

1 A bill to be entitled
2 An act relating to slot machine gaming; creating ch. 551,
3 F.S.; implementing s. 23, Art. X of the State
4 Constitution; authorizing slot machines and slot machine
5 gaming within certain pari-mutuel facilities located in
6 Miami-Dade and Broward Counties upon approval by a local
7 referendum; providing definitions; providing powers and
8 duties of the Division of Pari-mutuel Wagering of the
9 Department of Business and Professional Regulation, the
10 Department of Law Enforcement, and local law enforcement
11 agencies; providing for licensure to conduct slot machine
12 gaming; providing licensing conditions on holders of
13 thoroughbred pari-mutuel wagering permits; providing for
14 slot machine licensure renewal; providing for a license
15 fee and tax rate; providing for payment procedures;
16 providing penalties; requiring slot machine occupational
17 licenses and application fees; providing penalties;
18 prohibiting certain relationships; prohibiting certain
19 acts and providing penalties; providing an exception to
20 prohibitions relating to slot machines; providing for the
21 exclusion of certain persons from facilities; prohibiting
22 persons under 21 years of age from playing slot machines;
23 providing requirements for slot machine gaming areas;
24 providing for days and hours of operation; providing
25 penalties; providing a compulsive or addictive gambling
26 prevention program; providing for funding; providing for a
27 caterer's license; specifying prohibited activities and
28 devices; prohibiting automated teller machines on the

29 property of a slot machine licensee; providing for
 30 rulemaking; amending s. 849.15, F.S.; providing for
 31 transportation of certain gaming devices in accordance
 32 with federal law; amending s. 895.02, F.S.; providing that
 33 specified violations related to slot machine gaming
 34 constitute racketeering activity; providing that certain
 35 debt incurred in violation of specified provisions
 36 relating to slot machine gaming constitutes unlawful debt;
 37 providing for preemption; authorizing additional positions
 38 and providing appropriations; amending s. 215.22, F.S. ;
 39 exempting taxes imposed on slot machine revenues from
 40 specified service charges; providing an effective date.

41

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

43

44 Section 1. Chapter 551, Florida Statutes, consisting of
 45 sections 551.101, 551.102, 551.103, 551.104, 551.105, 551.106,
 46 551.107, 551.108, 551.109, 551.111, 551.112, 551.113, 551.114,
 47 551.116, 551.117, 551.118, 551.119, 551.121, and 551.122, is
 48 created to read:

49

CHAPTER 551

50

SLOT MACHINES

51

52 551.101 Slot machine gaming authorized.--Any licensed
 53 pari-mutuel facility located in Miami-Dade County or Broward
 54 County existing at the time of adoption of s. 23, Art. X of the
 55 State Constitution that has conducted live racing or games
 56 during calendar years 2002 and 2003 may possess slot machines

57 and conduct slot machine gaming at the location where the pari-
 58 mutuel permitholder is authorized to conduct pari-mutuel
 59 wagering activities pursuant to such permitholder's valid pari-
 60 mutuel permit provided that a majority of voters in a countywide
 61 referendum have approved the possession of slot machines at such
 62 facility in the respective county. Notwithstanding any other
 63 provision of law, it is not a crime for a person to participate
 64 in slot machine gaming at a pari-mutuel facility licensed to
 65 possess and conduct slot machine gaming or to participate in
 66 slot machine gaming described in this chapter.

67 551.102 Definitions.--As used in this chapter, the term:

68 (1) "Distributor" means any person who sells, leases, or
 69 offers or otherwise provides, distributes, or services any slot
 70 machine or associated equipment for use or play of slot machines
 71 in this state. A manufacturer may be a distributor within the
 72 state.

73 (2) "Designated slot machine gaming area" means the area
 74 or areas of a facility of a slot machine licensee in which slot
 75 machine gaming may be conducted in accordance with the
 76 provisions of this chapter.

77 (3) "Division" means the Division of Pari-mutuel Wagering
 78 of the Department of Business and Professional Regulation.

79 (4) "Eligible facility" means any licensed pari-mutuel
 80 facility located in Miami-Dade County or Broward County existing
 81 at the time of adoption of s. 23, Art. X of the State
 82 Constitution that has conducted live racing or games during
 83 calendar years 2002 and 2003 and has been approved by a majority
 84 of voters in a countywide referendum to have slot machines at

85 such facility in the respective county.

86 (5) "Manufacturer" means any person who manufactures,
87 builds, rebuilds, fabricates, assembles, produces, programs,
88 designs, or otherwise makes modifications to any slot machine or
89 associated equipment for use or play of slot machines in this
90 state for gaming purposes. A manufacturer may be a distributor
91 within the state.

92 (6) "Progressive system" means a computerized system
93 linking slot machines in one or more licensed facilities within
94 this state and offering one or more common progressive payouts
95 based on the amounts wagered.

96 (7) "Slot machine" means any mechanical or electrical
97 contrivance, terminal, machine, or other device that, upon
98 insertion of a coin, bill, ticket, token, or similar object or
99 upon payment of any consideration whatsoever, including the use
100 of any electronic payment system except a credit card or debit
101 card, is available to play or operate, the play or operation of
102 which, whether by reason of skill or application of the element
103 of chance or both, may deliver or entitle the person or persons
104 playing or operating the contrivance, terminal, machine, or
105 other device to receive cash, billets, tickets, tokens, or
106 electronic credits to be exchanged for cash or to receive
107 merchandise or anything of value whatsoever, whether the payoff
108 is made automatically from the machine or manually. The term
109 includes associated equipment necessary to conduct the operation
110 of the contrivance, terminal, machine, or other device. Slot
111 machines may use spinning reels, video displays, or both. A slot
112 machine is not a "coin-operated amusement machine" as defined in

113 s. 212.02(24) or an amusement game or machine as described in s.
 114 849.161, and slot machines are not subject to the tax imposed by
 115 s. 212.05(1)(h).

116 (8) "Slot machine facility" means a facility at which slot
 117 machines as defined in this chapter are lawfully offered for
 118 play.

119 (9) "Slot machine license" means a license issued by the
 120 division authorizing a pari-mutuel permitholder to place and
 121 operate slot machines as provided by s. 23, Art. X of the State
 122 Constitution, the provisions of this chapter, and division
 123 rules.

124 (10) "Slot machine licensee" means a pari-mutuel
 125 permitholder who holds a license issued by the division pursuant
 126 to this chapter that authorizes such person to possess a slot
 127 machine within facilities specified in s. 23, Art. X of the
 128 State Constitution and allows slot machine gaming.

129 (11) "Slot machine operator" means a person employed or
 130 contracted by the owner of a licensed facility to conduct slot
 131 machine gaming at that licensed facility.

132 (12) "Slot machine revenues" means the total of all cash
 133 and property received by the slot machine licensee from the
 134 operation of slot machines less the amount of cash, cash
 135 equivalents, credits, and prizes paid to winners of slot machine
 136 gaming.

137 551.103 Powers and duties of the division and law
 138 enforcement.--

139 (1) The division shall adopt, pursuant to the provisions
 140 of ss. 120.536(1) and 120.54, all rules necessary to implement,

141 administer, and regulate slot machine gaming as authorized in
 142 this chapter. Such rules must include:

143 (a) Procedures for applying for a slot machine license and
 144 renewal of a slot machine license.

145 (b) Technical requirements and the qualifications
 146 contained in this chapter that are necessary to receive a slot
 147 machine license or slot machine occupational license.

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

151 (d) Procedures for regulating, managing, and auditing the
 152 operation, financial data, and program information relating to
 153 slot machine gaming that allow the division and the Department
 154 of Law Enforcement to audit the operation, financial data, and
 155 program information of a slot machine licensee, as required by
 156 the division or the Department of Law Enforcement, and provide
 157 the division and the Department of Law Enforcement with the
 158 ability to monitor, at any time on a real-time basis, wagering
 159 patterns, payouts, tax collection, and compliance with any rules
 160 adopted by the division for the regulation and control of slot
 161 machines operated under this chapter. Such continuous and
 162 complete access, at any time on a real-time basis, shall include
 163 the ability of either the division or the Department of Law
 164 Enforcement to suspend play immediately on particular slot
 165 machines if monitoring of the facilities-based computer system
 166 indicates possible tampering or manipulation of those slot
 167 machines or the ability to suspend play immediately of the
 168 entire operation if the tampering or manipulation is of the

169 computer system itself. The division shall notify the Department
 170 of Law Enforcement or the Department of Law Enforcement shall
 171 notify the division, as appropriate, whenever there is a
 172 suspension of play under this paragraph. The division and the
 173 Department of Law Enforcement shall exchange such information
 174 necessary for and cooperate in the investigation of the
 175 circumstances requiring suspension of play under this paragraph.

