

Bill No. CS for SB's 1038 & 218

Barcode 800468

CHAMBER ACTION

Senate

House

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31

Comm: 1/RCS
04/13/2007 01:09 PM

.
. .
. .
. .
. .
. .

The Committee on Finance and Tax (Geller) recommended the following amendment:

Senate Amendment (with title amendment)

Delete everything after the enacting clause

and insert:

Section 1. Present subsections (6) through (12) of section 551.102, Florida Statutes, are redesignated as subsections (7) through (13), respectively, a new subsection (6) is added to that section, and present subsection (12) of that section is amended, to read:

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

(6) "Nonredeemable credits" means slot machine operating credits that cannot be redeemed for cash or any other thing of value by a slot machine, kiosk, or the slot machine licensee and that are provided free of charge to patrons. Such credits do not constitute "nonredeemable credits" until such time as they are metered as credit into a slot machine and recorded in the facility-based monitoring

Bill No. CS for SB's 1038 & 218

Barcode 800468

1 system.

2 ~~(13)(12)~~ "Slot machine revenues" means the total of
3 all cash and property, except nonredeemable credits, received
4 by the slot machine licensee from the operation of slot
5 machines less the amount of cash, cash equivalents, credits,
6 and prizes paid to winners of slot machine gaming.

7 Section 2. Paragraph (f) of subsection (1) of section
8 551.103, Florida Statutes, is amended, and paragraph (j) is
9 added to that subsection, to read:

10 551.103 Powers and duties of the division and law
11 enforcement.--

12 (1) The division shall adopt, pursuant to the
13 provisions of ss. 120.536(1) and 120.54, all rules necessary
14 to implement, administer, and regulate slot machine gaming as
15 authorized in this chapter. Such rules must include:

16 (f) Procedures for requiring each licensee at his or
17 her own cost and expense to supply the division with a bond
18 having the penal sum of \$2 million payable to the Governor and
19 his or her successors in office for each year of the
20 licensee's ~~first year of~~ slot machine operations. ~~Annually~~
21 ~~thereafter, the licensee shall file a bond having a penal sum~~
22 ~~that is determined each year by the division pursuant to rules~~
23 ~~adopted by the division and that approximates the anticipated~~
24 ~~state revenues from the licensee's slot machine operation;~~
25 ~~however, the bond may not in any case be less than \$2 million.~~

26 Any bond shall be issued by a surety or sureties approved by
27 the division and the Chief Financial Officer, conditioned to
28 faithfully make the payments to the Chief Financial Officer in
29 his or her capacity as treasurer of the division. The licensee
30 shall be required to keep its books and records and make
31 reports as provided in this chapter and to conduct its slot

Bill No. CS for SB's 1038 & 218

Barcode 800468

1 machine operations in conformity with this chapter and all
2 other provisions of law. Such bond shall be separate and
3 distinct from the bond required in s. 550.125.

4 (j) Procedures for requiring slot machine licensees to
5 implement and establish drug-testing programs for all slot
6 machine occupational licensees.

7 Section 3. Paragraph (i) of subsection (4) of section
8 551.104, Florida Statutes, is amended to read:

9 551.104 License to conduct slot machine gaming.--

10 (4) As a condition of licensure and to maintain
11 continued authority for the conduct of slot machine gaming,
12 the slot machine licensee shall:

13 (i) Create and file with the division a written policy
14 for:

15 1. Creating opportunities to purchase from vendors in
16 this state, including minority vendors.

17 2. Creating opportunities for employment of residents
18 of this state, including minority residents.

19 3. Ensuring opportunities for construction services
20 from minority contractors.

21 4. Ensuring that opportunities for employment are
22 offered on an equal, nondiscriminatory basis.

23 5. Training for employees on responsible gaming and
24 working with a compulsive or addictive gambling prevention
25 program to further its purposes as provided for in s. 551.118.

26 6. The implementation of a drug-testing program that
27 includes, but is not limited to, requiring each employee to
28 sign an agreement that he or she understands that the slot
29 machine facility is a drug-free workplace.

30
31 The slot machine licensee shall use the Internet-based

Bill No. CS for SB's 1038 & 218

Barcode 800468

1 | job-listing system of the Agency for Workforce Innovation in
 2 | advertising employment opportunities. Beginning in June 2007,
 3 | each slot machine licensee shall provide an annual report to
 4 | the division containing information indicating compliance with
 5 | this paragraph in regard to minority persons.

