

CHAMBER ACTION

1 The Commerce Council recommends the following:

2
3 **Council/Committee Substitute**

4 Remove the entire bill and insert:

5 A bill to be entitled

6 An act relating to slot machine gaming; creating the Keep
7 the Promise Act of 2005 to implement s. 23, Art. X of the
8 State Constitution; providing for administration and
9 regulation by the Division of Slot Machines of the
10 Department of Business and Professional Regulation;
11 amending s. 20.165, F.S.; establishing a Division of Slot
12 Machines in the Department of Business and Professional
13 Regulation; creating chapter 551, F.S.; implementing s.
14 23, Art. X of the State Constitution; authorizing slot
15 machines and slot machine gaming within certain pari-
16 mutuel facilities located in Miami-Dade and Broward
17 Counties upon approval by local referendum; providing for
18 administration and regulation by the Division of Slot
19 Machines of the Department of Business and Professional
20 Regulation; providing definitions; revising the definition
21 for the term "slot machine" contingent upon certain gaming
22 devices becoming available in certain casinos; providing
23 powers and duties of the division; providing for

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24 construction of such provisions; directing the division to
25 adopt rules necessary to implement, administer, and
26 regulate slot machine gaming; requiring such rules to
27 include application procedures, certain technical
28 requirements, procedures relating to revenue, certain
29 regulation and management and auditing procedures, certain
30 bond requirements, and requirements for record
31 maintenance, and payouts; providing for an electronic data
32 collection and reporting system; authorizing the division
33 to enter into contract or interagency agreement with the
34 Department of Revenue or private providers to develop and
35 maintain a centralized computer management reporting and
36 taxing system; providing for investigations by the
37 division; providing for investigation of violations in
38 conjunction with other agencies; providing specified law
39 enforcement powers to the division; providing for access
40 to slot machine licensee facilities by the division;
41 authorizing the division to make certain inspections and
42 examinations, collect certain moneys, and deny, revoke,
43 suspend, or place conditions on the license under certain
44 circumstances; providing for suspension or revocation of
45 the license of an unqualified applicant or licensee;
46 providing for licensure to conduct slot machine gaming;
47 providing for application for licensure; providing
48 conditions for conducting slot machine gaming; providing
49 requirements for receiving and maintaining a license which
50 include compliance with slot machine regulations and
51 regulations relating to pari-mutuel wagering, maintaining

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52 | the pari-mutuel permit and license, conducting a certain
53 | number of live races or games, allowing access by the
54 | division, and submission of security plans; authorizing
55 | the amendment of a pari-mutuel license within a specified
56 | time; providing for a reduction in the required number of
57 | live races or games under certain circumstances;
58 | prohibiting transfer of a license; providing a limit on
59 | the number of slot machines at a facility; providing for
60 | annual renewal of the license; providing for a renewal
61 | application and procedures for approval; requiring
62 | corporate slot machine licensees to apply for and be
63 | issued a certificate of status; specifying the payment of
64 | state and local taxes as a condition for a slot machine
65 | license; requiring certification by the Department of
66 | Revenue of the payment of certain state and local taxes by
67 | a slot machine licensee; directing the division to revoke,
68 | suspend, or refuse to renew the license for failure to pay
69 | such taxes; requiring the slot machine licensee pay to the
70 | division an initial and annual license fee; providing for
71 | deposit of the fee into the Slot Machine Administrative
72 | Trust Fund for certain purposes; requiring the division to
73 | evaluate the license fee and make recommendations to the
74 | Legislature; requiring the slot machine licensee pay an
75 | annual tax on each machine; providing for deposit of the
76 | tax into the Educational Enhancement Trust Fund to be
77 | distributed to the school district where the facility is
78 | located for certain purposes; directing the Department of
79 | Education to conduct an audit and return amounts in excess

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80 | of certain costs to the Educational Enhancement Trust
 81 | Fund; providing for a tax on slot machine revenues to be
 82 | deposited into the Educational Enhancement Trust Fund;
 83 | providing payment procedures; providing penalties for
 84 | failure to make payments; providing for submission of
 85 | funds by electronic funds transfer; providing for general,
 86 | professional, and business occupational licenses;
 87 | prohibiting transfer of such licenses; prohibiting a slot
 88 | machine licensee from employing or doing business with
 89 | persons or businesses unless such person or business is
 90 | properly licensed; providing for application forms, fees,
 91 | and procedures; authorizing the division to adopt rules
 92 | relating to applications, licensure, and renewal of
 93 | licensure and fees therefor; requiring slot machine
 94 | licensee to pay licensure fees of general occupational
 95 | licensees; providing for reciprocal disciplinary actions
 96 | with other jurisdictions; providing for disciplinary
 97 | actions against a licensee for certain violations of
 98 | regulations or laws; requiring fingerprints and criminal
 99 | records checks of applicants or licensees; requiring
 100 | certain costs of the records check be borne by the
 101 | applicant or licensee; providing for distribution of funds
 102 | into the Slot Machine Administrative Trust Fund;
 103 | prohibiting certain relationships between employees of the
 104 | division or board and licensees of the division;
 105 | prohibiting contracts that provide for revenue sharing
 106 | between a manufacturer or distributor and slot machine
 107 | licensees; prohibiting ownership or financial interests in

108 slot machine licensees by certain manufacturers or
 109 distributors; prohibiting certain false statements,
 110 exclusion of revenue for certain purposes, cheating, and
 111 theft of proceeds; providing penalties; providing for
 112 arrest and recovery; limiting liability for arrest and
 113 detention; providing penalties for resisting recovery
 114 efforts; authorizing manufacture, sale, distribution,
 115 possession, and operation of slot machines under certain
 116 circumstances; authorizing the division to exclude any
 117 person from licensed facilities under certain
 118 circumstances; directing the division to require certain
 119 signage in designated gaming areas and require certain
 120 equipment or facilities relating to races or games within
 121 the gaming area; prohibiting a licensee and employees and
 122 agents of the licensee from allowing a person under a
 123 certain age to operate slot machines or to have access to
 124 the gaming area; prohibiting complimentary alcoholic
 125 beverages, loans or credit, and automatic teller machines;
 126 providing for the hours of operation of slot machines;
 127 providing that the slot machine licensee is eligible for a
 128 caterer license under specified provisions; requiring the
 129 slot machine licensee maintain certain purchasing and
 130 hiring policies, use a certain job listing service
 131 provided by the Agency for Workforce Innovation, and
 132 implement certain equal employment opportunities;
 133 providing penalties for certain violations by a licensee;
 134 providing for deposit of fines collected; creating the
 135 State Slot Machine Gaming Board within the division;

136 providing that the board is not a state entity; providing
 137 for public meetings and records of the board; providing
 138 for offices and personnel of the board; requiring the
 139 board comply with specified ethics provisions; providing
 140 for expenditures of state funds derived from regulatory
 141 fees; requiring the division provide administrative
 142 support for the board; providing purpose of the board;
 143 providing for membership of the board; providing for
 144 appointment and confirmation and terms of members;
 145 requiring financial disclosure; prohibiting interests in
 146 any slot machine licensee or the gambling industry;
 147 providing that members are state officers for specified
 148 purposes; authorizing per diem and travel expenses;
 149 providing for removal of members; providing for
 150 organization and meetings of the board; providing powers
 151 and duties of the board; authorizing the board to receive
 152 certain information and testimony; providing for
 153 evaluations, recommendations, and reports; directing the
 154 division to provide the board with certain proposed rules
 155 for review and response; requiring the board to prepare an
 156 annual report to be submitted to the Governor and
 157 Legislature; providing for content of the report;
 158 directing the Office of Program Policy Analysis and
 159 Government Accountability to conduct an annual performance
 160 audit of the board, the division, and slot machine
 161 licensees; providing for content of the audit; directing
 162 that office to submit the audit's findings and
 163 recommendations to the Governor and the Legislature;

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164 requiring the chief law enforcement officer of certain
 165 counties and municipalities to annually execute and
 166 transmit to the board an affidavit relating to certain
 167 funding; requiring the governing body of certain counties
 168 and municipalities and tourist development councils to
 169 annually adopt and transmit to the board a resolution
 170 relating to the operations of slot machine gaming;
 171 authorizing other governing bodies to transmit such a
 172 resolution to the board; providing for the Mental Health
 173 Program Office within the Department of Children and
 174 Family Services to establish a compulsive gambling program
 175 in conjunction with the Department of Education; amending
 176 s. 849.15, F.S.; providing for transportation of certain
 177 gaming devices in accordance with federal law; amending s.
 178 895.02, F.S.; providing that specified violations related
 179 to slot machine gaming constitute racketeering activity;
 180 providing that certain debt incurred in violation of
 181 specified provisions relating to slot machine gaming
 182 constitutes unlawful debt; requiring slot machine
 183 licensees to pay a percentage of slot machine revenues to
 184 a municipality under specified conditions; providing an
 185 effective date.