176 (e) Procedures for requiring each licensee at his or her
 177 own cost and expense to supply the division with a bond having
 178 the penal sum of \$2 million payable to the Governor and his or
 179 her successors in office for the licensee's first year of slot
 180 machine operations. Annually thereafter, the licensee shall file
 181 a bond having a penal sum that is determined each year by the
 182 division pursuant to rules adopted by the division and that
 183 approximates the anticipated state revenues from the licensee's
 184 slot machine operation; however, the bond may not in any case be
 185 less than \$2 million. Any bond shall be issued by a surety or
 186 sureties approved by the division and the Chief Financial
 187 Officer, conditioned to faithfully make the payments to the
 188 Chief Financial Officer in his or her capacity as treasurer of
 189 the division. The licensee shall be required to keep its books
 190 and records and make reports as provided in this chapter and to
 191 conduct its slot machine operations in conformity with this
 192 chapter and all other provisions of law. Such bond shall be
 193 separate and distinct from the bond required in s. 550.125.

194 (f) Procedures for requiring licensees to maintain
 195 specified records and submit any data, information, record, or
 196 report, including financial and income records, required by this

197 chapter or determined by the division to be necessary to the
 198 proper implementation and enforcement of this chapter.

199 (g) A requirement that the payout percentage of the slot
 200 machines be no less than 85 percent per facility per day.

201 (h) Minimum standards for security of the facilities,
 202 including floor plans, security cameras, and other security
 203 equipment.

204 (2) The division shall conduct such investigations
 205 necessary to fulfill its responsibilities under the provisions
 206 of this chapter.

207 (3) The Department of Law Enforcement and local law
 208 enforcement agencies shall have concurrent jurisdiction to
 209 investigate criminal violations of this chapter and may
 210 investigate any other criminal violation of law occurring at the
 211 facilities of a slot machine licensee, and such investigations
 212 may be conducted in conjunction with the appropriate state
 213 attorney.

214 (4)(a) The division, the Department of Law Enforcement,
 215 and local law enforcement agencies shall have unrestricted
 216 access to the slot machine licensee's facility at all times and
 217 shall require of each slot machine licensee strict compliance
 218 with the laws of this state relating to the transaction of such
 219 business. The division, the Department of Law Enforcement, and
 220 local law enforcement agencies may:

221 1. Inspect and examine premises where slot machines are
 222 offered for play.

223 2. Inspect slot machines and related equipment and
 224 supplies.

225 (b) In addition, the division may:
 226 1. Collect taxes, assessments, fees, and penalties.
 227 2. Deny, revoke, suspend, or place conditions on the
 228 license of a person who violates any provision of this chapter
 229 or rule adopted pursuant thereto.

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

234 (6) This section does not:

235 (a) Prohibit the Department of Law Enforcement or any law
 236 enforcement authority whose jurisdiction includes a licensed
 237 facility from conducting investigations of criminal activities
 238 occurring at the facility of the slot machine licensee;

239 (b) Restrict access to the slot machine licensee's
 240 facility by the Department of Law Enforcement or any local law
 241 enforcement authority whose jurisdiction includes the slot
 242 machine licensee's facility; or

243 (c) Restrict access by the Department of Law Enforcement
 244 or local law enforcement authorities to information and records
 245 necessary to the investigation of criminal activity that are
 246 contained within the slot machine licensee's facility.

247 551.104 License to conduct slot machine gaming.--

248 (1) Upon application and a finding by the division after
 249 investigation that the application is complete and the applicant
 250 is qualified and payment of the initial license fee, the
 251 division may issue a license to conduct slot machine gaming in
 252 the designated slot machine gaming area of the eligible

253 facility. Once licensed, slot machine gaming may be conducted
 254 subject to the requirements of this chapter and rules adopted
 255 pursuant thereto.

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

261 (3) A slot machine license may be issued only to a
 262 licensed pari-mutuel permitholder, and slot machine gaming may
 263 be conducted only at the same facility at which the permitholder
 264 is authorized under its valid pari-mutuel wagering permit to
 265 conduct pari-mutuel wagering activities.

266 (4) As a condition of licensure and to maintain continued
 267 authority for the conduct of slot machine gaming, the slot
 268 machine licensee shall:

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

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

273 Notwithstanding any contrary provision of law and in order to
 274 expedite the operation of slot machines at eligible facilities,
 275 any eligible facility shall be entitled within 60 days after the
 276 effective date of this act to amend its 2006-2007 pari-mutuel
 277 wagering operating license issued by the division under ss.
 278 550.0115 and 550.01215. The division shall issue a new license
 279 to the eligible facility to effectuate any approved change.

280 (c) Conduct no fewer than a full schedule of live racing

281 or games as defined in s. 550.002(11). A permitholder's
282 responsibility to conduct such number of live races or games
283 shall be reduced by the number of races or games that could not
284 be conducted due to the direct result of fire, war, hurricane,
285 or other disaster or event beyond the control of the
286 permitholder.

287 (d) Upon approval of any changes relating to the pari-
288 mutuel permit by the division, be responsible for providing
289 appropriate current and accurate documentation on a timely basis
290 to the division in order to continue the slot machine license in
291 good standing. Changes in ownership or interest of a slot
292 machine license of 5 percent or more of the stock or other
293 evidence of ownership or equity in the slot machine license or
294 any parent corporation or other business entity that in any way
295 owns or controls the slot machine license shall be approved by
296 the division prior to such change, unless the owner is an
297 existing holder of that license who was previously approved by
298 the division. Changes in ownership or interest of a slot machine
299 license of less than 5 percent, unless such change results in a
300 cumulative total of 5 percent or more, shall be reported to the
301 division within 20 days after the change. The division may then
302 conduct an investigation to ensure that the license is properly
303 updated to show the change in ownership or interest. No
304 reporting is required if the person is holding 5 percent or less
305 equity or securities of a corporate owner of the slot machine
306 licensee that has its securities registered pursuant to s. 12 of
307 the Securities Exchange Act of 1934, 15 U.S.C. ss. 78a-78kk, and
308 if such corporation or entity files with the United States

309 Securities and Exchange Commission the reports required by s. 13
 310 of that act or if the securities of the corporation or entity
 311 are regularly traded on an established securities market in the
 312 United States. A change in ownership or interest of less than 5
 313 percent which results in a cumulative ownership or interest of 5
 314 percent or more shall be approved by the division prior to such
 315 change unless the owner is an existing holder of the license who
 316 was previously approved by the division.

317 (e) Allow the division and the Department of Law
 318 Enforcement unrestricted access to and right of inspection of
 319 facilities of a slot machine licensee in which any activity
 320 relative to the conduct of slot machine gaming is conducted.

321 (f) Ensure that the facilities-based computer system that
 322 the licensee will use for operational and accounting functions
 323 of the slot machine facility is specifically structured to
 324 facilitate regulatory oversight. The facilities-based computer
 325 system shall be designed to provide the division and the
 326 Department of Law Enforcement with the ability to monitor, at
 327 any time on a real-time basis, the wagering patterns, payouts,
 328 tax collection, and such other operations as necessary to
 329 determine whether the facility is in compliance with statutory
 330 provisions and rules adopted by the division for the regulation
 331 and control of slot machine gaming. The division and the
 332 Department of Law Enforcement shall have complete and continuous
 333 access to this system. Such access shall include the ability of
 334 either the division or the Department of Law Enforcement to
 335 suspend play immediately on particular slot machines if
 336 monitoring of the system indicates possible tampering or

337 manipulation of those slot machines or the ability to suspend
338 play immediately of the entire operation if the tampering or
339 manipulation is of the computer system itself. The computer
340 system shall be reviewed and approved by the division to ensure
341 necessary access, security, and functionality. The division may
342 adopt rules to provide for the approval process.