6 | Section 4. Section 551.1045, Florida Statutes, is
 7 | amended to read:

8 | 551.1045 Temporary licenses.--

9 | (1) Notwithstanding any provision of s. 120.60 to the
 10 | contrary, the division may issue a temporary occupational
 11 | license upon the receipt of a complete application from the
 12 | applicant and a determination if the applicant has not been
 13 | convicted of or had adjudication withheld on any disqualifying
 14 | criminal offense. The temporary occupational license remains
 15 | valid until such time as the division grants an occupational
 16 | license or notifies the applicant of its intended decision to
 17 | deny the applicant a license pursuant to the provisions of s.
 18 | 120.60. The division shall adopt rules to administer this
 19 | subsection. However, not more than one temporary license may
 20 | be issued for any person in any year.

21 | ~~(1)(a) After 180 days following the effective date of~~
 22 | ~~this act, if the division has not adopted rules to implement~~
 23 | ~~the provisions of this chapter that allow for the issuance of~~
 24 | ~~slot machine licenses within such 180 days, the division shall~~
 25 | ~~issue a temporary slot machine license to an applicant if the~~
 26 | ~~applicant holds a valid pari-mutuel permit in good standing~~
 27 | ~~under chapter 550, the applicant's ownership interests have~~
 28 | ~~been previously approved as provided in chapter 550, and the~~
 29 | ~~applicant has conducted live racing or games during the~~
 30 | ~~calendar years 2002 and 2003 and has paid the license fee~~
 31 | ~~provided in s. 551.106(1). The slot machine license will~~

Bill No. CS for SB's 1038 & 218

Barcode 800468

1 ~~permit the licensee to conduct slot machine gaming in the~~
2 ~~designated slot machine gaming areas of the eligible facility.~~

3 ~~(b) The temporary license is valid until the division~~
4 ~~has adopted rules implementing the provisions of this chapter~~
5 ~~and taken final action on the filed application under its~~
6 ~~final adopted rules. Once the division has adopted rules~~
7 ~~implementing the provisions of this chapter, it shall complete~~
8 ~~review of any filed application and shall issue a license~~
9 ~~under s. 551.104 if the licensee meets the requirements of~~
10 ~~this chapter and rules adopted by the division.~~

11 ~~(2)(a) A manufacturer or distributor of slot machines~~
12 ~~who has applied for a license under s. 551.107 shall be issued~~
13 ~~a temporary business occupational license if it holds a valid~~
14 ~~license to manufacture or distribute slot machines in a state~~
15 ~~where gaming is lawful.~~

16 ~~(b) The temporary license is valid until the division~~
17 ~~has adopted rules implementing the provisions of this chapter~~
18 ~~and taken final action on the filed application under its~~
19 ~~final adopted rules. Once the division has adopted rules~~
20 ~~implementing the provisions of this chapter, it shall complete~~
21 ~~review of any filed application and shall issue a license~~
22 ~~under s. 551.107 if the licensee meets the requirements of~~
23 ~~this chapter and rules adopted by the division.~~

24 ~~(2)(3) A temporary license issued under this section~~
25 ~~is nontransferable. Any temporary license issued under this~~
26 ~~section shall be valid during the pendency of any challenge to~~
27 ~~the rules.~~

28 Section 5. Paragraph (a) of subsection (1) of section
29 551.106, Florida Statutes, is amended to read:

30 551.106 License fee; tax rate; penalties.--

31 (1) LICENSE FEE.--

Bill No. CS for SB's 1038 & 218

Barcode 800468

1 (a) Upon submission of the initial application for a
2 slot machine license and annually thereafter, upon the
3 anniversary date of the issuance of the initial license
4 ~~submission of an application for renewal of the slot machine~~
5 ~~license~~, the licensee must pay to the division a nonrefundable
6 license fee of \$3 million for the succeeding 12 months of
7 licensure. The license fee shall be deposited into the
8 Pari-mutuel Wagering Trust Fund of the Department of Business
9 and Professional Regulation to be used by the division and the
10 Department of Law Enforcement for investigations, regulation
11 of slot machine gaming, and enforcement of slot machine gaming
12 provisions under this chapter. These payments shall be
13 accounted for separately from taxes or fees paid pursuant to
14 the provisions of chapter 550.