186
 187 Be It Enacted by the Legislature of the State of Florida:

188
 189 Section 1. This act may be cited as the "Keep The Promise
 190 Act of 2005."

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

193 20.165 Department of Business and Professional
194 Regulation.--There is created a Department of Business and
195 Professional Regulation.

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

198 (a) Division of Administration.

199 (b) Division of Alcoholic Beverages and Tobacco.

200 (c) Division of Certified Public Accounting.

201 1. The director of the division shall be appointed by the
202 secretary of the department, subject to approval by a majority
203 of the Board of Accountancy.

204 2. The offices of the division shall be located in
205 Gainesville.

206 (d) Division of Florida Land Sales, Condominiums, and
207 Mobile Homes.

208 (e) Division of Hotels and Restaurants.

209 (f) Division of Pari-mutuel Wagering.

210 (g) Division of Professions.

211 (h) Division of Real Estate.

212 1. The director of the division shall be appointed by the
213 secretary of the department, subject to approval by a majority
214 of the Florida Real Estate Commission.

215 2. The offices of the division shall be located in
216 Orlando.

217 (i) Division of Regulation.

218 (j) Division of Slot Machines.

219 (k) Division of Technology, Licensure, and Testing.
 220 Section 3. Chapter 551, Florida Statutes, consisting of
 221 sections 551.101, 551.103, 551.105, 551.107, 551.1073, 551.1075
 222 551.108, 551.1091, 551.1111, 551.1113, 551.1115, 551.1119,
 223 551.121, 551.125, 551.20, 551.202, 551.204, 551.25, 551.30,
 224 551.33, 551.34, 551.341, and 551.40, is created to read:

225 CHAPTER 551
 226 SLOT MACHINES

227 551.101 Slot machine gaming authorized.--Any existing,
 228 licensed pari-mutuel facility located in Miami-Dade County or
 229 Broward County at the time of adoption of s. 23, Art. X of the
 230 State Constitution that has conducted live racing or games
 231 during calendar years 2002 and 2003 may possess slot machines
 232 and conduct slot machine gaming at the location where the pari-
 233 mutuel permitholder is authorized to conduct pari-mutuel
 234 wagering activities pursuant to such permitholder's valid pari-
 235 mutuel permit or as otherwise authorized by law provided a
 236 majority of voters in a countywide referendum have approved the
 237 possession of slot machines at such facility in the respective
 238 county. Notwithstanding any other provision of law, it is not a
 239 crime for a person to participate in slot machine gaming at a
 240 pari-mutuel facility licensed to possess slot machines and
 241 conduct slot machine gaming.

242 551.103 Definitions.--As used in this chapter, unless the
 243 context clearly requires otherwise, the term:

- 244 (1) "Board" means the State Slot Machine Gaming Board.
 245 (2) "Department" means the Department of Business and
 246 Professional Regulation.

247 (3) "Designated slot machine gaming area" means the area
 248 of a facility of a slot machine licensee in which slot machine
 249 gaming may be conducted in accordance with the provisions of
 250 this chapter.

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

253 (5) "Slot machine" means a gaming device, whether or not
 254 mechanical, electronic, computerized, or other technological
 255 aids are used, that offers wagering on the game of bingo as
 256 defined in s. 849.0931, is owned by the slot machine licensee,
 257 and is capable of being linked to a centralized computer
 258 management system for regulating, managing, and auditing the
 259 operation, financial data, and program information, as required
 260 by the division. A slot machine may be activated by insertion of
 261 a coin, bill, ticket, token, or similar object or upon payment
 262 of any consideration whatsoever, including the use of any
 263 electronic payment system except a credit card or debit card and
 264 may entitle the person playing or operating the machine to
 265 receive or may deliver to the person cash, billets, tickets,
 266 tokens, or electronic credits to be exchanged for cash.

267 Notwithstanding any other provision of law, in the event that
 268 any tribal casino operating in the state offers for play or
 269 otherwise becomes entitled by law or tribal compact to offer
 270 electronic video gaming in the form of a Class III electronic
 271 video gaming device, as defined by the Indian Gaming Regulatory
 272 Act and the rules and regulations promulgated thereunder, the
 273 term "slot machine" shall also encompass any such electronic
 274 gaming device for the purposes of this chapter.

275 (6) "Mechanical, electronic, computerized, or other
 276 technological aids" means any machine or device that assists a
 277 player or the playing of a bingo game as defined in s. 849.0931
 278 and broadens participation by allowing multiple players at one
 279 slot machine facility to play with or against each other in a
 280 bingo game for a common prize or prizes. Such aids may use
 281 alternative displays, including, but not limited to, a
 282 simulation of spinning reels, to illustrate aspects of the game
 283 of bingo such as when a player joins the game or when prizes
 284 have been awarded, as long as such aid continuously and
 285 prominently displays the electronic bingo card so that it is
 286 apparent that the player is actually engaged in the play of
 287 bingo. Such aids shall not:

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

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

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

293 (7) "Electronic or electromechanical facsimile" means a
 294 game played in an electronic or electromechanical format that
 295 replicates a game of chance by incorporating all of the
 296 characteristics of the game, except when, for bingo, the
 297 electronic or electromechanical format broadens participation by
 298 allowing multiple players to play with or against each other
 299 rather than with or against a machine.

300 (8) "Slot machine licensee" means a pari-mutuel
 301 permitholder who holds a license issued by the division pursuant
 302 to this chapter which authorizes such person to possess a slot

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303 machine within facilities specified in s. 23, Art. X of the
 304 State Constitution and allows slot machine gaming.

305 (9) "Slot machine revenues" means the total of all cash
 306 and property received by the slot machine licensee from slot
 307 machine gaming operations less the amount of cash, cash
 308 equivalents, credits, and prizes paid to winners of slot machine
 309 gaming.

310 551.105 Division of Slot Machines; powers and duties.--

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

315 (a) Procedures for applying for a license and renewal of a
 316 license.

317 (b) Establishing technical requirements in addition to the
 318 qualifications which shall be necessary to receive a slot
 319 machine license or slot machine occupational license.

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

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

326 (e) Requiring each licensee at his or her own cost and
 327 expense to supply the division with a bond with the penal sum of
 328 \$2 million payable to the Governor and his or her successors in
 329 office for the licensee's first year of slot machine operations;
 330 and, thereafter, the licensee shall file a bond with the penal

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331 sum as determined by the division pursuant to rules promulgated
332 to approximate anticipated state revenues from the licensee's
333 slot machine operations, but in no case shall the bond be less
334 than \$2 million. Any bond shall be issued by a surety or
335 sureties to be approved by the division and the Chief Financial
336 Officer, conditioned to faithfully make the payments to the
337 Chief Financial Officer in his or her capacity as treasurer of
338 the division. The licensee shall be required to keep its books
339 and records and make reports as provided in this chapter and to
340 conduct its slot machine operations in conformity with this
341 chapter and all other provisions of law. The division may review
342 the bond for adequacy and require adjustments each fiscal year.
343 Such bond shall be separate and distinct from the bond required
344 in s. 550.125.

345 (f) Requiring licensees to maintain specified records and
346 submit any data, information, record, or report, including
347 financial and income records, required by this chapter or
348 determined by the division to be necessary to the proper
349 implementation and enforcement of this chapter.

350 (g) Requiring that the payout percentage of a slot machine
351 shall be no less than 85 percent or more than 93 percent per
352 facility.

