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CHAMBER ACTION

<u>Senate</u>	.	<u>House</u>
Comm: WD	.	
3/25/2008	.	
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	.	

1 The Committee on Regulated Industries (Haridopolos) recommended
 2 the following **amendment**:

Senate Amendment

Delete line(s) 6208-6359

and insert:

7 be exchanged for merchandise limited to noncash prizes, including
 8 gift cards and gift certificates, toys, novelties, and Florida
 9 lottery products ~~only~~, excluding cash and packaged alcoholic
 10 beverages, provided the cost value of the merchandise or prize
 11 awarded in exchange for such points or coupons does not exceed 75
 12 cents on any game played.

13 ~~2. Nothing contained in this chapter shall be taken or~~
 14 ~~construed as applicable to any retail dealer who operates as a~~
 15 ~~truck stop, as defined in chapter 336 and which operates a~~
 16 ~~minimum of 6 functional diesel fuel pumps, having amusement games~~
 17 ~~or machines which operate by means of the insertion of a coin or~~

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18 ~~other currency and which by application of skill may entitle the~~
19 ~~person playing or operating the game or machine to receive points~~
20 ~~or coupons which may be exchanged for merchandise limited to~~
21 ~~noncash prizes, toys, novelties, and Florida Lottery products,~~
22 ~~excluding alcoholic beverages, provided the cost value of the~~
23 ~~merchandise or prize awarded in exchange for such points or~~
24 ~~coupons does not exceed 75 cents on any game played. This~~
25 paragraph ~~subparagraph~~ applies only to games and machines that
26 ~~which~~ are operated for the entertainment of the general public
27 and tourists as bona fide amusement games or machines. This
28 subsection does ~~shall~~ not apply, however, to any game or device
29 defined as a gambling device in 24 U.S.C. s. 1171, which requires
30 identification of each device by permanently affixing seriatim
31 numbering and name, trade name, and date of manufacture under s.
32 1173, and registration with the United States Attorney General,
33 unless excluded from applicability of the chapter under s. 1178.
34 This subsection does ~~shall~~ not be ~~construed to~~ authorize video
35 poker games or any other game or machine that may be construed as
36 a gambling device under Florida law.

37 (b) Nothing in this subsection shall be taken or construed
38 as applicable to a coin-operated game or device designed and
39 manufactured only for bona fide amusement purposes which game or
40 device may by application of skill entitle the player to replay
41 the game or device at no additional cost, if the game or device:
42 can accumulate and react to no more than 15 free replays; can be
43 discharged of accumulated free replays only by reactivating the
44 game or device for one additional play for such accumulated free
45 replay; can make no permanent record, directly or indirectly, of
46 free replays; and is not classified by the United States as a
47 gambling device in 24 U.S.C. s. 1171, which requires

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48 identification of each device by permanently affixing serial
49 numbering and name, trade name, and date of manufacture under s.
50 1173, and registration with the United States Attorney General,
51 unless excluded from applicability of the chapter under s. 1178.
52 This subsection does ~~shall not be construed to~~ authorize video
53 poker games, or any other game or machine that may be construed
54 as a gambling device under Florida law.

55 (2) As used in this section, the term:

56 (a) "Arcade amusement center" as used in this section means
57 a place of business licensed by the department having at least 50
58 coin-operated amusement games or machines on premises which are
59 operated for the entertainment of the general public and tourists
60 as a bona fide amusement facility.

61 (b) "Application of skill" means that the playing public
62 may attain, through the exercise of skill or judgment, a better
63 measure of success in playing the game than could be
64 mathematically expected on the basis of random chance alone.

65 (c) "Department" means the Department of Gaming Control.

66 (d) "Skill-based machine" means a machine that meets the
67 definition of "application of skill," as defined in paragraph
68 (b).

69 (3) The department shall adopt, pursuant to ss. 120.536(1)
70 and 120.54, all rules necessary to implement, administer, and
71 regulate skill-based gaming as authorized in this section. Such
72 rules must include:

73 (a) Technical requirements, qualifications, and procedures
74 necessary to receive a skill-based gaming license.

