by a court or the  
 1099 division that the slot machine licensee has or is maintaining a  
 1100 nuisance.
- 1101        6. The net amount of profits, payments, earnings, and  
 1102 expenditures retained in the state versus the amount outside the  
 1103 state.
- 1104        7. The continued operation and quality of operation of the  
 1105 slot machine licensee's preslot machine enterprise.
- 1106        8. The total net amount of revenues generated for state  
 1107 government from all tax and fee sources related to the slot  
 1108 machine licensee's slot machine operation.
- 1109        9. The net contribution to tourism on a statewide basis,  
 1110 considering both gains in the gambling vicinities of South  
 1111 Florida and losses in other parts of the state.



1112       10.a. The number and value of new or expanded businesses  
 1113 generated in the vicinity as a result of the slot machine  
 1114 licensee's slot machine operations and a description of each  
 1115 such business.

1116       b. The number and value of business losses attributable to  
 1117 the slot machine licensee's slot machine operations and a  
 1118 description of each such business.

1119       11. A detailed summary from each local law enforcement  
 1120 agency of felonies and moral turpitude misdemeanors committed in  
 1121 the vicinity as compared with prior years.

1122       12. A detailed summary from each social services agency in  
 1123 the vicinity itemizing requests for social services as compared  
 1124 with prior years.

1125       13. A detailed summary from the clerks of court of  
 1126 residents of the state filing for personal bankruptcy.

1127       14. A detailed summary from the Department of Highway  
 1128 Safety and Motor Vehicles of area traffic impacts, including  
 1129 Interstate highway exit and entrance ramps.

1130       15. A detailed summary from local emergency management  
 1131 agencies of increased impact on the use of ambulances and  
 1132 paramedics.

1133       16. A detailed summary of all lobbying activities  
 1134 conducted by or on behalf of the slot machine licensee,  
 1135 including the amount and source of funds expended.

1136       (b) The division shall provide a copy of the proposed  
 1137 rules to the board and allow sufficient time for review and  
 1138 response by the board.

1139       (9) PROGRESS REPORT.--The rules adopted pursuant to  
1140 subsections (6), (7), and (8) shall require the slot machine  
1141 licensee to provide information to the board on the progress in  
1142 meeting the performance expectations on an annual basis.

1143       (10) ANNUAL REPORT.--By December 1 of each year, the board  
1144 shall prepare a report of the activities and outcomes under this  
1145 section for the preceding fiscal year. The report, at a minimum,  
1146 must include:

1147       (a) A description of the activities of the board and slot  
1148 machine licensees.

1149       (b) An accounting of the slot machine operations-related  
1150 proceeds inuring to the state during the preceding fiscal year  
1151 from each of the slot machine licensees.

1152       (c) An accounting of slot machine operations-related  
1153 expenditures by each of the slot machine licensees during the  
1154 fiscal year.

1155       (d) Information on the number and salary level of jobs  
1156 created by each of the slot machine licensees, including the  
1157 number and salary level of jobs created for residents of this  
1158 state.

1159       (e) Information on the amount and nature of economic  
1160 activity generated through the slot machine operations-related  
1161 activities of each of the slot machine licensees.

1162       (f) An assessment of factors affecting the progress toward  
1163 achieving the promises made to the voters associated with each  
1164 of the slot machine licensee's slot machine operations.

1165       (g) A compliance and financial audit of the accounts and  
1166 records of the board at the end of the preceding fiscal year

1167 conducted by an independent certified public accountant in  
 1168 accordance with rules of the Auditor General.

1169 (h) A description of the status of the performance  
 1170 expectations and the conditions for continuing slot machine  
 1171 operations.

1172  
 1173 The board shall submit the report to the Governor, the President  
 1174 of the Senate, and the Speaker of the House of Representatives.