353 (2)(a) For the purpose of enforcement of paragraphs
354 (1)(c), (d), (f), and (g), the division shall require every
355 authorized slot machine in use at a licensed premise to be
356 equipped with an electronic data collection and reporting system
357 that is capable of reporting on a real-time basis to the
358 division, or any other state agency so designated, the record of

359 each play, the amount of money of each play, and all payouts
 360 made therefrom for the purposes of accurate reporting of all
 361 taxes which may be due to the state and for such other purposes
 362 as the division may designate.

363 (b) The division shall consult with the Department of
 364 Revenue and may enter into a contract or interagency service
 365 agreement with the Department of Revenue or may contract with
 366 private providers to accomplish the most cost-effective method
 367 of developing and maintaining the centralized computer
 368 management reporting and taxing system under this section.

369 (3) The division shall conduct such investigations that
 370 the division determines necessary to fulfill its
 371 responsibilities under the provisions of this chapter.

372 (4) The division shall investigate criminal violations of
 373 this chapter and may investigate any other criminal violation of
 374 law occurring on the facilities of a slot machine licensee, and
 375 such investigations may be conducted in conjunction with the
 376 appropriate state attorney and appropriate law enforcement
 377 agencies. The division and its employees and agents shall have
 378 such other law enforcement powers as specified in ss. 943.04 and
 379 943.10.

380 (5) The division shall have unrestricted access to the
 381 slot machine licensee facility at all times and shall require of
 382 each slot machine licensee strict compliance with the laws of
 383 this state relating to the transaction of such business. The
 384 division:

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

387 (b) May inspect slot machines and related equipment and
388 supplies.

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

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

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

397 (7) Nothing in this section shall be construed to:

398 (a) Prohibit any law enforcement authority whose
399 jurisdiction includes a slot machine licensee facility from
400 conducting criminal investigations occurring on the facilities
401 of the slot machine licensee;

402 (b) Restrict access to the slot machine licensee facility
403 by any local law enforcement authority whose jurisdiction
404 includes the slot machine licensee facility; or

405 (c) Restrict access to information and records necessary
406 to the investigation of criminal activity that is contained
407 within the slot machine licensee facility by local law
408 enforcement authorities.

409 551.107 License to conduct slot machine gaming.--

410 (1) Upon application and a finding by the division after
411 investigation that the application is complete and the applicant
412 is qualified, and payment of the initial license fee the
413 division shall issue a license to conduct slot machine gaming in
414 the designated slot machine gaming area of the slot machine

415 licensee's facility. Once licensed, slot machine gaming may be
 416 conducted subject to the requirements of this chapter and rules
 417 adopted pursuant thereto.

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

423 (3) A slot machine license may only be issued to a
 424 licensed pari-mutuel permitholder and slot machine gaming may
 425 only be conducted at the same facility at which the permitholder
 426 is authorized under its valid pari-mutuel wagering permit to
 427 conduct pari-mutuel wagering activities.

428 (4) As a condition of licensure and to maintain continued
 429 authority for the conduct of slot machine gaming the slot
 430 machine licensee shall:

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

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

435 Notwithstanding any contrary provision of law and in order to
 436 expedite the operation of slot machines at eligible facilities,
 437 any eligible facility shall be entitled within 60 days after the
 438 effective date of this act to amend its 2005-2006 license issued
 439 by the Division of Pari-mutuel Wagering and shall be granted the
 440 requested changes in its authorized performances pursuant to
 441 such amendment. The Division of Pari-mutuel Wagering shall issue

442 a new license to the eligible facility to effectuate an
 443 amendment.

444 (c) Conduct no fewer than the greater number of live races
 445 or games that were conducted at that pari-mutuel facility in
 446 calendar year 2002 or calendar year 2003. However, when a
 447 permitholder fails to conduct such number of live races or
 448 games, that number of live races or games shall be reduced by
 449 the number of races or games which could not be conducted due to
 450 the direct result of fire, war, or other disaster or event
 451 beyond the ability of the permitholder to control.

452 (d) Upon approval of any changes relating to the pari-
 453 mutuel permit by the Division of Pari-mutuel Wagering in the
 454 Department of Business and Professional Regulation, be
 455 responsible for providing appropriate current and accurate
 456 documentation on a timely basis to the division in order to
 457 continue the slot machine license in good standing.

458 (e) Allow unrestricted access and right of inspection by
 459 the division to facilities of a slot machine licensee in which
 460 any activity relative to the conduct of slot machine gaming is
 461 conducted.

462 (f) Submit a security plan, including a slot machine floor
 463 plan, location of security cameras, and the listing of security
 464 equipment which shall be capable of observing and electronically
 465 recording activities being conducted in the designated slot
 466 machine gaming area.

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

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

471 551.1073 Slot machine license renewal.--

472 (1) Slot machine licenses shall be renewed annually. The
 473 application for renewal shall contain all revisions to the
 474 information submitted in the prior year's application that are
 475 necessary to maintain such information as both accurate and
 476 current.

477 (2) The applicant for renewal shall attest that any
 478 information changes do not affect the applicant's qualifications
 479 for license renewal.

480 (3) The applicant shall submit information required by ss.
 481 551.30 and be in compliance with rules adopted by the division.

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

486 551.1075 Payment of taxes; determination and certification
 487 of payment of state and local taxes.--

488 (1) Any domestic or foreign corporation holding a slot
 489 machine license must have applied for and been issued a
 490 certificate of status by the Department of State evidencing
 491 conclusively that the corporation is in existence and authorized
 492 to do business in this state.

493 (2) As a condition for license renewal and for
 494 continuation of a license in good standing, the division may
 495 determine whether the slot machine licensee has failed to pay

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496 all taxes due to the division as a result of the licensee's
 497 pari-mutuel and slot machine gaming operations. If the division
 498 determines that the slot machine licensee is delinquent in the
 499 payment of any such tax, it shall revoke, suspend, or refuse to
 500 renew the license of the slot machine licensee.

501 (3) On or before July 31 of each fiscal year, the
 502 Department of Revenue shall certify to the Governor that a
 503 corporation or other business entity or an individual holding a
 504 slot machine license is current and in good standing in regard
 505 to the payment of all state or local taxes due and payable to
 506 the Department of Revenue or to an applicable local jurisdiction
 507 for the prior fiscal year. If the Department of Revenue does not
 508 certify that a licensee is current and in good standing, the
 509 division shall revoke, suspend, or refuse to renew the license
 510 of a slot machine licensee.

511 551.108 License fee; machine tax; tax rate.--

512 (1) LICENSE FEE.--

513 (a) Upon approval of the application for a slot machine
 514 license, the licensee must pay to the division an initial
 515 license fee of \$2.5 million. The license fee shall be paid
 516 annually upon renewal of the slot machine license and shall be
 517 deposited into the Slot Machine Administrative Trust Fund in the
 518 Department of Business and Professional Regulation for the
 519 regulation of slot machine gaming under this chapter.

520 (b) Prior to January 1, 2006, the division shall evaluate
 521 the license fee and, in consultation with the board, shall make
 522 recommendations to the President of the Senate and the Speaker
 523 of the House of Representatives. The recommendations shall focus

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524 on the optimum level of slot machine license fees or a
 525 combination of fees in order to properly support the slot
 526 machine regulatory program.

527 (2) LOCAL EDUCATION SUPPLEMENTAL SLOT MACHINE TAX.--

528 (a) On January 1 of each year, an annual tax of \$1,500 per
 529 machine shall be imposed upon each slot machine approved for use
 530 at any slot machine licensee's facility. The slot machine
 531 licensee shall, on or before March 1 of each year, pay the total
 532 amount of such tax to the division. The division shall deposit
 533 any tax imposed pursuant to this subsection in the Educational
 534 Enhancement Trust Fund in the Department of Education on or
 535 before July 1 of each year. The Department of Education shall,
 536 on or before August 1 of each year, forward to the school
 537 district where a slot machine licensee is located any tax
 538 revenues collected from such slot machine licensee pursuant to
 539 this subsection. The school district shall use such revenues to
 540 pay additional:

- 541 1. Supplemental public education instruction expenses;
- 542 2. Classroom and school facilities construction expenses;
- 543 3. School safety expenses; or
- 544 4. Educational infrastructure expenses.