343 (g) Ensure that each slot machine is protected from
344 manipulation or tampering to affect the random probabilities of
345 winning plays. The division or the Department of Law Enforcement
346 shall have the authority to suspend play upon reasonable
347 suspicion of any manipulation or tampering. When play has been
348 suspended on any slot machine, the division or the Department of
349 Law Enforcement may examine any slot machine to determine
350 whether the machine has been tampered with or manipulated and
351 whether the machine should be returned to operation.

352 (h) Submit a security plan, including the facilities'
353 floor plan, the locations of security cameras, and a listing of
354 all security equipment that is capable of observing and
355 electronically recording activities being conducted in the
356 facilities of the slot machine licensee. The security plan must
357 meet the minimum security requirements as determined by the
358 division under s. 551.103(1)(h) and be implemented prior to
359 operation of slot machine gaming. The slot machine licensee's
360 facilities must adhere to the security plan at all times. Any
361 changes to the security plan must be submitted by the licensee
362 to the division prior to implementation. The division shall
363 furnish copies of the security plan and changes in the plan to
364 the Department of Law Enforcement.

365 (i) Create and file with the division a written policy
 366 for:
 367 1. Creating opportunities to purchase from vendors in this
 368 state, including minority vendors.
 369 2. Creating opportunities for employment of residents of
 370 this state, including minority residents.
 371 3. Ensuring that opportunities for employment are offered
 372 on an equal, nondiscriminatory basis.
 373 (j) Ensure that the payout percentage of the slot machines
 374 is no less than 85 percent per facility per day.
 375 (5) A slot machine license is not transferable.
 376 (6) A slot machine licensee shall keep and maintain
 377 permanent daily records of its slot machine operation and shall
 378 maintain such records for a period of not less than 5 years.
 379 These records must include all financial transactions and
 380 contain sufficient detail to determine compliance with the
 381 requirements of this chapter. All records shall be available for
 382 audit and inspection by the division, the Department of Law
 383 Enforcement, or other law enforcement agencies during the
 384 licensee's regular business hours.
 385 (7) A slot machine licensee shall file with the division a
 386 monthly report containing the required records of such slot
 387 machine operation. The required reports shall be submitted on
 388 forms prescribed by the division and shall be due at the same
 389 time as the monthly pari-mutuel reports are due to the division,
 390 and the reports shall be deemed public records once filed.
 391 (8) A slot machine licensee shall file with the division
 392 an audit of the receipt and distribution of all slot machine

393 revenues provided by an independent certified public accountant
 394 verifying compliance with all financial and auditing provisions
 395 of this chapter and the associated rules adopted under this
 396 chapter. The audit must include verification of compliance with
 397 all statutes and rules regarding all required records of slot
 398 machine operations. Such audit shall be filed within 60 days
 399 after the completion of the permitholder's pari-mutuel meet.

400 (9) The division may share any information with the
 401 Department of Law Enforcement, any other law enforcement agency
 402 having jurisdiction over slot machine gaming or pari-mutuel
 403 activities, or any other state or federal law enforcement agency
 404 the division or the Department of Law Enforcement deems
 405 appropriate. Any law enforcement agency having jurisdiction over
 406 slot machine gaming or pari-mutuel activities may share any
 407 information obtained or developed by it with the division.

408 (10)(a) It is the responsibility of the appropriate state
 409 agency and of the judicial branch to identify to the division,
 410 in the form and format prescribed by the division, persons owing
 411 past due child support collected through a court, including
 412 spousal support or alimony for the spouse or former spouse of
 413 the obligor if the child support obligation is being enforced by
 414 the Department of Revenue. Any slot machine prize of \$600 or
 415 more to any person having such an outstanding obligation shall
 416 be forwarded by the slot machine licensee to the division for
 417 distribution to the agency claiming that past due child support
 418 is owed. If a balance of prize amount remains after payment of
 419 past due child support, the division shall distribute the
 420 balance to the prize winner after deduction of the debt.

421 (b) It is the responsibility of the division to identify
422 to slot machine licensees those persons identified under
423 paragraph (a) as having such outstanding obligations. Slot
424 machine licensees must implement payout procedures to ensure the
425 requirements of this subsection are met.

426 (c) The division may adopt rules pursuant to ss.
427 120.536(1) and 120.54 to implement the provisions of this
428 subsection.

429 (11)(a) No slot machine license or renewal thereof shall
430 be issued to an applicant holding a permit under chapter 550 to
431 conduct pari-mutuel wagering meets of thoroughbred racing unless
432 the applicant has on file with the division a binding written
433 agreement between the applicant and the Florida Horsemen's
434 Benevolent and Protective Association, Inc., governing the
435 payment of purses on live thoroughbred races conducted at the
436 licensee's pari-mutuel facility. In addition, no slot machine
437 license or renewal thereof shall be issued to such an applicant
438 unless the applicant has on file with the division a binding
439 written agreement between the applicant and the Florida
440 Thoroughbred Breeders' Association, Inc., governing the payment
441 of breeders', stallion, and special racing awards on live
442 thoroughbred races conducted at the licensee's pari-mutuel
443 facility. The agreement governing purses and the agreement
444 governing awards may direct the payment of such purses and
445 awards from revenues generated by any wagering or gaming the
446 applicant is authorized to conduct under Florida law. All purses
447 and awards shall be subject to the terms of chapter 550. All
448 sums for breeders', stallion, and special racing awards shall be

449 remitted monthly to the Florida Thoroughbred Breeders'
450 Association, Inc., for the payment of awards subject to the
451 administrative fee authorized in s. 550.2625(3).

452 (b) The division shall suspend a slot machine license if
453 one or more of the agreements required under paragraph (a) are
454 terminated or otherwise cease to operate or if the division
455 determines that the licensee is materially failing to comply
456 with the terms of such an agreement. Any such suspension shall
457 take place in accordance with chapter 120.

458 (c)1. If an agreement required under paragraph (a) cannot
459 be reached prior to the initial issuance of the slot machine
460 license, either party may request arbitration or, in the case of
461 a renewal, if an agreement required under paragraph (a) is not
462 in place 120 days prior to the scheduled expiration date of the
463 slot machine license, the applicant shall immediately ask the
464 American Arbitration Association to furnish a list of 11
465 arbitrators, each of whom shall have at least 5 years of
466 commercial arbitration experience and no financial interest in
467 or prior relationship with any of the parties or their
468 affiliated or related entities or principals. Each required
469 party to the agreement shall select a single arbitrator from the
470 list provided by the American Arbitration Association within 10
471 days of receipt, and the individuals so selected shall choose
472 one additional arbitrator from the list within the next 10 days.

473 2. If an agreement required under paragraph (a) is not in
474 place 60 days after the request under subparagraph 1. in the
475 case of an initial slot machine license or, in the case of a
476 renewal, 60 days prior to the scheduled expiration date of the

477 slot machine license, the matter shall be immediately submitted
478 to mandatory binding arbitration to resolve the disagreement
479 between the parties. The three arbitrators selected pursuant to
480 subparagraph 1. shall constitute the panel that shall arbitrate
481 the dispute between the parties pursuant to the American
482 Arbitration Association Commercial Arbitration Rules and chapter
483 682.

484 3. At the conclusion of the proceedings, which shall be no
485 later than 90 days after the request under subparagraph 1. in
486 the case of an initial slot machine license or, in the case of a
487 renewal, 30 days prior to the scheduled expiration date of the
488 slot machine license, the arbitration panel shall present to the
489 parties a proposed agreement that the majority of the panel
490 believes equitably balances the rights, interests, obligations,
491 and reasonable expectations of the parties. The parties shall
492 immediately enter into such agreement, which shall satisfy the
493 requirements of paragraph (a) and permit issuance of the pending
494 annual slot machine license or renewal. The agreement produced
495 by the arbitration panel under this subparagraph shall be
496 effective until the last day of the license or renewal period or
497 until the parties enter into a different agreement. Each party
498 shall pay its respective costs of arbitration and shall pay one-
499 half of the costs of the arbitration panel, unless the parties
500 otherwise agree. If the agreement produced by the arbitration
501 panel under this subparagraph remains in place 120 days prior to
502 the scheduled issuance of the next annual license renewal, then
503 the arbitration process established in this paragraph will begin
504 again.