1175 (11) PROGRAM EVALUATION.--

1176 (a) Before January 1, 2010, the Office of Program Policy  
 1177 Analysis and Government Accountability shall conduct a  
 1178 performance audit of the board and the division relating to the  
 1179 provisions of this chapter. The audit shall assess the  
 1180 implementation and outcomes of activities under this chapter. At  
 1181 a minimum, the audit shall address:

1182 1. Performance of the slot machine licensees in operating  
 1183 slot machine gaming and complying with the rules under this  
 1184 chapter.

1185 2. Performance of the board in overseeing operations of  
 1186 the slot machine licensees under this chapter.

1187 3. Compliance by the board with the provisions of this  
 1188 section and the provisions of the rules.

1189 4. Economic activity generated through slot machine  
 1190 operations by the slot machine licensees.

1191 (b) Before January 1, 2013, the Office of Program Policy  
 1192 Analysis and Government Accountability shall update the report  
 1193 required under this subsection. In addition to addressing the  
 1194 items prescribed in paragraph (a), the updated report shall

1195 include a recommendation on whether the Legislature should place  
 1196 before the voters of the state a constitutional amendment  
 1197 repealing authority for the slot machine operations by the slot  
 1198 machine licensees based upon failure, after adequate time, to  
 1199 keep the promises made to the voters to obtain initial approval  
 1200 for such operations and to fulfill the net benefits exceeding  
 1201 net losses expectations of the Governor and Legislature as  
 1202 specified in this section.

1203 (c) A report of each audit's findings and recommendations  
 1204 shall be submitted to the Governor, the President of the Senate,  
 1205 and the Speaker of the House of Representatives.

1206 551.33 Law enforcement affidavits.--

1207 (1) The chief law enforcement officer of any county or  
 1208 municipality where a slot machine licensee is authorized to  
 1209 conduct slot machine gaming at a pari-mutuel facility and the  
 1210 chief law enforcement officer of any municipality contiguous to  
 1211 a municipality where such slot machine licensee is authorized to  
 1212 conduct slot machine gaming shall execute at least once annually  
 1213 an affidavit verifying, based upon information or belief,  
 1214 whether the applicable local budgeting authority has provided  
 1215 sufficient funding to adequately address additional law  
 1216 enforcement responsibilities directly or indirectly resulting  
 1217 from the slot machine gaming operations.

1218 (2) The affidavit shall be transmitted to the board for  
 1219 its use in making a determination whether a slot machine  
 1220 licensee remains qualified for annual license renewal and the  
 1221 board shall consider such affidavit in making its findings and  
 1222 recommendations as to whether the operations of the slot machine

1223 licensee are a positive contribution to the public economic and  
 1224 social health, safety, and welfare.

1225 551.34 Local government resolutions.--

1226 (1) The board of county commissioners and the governing  
 1227 body of a municipality where a slot machine licensee is  
 1228 authorized to conduct slot machine gaming and any municipality  
 1229 contiguous to the municipality where such slot machine licensee  
 1230 is authorized to conduct slot machine gaming must adopt a  
 1231 resolution at least once annually that expresses, at a minimum,  
 1232 whether slot machine gaming is being operated in a manner that  
 1233 demonstrates a commitment to ameliorate detriment to the public  
 1234 economic and social health, safety, and welfare of the community  
 1235 governed by the applicable body.

1236 (2) The governing body of any municipality that is not  
 1237 required to adopt a resolution pursuant to subsection (1) may  
 1238 adopt a resolution addressing slot machine gaming impacts on the  
 1239 local community. The resolution should contain a recitation of  
 1240 those factual circumstances which support a conclusion that the  
 1241 operations of the slot machine licensee have a substantial  
 1242 effect on the public economic and social health, safety, and  
 1243 welfare of the municipality.

1244 (3) The resolution shall be transmitted to the board. The  
 1245 board shall accord great weight to such resolution in making its  
 1246 findings and recommendations as to whether the operations of the  
 1247 slot machine licensee are a positive contribution to the public  
 1248 economic and social health, safety, and welfare.