545
 546 All expenses under this paragraph must have been incurred as a
 547 direct result of the slot machine licensee's operation of slot
 548 machines in the school district during the immediately preceding
 549 school year.

550 (b) On or before June 30 of each year following a school
 551 district's receipt of tax revenues, the Department of Education

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552 shall conduct an independent audit for purposes of confirming
 553 the amount of any additional expenses to the school district
 554 that are attributable to such district as a direct result of the
 555 slot machine licensee's operations of slot machines in the
 556 school district during the immediately preceding school year.
 557 The amount of the tax revenues received from a slot machine
 558 licensee pursuant to this section in excess of the amount of any
 559 such additional direct expenses, as determined by the Department
 560 of Education audit, shall be returned to the Educational
 561 Enhancement Trust Fund within 90 days after the audit becomes
 562 final.

563 (3) TAX ON SLOT MACHINE REVENUES.--

564 (a) The tax rate on slot machine revenues at each facility
 565 shall be:

- 566 1. Thirty-five percent on revenue of \$100 million or less;
- 567 2. Forty percent on revenue greater than \$100 million, but
 568 less than or equal to \$200 million; and
- 569 3. Forty-five percent on all revenue greater than \$200
 570 million.

571 (b) The tax shall be collected on a daily basis and
 572 deposited unallocated into the Educational Enhancement Trust
 573 Fund in the Department of Education.

574 (c) The division shall notify the eligible facility
 575 concerning the appropriate tax rate to apply to the slot machine
 576 revenues.

577 (4) PAYMENT PROCEDURES.--Tax payments shall be remitted
 578 daily, as determined by rule of the division. The slot machine
 579 licensee shall file a report under oath by the 5th day of each

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580 calendar month for all taxes remitted during the preceding
 581 calendar month that shall show all slot machine activities for
 582 the preceding calendar month and such other information as may
 583 be required by the division.

584 (5) FAILURE TO PAY TAX; PENALTIES.--A slot machine
 585 licensee who fails to make tax payments as required under this
 586 section shall be subject to an administrative penalty of up to
 587 \$1,000 for each day the tax payment is not remitted. All
 588 administrative penalties imposed and collected shall be
 589 deposited into the Slot Machine Administrative Trust Fund in the
 590 Department of Business and Professional Regulation. If any slot
 591 machine licensee fails to pay penalties imposed by order of the
 592 division under this subsection, the division may suspend,
 593 revoke, or fail to renew the license of the slot machine
 594 licensee.

595 (6) FAILURE TO PAY TAX; GROUNDS TO SUSPEND, REVOKE, OR
 596 REFUSE TO RENEW THE LICENSE.--In addition to the penalties
 597 imposed under subsection (5), any willful or wanton failure by a
 598 slot machine licensee to make payments of the tax constitutes
 599 sufficient grounds for the division to suspend, revoke, or
 600 refuse to renew the license of the slot machine licensee.

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

604 551.1091 Occupational license required; application;
 605 fee.--

606 (1) The individuals and entities that are licensed under
 607 this section require heightened state scrutiny, including the

608 submission by the individual licensees or persons associated
 609 with the entities described in this chapter of fingerprints for
 610 a criminal records check.

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

616 1. General occupational licenses for general employees,
 617 food service, maintenance, and other similar service and support
 618 employees with access to the designated slot machine gaming
 619 area. Service and support employees with a current pari-mutuel
 620 occupational license issued pursuant to chapter 550 and a
 621 current background check are not required to submit to an
 622 additional background check for a slot machine occupational
 623 license as long as the pari-mutuel occupational license remains
 624 in good standing.

625 2. Professional occupational licenses for any person,
 626 proprietorship, partnership, corporation, or other entity that
 627 is authorized by a slot machine licensee to manage, oversee, or
 628 otherwise control daily operations as a slot machine manager,
 629 floor supervisor, security personnel, or any other similar
 630 position of oversight of gaming operations.

631 3. Business occupational licenses for any slot machine
 632 management company or slot machine business associated with slot
 633 machine gaming or a person who manufactures, distributes, or
 634 sells slot machines, slot machine paraphernalia, or other
 635 associated equipment to slot machine licensees or any person not

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636 an employee of the slot machine licensee who provides
 637 maintenance, repair, or upgrades or otherwise services a slot
 638 machine or other slot machine equipment.

639 (b) Slot machine occupational licenses are not
 640 transferable.

641 (3) A slot machine licensee shall not employ or otherwise
 642 allow a person to work at a slot machine facility unless such
 643 person holds a valid occupational license. A slot machine
 644 licensee shall not contract or otherwise do business with a
 645 business required to hold a slot machine occupational license
 646 unless the business holds such a license. A slot machine
 647 licensee shall not employ or otherwise allow a person to work in
 648 a supervisory or management professional level at a slot machine
 649 facility unless such person holds a valid occupational license.

650 (4)(a) A person seeking a slot machine occupational
 651 license, or renewal thereof, shall make application on forms
 652 prescribed by the division and include payment of the
 653 appropriate application fee. Initial and renewal applications
 654 for slot machine occupational licenses shall contain all the
 655 information the division, by rule, may determine is required to
 656 ensure eligibility.

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

659 (c) Pursuant to rules adopted by the division, any person
 660 may apply for and, if qualified, be issued an occupational
 661 license valid for a period of 3 years upon payment of the full
 662 occupational license fee for each of the 3 years for which the
 663 license is issued. The occupational license shall be valid

664 during its specified term at any slot machine facility where
 665 slot machine gaming is authorized to be conducted.

666 (d) The slot machine occupational license fee for initial
 667 application and annual renewal shall be determined by rule of
 668 the division but shall not exceed \$50 for a general or
 669 professional occupational license for an employee of the slot
 670 machine licensee or \$1,000 for a business occupational license
 671 for nonemployees of the licensee providing goods or services to
 672 the slot machine licensee. License fees for general occupational
 673 licensees shall be paid for by the slot machine licensee.
 674 Failure to pay the required fee shall be grounds for
 675 disciplinary action by the division against the slot machine
 676 license but shall not be considered a violation of this chapter
 677 or rules of the division by the general occupational licensee or
 678 a prohibition against the issuance of the initial or the renewal
 679 of the general occupational license.

680 (5) If the state gaming commission or other similar
 681 regulatory authority of another state or jurisdiction extends to
 682 the division reciprocal courtesy to maintain disciplinary
 683 control, the division may:

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

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

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691 (6)(a) The division may deny, suspend, revoke, or declare
 692 ineligible any occupational license if the applicant for or
 693 holder thereof has violated the provisions of this chapter or
 694 the rules of the division governing the conduct of persons
 695 connected with slot machine gaming. In addition, the division
 696 may deny, suspend, revoke, or declare ineligible any
 697 occupational license if the applicant for such license has been
 698 convicted in this state, in any other state, or under the laws
 699 of the United States of a capital felony, a felony, or an
 700 offense in any other state which would be a felony under the
 701 laws of this state involving arson; trafficking in, conspiracy
 702 to traffic in, smuggling, importing, conspiracy to smuggle or
 703 import, or delivery, sale, or distribution of a controlled
 704 substance; or a crime involving a lack of good moral character,
 705 or has had a slot machine gaming license revoked by this state
 706 or any other jurisdiction for an offense related to slot machine
 707 gaming.

708 (b) The division may deny, declare ineligible, or revoke
 709 any occupational license if the applicant for such license or
 710 the licensee has been convicted of a felony or misdemeanor in
 711 this state, in any other state, or under the laws of the United
 712 States, if such felony or misdemeanor is related to gambling or
 713 bookmaking as contemplated in s. 849.25.

714 (7) Fingerprints for all slot machine occupational license
 715 applications shall be taken in a manner approved by the division
 716 and shall be submitted to the Florida Department of Law
 717 Enforcement and the Federal Bureau of Investigation for a level
 718 II criminal records check upon initial application and every 5

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719 years thereafter. The division may by rule require an annual or
720 less frequent records check not to exceed every 5 years of all
721 renewal applications for a slot machine occupational license.
722 The cost of processing fingerprints and conducting a records
723 check shall be borne by the applicant.