505 4. In the event that neither of the agreements required
 506 under paragraph (a) are in place by the deadlines established in
 507 this paragraph, arbitration regarding each agreement will
 508 proceed independently, with separate lists of arbitrators,
 509 arbitration panels, arbitration proceedings, and resulting
 510 agreements.

511 5. With respect to the agreement required under paragraph
 512 (a) governing the payment of purses, the arbitration and
 513 resulting agreement called for under this paragraph shall be
 514 limited to the payment of purses from slot machine revenues
 515 only.

516 (d) If any provision of this subsection or its application
 517 to any person or circumstance is held invalid, the invalidity
 518 does not affect other provisions or applications of this
 519 subsection or chapter which can be given effect without the
 520 invalid provision or application, and to this end the provisions
 521 of this subsection are severable.

522 551.105 Slot machine license renewal.--

523 (1) Slot machine licenses shall be effective for 1 year
 524 after issuance and shall be renewed annually. The application
 525 for renewal must contain all revisions to the information
 526 submitted in the prior year's application that are necessary to
 527 maintain such information as both accurate and current.

528 (2) The applicant for renewal shall attest that any
 529 information changes do not affect the applicant's qualifications
 530 for license renewal.

531 (3) Upon determination by the division that the
 532 application for renewal is complete and qualifications have been

533 met, including payment of the renewal fee, the slot machine
 534 license shall be renewed annually.

535 551.106 License fee; tax rate; penalties.--

536 (1) LICENSE FEE.--

537 (a) Upon submission of the initial application for a slot
 538 machine license and annually thereafter upon submission of an
 539 application for renewal of the slot machine license, the
 540 licensee must pay to the division a nonrefundable license fee of
 541 \$3 million. The license fee shall be deposited into the Pari-
 542 mutuel Wagering Trust Fund of the Department of Business and
 543 Professional Regulation to be used by the division and the
 544 Department of Law Enforcement for investigations, regulation of
 545 slot machine gaming, and enforcement of slot machine gaming
 546 provisions under this chapter. These payments shall be accounted
 547 for separately from taxes or fees paid pursuant to the
 548 provisions of chapter 550.

549 (b) Prior to January 1, 2007, the division shall evaluate
 550 the license fee and shall make recommendations to the President
 551 of the Senate and the Speaker of the House of Representatives
 552 regarding the optimum level of slot machine license fees in
 553 order to adequately support the slot machine regulatory program.

554 (2) TAX ON SLOT MACHINE REVENUES.--

555 (a) The tax rate on slot machine revenues at each facility
 556 shall be 55 percent.

557 (b) The slot machine revenue tax imposed by this section
 558 shall be paid to the division for deposit into the Pari-mutuel
 559 Wagering Trust Fund for immediate transfer by the Chief
 560 Financial Officer for deposit into the Educational Enhancement

561 Trust Fund of the Department of Education. Any interest earnings
 562 on the tax revenues shall also be transferred to the Educational
 563 Enhancement Trust Fund.

564 (c) Funds transferred to the Educational Enhancement Trust
 565 Fund under paragraph (b) shall be used to supplement public
 566 education funding statewide and shall not be used for recurring
 567 appropriations.

568 (3) PAYMENT PROCEDURES.--Such payment shall be remitted to
 569 the division by the 5th day of each calendar month for taxes
 570 imposed on the preceding month's slot machine revenues. The slot
 571 machine licensee shall file a report under oath by the 5th day
 572 of each calendar month for all taxes remitted that month, which
 573 report must show all slot machine activities for the preceding
 574 calendar month and such other revenue information as may be
 575 required by the division.

576 (4) FAILURE TO PAY TAX; PENALTIES.--A slot machine
 577 licensee who fails to make tax payments as required under this
 578 section is subject to an administrative penalty of up to \$10,000
 579 for each day the tax payment is not remitted. All administrative
 580 penalties imposed and collected shall be deposited into the
 581 Pari-mutuel Wagering Trust Fund of the Department of Business
 582 and Professional Regulation. If any slot machine licensee fails
 583 to pay penalties imposed by order of the division under this
 584 subsection, the division may suspend, revoke, or refuse to renew
 585 the license of the slot machine licensee.

586 (5) SUBMISSION OF FUNDS.--The division may require slot
 587 machine licensees to remit taxes, fees, fines, and assessments
 588 by electronic funds transfer.

589 551.107 Slot machine occupational license; findings;
590 application; fee.--

591 (1) The Legislature finds that individuals and entities
592 that are licensed under this section require heightened state
593 scrutiny, including the submission by the individual licensees
594 or persons associated with the entities described in this
595 chapter of fingerprints for a criminal history record check.

596 (2)(a) The following slot machine occupational licenses
597 shall be issued to persons or entities that, by virtue of the
598 position they hold, might be granted access to slot machine
599 gaming areas or to any other person or entity in one of the
600 following categories:

601 1. General occupational licenses for general employees,
602 including food service, maintenance, and other similar service
603 and support employees having access to the slot machine gaming
604 area.

605 2. Professional occupational licenses for any person,
606 proprietorship, partnership, corporation, or other entity that
607 is authorized by a slot machine licensee to manage, oversee, or
608 otherwise control daily operations as a slot machine manager, a
609 floor supervisor, security personnel, or any other similar
610 position of oversight of gaming operations.

611 3. Business occupational licenses for any slot machine
612 management company or company associated with slot machine
613 gaming, any person who manufactures, distributes, or sells slot
614 machines, slot machine paraphernalia, or other associated
615 equipment to slot machine licensees, any company that sells or
616 provides goods or services associated with slot machine gaming

617 to slot machine licensees, or any person not an employee of the
 618 slot machine licensee who provides maintenance, repair, or
 619 upgrades or otherwise services a slot machine or other slot
 620 machine equipment.

621 (b) Slot machine occupational licenses are not
 622 transferable.

623 (3) A slot machine licensee may not employ or otherwise
 624 allow a person to work at a licensed facility unless such person
 625 holds the appropriate valid occupational license. A slot machine
 626 licensee may not contract or otherwise do business with a
 627 business required to hold a slot machine occupational license
 628 unless the business holds such a license. A slot machine
 629 licensee may not employ or otherwise allow a person to work in a
 630 supervisory or management professional level at a licensed
 631 facility unless such person holds a valid slot machine
 632 occupational license. All slot machine occupational licensees,
 633 while present in slot machine gaming areas, shall display on
 634 their persons their occupational license identification cards.

635 (4)(a) A person seeking a slot machine occupational
 636 license or renewal thereof shall make application on forms
 637 prescribed by the division and include payment of the
 638 appropriate application fee. Initial and renewal applications
 639 for slot machine occupational licenses must contain all
 640 information that the division, by rule, determines is required
 641 to ensure eligibility.

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

644 (c) Pursuant to rules adopted by the division, any person

645 may apply for and, if qualified, be issued a slot machine
 646 occupational license valid for a period of 3 years upon payment
 647 of the full occupational license fee for each of the 3 years for
 648 which the license is issued. The slot machine occupational
 649 license is valid during its specified term at any licensed
 650 facility where slot machine gaming is authorized to be
 651 conducted.

652 (d) The slot machine occupational license fee for initial
 653 application and annual renewal shall be determined by rule of
 654 the division but may not exceed \$50 for a general or
 655 professional occupational license for an employee of the slot
 656 machine licensee or \$1,000 for a business occupational license
 657 for nonemployees of the licensee providing goods or services to
 658 the slot machine licensee. License fees for general occupational
 659 licensees shall be paid by the slot machine licensee. Failure to
 660 pay the required fee constitutes grounds for disciplinary action
 661 by the division against the slot machine licensee, but it is not
 662 a violation of this chapter or rules of the division by the
 663 general occupational licensee and does not prohibit the initial
 664 issuance or the renewal of the general occupational license.