1249 551.341 Tourist development council resolutions.--

1250           (1) Any tourist development council, organized under the  
 1251 provisions of part I of chapter 125, or the board of county  
 1252 commissioners if there is no tourist development council in that  
 1253 county, must adopt a resolution at least once annually that  
 1254 expresses, at a minimum, whether slot machine gaming is being  
 1255 operated in a manner that demonstrates a commitment to the  
 1256 growth and expansion of tourism in this state and a commitment  
 1257 to ameliorate detriment to communities that are current tourist  
 1258 destinations but do not have slot machine gaming being conducted  
 1259 at pari-mutuel facilities within their jurisdiction.

1260           (2) The resolution should contain a recitation of those  
 1261 factual circumstances which support a conclusion that the  
 1262 operations of slot machine licensees have a substantial positive  
 1263 or negative effect on the expansion and growth of tourism within  
 1264 their jurisdiction. Tourism impacts shall be supported, as a  
 1265 part of the resolution, by statistical data and other practical  
 1266 collateral impacts and evidence on local tourism activity.

1267           (3) The resolution shall be transmitted to the board. The  
 1268 board shall accord great weight to such resolution in making its  
 1269 findings and recommendations as to whether the operations of the  
 1270 slot machine licensee are a positive contribution to the public  
 1271 economic and social health, safety, and welfare.

1272           551.35 Referenda.--

1273           (1) Notwithstanding any other provision of law, each  
 1274 municipality and county in which a slot machine facility is  
 1275 located and each adjacent municipality and county may call a  
 1276 referendum to give the voters an opportunity to declare the slot

1277 machine operation an undue burden on the community, and shall  
 1278 call such referendum upon:

1279 (a) Petition signed by the lesser of 1,000 electors or 5  
 1280 percent of the electors residing within the municipality; or

1281 (b) Petition signed by the lesser of 5,000 electors or 10  
 1282 percent of the electors residing within the county.

1283 (2) When a referendum is called as a result of a  
 1284 sufficient number of petitions having been signed by the  
 1285 electors of a county or municipality, the county supervisor of  
 1286 elections shall conduct such referendum on the day of any state,  
 1287 county, or municipal primary or general election or on the day  
 1288 of any election of such county or municipality that is being  
 1289 held for any purpose other than for the purpose of declaring  
 1290 whether the operation of slot machines is an undue burden. The  
 1291 question on the ballot shall be:

1292 SHOULD THE OPERATION OF SLOT MACHINES IN [OR ADJACENT TO  
 1293 THIS [COUNTY] [MUNICIPALITY] BE DECLARED AN UNDUE BURDEN?

1294 (3) The results shall be immediately certified to the  
 1295 board which shall accord great weight to such results in making  
 1296 its findings and recommendations as to whether the operations of  
 1297 the slot machine licensee are a positive contribution to the  
 1298 public economic and social health, safety, and welfare. Once the  
 1299 question on the ballot has been placed before the electors of a  
 1300 county or municipality, the question shall not be presented in  
 1301 another referendum in that county for at least 2 years.

1302 551.40 Compulsive gambling program.--The Mental Health  
 1303 Program Office within the Department of Children and Family  
 1304 Services in conjunction with the Department of Education shall

1305 establish a program for public education, awareness, and  
 1306 training regarding problem and compulsive gambling and the  
 1307 treatment and prevention of problem and compulsive gambling. The  
 1308 program shall include:

1309 (1) Maintenance of a compulsive gambling advocacy  
 1310 organization's toll free, problem-gambling telephone number to  
 1311 provide crisis counseling and referral services to families  
 1312 experiencing difficulty as a result of problem or compulsive  
 1313 gambling.

1314 (2) The promotion of public awareness regarding the  
 1315 recognition and prevention of problem or compulsive gambling.

1316 (3) Facilitation, through in-service training and other  
 1317 means, of the availability of effective assistance programs for  
 1318 problem and compulsive gamblers and family members affected by  
 1319 problem or compulsive gambling.

1320 (4) Studies to identify adults and juveniles in this state  
 1321 who are, or are at risk of becoming, problem or compulsive  
 1322 gamblers.

1323 Section 4. This act shall take effect July 1, 2005.