15 Section 6. Subsection (2) and paragraph (b) of
16 subsection (4) of section 551.107, Florida Statutes, are
17 amended, and subsections (9), (10), and (11) are added to that
18 section, to read:

19 551.107 Slot machine occupational license; findings;
20 application; fee.--

21 (2)(a) The following slot machine occupational
22 licenses shall be issued to persons or entities that, by
23 virtue of the positions they hold, might be granted access to
24 slot machine gaming areas or to any other person or entity in
25 one of the following categories:

26 1. General occupational licenses for general
27 employees, including food service, maintenance, and other
28 similar service and support employees having access to the
29 slot machine gaming area.

30 2. Professional occupational licenses for any person,
31 proprietorship, partnership, corporation, or other entity that

Bill No. CS for SB's 1038 & 218

Barcode 800468

1 is authorized by a slot machine licensee to manage, oversee,
 2 or otherwise control daily operations as a slot machine
 3 manager, a floor supervisor, security personnel, or any other
 4 similar position of oversight of gaming operations, or any
 5 person who is not an employee of the slot machine licensee and
 6 who provides maintenance, repair, or upgrades or otherwise
 7 services a slot machine or other slot machine equipment.

8 3. Business occupational licenses for any slot machine
 9 management company or company associated with slot machine
 10 gaming, any person who manufactures, distributes, or sells
 11 slot machines, slot machine paraphernalia, or other associated
 12 equipment to slot machine licensees, any company that sells or
 13 provides goods or services associated with slot machine gaming
 14 to slot machine licensees, ~~or any person not an employee of~~
 15 ~~the slot machine licensee who provides maintenance, repair, or~~
 16 ~~upgrades or otherwise services a slot machine or other slot~~
 17 ~~machine equipment.~~

18 (b) The division may issue one license to combine
 19 licenses under this section with pari-mutuel occupational
 20 licenses and cardroom licenses pursuant to s. 550.105(2)(d).
 21 The division shall adopt rules pertaining to occupational
 22 licenses under this subsection. Such rules may specify, but
 23 need not be limited to, requirements and restrictions for
 24 licensed occupations and categories, procedures to apply for
 25 any license or combination of licenses, disqualifying criminal
 26 offenses for a licensed occupation or categories of
 27 occupations, and which types of occupational licenses may be
 28 combined into single license under this section. The
 29 fingerprinting requirements of subsection (7) apply to any
 30 combination license that includes slot machine license
 31 privileges under this section. The division may not adopt a

Bill No. CS for SB's 1038 & 218

Barcode 800468

1 rule allowing the issuance of an occupational license to any
2 person who does not meet the minimum background qualifications
3 under this section.

4 ~~(b) Notwithstanding any provision of law to the~~
5 ~~contrary, a pari-mutuel occupational licensee holding a~~
6 ~~currently valid pari-mutuel occupational license is eligible~~
7 ~~to act as a slot machine occupational licensee upon the~~
8 ~~effective date of this act until such time as rules have been~~
9 ~~adopted and such pari-mutuel occupational licensee has been~~
10 ~~provided a reasonable opportunity to comply with the rules.~~

11 (c) Slot machine occupational licenses are not
12 transferable.

13 (4)

14 (b) A slot machine license or combination license is
15 valid for the same term as a pari-mutuel occupational license
16 issued pursuant to s. 550.105(1). ~~The division shall~~
17 ~~establish, by rule, a schedule for the annual renewal of slot~~
18 ~~machine occupational licenses.~~

19 (9) The division may deny, revoke, or suspend any
20 occupational license if the applicant or holder of the license
21 accumulates unpaid obligations, defaults in obligations, or
22 issues drafts or checks that are dishonored or for which
23 payment is refused without reasonable cause.

24 (10) The division may fine or suspend, revoke, or
25 place conditions upon the license of any licensee who provides
26 false information under oath regarding an application for a
27 license or an investigation by the division.

28 (11) The division may impose a civil fine of up to
29 \$5,000 for each violation of this chapter or the rules of the
30 division in addition to or in lieu of any other penalty
31 provided for in this section. The division may adopt a penalty

Bill No. CS for SB's 1038 & 218

Barcode 800468

1 schedule for violations of this chapter or any rule adopted
2 pursuant to this chapter for which it would impose a fine in
3 lieu of a suspension and adopt rules allowing for the issuance
4 of citations, including procedures to address such citations,
5 to persons who violate such rules. In addition to any other
6 penalty provided by law, the division may exclude from all
7 licensed slot machine facilities in this state, for a period
8 not to exceed the period of suspension, revocation, or
9 ineligibility, any person whose occupational license
10 application has been declared ineligible to hold an
11 occupational license, or whose occupational license has been
12 suspended or revoked by the division.