665 (5) The division may:

666 (a) Deny an application for, or revoke, suspend, or place
 667 conditions or restrictions on, a license of a person or entity
 668 that has been refused a license by any other state gaming
 669 commission, governmental department, agency, or other authority
 670 exercising regulatory jurisdiction over the gaming of another
 671 state or jurisdiction; or

672 (b) Deny an application for, or suspend or place

673 conditions on, a license of any person or entity that is under
 674 suspension or has unpaid fines in another state or jurisdiction.

675 (6)(a) The division may deny, suspend, revoke, or refuse
 676 to renew any slot machine occupational license if the applicant
 677 for such license or the licensee has violated the provisions of
 678 this chapter or the rules of the division governing the conduct
 679 of persons connected with slot machine gaming. In addition, the
 680 division may deny, suspend, revoke, or refuse to renew any slot
 681 machine occupational license if the applicant for such license
 682 or the licensee has been convicted in this state, in any other
 683 state, or under the laws of the United States of a capital
 684 felony, a felony, or an offense in any other state that would be
 685 a felony under the laws of this state involving arson;
 686 trafficking in, conspiracy to traffic in, smuggling, importing,
 687 conspiracy to smuggle or import, or delivery, sale, or
 688 distribution of a controlled substance; racketeering; or a crime
 689 involving a lack of good moral character, or has had a gaming
 690 license revoked by this state or any other jurisdiction for any
 691 gaming-related offense.

692 (b) The division may deny, revoke, or refuse to renew any
 693 slot machine occupational license if the applicant for such
 694 license or the licensee has been convicted of a felony or
 695 misdemeanor in this state, in any other state, or under the laws
 696 of the United States if such felony or misdemeanor is related to
 697 gambling or bookmaking as described in s. 849.25.

698 (c) For purposes of this subsection, the term "convicted"
 699 means having been found guilty, with or without adjudication of
 700 guilt, as a result of a jury verdict, nonjury trial, or entry of

701 a plea of guilty or nolo contendere.

702 (7) Fingerprints for all slot machine occupational license
703 applications shall be taken in a manner approved by the division
704 and shall be submitted electronically to the Department of Law
705 Enforcement for state processing and the Federal Bureau of
706 Investigation for national processing for a criminal history
707 record check. All persons as specified in s. 550.1815(1)(a)
708 employed by or working within a licensed premises shall submit
709 fingerprints for a criminal history record check and may not
710 have been convicted of any disqualifying criminal offenses
711 specified in subsection (6). Division employees and law
712 enforcement officers assigned by their employing agencies to
713 work within the premises as part of their official duties are
714 excluded from the criminal history record check requirements
715 under this subsection. For purposes of this subsection, the term
716 "convicted" means having been found guilty, with or without
717 adjudication of guilt, as a result of a jury verdict, nonjury
718 trial, or entry of a plea of guilty or nolo contendere.

719 (a) Fingerprints shall be taken in a manner approved by
720 the division upon initial application, or as required thereafter
721 by rule of the division, and shall be submitted electronically
722 to the Department of Law Enforcement for state processing. The
723 Department of Law Enforcement shall forward the fingerprints to
724 the Federal Bureau of Investigation for national processing. The
725 results of the criminal history record check shall be returned
726 to the division for purposes of screening. Licensees shall
727 provide necessary equipment approved by the Department of Law
728 Enforcement to facilitate such electronic submission. The

729 division requirements under this subsection shall be instituted
730 in consultation with the Department of Law Enforcement.

731 (b) The cost of processing fingerprints and conducting a
732 criminal history record check for a general occupational license
733 shall be borne by the slot machine licensee. The cost of
734 processing fingerprints and conducting a criminal history record
735 check for a business or professional occupational license shall
736 be borne by the person being checked. The Department of Law
737 Enforcement may invoice the division for the fingerprints
738 submitted each month.

739 (c) All fingerprints submitted to the Department of Law
740 Enforcement and required by this section shall be retained by
741 the Department of Law Enforcement and entered into the statewide
742 automated fingerprint identification system as authorized by s.
743 943.05(2)(b) and shall be available for all purposes and uses
744 authorized for arrest fingerprint cards entered into the
745 statewide automated fingerprint identification system pursuant
746 to s. 943.051.

747 (d) The Department of Law Enforcement shall search all
748 arrest fingerprints received pursuant to s. 943.051 against the
749 fingerprints retained in the statewide automated fingerprint
750 identification system under paragraph (c). Any arrest record
751 that is identified with the retained fingerprints of a person
752 subject to the criminal history screening requirements of this
753 section shall be reported to the division. Each licensed
754 facility shall pay a fee to the division for the cost of
755 retention of the fingerprints and the ongoing searches under
756 this paragraph. The division shall forward the payment to the

757 Department of Law Enforcement. The amount of the fee to be
 758 imposed for performing these searches and the procedures for the
 759 retention of licensee fingerprints shall be as established by
 760 rule of the Department of Law Enforcement. The division shall
 761 inform the Department of Law Enforcement of any change in the
 762 license status of licensees whose fingerprints are retained
 763 under paragraph (c).

764 (e) The division shall request the Department of Law
 765 Enforcement to forward the fingerprints to the Federal Bureau of
 766 Investigation for a national criminal history records check
 767 every 3 years following issuance of a license. If the
 768 fingerprints of a person who is licensed have not been retained
 769 by the Department of Law Enforcement, the person must file a
 770 complete set of fingerprints as provided for in paragraph (a).
 771 The division shall collect the fees for the cost of the national
 772 criminal history record check under this paragraph and shall
 773 forward the payment to the Department of Law Enforcement. The
 774 cost of processing fingerprints and conducting a criminal
 775 history record check under this paragraph for a general
 776 occupational license shall be borne by the slot machine
 777 licensee. The cost of processing fingerprints and conducting a
 778 criminal history record check under this paragraph for a
 779 business or professional occupational license shall be borne by
 780 the person being checked. The Department of Law Enforcement may
 781 invoice the division for the fingerprints submitted each month.
 782 Under penalty of perjury, each person who is licensed or who is
 783 fingerprinted as required by this section must agree to inform
 784 the division within 48 hours if he or she is convicted of or has

785 entered a plea of guilty or nolo contendere to any disqualifying
 786 offense, regardless of adjudication.

787 (8) All moneys collected pursuant to this section shall be
 788 deposited into the Pari-mutuel Wagering Trust Fund.

789 551.108 Prohibited relationships.--

790 (1) A person employed by or performing any function on
 791 behalf of the division may not:

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

794 (b) Have or hold any interest, direct or indirect, in or
 795 engage in any commerce or business relationship with any person
 796 licensed by the division.

797 (2) A manufacturer or distributor of slot machines may not
 798 enter into any contract with a slot machine licensee that
 799 provides for any revenue sharing of any kind or nature that is
 800 directly or indirectly calculated on the basis of a percentage
 801 of slot machine revenues. Any maneuver, shift, or device whereby
 802 this subsection is violated is a violation of this chapter and
 803 renders any such agreement void.

804 (3) A manufacturer or distributor of slot machines or any
 805 equipment necessary for the operation of slot machines or an
 806 officer, director, or employee of any such manufacturer or
 807 distributor may not have any ownership or financial interest in
 808 a slot machine license or in any business owned by the slot
 809 machine licensee.

810 (4) A licensee or any entity conducting business on or
 811 within a licensed slot machine operation may not employ any
 812 employee of a law enforcement agency or regulatory agency that

813 has jurisdiction over the licensed premises in an off-duty or
 814 secondary employment capacity for work within any designated
 815 slot machine gaming area or in any restricted area that supports
 816 slot machine operations that requires a slot machine
 817 occupational license to enter. If approved by the employee's
 818 primary employing agency, off-duty or secondary employment that
 819 is not prohibited by this section may be permitted.

820 (5) An employee of the division or relative living in the
 821 same household as such employee of the division may not wager at
 822 any time on a slot machine located at a facility licensed by the
 823 division.

824 (6) An occupational licensee or relative living in the
 825 same household as such occupational licensee may not wager at
 826 any time on a slot machine located at a facility where that
 827 person is employed.