75 (b) Procedures to scientifically test and technically
76 evaluate skill-based machines for compliance with this chapter.
77 The division may contract with an independent testing laboratory



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78 to conduct any necessary testing under this section. The
79 independent testing laboratory must have a national reputation
80 for testing skill-based machines, and be demonstrably competent
81 and qualified to scientifically test and evaluate slot machines
82 for compliance with this chapter and to otherwise perform the
83 functions assigned to it in this chapter. A licensee may not own
84 or control an independent testing laboratory. The use of an
85 independent testing laboratory for any purpose related to the
86 conduct of skill-based gaming by a licensee under this section
87 shall be made from a list of one or more laboratories approved by
88 the division.

89 (c) Procedures relating to machine revenues, including
90 verifying and accounting for such revenues, auditing, and
91 collecting taxes and fees consistent with this section.

92 (d) Procedures for regulating, managing, and auditing the
93 operation, financial data, and program information relating to
94 skill-based machine gaming which allow the department to audit
95 the operation, financial data, and program information of a slot
96 machine licensee, as required by the department, and provide the
97 department with the ability to monitor, at any time on a real-
98 time basis, wagering patterns, payouts, tax collection, and
99 compliance with any rules adopted by the department for the
100 regulation and control of machines operated under this section.

101 (e) Procedures for requiring licensees to maintain
102 specified records and submit any data, information, record, or
103 report, including financial and income records, required by this
104 chapter or determined by the division to be necessary to the
105 proper implementation and enforcement of this chapter.

106 (f) Minimum standards for security of the facilities.



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107 (4) The department shall conduct such investigations as are
108 necessary to fulfill its responsibilities under the provisions of
109 this section.

110 (5) The department and local law enforcement agencies shall
111 have concurrent jurisdiction to investigate criminal violations
112 of this chapter and may investigate any other criminal violation
113 of law occurring at the facilities of a licensee, and such
114 investigations may be conducted in conjunction with the
115 appropriate state attorney.

116 (6) (a) The department and local law enforcement agencies
117 shall have unrestricted access to a licensee's facility at all
118 times and shall require of each licensee strict compliance with
119 the laws of this state relating to the transaction of such
120 business. The department and local law enforcement agencies may:

121 1. Inspect and examine premises where skill-based machines
122 are offered for play.

123 2. Inspect skill-based machines and related equipment and
124 supplies.

125 (b) In addition, the department may:

126 1. Collect taxes, assessments, fees, and penalties.

127 2. Deny, revoke, suspend, or place conditions on the
128 license of a person who violates any provision of this chapter or
129 rule adopted pursuant thereto.

130 3. Revoke or suspend the license of any person who is no
131 longer qualified or who is found, after receiving a license, to
132 have been unqualified at the time of application for the license.

133 (7) This section does not:

134 (a) Prohibit the department or any law enforcement
135 authority from conducting investigations of criminal activities
136 occurring at the facility of a licensee;



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137 (b) Restrict access to the licensee's facility by the
138 department or any law enforcement authority; or

139 (c) Restrict access by the department or law enforcement
140 authorities to information and records necessary to the
141 investigation of criminal activity which are contained within the
142 licensee's facility.

143 (8) (a) Upon submission of the initial application for a
144 skill-based machine operator and annually thereafter, on the
145 anniversary date of the issuance of the initial license, the
146 operator shall pay to the Division of Licensing and Enforcement a
147 nonrefundable license fee to be determined by the division for
148 the following 12 months of licensure. The license fee shall be
149 deposited into the Pari-mutuel Wagering Trust Fund of the
150 department to be used for investigations, regulation of the
151 machines, and enforcement of the provisions under this chapter.
152 These payments shall be accounted for separately from taxes or
153 fees paid pursuant to chapter 550.

154 (b) Before January 1, 2009, the Division of Licensing and
155 Enforcement shall evaluate the license fee and shall make
156 recommendations to the President of the Senate and the Speaker of
157 the House of Representatives regarding the optimum level of
158 operator license fees in order to adequately support the
159 regulatory program.

160 (9) (a) The tax rate on skill-based machine revenues at each
161 facility shall be 4 percent.