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

726 551.1111 Prohibited relationships.--

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

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

731 (b) Have or hold any interest, direct or indirect, in or
732 engage in any commerce or business relationship with any person
733 licensed by the division.

734 (2) A manufacturer or distributor of slot machines shall
735 not enter into any contract with a slot machine licensee that
736 provides for any revenue sharing of any kind or nature that is,
737 directly or indirectly, calculated on the basis of a percentage
738 of slot machine revenues. Any maneuver, shift, or device whereby
739 this provision is violated shall be a violation of this chapter
740 and shall render any such agreement void.

741 (3) A manufacturer or distributor of slot machines or any
742 equipment necessary for the operation of slot machines or an
743 officer, director, or employee of any such manufacturer or
744 distributor shall not have any ownership or financial interest
745 in a slot machine license or in any business owned by the slot
746 machine licensee.

747 551.1113 False statements; skimming of slot machine
 748 proceeds; cheating; theft; arrest and recovery; penalties.--

749 (1) Any person who intentionally makes or causes to be
 750 made or aids, assists, or procures another to make a false
 751 statement in any report, disclosure, application, or any other
 752 document required under this chapter or any rule adopted under
 753 this chapter commits a misdemeanor of the first degree,
 754 punishable as provided in s. 775.082 or s. 775.083.

755 (2) Any person who intentionally excludes, or takes any
 756 action in an attempt to exclude, anything or its value from the
 757 deposit, counting, collection, or computation of revenues from
 758 slot machine activity or any person who by trick or sleight of
 759 hand performance, or by a fraud or fraudulent scheme, or device,
 760 for himself or herself or for another, wins or attempts to win
 761 money or property or a combination thereof or reduces a losing
 762 wager or attempts to reduce a losing wager in connection with
 763 slot machine gaming commits a felony of the third degree,
 764 punishable as provided in s. 775.082, s. 775.083, or. 775.084.

765 (a) Any law enforcement officer or slot machine operator
 766 who has probable cause to believe that a violation of this
 767 subsection has been committed by a person and that the officer
 768 or operator can recover the lost proceeds from such activity by
 769 taking the person into custody may, for the purpose of
 770 attempting to effect such recovery or for prosecution, take the
 771 person into custody on the premises and detain the person in a
 772 reasonable manner and for a reasonable period of time. If the
 773 operator takes the person into custody, a law enforcement
 774 officer shall be called to the scene immediately. The taking

775 into custody and detention by a law enforcement officer or slot
 776 machine operator, if done in compliance with this subsection,
 777 does not render such law enforcement officer or slot machine
 778 operator criminally or civilly liable for false arrest, false
 779 imprisonment, or unlawful detention.

780 (b) Any law enforcement officer may arrest, either on or
 781 off the premises and without warrant, any person if there is
 782 probable cause to believe that person has violated this
 783 subsection.

784 (c) Any person who resists the reasonable effort of a law
 785 enforcement officer or slot machine operator to recover the lost
 786 slot machine proceeds that the law enforcement officer or slot
 787 machine operator had probable cause to believe had been stolen
 788 from the eligible facility, and who is subsequently found to be
 789 guilty of violating this subsection, commits a misdemeanor of
 790 the first degree, punishable as provided in s. 775.082 or s.
 791 775.083, unless such person did not know or did not have reason
 792 to know that the person seeking to recover the lost proceeds was
 793 a law enforcement officer or slot machine operator. For purposes
 794 of this section, the charge of theft and the charge of resisting
 795 apprehension may be tried concurrently.

796 (d) Theft of any slot machine proceeds or of property
 797 belonging to the slot machine operator or eligible facility by
 798 an employee of the operator or facility or by an employee of a
 799 person, firm, or entity that has contracted to provide services
 800 to the establishment constitutes a felony of the third degree,
 801 punishable as provided in s. 775.082 or s. 775.083.

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802 551.1115 Slot machines; authorization.--Notwithstanding
 803 any provision of law to the contrary, no slot machine
 804 manufactured, sold, distributed, possessed, or operated
 805 according to the provisions of this chapter shall be considered
 806 unlawful.

807 551.1119 Facilities of slot machine licensees.--

808 (1) In addition to the power to exclude certain persons
 809 from any facility of a slot machine licensee in this state, the
 810 division may exclude any person from any facility of a slot
 811 machine licensee in this state for conduct that would
 812 constitute, if the person were a licensee, a violation of this
 813 chapter or the rules of the division. The division may exclude
 814 from any facility of a slot machine licensee any person who has
 815 been ejected from a facility of a slot machine licensee in this
 816 state or who has been excluded from any facility of a slot
 817 machine licensee or gaming facility in another state by the
 818 governmental department, agency, commission, or authority
 819 exercising regulatory jurisdiction over the gaming in such other
 820 state.

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

824 (3) The division shall require the posting of signs in the
 825 designated slot machine gaming areas warning of the risks and
 826 dangers of gambling, showing the odds of winning, and informing
 827 patrons of the toll-free telephone number available to provide
 828 information and referral services regarding compulsive or
 829 problem gambling.

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

834 551.121 Minors prohibited from playing slot machines.--

835 (1) A slot machine licensee or agent or employee of a slot
 836 machine licensee shall not:

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

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

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

846 (2) No person licensed under this chapter, or any agent or
 847 employee of a licensee under this chapter, shall intentionally
 848 allow a person who has not attained 21 years of age to play or
 849 operate a slot machine or have access to the designated slot
 850 machine area of a facility of a slot machine licensee.

851 551.125 Prohibited activities and devices.--

852 (1) No complimentary alcoholic beverages shall be served
 853 to patrons within the designated slot machine gaming areas.

854 (2) A slot machine licensee shall not make any loan or
 855 provide credit or advance cash to enable a person to play a slot
 856 machine.

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857 (3) A slot machine licensee shall not allow any automated
 858 teller machine or similar device designed to provide credit or
 859 dispense cash to be located within 50 feet of a designated slot
 860 machine gaming area within the facilities of the slot machine
 861 licensee.

862 551.20 Days and hours of operation.--Slot machine gaming
 863 areas may be open 365 days a year. The slot machine gaming areas
 864 may be open only from 10:00 a.m. until 2:00 a.m. Sunday through
 865 Saturday.

866 551.202 Catering license.--A slot machine licensee is
 867 entitled to a caterer's license pursuant to s. 565.02 on days in
 868 which the pari-mutuel facility is open to the public for slot
 869 machine game play as authorized by this chapter.

870 551.204 Purchasing and employment by slot machine
 871 licensee.--

872 (1) The slot machine licensee shall maintain a policy of
 873 making purchases from vendors in this state.

874 (2) The slot machine licensee shall maintain a policy of
 875 awarding preference in employment to residents of this state, as
 876 defined by law.

877 (3) The slot machine licensee shall use the Internet-based
 878 job listing system of the Agency for Workforce Innovation in
 879 advertising employment opportunities. Further, each slot machine
 880 licensee in its gaming operations shall create equal employment
 881 opportunities which shall be implemented in a nondiscriminatory
 882 manner in hiring and promoting employees to achieve the full and
 883 fair participation of women, Asians, blacks, Hispanics, Native
 884 Americans, persons with disabilities, and other protected groups

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885 within the city where the pari-mutuel facility is located, and
 886 an action plan and programs shall be implemented by each slot
 887 machine licensee designed to ensure that the percentage of the
 888 minority population in which the pari-mutuel facility is located
 889 is considered to the extent minority applications are submitted
 890 in equal proportion to the number of jobs open for hiring at
 891 entry level, managerial, supervisory, and any other positions,
 892 unless there is a bona fide occupational qualification requiring
 893 a distinct and unique employment expertise which a minority
 894 applicant does not possess.

895 551.25 Penalties for violations by licensee.--The division
 896 may revoke or suspend any license issued under this chapter upon
 897 the willful violation by the licensee of any provision of this
 898 chapter or of any rule adopted under this chapter. In lieu of
 899 suspending or revoking a license, the division may impose a
 900 civil penalty against the licensee for a violation of this
 901 chapter or any rule adopted by the division. Except as otherwise
 902 provided in this chapter, the penalty so imposed may not exceed
 903 \$1,000 for each count or separate offense. All penalties imposed
 904 and collected must be deposited into the Slot Machine
 905 Administrative Trust Fund in the department.