828 551.109 Prohibited acts; penalties.--

829 (1) Except as otherwise provided by law and in addition to
 830 any other penalty, any person who knowingly makes or causes to
 831 be made, or aids, assists, or procures another to make, a false
 832 statement in any report, disclosure, application, or any other
 833 document required under this chapter or any rule adopted under
 834 this chapter is subject to an administrative fine or civil
 835 penalty of up to \$10,000.

836 (2) Except as otherwise provided by law and in addition to
 837 any other penalty, any person who possesses a slot machine
 838 without the license required by this chapter or who possesses a
 839 slot machine at any location other than at the slot machine
 840 licensee's facility is subject to an administrative fine or

841 civil penalty of up to \$10,000 per machine.

842 (3) Any person who knowingly excludes, or takes any action
843 in an attempt to exclude, anything of value from the deposit,
844 counting, collection, or computation of revenues from slot
845 machine activity, or any person who by trick, sleight-of-hand
846 performance, a fraud or fraudulent scheme, or device wins or
847 attempts to win, for himself or herself or for another, money or
848 property or a combination thereof or reduces or attempts to
849 reduce a losing wager in connection with slot machine gaming
850 commits a felony of the third degree, punishable as provided in
851 s. 775.082, s. 775.083, or s. 775.084.

852 (4) Any person who manipulates or attempts to manipulate
853 the outcome, payoff, or operation of a slot machine by physical
854 tampering or by use of any object, instrument, or device,
855 whether mechanical, electrical, magnetic, or involving other
856 means, commits a felony of the third degree, punishable as
857 provided in s. 775.082, s. 775.083, or s. 775.084.

858 (5) Theft of any slot machine proceeds or of property
859 belonging to the slot machine operator or licensed facility by
860 an employee of the operator or facility or by an employee of a
861 person, firm, or entity that has contracted to provide services
862 to the operator or facility constitutes a felony of the third
863 degree, punishable as provided in s. 775.082 or s. 775.083.

864 (6)(a) Any law enforcement officer or slot machine
865 operator who has probable cause to believe that a violation of
866 subsection (3), subsection (4), or subsection (5) has been
867 committed by a person and that the officer or operator can
868 recover the lost proceeds from such activity by taking the

869 person into custody may, for the purpose of attempting to effect
 870 such recovery or for prosecution, take the person into custody
 871 on the premises and detain the person in a reasonable manner and
 872 for a reasonable period of time. If the operator takes the
 873 person into custody, a law enforcement officer shall be called
 874 to the scene immediately. The taking into custody and detention
 875 by a law enforcement officer or slot machine operator, if done
 876 in compliance with this subsection, does not render such law
 877 enforcement officer or slot machine operator criminally or
 878 civilly liable for false arrest, false imprisonment, or unlawful
 879 detention.

880 (b) Any law enforcement officer may arrest, either on or
 881 off the premises and without warrant, any person if there is
 882 probable cause to believe that person has violated subsection
 883 (3), subsection (4), or subsection (5).

884 (c) Any person who resists the reasonable effort of a law
 885 enforcement officer or slot machine operator to recover the lost
 886 slot machine proceeds that the law enforcement officer or slot
 887 machine operator had probable cause to believe had been stolen
 888 from the licensed facility and who is subsequently found to be
 889 guilty of violating subsection (3), subsection (4), or
 890 subsection (5) commits a misdemeanor of the first degree,
 891 punishable as provided in s. 775.082 or s. 775.083, unless such
 892 person did not know or did not have reason to know that the
 893 person seeking to recover the lost proceeds was a law
 894 enforcement officer or slot machine operator.

895 (7) All penalties imposed and collected under this section
 896 must be deposited into the Pari-mutuel Wagering Trust Fund of

897 the Department of Business and Professional Regulation.

898 551.111 Legal devices.--Notwithstanding any provision of
 899 law to the contrary, a slot machine manufactured, sold,
 900 distributed, possessed, or operated according to the provisions
 901 of this chapter is not unlawful.

902 551.112 Exclusions of certain persons.--In addition to the
 903 power to exclude certain persons from any facility of a slot
 904 machine licensee in this state, the division may exclude any
 905 person from any facility of a slot machine licensee in this
 906 state for conduct that would constitute, if the person were a
 907 licensee, a violation of this chapter or the rules of the
 908 division. The division may exclude from any facility of a slot
 909 machine licensee any person who has been ejected from a facility
 910 of a slot machine licensee in this state or who has been
 911 excluded from any facility of a slot machine licensee or gaming
 912 facility in another state by the governmental department,
 913 agency, commission, or authority exercising regulatory
 914 jurisdiction over the gaming in such other state. This section
 915 does not abrogate the common law right of a slot machine
 916 licensee to exclude a patron absolutely in this state.

917 551.113 Persons prohibited from playing slot machines.--

918 (1) A slot machine licensee or agent or employee of a slot
 919 machine licensee may not allow a person who has not attained 21
 920 years of age:

921 (a) To play any slot machine.

922 (b) To be employed in any position allowing or requiring
 923 access to the designated slot machine gaming area of a facility
 924 of a slot machine licensee.

925 (2) A person licensed under this chapter, or any agent or
 926 employee of a licensee under this chapter, may not knowingly
 927 allow a person who has not attained 21 years of age to play or
 928 operate a slot machine or have access to the designated slot
 929 machine area of a facility of a slot machine licensee.

930 (3) The licensed facility shall post clear and conspicuous
 931 signage within the designated slot machine gaming areas that
 932 states the following:

933
 934 THE PLAYING OF SLOT MACHINES BY PERSONS UNDER THE AGE OF 21
 935 IS AGAINST FLORIDA LAW (SECTION 551.113, FLORIDA STATUTES).
 936 PROOF OF AGE MAY BE REQUIRED AT ANY TIME.

937
 938 551.114 Slot machine gaming areas.--

939 (1) A slot machine licensee may make available for play up
 940 to 1,000 slot machines within the property of the facilities of
 941 the slot machine licensee.

942 (2) The slot machine licensee shall display pari-mutuel
 943 races or games within the designated slot machine gaming areas
 944 and offer patrons within the designated slot machine gaming
 945 areas the ability to engage in pari-mutuel wagering on live,
 946 intertrack, and simulcast races conducted or offered to patrons
 947 of the licensed facility.

948 (3) The division shall require the posting of signs
 949 warning of the risks and dangers of gambling, showing the odds
 950 of winning, and informing patrons of the toll-free telephone
 951 number available to provide information and referral services
 952 regarding compulsive or problem gambling.

953 (4) Designated slot machine gaming areas may be located
 954 within the current live gaming facility or in an existing
 955 building that must be contiguous and connected to the live
 956 gaming facility. If a designated slot machine gaming area is to
 957 be located in a building that is to be constructed, that new
 958 building must be contiguous and connected to the live gaming
 959 facility.

960 (5) The permitholder shall provide adequate office space
 961 at no cost to the division and the Department of Law Enforcement
 962 for the oversight of slot machine operations. The division shall
 963 adopt rules establishing the criteria for adequate space,
 964 configuration, and location and needed electronic and
 965 technological requirements for office space required by this
 966 subsection.

967 551.116 Days and hours of operation.--Slot machine gaming
 968 areas may be open daily throughout the year. The slot machine
 969 gaming areas may be open for a maximum of 16 hours per day.

970 551.117 Penalties.--The division may revoke or suspend any
 971 slot machine license issued under this chapter upon the willful
 972 violation by the slot machine licensee of any provision of this
 973 chapter or of any rule adopted under this chapter. In lieu of
 974 suspending or revoking a slot machine license, the division may
 975 impose a civil penalty against the slot machine licensee for a
 976 violation of this chapter or any rule adopted by the division.
 977 Except as otherwise provided in this chapter, the penalty so
 978 imposed may not exceed \$100,000 for each count or separate
 979 offense. All penalties imposed and collected must be deposited
 980 into the Pari-mutuel Wagering Trust Fund of the Department of

981 Business and Professional Regulation.

982 551.118 Compulsive or addictive gambling prevention
 983 program.--

984 (1) The slot machine licensee shall offer training to
 985 employees on responsible gaming and shall work with a compulsive
 986 or addictive gambling prevention program to recognize problem
 987 gaming situations and to implement responsible gaming programs
 988 and practices.