13 Section 7. Subsection (2) of section 551.109, Florida
14 Statutes, is amended to read:

15 551.109 Prohibited acts; penalties.--

16 (2) Except as otherwise provided by law and in
17 addition to any other penalty, any person who possesses a slot
18 machine without the license required by this chapter or who
19 possesses a slot machine at any location other than at the
20 slot machine licensee's facility is subject to an
21 administrative fine or civil penalty of up to \$10,000 per
22 machine. The prohibition in this subsection does not apply to:

23 (a) Slot machine manufacturers or slot machine
24 distributors that hold appropriate licenses issued by the
25 division who are authorized to maintain a slot machine storage
26 and maintenance facility at any location in a county in which
27 slot machine gaming is authorized by this chapter. The
28 division may adopt rules regarding security and access to the
29 storage facility and inspections by the division.

30 (b) Certified educational facilities that are
31 authorized to maintain slot machines for the sole purpose of

Bill No. CS for SB's 1038 & 218

Barcode 800468

1 education and licensure, if any, of slot machine technicians,
 2 inspectors or investigators. The division and the Department
 3 of Law Enforcement may possess slot machines for training and
 4 testing purposes. The division may adopt rules regarding the
 5 regulation of any such slot machines used for educational,
 6 training, or testing purposes.

7 Section 8. Subsection (1) of section 551.114, Florida
 8 Statutes, is amended to read:

9 551.114 Slot machine gaming areas.--

10 (1) A slot machine licensee may make available for
 11 play up to 2,000 ~~1,500~~ slot machines within the property of
 12 the facilities of the slot machine licensee.

13 Section 9. Section 551.116, Florida Statutes, is
 14 amended to read:

15 551.116 Days and hours of operation.--Slot machine
 16 gaming areas may be open daily throughout the year. The slot
 17 machine gaming areas may be open for a maximum of 16 hours per
 18 day, except that the hours of operation may be extended by
 19 majority vote of the governing body of the municipality where
 20 the slot machine facility is located or the governing body of
 21 the county if the slot machine facility is not located in a
 22 municipality.

23 Section 10. Section 551.121, Florida Statutes, is
 24 amended to read:

25 551.121 Prohibited activities and devices;
 26 exceptions.--

27 (1) Complimentary or reduced-cost alcoholic beverages
 28 may not be served to persons playing a slot machine. Alcoholic
 29 beverages served to persons playing a slot machine shall cost
 30 at least the same amount as alcoholic beverages served to the
 31 general public at a bar within the facility.

Bill No. CS for SB's 1038 & 218

Barcode 800468

1 (2) A slot machine licensee may not make any loan,
2 provide credit, or advance cash in order to enable a person to
3 play a slot machine. This subsection shall not prohibit
4 automated ticket redemption machines that dispense cash
5 resulting from the redemption of tickets from being located in
6 the designated slot machine gaming area of the slot machine
7 licensee.

8 (3) A slot machine licensee may not allow any
9 automated teller machine or similar device designed to provide
10 credit or dispense cash to be located within the designated
11 slot machine gaming areas of a facility of a ~~facilities of the~~
12 slot machine licensee.

13 (4) A slot machine licensee may not accept or cash any
14 personal, third-party, corporate, business, or
15 government-issued check from any person within the designated
16 slot machine gaming areas of a facility of a slot machine
17 licensee.

18 (5) A slot machine, or the computer operating system
19 linking the slot machine, may ~~not~~ be linked by any means to
20 any other slot machine or computer operating system of another
21 slot machine licensee. A progressive system may ~~not~~ be used in
22 conjunction with slot machines within or between licensed
23 facilities.

24 (6) A slot machine located within a licensed facility
25 shall accept only tickets or paper currency or an electronic
26 payment system for wagering and return or deliver payouts to
27 the player in the form of tickets that may be exchanged for
28 cash, merchandise, or other items of value. The use of coins,
29 credit or debit cards, tokens, or similar objects is
30 specifically prohibited. However, an electronic credit system
31 may be used for receiving wagers and making payouts.