906 551.30 State Slot Machine Gaming Board.--

907 (1) CREATION.--

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

910 (b) The board is not a unit or entity of state government.
 911 However, the board is subject to the provisions of s. 24, Art. I
 912 of the State Constitution and chapter 119, relating to public

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913 meetings and records and the provisions of chapter 286 relating
 914 to public meetings and records.

915 (c) The principal office of the board shall be in
 916 Tallahassee; however, the board may conduct meetings in any
 917 county where slot machine gaming is authorized to be conducted.

918 (d) The board shall hire or contract for all staff
 919 necessary for the proper execution of its powers and duties
 920 within the funds appropriated to implement this section and
 921 shall comply with the code of ethics for public officers and
 922 employees under part III of chapter 112. In no case may the
 923 board expend more than its annual appropriation for staffing and
 924 necessary administrative expenditures, including, but not
 925 limited to, travel and per diem and audit expenditures, using
 926 funds appropriated to implement this section. The funds
 927 appropriated shall be derived from a portion of the imposition
 928 of regulatory fees to offset the costs of regulation.

929 (e) The division shall provide administrative support to
 930 the board as requested by the board. In the event of the
 931 dissolution of the board, the division shall be the board's
 932 successor in interest and shall assume all rights, duties, and
 933 obligations of the board.

934 (2) PURPOSE.--The board's purpose shall be to provide
 935 administrative advisory oversight to the division's regulation
 936 of slot machine gaming, monitor the impacts of slot machine
 937 gaming in the affected communities and the state as a whole, and
 938 ensure that the intent of s. 23, Art. X of the State
 939 Constitution is met as it relates to the expenditures of taxes
 940 on slot machines to supplement public education.

941 (3) MEMBERSHIP.--

942 (a) The board shall consist of nine voting members of high
 943 moral character, impeccable reputation, and demonstrable
 944 business expertise. No more than two members shall be residents
 945 of a county where slot machine gaming is authorized to be
 946 conducted. The Governor shall appoint the members of the board.
 947 The director of the division shall serve as an ex officio,
 948 nonvoting member of the board. Appointment of members of the
 949 board shall be confirmed by the Senate.

950 (b) Each member of the board shall serve for a term of 4
 951 years, except that initially the Governor shall appoint three
 952 members for a term of 1 year, three members for a term of 2
 953 years, and three members for a term of 4 years to achieve
 954 staggered terms among the members of the board. A member is not
 955 eligible for reappointment to the board, except that a member
 956 appointed to an initial term of 1 year or 2 years may be
 957 reappointed for an additional term of 4 years and a person
 958 appointed to fill a vacancy with 2 years or less remaining on
 959 the term may be reappointed for an additional term of 4 years.

960 (c) The Governor shall fill a vacancy on the board. A
 961 vacancy that occurs before the scheduled expiration of the term
 962 of the member shall be filled for the remainder of the unexpired
 963 term.

964 (d) Each member of the board who is not otherwise required
 965 to file financial disclosure under s. 8, Art. II of the State
 966 Constitution or s. 112.3144 shall file disclosure of financial
 967 interests under s. 112.3145.

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968 (e) A person may not be appointed to the board if he or
 969 she has any direct or indirect interest in any slot machine
 970 licensee or any aspect of the gambling industry or any
 971 affiliated activities. A person appointed to the board shall be
 972 deemed an appointed state officer for the purposes of s.
 973 112.313.

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

978 (g) Each member of the board is accountable for the proper
 979 performance of the duties of office, and each member owes a
 980 fiduciary duty to the people of the state to ensure that all
 981 activities are conducted in furtherance of this section. The
 982 Governor may remove a member for malfeasance, misfeasance,
 983 neglect of duty, incompetence, permanent inability to perform
 984 official duties, unexcused absence from three consecutive
 985 meetings of the board, arrest or indictment for a crime that is
 986 a felony or a misdemeanor involving theft or moral turpitude, a
 987 crime of dishonesty, or pleading nolo contendere to, or being
 988 found guilty of, any crime.

989 (4) ORGANIZATION; MEETINGS.--

990 (a)1. The board shall annually elect a chairperson and a
 991 vice chairperson from among the board's members. The members
 992 may, by a vote of five of the nine board members, remove a
 993 member from the position of chairperson or vice chairperson
 994 prior to the expiration of his or her term as chairperson or
 995 vice chairperson. His or her successor shall be elected to serve

996 | for the balance of the removed chairperson's or vice
 997 | chairperson's term.

998 | 2. The chairperson is responsible to ensure that records
 999 | are kept of the proceedings of the board and is the custodian of
 1000 | all books, documents, and papers filed with the board, the
 1001 | minutes of meetings of the board, and the official seal of the
 1002 | board.

1003 | (b)1. The board shall meet upon the call of the
 1004 | chairperson or at the request of a majority of the members, but
 1005 | no less than quarterly per calendar year.

1006 | 2. A majority of the voting members of the board
 1007 | constitutes a quorum. Except as otherwise provided in this
 1008 | section, the board may take official action by a majority vote
 1009 | of the members present at any meeting at which a quorum is
 1010 | present. Members may not vote by proxy.

1011 | 3. A member of the board may participate in a meeting of
 1012 | the board by telephone or video conference through which each
 1013 | member may hear every other member.

1014 | (5) POWERS AND DUTIES.--The board:

1015 | (a) May perform all acts and things necessary or
 1016 | convenient to carry out the powers expressly granted in this
 1017 | section.

1018 | (b) May recommend to the division and the Legislature
 1019 | expenditures from regulatory funds provided by this chapter,
 1020 | including any necessary administrative expenditures consistent
 1021 | with its powers, and ways to supplement public education from
 1022 | taxes collected from slot machine gaming.

1023 (c) May receive and review reports and financial
 1024 documentation provided by the slot machine licensee pursuant to
 1025 this chapter to monitor compliance with the provisions of this
 1026 chapter.

1027 (d) May receive testimony and information from law
 1028 enforcement officials regarding the impact of slot machine
 1029 gaming on criminal activity in and around slot machine
 1030 facilities.

1031 (e) May receive testimony and information from local
 1032 governments and tourist development councils regarding the
 1033 impact of slot machine gaming on their communities and the
 1034 tourism of their respective areas.

1035 (f) May make recommendations to the division and to the
 1036 Office of Program Policy Analysis and Government Accountability
 1037 on the performance measures for the regulatory responsibilities
 1038 set forth in this chapter.

1039 (g) May monitor criminal activity in and around the slot
 1040 machine facilities in this state and recommend to the
 1041 Legislature ways to curb such activity.

1042 (h) May receive testimony from education officials,
 1043 education groups, and the public regarding the expenditures of
 1044 taxes received from slot machine gaming and make recommendations
 1045 to the Legislature on ways to spend these funds to supplement
 1046 public education.

1047 (i) Shall prepare an annual report as prescribed herein.

1048 (j) Shall make recommendations to the division on
 1049 reporting requirements on slot machine gaming facilities. The

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1050 board shall recommend to the division the means, method, and
 1051 timing of reporting, at a minimum, in the following areas:
 1052 1. The net number and dollar value of all jobs created,
 1053 including the number of jobs held by Florida residents.
 1054 2. The total net amount of revenues generated for state
 1055 government from all tax and fee sources related to the slot
 1056 machine operation.
 1057 3. The measures taken by the slot machine licensee to
 1058 prevent, control, and treat problem gambling.
 1059 4. The operational status and quality of operation of the
 1060 slot machine licensee's preslot machine pari-mutuel enterprise.
 1061 5. Documentation of continuing capital reinvestment by the
 1062 slot machine licensee for the economic benefit of the community.
 1063 6. Information relating to all complaints and charges of
 1064 violations by a slot machine facility constituting a nuisance
 1065 and the outcome of such charges.
 1066 7. A detailed summary of all lobbying activities conducted
 1067 by or on behalf of the slot machine licensee, including the
 1068 amount and source of funds expended.
 1069 (6) REVIEW OF RULES.--The division shall provide a copy of
 1070 any proposed rules to the board and allow sufficient time for
 1071 review and response by the board. Emergency rules shall not be
 1072 subject to this requirement.
 1073 (7) ANNUAL REPORT.--By December 1 of each year, the board
 1074 shall prepare a report of the activities and outcomes under this
 1075 section for the preceding fiscal year. The report, at a minimum,
 1076 must include:

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1077 (a) A description of the activities of the board and slot
 1078 machine licensees and a description of the substance of reports
 1079 required for submission by the licensee to the board.