989 (2) The division shall, subject to competitive bidding,
 990 contract for provision of services related to the prevention of
 991 compulsive and addictive gambling. The contract shall provide
 992 for an advertising program to encourage responsible gaming
 993 practices and to publicize a gambling telephone help line. Such
 994 advertisements must be made both publicly and inside the
 995 designated slot machine gaming areas of the licensee's
 996 facilities. The terms of any contract for the provision of such
 997 services shall include accountability standards that must be met
 998 by any private provider. The failure of any private provider to
 999 meet any material terms of the contract, including the
 1000 accountability standards, shall constitute a breach of contract
 1001 or grounds for nonrenewal. The division may consult with the
 1002 Department of the Lottery in the development of the program and
 1003 the development and analysis of any procurement for contractual
 1004 services for the compulsive or addictive gambling prevention
 1005 program.

1006 (3) The compulsive or addictive gambling prevention
 1007 program shall be funded from an annual nonrefundable regulatory
 1008 fee of \$250,000 paid by the licensee to the division.

1009 551.119 Caterer's license.--A slot machine licensee is
 1010 entitled to a caterer's license pursuant to s. 565.02 on days on
 1011 which the pari-mutuel facility is open to the public for slot
 1012 machine game play as authorized by this chapter.

1013 551.121 Prohibited activities and devices.--

1014 (1) Complimentary or reduced-cost alcoholic beverages may
 1015 not be served to persons playing a slot machine. Alcoholic
 1016 beverages served to persons playing a slot machine shall cost at
 1017 least the same amount as alcoholic beverages served to the
 1018 general public at a bar within the facility.

1019 (2) A slot machine licensee may not make any loan, provide
 1020 credit, or advance cash in order to enable a person to play a
 1021 slot machine. This subsection shall not prohibit automated
 1022 ticket redemption machines that dispense cash resulting from the
 1023 redemption of tickets from being located in the designated slot
 1024 machine gaming area of the slot machine licensee.

1025 (3) A slot machine licensee may not allow any automated
 1026 teller machine or similar device designed to provide credit or
 1027 dispense cash to be located within the facilities of the slot
 1028 machine licensee.

1029 (4) A slot machine licensee may not accept or cash any
 1030 personal, third-party, corporate, business, or government-issued
 1031 check from any person.

1032 (5) A slot machine, or the computer operating system
 1033 linking the slot machine, may not be linked by any means to any
 1034 other slot machine or computer operating system of another slot
 1035 machine licensee. A progressive system may not be used in
 1036 conjunction with slot machines within or between licensed

1037 facilities.

1038 (6) A slot machine located within a licensed facility
 1039 shall accept only tickets or paper currency or an electronic
 1040 payment system for wagering and return or deliver payouts to the
 1041 player in the form of tickets that may be exchanged for cash,
 1042 merchandise, or other items of value. The use of coins, credit
 1043 or debit cards, tokens, or similar objects is specifically
 1044 prohibited. However, an electronic credit system may be used for
 1045 receiving wagers and making payouts.

1046 551.122 Rulemaking.--The division may adopt rules pursuant
 1047 to ss. 120.536(1) and 120.54 to administer the provisions of
 1048 this chapter. The division may also adopt emergency rules
 1049 pursuant to s. 120.54.

1050 Section 2. Section 849.15, Florida Statutes, is amended to
 1051 read:

1052 849.15 Manufacture, sale, possession, etc., of coin-
 1053 operated devices prohibited.--

1054 (1) It is unlawful:

1055 (a)(1) To manufacture, own, store, keep, possess, sell,
 1056 rent, lease, let on shares, lend or give away, transport, or
 1057 expose for sale or lease, or to offer to sell, rent, lease, let
 1058 on shares, lend or give away, or permit the operation of, or for
 1059 any person to permit to be placed, maintained, or used or kept
 1060 in any room, space, or building owned, leased or occupied by the
 1061 person or under the person's management or control, any slot
 1062 machine or device or any part thereof; or

1063 (b)(2) To make or to permit to be made with any person any
 1064 agreement with reference to any slot machine or device, pursuant

1065 to which the user thereof, as a result of any element of chance
 1066 or other outcome unpredictable to him or her, may become
 1067 entitled to receive any money, credit, allowance, or thing of
 1068 value or additional chance or right to use such machine or
 1069 device, or to receive any check, slug, token or memorandum
 1070 entitling the holder to receive any money, credit, allowance or
 1071 thing of value.

1072 (2) Pursuant to section 2 of that chapter of the Congress
 1073 of the United States entitled "An act to prohibit transportation
 1074 of gaming devices in interstate and foreign commerce," approved
 1075 January 2, 1951, being c. 1194, 64 Stat. 1134, and also
 1076 designated as 15 U.S.C. ss. 1171-1177, the State of Florida,
 1077 acting by and through the duly elected and qualified members of
 1078 its Legislature, does hereby in this section, and in accordance
 1079 with and in compliance with the provisions of section 2 of such
 1080 chapter of Congress, declare and proclaim that any county of the
 1081 State of Florida within which slot machine gaming is authorized
 1082 pursuant to chapter 551 is exempt from the provisions of section
 1083 2 of that chapter of the Congress of the United States entitled
 1084 "An act to prohibit transportation of gaming devices in
 1085 interstate and foreign commerce," designated as 15 U.S.C. ss.
 1086 1171-1177, approved January 2, 1951. All shipments of gaming
 1087 devices, including slot machines, into any county of this state
 1088 within which slot machine gaming is authorized pursuant to
 1089 chapter 551 and the registering, recording, and labeling of
 1090 which have been duly performed by the manufacturer or
 1091 distributor thereof in accordance with sections 3 and 4 of that
 1092 chapter of the Congress of the United States entitled "An act to

1093 prohibit transportation of gaming devices in interstate and
 1094 foreign commerce," approved January 2, 1951, being c. 1194, 64
 1095 Stat. 1134, and also designated as 15 U.S.C. ss. 1171-1177,
 1096 shall be deemed legal shipments thereof into any such county
 1097 provided the destination of such shipments is an eligible
 1098 facility as defined s. 551.102.

1099 Section 3. Subsections (1) and (2) of section 895.02,
 1100 Florida Statutes, are amended to read:

1101 895.02 Definitions.--As used in ss. 895.01-895.08, the
 1102 term:

1103 (1) "Racketeering activity" means to commit, to attempt to
 1104 commit, to conspire to commit, or to solicit, coerce, or
 1105 intimidate another person to commit:

1106 (a) Any crime which is chargeable by indictment or
 1107 information under the following provisions of the Florida
 1108 Statutes:

1109 1. Section 210.18, relating to evasion of payment of
 1110 cigarette taxes.

1111 2. Section 403.727(3)(b), relating to environmental
 1112 control.

1113 3. Section 409.920 or s. 409.9201, relating to Medicaid
 1114 fraud.

1115 4. Section 414.39, relating to public assistance fraud.

1116 5. Section 440.105 or s. 440.106, relating to workers'
 1117 compensation.

1118 6. Section 443.071(4), relating to creation of a
 1119 fictitious employer scheme to commit unemployment compensation
 1120 fraud.

1121 7. Section 465.0161, relating to distribution of medicinal
1122 drugs without a permit as an Internet pharmacy.

1123 8. Sections 499.0051, 499.0052, 499.00535, 499.00545, and
1124 499.0691, relating to crimes involving contraband and
1125 adulterated drugs.

1126 9. Part IV of chapter 501, relating to telemarketing.

1127 10. Chapter 517, relating to sale of securities and
1128 investor protection.

1129 11. Section 550.235, s. 550.3551, or s. 550.3605, relating
1130 to dogracing and horseracing.

1131 12. Chapter 550, relating to jai alai frontons.

1132 13. Section 551.109, relating to slot machine gaming.

1133 ~~14.13.~~ Chapter 552, relating to the manufacture,
1134 distribution, and use of explosives.

1135 ~~15.14.~~ Chapter 560, relating to money transmitters, if the
1136 violation is punishable as a felony.

1137 ~~16.15.~~ Chapter 562, relating to beverage law enforcement.