Bill No. CS for SB's 1038 & 218

Barcode 800468

1 Section 11. Subsection (2) of section 849.15, Florida
2 Statutes, is amended to read:

3 849.15 Manufacture, sale, possession, etc., of
4 coin-operated devices prohibited.--

5 (2) Pursuant to section 2 of that chapter of the
6 Congress of the United States entitled "An act to prohibit
7 transportation of gaming devices in interstate and foreign
8 commerce," approved January 2, 1951, being ch. 1194, 64 Stat.
9 1134, and also designated as 15 U.S.C. ss. 1171-1177, the
10 State of Florida, acting by and through the duly elected and
11 qualified members of its Legislature, does hereby in this
12 section, and in accordance with and in compliance with the
13 provisions of section 2 of such chapter of Congress, declare
14 and proclaim that any county of the State of Florida within
15 which slot machine gaming is authorized pursuant to chapter
16 551 is exempt from the provisions of section 2 of that chapter
17 of the Congress of the United States entitled "An act to
18 prohibit transportation of gaming devices in interstate and
19 foreign commerce," designated as 15 U.S.C. ss. 1171-1177,
20 approved January 2, 1951. All shipments of gaming devices,
21 including slot machines, into any county of this state within
22 which slot machine gaming is authorized pursuant to chapter
23 551 and the registering, recording, and labeling of which have
24 been duly performed by the manufacturer or distributor thereof
25 in accordance with sections 3 and 4 of that chapter of the
26 Congress of the United States entitled "An act to prohibit
27 transportation of gaming devices in interstate and foreign
28 commerce," approved January 2, 1951, being ch. 1194, 64 Stat.
29 1134, and also designated as 15 U.S.C. ss. 1171-1177, shall be
30 deemed legal shipments thereof into this state ~~any such county~~
31 provided the destination of such shipments is an eligible

Bill No. CS for SB's 1038 & 218

Barcode 800468

1 facility as defined in s. 551.102 or the facility of a slot
2 machine manufacturer or slot machine distributor as provided
3 in s. 551.109(2)(a).

4 Section 12. This act shall take effect upon becoming a
5 law.

6

7

8 ===== T I T L E A M E N D M E N T =====

9 And the title is amended as follows:

10 Delete everything before the enacting clause

11

12 and insert:

13

A bill to be entitled

14

An act relating to slot machine gaming, as

15

authorized by Section 23 of Article X of the

16

State Constitution; amending s. 551.102, F.S.;

17

defining the term "nonredeemable credits";

18

redefining the term "slot machine revenues";

19

amending s. 551.103, F.S.; deleting a

20

requirement that the Division of Pari-mutuel

21

Wagering annually adjust the amount of the bond

22

supplied by a slot machine licensee;

23

establishing the annual amount of bond

24

required; providing for procedures for drug

25

testing; amending s. 551.104, F.S.; providing

26

for implementation of a drug-testing program;

27

amending s. 551.1045, F.S.; providing

28

procedures for temporary occupational licenses;

29

deleting provisions for temporary licensees to

30

be adopted within 180 days; amending s.

31

551.106, F.S.; establishing when payment of the

Bill No. CS for SB's 1038 & 218

Barcode 800468

1 annual slot machine license fee must be made by
2 a licensee; amending s. 551.107, F.S.;

3 authorizing the division to adopt rules to
4 create a single occupational license; providing
5 for validity; providing for additional
6 disciplinary actions; amending s. 551.109,
7 F.S.; exempting slot machine manufacturers and
8 distributors, certain educational facilities,
9 the division, and the Department of Law
10 Enforcement from certain prohibitions against
11 possessing slot machines at a place other than
12 the licensee's facility under certain
13 circumstances; authorizing agency rulemaking;
14 amending s. 551.114, F.S.; increasing the
15 number of slot machines a licensee may make
16 available for play; amending s. 551.116, F.S.;

17 increasing the hours that slot machine gaming
18 areas may be open upon local government
19 approval; amending s. 551.121, F.S.;

20 authorizing automatic teller machines in
21 certain areas of a pari-mutuel facility;
22 excluding check cashing in the designated slot
23 machine gaming areas; amending s. 849.15, F.S.;

24 clarifying the authority to legally ship slot
25 machines into the state under certain
26 circumstances; providing an effective date.

27
28
29
30
31