1080 (b) A description of the public testimony received by the
 1081 board.

1082 (c) A description of any resolutions from county or
 1083 municipal governments or tourist development councils or
 1084 affidavits from law enforcement officials received by the board.

1085 (d) Information on the number and salary level of jobs
 1086 created by each of the slot machine licensees, including the
 1087 number and salary level of jobs created for residents of this
 1088 state.

1089 (e) Information collected, if any, on the amount and
 1090 nature of economic activity generated through the slot machine
 1091 operations-related activities of each of the slot machine
 1092 licensees.

1093 (f) A compliance and financial audit of the accounts and
 1094 records of the board at the end of the preceding fiscal year
 1095 conducted by the division.

1096 (g) A description of any recommendations made to the
 1097 division or the Legislature by the board consistent with its
 1098 grant of authority herein.

1099
 1100 The board shall submit the report to the Governor, the President
 1101 of the Senate, and the Speaker of the House of Representatives.

1102 (8) OFFICE OF PROGRAM POLICY ANALYSIS AND GOVERNMENT
 1103 ACCOUNTABILITY; PROGRAM EVALUATION.--

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1104 (a) Before January 1, 2008, and annually thereafter, the
 1105 Office of Program Policy Analysis and Government Accountability
 1106 shall conduct a performance audit of the board, the division,
 1107 and slot machine licensees relating to the provisions of this
 1108 chapter. The audit shall assess the implementation and outcomes
 1109 of activities under this chapter. The audit shall include an
 1110 evaluation of reports and financial documentation provided to
 1111 the board under paragraphs (5)(c)-(e) by the slot machine
 1112 licensee, law enforcement officials, local governments, and
 1113 tourist development councils, and reports provided to the board
 1114 under paragraph (5)(j) including documentation of continuing
 1115 capital reinvestment by the slot machine licensee and
 1116 information relating to violations by a slot machine facility
 1117 constituting a nuisance. At a minimum, the audit shall address:
 1118 1. Performance of the slot machine licensees in operating
 1119 slot machine gaming and complying with the rules under this
 1120 chapter.
 1121 2. Performance of the board under this chapter.
 1122 3. Compliance by the board with the provisions of this
 1123 section and the provisions of the rules.
 1124 4. Economic activity generated through slot machine
 1125 operations by the slot machine licensees.
 1126 5. The expenditure of slot machine taxes and whether these
 1127 expenditures supplemented or supplanted public education
 1128 dollars.
 1129 (b) A report of each audit's findings and recommendations
 1130 shall be submitted to the Governor, the President of the Senate,
 1131 and the Speaker of the House of Representatives.

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1132 551.33 Law enforcement affidavits.--The chief law
 1133 enforcement officer of any county or municipality where a slot
 1134 machine licensee is authorized to conduct slot machine gaming at
 1135 a pari-mutuel facility and the chief law enforcement officer of
 1136 any municipality contiguous to a municipality where such slot
 1137 machine licensee is authorized to conduct slot machine gaming
 1138 shall execute at least once annually an affidavit verifying,
 1139 based upon information or belief, whether the applicable local
 1140 budgeting authority has provided sufficient funding to
 1141 adequately address additional law enforcement responsibilities
 1142 directly or indirectly resulting from the slot machine gaming
 1143 operations. The affidavit shall be transmitted to the board.

1144 551.34 Local government resolutions.--

1145 (1) The board of county commissioners and the governing
 1146 body of a municipality where a slot machine licensee is
 1147 authorized to conduct slot machine gaming and any municipality
 1148 contiguous to the municipality where such slot machine licensee
 1149 is authorized to conduct slot machine gaming must adopt a
 1150 resolution at least once annually that expresses, at a minimum,
 1151 whether slot machine gaming is being operated in a manner that
 1152 demonstrates a commitment to ameliorate detriment to the public
 1153 economic and social health, safety, and welfare of the community
 1154 governed by the applicable body.

1155 (2) The governing body of any municipality that is not
 1156 required to adopt a resolution pursuant to subsection (1) may
 1157 adopt a resolution addressing slot machine gaming impacts on the
 1158 local community. The resolution should contain a recitation of
 1159 those factual circumstances which support a conclusion that the

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1160 operations of the slot machine licensee have a substantial
 1161 effect on the public economic and social health, safety, and
 1162 welfare of the municipality.

1163 (3) The resolution shall be transmitted to the board.
 1164 551.341 Tourist development council resolutions.--

1165 (1) Any tourist development council, organized under the
 1166 provisions of part I of chapter 125, or the board of county
 1167 commissioners if there is no tourist development council in that
 1168 county, must adopt a resolution at least once annually that
 1169 expresses, at a minimum, whether slot machine gaming is being
 1170 operated in a manner that demonstrates a commitment to the
 1171 growth and expansion of tourism in this state and a commitment
 1172 to ameliorate detriment to communities that are current tourist
 1173 destinations but do not have slot machine gaming being conducted
 1174 at pari-mutuel facilities within their jurisdiction.

1175 (2) The resolution should contain a recitation of those
 1176 factual circumstances which support a conclusion that the
 1177 operations of slot machine licensees have a substantial positive
 1178 or negative effect on the expansion and growth of tourism within
 1179 their jurisdiction. Tourism impacts shall be supported, as a
 1180 part of the resolution, by statistical data and other practical
 1181 collateral impacts and evidence on local tourism activity.

1182 (3) The resolution shall be transmitted to the board.
 1183 551.40 Compulsive gambling program.--The Mental Health
 1184 Program Office within the Department of Children and Family
 1185 Services in conjunction with the Department of Education shall
 1186 establish a program for public education, awareness, and
 1187 training regarding problem and compulsive gambling and the

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1188 treatment and prevention of problem and compulsive gambling. The
 1189 program shall include:

1190 (1) Maintenance of a compulsive gambling advocacy
 1191 organization's toll free, problem-gambling telephone number to
 1192 provide crisis counseling and referral services to families
 1193 experiencing difficulty as a result of problem or compulsive
 1194 gambling.

1195 (2) The promotion of public awareness regarding the
 1196 recognition and prevention of problem or compulsive gambling.

1197 (3) Facilitation, through in-service training and other
 1198 means, of the availability of effective assistance programs for
 1199 problem and compulsive gamblers and family members affected by
 1200 problem or compulsive gambling.

1201 (4) Studies to identify adults and juveniles in this state
 1202 who are, or are at risk of becoming, problem or compulsive
 1203 gamblers.

1204 Section 4. Section 849.15, Florida Statutes, is amended to
 1205 read:

1206 849.15 Manufacture, sale, possession, etc., of coin-
 1207 operated devices prohibited.--

1208 (1) It is unlawful:

1209 (a)~~(1)~~ To manufacture, own, store, keep, possess, sell,
 1210 rent, lease, let on shares, lend or give away, transport, or
 1211 expose for sale or lease, or to offer to sell, rent, lease, let
 1212 on shares, lend or give away, or permit the operation of, or for
 1213 any person to permit to be placed, maintained, or used or kept
 1214 in any room, space, or building owned, leased or occupied by the

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1215 person or under the person's management or control, any slot
1216 machine or device or any part thereof; or

1217 ~~(b)(2)~~ To make or to permit to be made with any person any
1218 agreement with reference to any slot machine or device, pursuant
1219 to which the user thereof, as a result of any element of chance
1220 or other outcome unpredictable to him or her, may become
1221 entitled to receive any money, credit, allowance, or thing of
1222 value or additional chance or right to use such machine or
1223 device, or to receive any check, slug, token or memorandum
1224 entitling the holder to receive any money, credit, allowance or
1225 thing of value.