1138 ~~17.16.~~ Section 624.401, relating to transacting insurance
1139 without a certificate of authority, s. 624.437(4)(c)1., relating
1140 to operating an unauthorized multiple-employer welfare
1141 arrangement, or s. 626.902(1)(b), relating to representing or
1142 aiding an unauthorized insurer.

1143 ~~18.17.~~ Section 655.50, relating to reports of currency
1144 transactions, when such violation is punishable as a felony.

1145 ~~19.18.~~ Chapter 687, relating to interest and usurious
1146 practices.

1147 ~~20.19.~~ Section 721.08, s. 721.09, or s. 721.13, relating
1148 to real estate timeshare plans.

- 1149 | ~~21.20.~~ Chapter 782, relating to homicide.
- 1150 | ~~22.21.~~ Chapter 784, relating to assault and battery.
- 1151 | ~~23.22.~~ Chapter 787, relating to kidnapping.
- 1152 | ~~24.23.~~ Chapter 790, relating to weapons and firearms.
- 1153 | ~~25.24.~~ Section 796.03, s. 796.035, s. 796.04, s. 796.045,
- 1154 | s. 796.05, or s. 796.07, relating to prostitution and sex
- 1155 | trafficking.
- 1156 | ~~26.25.~~ Chapter 806, relating to arson.
- 1157 | ~~27.26.~~ Section 810.02(2)(c), relating to specified
- 1158 | burglary of a dwelling or structure.
- 1159 | ~~28.27.~~ Chapter 812, relating to theft, robbery, and
- 1160 | related crimes.
- 1161 | ~~29.28.~~ Chapter 815, relating to computer-related crimes.
- 1162 | ~~30.29.~~ Chapter 817, relating to fraudulent practices,
- 1163 | false pretenses, fraud generally, and credit card crimes.
- 1164 | ~~31.30.~~ Chapter 825, relating to abuse, neglect, or
- 1165 | exploitation of an elderly person or disabled adult.
- 1166 | ~~32.31.~~ Section 827.071, relating to commercial sexual
- 1167 | exploitation of children.
- 1168 | ~~33.32.~~ Chapter 831, relating to forgery and
- 1169 | counterfeiting.
- 1170 | ~~34.33.~~ Chapter 832, relating to issuance of worthless
- 1171 | checks and drafts.
- 1172 | ~~35.34.~~ Section 836.05, relating to extortion.
- 1173 | ~~36.35.~~ Chapter 837, relating to perjury.
- 1174 | ~~37.36.~~ Chapter 838, relating to bribery and misuse of
- 1175 | public office.
- 1176 | ~~38.37.~~ Chapter 843, relating to obstruction of justice.

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1177 ~~39.38.~~ Section 847.011, s. 847.012, s. 847.013, s. 847.06,
 1178 or s. 847.07, relating to obscene literature and profanity.

1179 ~~40.39.~~ Section 849.09, s. 849.14, s. 849.15, s. 849.23, or
 1180 s. 849.25, relating to gambling.

1181 ~~41.40.~~ Chapter 874, relating to criminal street gangs.

1182 ~~42.41.~~ Chapter 893, relating to drug abuse prevention and
 1183 control.

1184 ~~43.42.~~ Chapter 896, relating to offenses related to
 1185 financial transactions.

1186 ~~44.43.~~ Sections 914.22 and 914.23, relating to tampering
 1187 with a witness, victim, or informant, and retaliation against a
 1188 witness, victim, or informant.

1189 ~~45.44.~~ Sections 918.12 and 918.13, relating to tampering
 1190 with jurors and evidence.

1191 (b) Any conduct defined as "racketeering activity" under
 1192 18 U.S.C. s. 1961(1).

1193 (2) "Unlawful debt" means any money or other thing of
 1194 value constituting principal or interest of a debt that is
 1195 legally unenforceable in this state in whole or in part because
 1196 the debt was incurred or contracted:

1197 (a) In violation of any one of the following provisions of
 1198 law:

1199 1. Section 550.235, s. 550.3551, or s. 550.3605, relating
 1200 to dogracing and horseracing.

1201 2. Chapter 550, relating to jai alai frontons.

1202 3. Section 551.109, relating to slot machine gaming.

1203 ~~4.3.~~ Chapter 687, relating to interest and usury.

1204 ~~5.4.~~ Section 849.09, s. 849.14, s. 849.15, s. 849.23, or

1205 s. 849.25, relating to gambling.

1206 (b) In gambling activity in violation of federal law or in
 1207 the business of lending money at a rate usurious under state or
 1208 federal law.

1209 Section 4. The Legislature finds and declares that it has
 1210 exclusive authority over the conduct of all wagering occurring
 1211 at a slot machine facility in this state. As provided by law,
 1212 only the Division of Pari-mutuel Wagering and other authorized
 1213 state agencies shall administer chapter 551, Florida Statutes,
 1214 and regulate the slot machine gaming industry, including
 1215 operation of slot machine facilities, games, slot machines, and
 1216 facilities-based computer systems authorized in chapter 551,
 1217 Florida Statutes, and the rules adopted by the division.

1218 Section 5. (1) For fiscal year 2005-2006, 46 full-time
 1219 equivalent positions, with associated salary rate of 1,810,342,
 1220 are authorized and the sums of \$682,582 in recurring funds and
 1221 \$1,164,135 in nonrecurring funds from the Pari-mutuel Wagering
 1222 Trust Fund and \$139,474 in recurring funds and \$809,863 in
 1223 nonrecurring funds from the Administrative Trust Fund of the
 1224 Department of Business and Professional Regulation are hereby
 1225 appropriated for the purpose of carrying out all regulatory
 1226 activities provided in this act. The Executive Office of the
 1227 Governor shall place these funds and positions and the salary
 1228 rate in reserve until such time as the Department of Business
 1229 and Professional Regulation submits an expenditure plan for
 1230 approval to the Executive Office of the Governor and the chair
 1231 and vice chair of the Legislative Budget Commission in
 1232 accordance with the provisions of s. 216.177, Florida Statutes.

1233 (2) For fiscal year 2005-2006, the sums of \$976,096 in
 1234 recurring funds and \$1,184,564 in nonrecurring funds are hereby
 1235 appropriated from the Pari-mutuel Wagering Trust Fund of the
 1236 Department of Business and Professional Regulation for transfer
 1237 to the Department of Law Enforcement for the purpose of
 1238 investigations, intelligence gathering, background
 1239 investigations, and any other responsibilities as provided for
 1240 in this act. Thirty-nine full-time equivalent positions, with an
 1241 associated salary rate of 1,619,738, are authorized and the sums
 1242 of \$976,096 in recurring funds and \$1,184,564 in nonrecurring
 1243 funds are hereby appropriated from the Operating Trust Fund
 1244 within the Department of Law Enforcement for the purpose of
 1245 investigations, intelligence gathering, background
 1246 investigations, and any other responsibilities as provided for
 1247 in this act. The Executive Office of the Governor shall place
 1248 these funds and positions and the salary rate in reserve until
 1249 such time as the Department of Law Enforcement submits an
 1250 expenditure plan for approval to the Executive Office of the
 1251 Governor and the chair and vice chair of the Legislative Budget
 1252 Commission in accordance with the provisions of s. 216.177,
 1253 Florida Statutes.

1254 (3) The sum of \$1,000,000 is appropriated for fiscal year
 1255 2005-2006 from the Pari-mutuel Wagering Trust Fund of the
 1256 Department of Business and Professional Regulation from revenues
 1257 received pursuant to s. 551.118, Florida Statutes, for contract
 1258 services related to the prevention of compulsive and addictive
 1259 gambling.

1260 Section 6. Paragraph (v) is added to subsection (1) of

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1261 section 215.22, Florida Statutes, to read:
 1262 215.22 Certain income and certain trust funds exempt.--
 1263 (1) The following income of a revenue nature or the
 1264 following trust funds shall be exempt from the appropriation
 1265 required by s. 215.20(1):
 1266 (v) Taxes imposed on slot machine revenues pursuant to s.
 1267 551.106(2).
 1268 Section 7. This act shall take effect upon becoming a law.