1226 (2) Pursuant to section 2 of that certain chapter of the
1227 Congress of the United States entitled "An act to prohibit
1228 transportation of gaming devices in interstate and foreign
1229 commerce", approved January 2, 1951, being c. 1194, 64 Stat.
1230 1134, and also designated as 15 U.S.C. 1171-1177, the State of
1231 Florida, acting by and through its duly elected and qualified
1232 members of its Legislature, does hereby in this section, and in
1233 accordance with and in compliance with the provisions of section
1234 2 of such chapter of Congress, declare and proclaim that any
1235 county of the State of Florida, within which slot machine gaming
1236 is authorized pursuant to chapter 551 is exempt from the
1237 provisions of section 2 of that certain chapter of the Congress
1238 of the United States entitled "An act to prohibit transportation
1239 of gaming devices in interstate and foreign commerce",
1240 designated U.S.C. 1171-1177, approved January 2, 1951. All
1241 shipments of gaming devices, including slot machines, into any
1242 county of this state within which slot machine gaming is

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1243 authorized pursuant to chapter 551, the registering, recording,
 1244 and labeling of which have been duly done by the manufacturer or
 1245 distributor thereof in accordance with sections 3 and 4 of that
 1246 certain chapter of the Congress of the United States entitled,
 1247 "An act to prohibit transportation of gaming devices in
 1248 interstate and foreign commerce", approved January 2, 1951,
 1249 being c. 1194, 64 Stat. 1134, and also designated as 15 U.S.C.
 1250 1171-1177, shall be deemed legal shipments thereof into any such
 1251 county provided the destination of such shipments is to a
 1252 licensed eligible facility as defined s. 551.103.

1253 Section 5. Subsections (1) and (2) of section 895.02,
 1254 Florida Statutes, are amended to read:

1255 895.02 Definitions.--As used in ss. 895.01-895.08, the
 1256 term:

1257 (1) "Racketeering activity" means to commit, to attempt to
 1258 commit, to conspire to commit, or to solicit, coerce, or
 1259 intimidate another person to commit:

1260 (a) Any crime which is chargeable by indictment or
 1261 information under the following provisions of the Florida
 1262 Statutes:

1263 1. Section 210.18, relating to evasion of payment of
 1264 cigarette taxes.

1265 2. Section 403.727(3)(b), relating to environmental
 1266 control.

1267 3. Section 409.920 or s. 409.9201, relating to Medicaid
 1268 fraud.

1269 4. Section 414.39, relating to public assistance fraud.

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- 1270 5. Section 440.105 or s. 440.106, relating to workers'
1271 compensation.
- 1272 6. Section 465.0161, relating to distribution of medicinal
1273 drugs without a permit as an Internet pharmacy.
- 1274 7. Sections 499.0051, 499.0052, 499.00535, 499.00545, and
1275 499.0691, relating to crimes involving contraband and
1276 adulterated drugs.
- 1277 8. Part IV of chapter 501, relating to telemarketing.
- 1278 9. Chapter 517, relating to sale of securities and
1279 investor protection.
- 1280 10. Section 550.235, s. 550.3551, or s. 550.3605, relating
1281 to dogracing and horseracing.
- 1282 11. Chapter 550, relating to jai alai frontons.
- 1283 12. Chapter 552, relating to the manufacture,
1284 distribution, and use of explosives.
- 1285 13. Chapter 560, relating to money transmitters, if the
1286 violation is punishable as a felony.
- 1287 14. Chapter 562, relating to beverage law enforcement.
- 1288 15. Section 624.401, relating to transacting insurance
1289 without a certificate of authority, s. 624.437(4)(c)1., relating
1290 to operating an unauthorized multiple-employer welfare
1291 arrangement, or s. 626.902(1)(b), relating to representing or
1292 aiding an unauthorized insurer.
- 1293 16. Section 655.50, relating to reports of currency
1294 transactions, when such violation is punishable as a felony.
- 1295 17. Chapter 687, relating to interest and usurious
1296 practices.

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- 1297 | 18. Section 721.08, s. 721.09, or s. 721.13, relating to
- 1298 | real estate timeshare plans.
- 1299 | 19. Chapter 782, relating to homicide.
- 1300 | 20. Chapter 784, relating to assault and battery.
- 1301 | 21. Chapter 787, relating to kidnapping.
- 1302 | 22. Chapter 790, relating to weapons and firearms.
- 1303 | 23. Section 796.03, s. 796.035, s. 796.04, s. 796.045, s.
- 1304 | 796.05, or s. 796.07, relating to prostitution and sex
- 1305 | trafficking.
- 1306 | 24. Chapter 806, relating to arson.
- 1307 | 25. Section 810.02(2)(c), relating to specified burglary
- 1308 | of a dwelling or structure.
- 1309 | 26. Chapter 812, relating to theft, robbery, and related
- 1310 | crimes.
- 1311 | 27. Chapter 815, relating to computer-related crimes.
- 1312 | 28. Chapter 817, relating to fraudulent practices, false
- 1313 | pretenses, fraud generally, and credit card crimes.
- 1314 | 29. Chapter 825, relating to abuse, neglect, or
- 1315 | exploitation of an elderly person or disabled adult.
- 1316 | 30. Section 827.071, relating to commercial sexual
- 1317 | exploitation of children.
- 1318 | 31. Chapter 831, relating to forgery and counterfeiting.
- 1319 | 32. Chapter 832, relating to issuance of worthless checks
- 1320 | and drafts.
- 1321 | 33. Section 836.05, relating to extortion.
- 1322 | 34. Chapter 837, relating to perjury.
- 1323 | 35. Chapter 838, relating to bribery and misuse of public
- 1324 | office.

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- 1325 | 36. Chapter 843, relating to obstruction of justice.
- 1326 | 37. Section 847.011, s. 847.012, s. 847.013, s. 847.06, or
- 1327 | s. 847.07, relating to obscene literature and profanity.
- 1328 | 38. Section 849.09, s. 849.14, s. 849.15, s. 849.23, or s.
- 1329 | 849.25, relating to gambling.
- 1330 | 39. Chapter 874, relating to criminal street gangs.
- 1331 | 40. Chapter 893, relating to drug abuse prevention and
- 1332 | control.
- 1333 | 41. Chapter 896, relating to offenses related to financial
- 1334 | transactions.
- 1335 | 42. Sections 914.22 and 914.23, relating to tampering with
- 1336 | a witness, victim, or informant, and retaliation against a
- 1337 | witness, victim, or informant.
- 1338 | 43. Sections 918.12 and 918.13, relating to tampering with
- 1339 | jurors and evidence.
- 1340 | 44. Section 551.1113, related to slot machine gaming.
- 1341 | (b) Any conduct defined as "racketeering activity" under
- 1342 | 18 U.S.C. s. 1961(1).
- 1343 | (2) "Unlawful debt" means any money or other thing of
- 1344 | value constituting principal or interest of a debt that is
- 1345 | legally unenforceable in this state in whole or in part because
- 1346 | the debt was incurred or contracted:
- 1347 | (a) In violation of any one of the following provisions of
- 1348 | law:
- 1349 | 1. Section 550.235, s. 550.3551, or s. 550.3605, relating
- 1350 | to dogracing and horseracing.
- 1351 | 2. Chapter 550, relating to jai alai frontons.
- 1352 | 3. Chapter 687, relating to interest and usury.

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1353 4. Section 849.09, s. 849.14, s. 849.15, s. 849.23, or s.
1354 849.25, relating to gambling.

1355 5. Section 551.1113, related to slot machine gaming.

1356 (b) In gambling activity in violation of federal law or in
1357 the business of lending money at a rate usurious under state or
1358 federal law.

1359 Section 6. In the event multiple slot machine licensees,
1360 as defined in s. 551.103, Florida Statutes, are located within 1
1361 mile of a municipality that does not have a licensee
1362 geographically located within its municipal borders, then each
1363 such licensee shall pay to the affected municipality 0.5 percent
1364 of slot machine revenues.

1365 Section 7. This act shall take effect July 1, 2005.